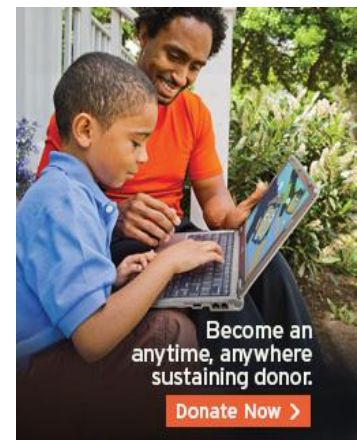
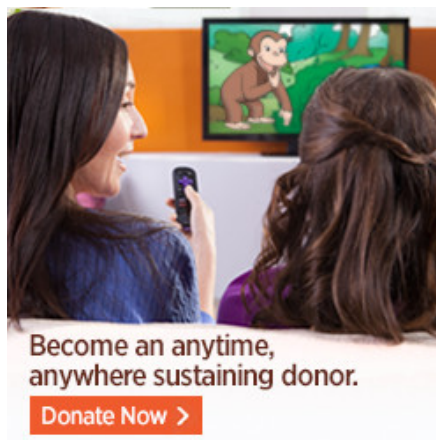
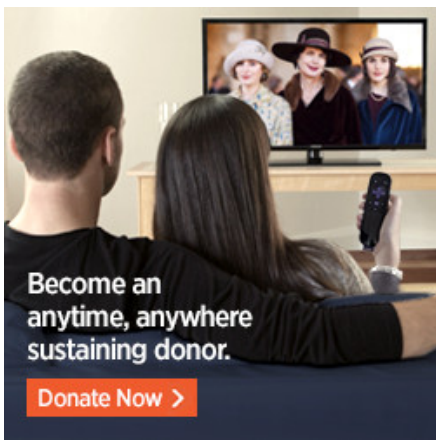




Case Study | January 2017

# Stations Leverage Roku® and Passport to Reactivate 680 Lapsed Members

## Response Rates More Than Three Times Industry Benchmark for Targeted Email Campaign



### Overview

In November 2016, PBS partnered with 12 stations to launch a targeted, two-week email campaign to reactivate recent and deep lapsed members. The stations – Milwaukee Public TV, Nashville Public TV, WMHT, WBIQ, WRLK, GPB, WSRE, KRWG, WNIT, WYES, WNED, and DPTV – participated in a collaborative learning environment to test cost-effective, digital fundraising strategies for reactivating lapsed members.

“We loved being a part of this campaign. Results absolutely exceeded our expectations.”

- Kim Sosa, Milwaukee PBS

PBS provided participating stations with Roku® 2 Streaming Media Players for each reactivated member, as well as a campaign calendar, creative, and messaging copy that highlighted the newest member benefit, Passport.

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Among the marketing materials, PBS delivered lapsed donor talking points and Passport how-to-activate videos for customer service calls.

The station results were impressive. The total potential campaign revenue was \$81,600 with recently lapsed donors representing 65% of the overall 680 reactivations. However, even more encouraging was the response rates for deep and recent lapsed donors. Both segments experienced response rates above the industry benchmark of .07 percent, but recently lapsed donors exceeded expectations with responses rates more than three times the industry benchmark.

## **Situation Analysis**

Since its launch in December 2015, Passport has proven to be a strong acquisition tool with stations reporting on average 75 percent of total donors acquired are new donors. Equally encouraging has been the potential to reactivate lapsed members with approximately 15 percent rejoining their station. However, previous analysis revealed four out of 10 stations felt that they do not have the resources needed to be successful in digital fundraising. This, combined with other often cited barriers such as limited resources, lack of compelling offer(s), and organizational challenges to adopt industry *good* practices, has made efforts to “win-back” lapsed members increasingly difficult.

## **Objective**

Building upon the successful performance of past Roku® Sustainer Acquisition campaigns (see [July 2015](#) & [February 2016](#)) and the high number of rejoins since the launch of Passport, the Roku® lapsed donor campaign sought to help stations diversify existing digital fundraising tactics by testing sustainer messaging, Passport as the newest member benefit, and the Roku® 2 Streaming Media Player for streaming content. The objective was to reactivate recent (<24 months) and deep (>24 months) lapsed donors through a targeted, two-week email campaign. Specifically, the goals included:

- Build on the growing awareness of Passport and the industry-wide consumer preference for on-demand and bingewatching.
- Measure the cost-benefit of sustainer giving tied to a Roku® 2 Streaming Media Player and Passport content for lapsed members.

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- Establish the relative value of such an offer to both recent lapsed members (<24 months) and deep lapsed members (>24 months).
  - Assess the effectiveness of a targeted email series exclusive from other lapsed donor efforts.
  - If successful, deliver a turnkey email series for lapsed reactivation efforts to stations to easily replicate on their own.
  - Encourage stations to examine their lapsed email efforts for ways to take greater advantage of Passport and appropriate digital streaming incentives (e.g., services and devices like Roku® which allow a richer viewing experience).

## Strategy

Taking into account the timing of the General Election, the strategy was to deliver a targeted, highly condensed campaign calendar to the participating stations. The stations sent four emails in two waves, split by the November 8<sup>th</sup> Election Day. The first two emails were sent on November 3<sup>rd</sup> and 4<sup>th</sup>. The second set was sent on November 10<sup>th</sup> and 11<sup>th</sup>, allowing for a 48-72 hour pause for election results. As part of the test, PBS provided the participating stations:

- Unlimited number of Roku® 2 Streaming Media Players for each reactivated donor upon receipt of station campaign data: total email sends, opens, clicks, responses with a gift, average gift, sustaining vs. one-time gifts, responses by other channels (e.g., call-in to station).
- Four-part email series template, including one from PBS to the local station stressing the November 11<sup>th</sup> deadline and the value of the offer, for forwarding as part of the series.
- Promotional tools including images for email and talking points for donor inquiries regarding Passport, sustaining donations, and Roku® 2 Streaming Media Players.
- How-to-activate videos for Passport, including those with and without Roku® devices.
- Discussion forum for information-sharing throughout the campaign and weekly office hours.

## Results

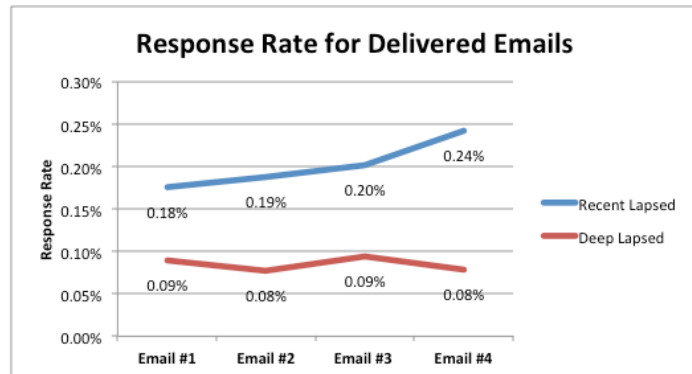
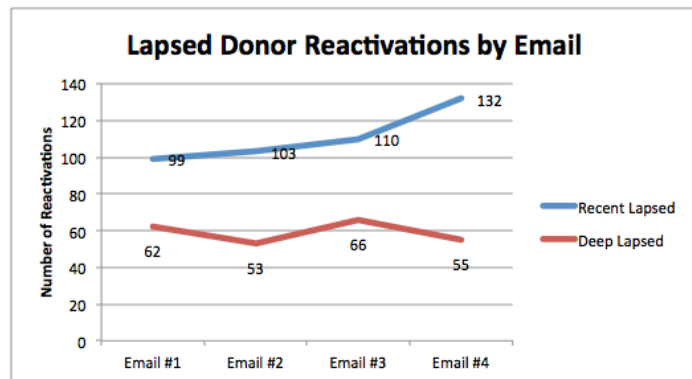
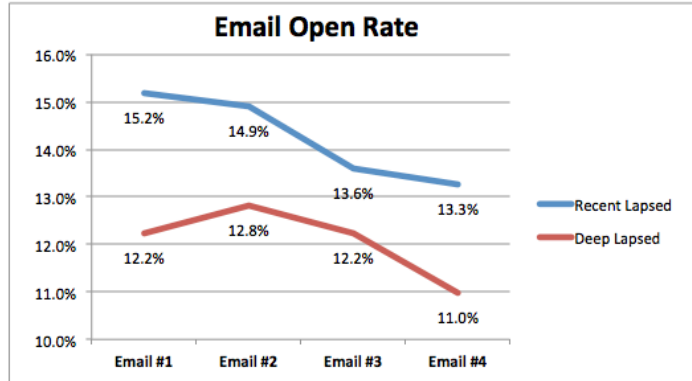
Campaign timing often makes or breaks results. As fundraisers know, a campaign's ask for financial support is best when it is immediate, creates a sense of urgency, and is relevant to the needs of a donor – not the organization. That said, the November campaign faced an uphill battle from the start. Despite being neither

timely nor relevant with the culmination of the General Election occurring in the middle of the email campaign, the results were nonetheless promising. The total potential campaign revenue was \$81,600 with recently lapsed donors representing 65% of the overall 680 reactivations. However, even more encouraging was the response rates (defined by total donations divided by total number of emails delivered) for deep and recent lapsed donors. Both segments experienced response rates above the industry benchmark of .07 percent, but recently lapsed donors exceeded expectations with responses rates more than three times the industry benchmark.

Though recent lapsed members represented 26 percent of the combined lapsed segments, two-thirds of all reactivations came from this segment (<24 months). The reactivation rates and email engagement for recent and deep lapsed varied, suggesting that the timing played a more important role for recent lapsed than deep lapsed reactivations. Recent lapsed saw increased open and response rates for emails over time, especially in the final two emails which stressed the 24 hour and midnight deadline. For this group, timing had a substantial impact on overall engagement and reactivation.

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For deep lapsed donors the results were mixed. With overall lower open and reactivation rates, the email-by-email analysis shows that deep lapsed donor reactivation was largely unaffected by timing. Rather, the offer appeared to be the linchpin that held this group's response rate steady over the campaign period. And although



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the deep lapsed donors had lower reactivation rates than recent lapsed, the ROI of the segment substantiates pursuing these deep lapsed donors with the *right* offer.

## Conclusion

Although the bulk of station donations still come from direct mail and on-air pledge, as audiences continue to make the transition from broadcast to digital streaming, there are big opportunities for growth in the of area online fundraising. Encouraging stations to experiment with new digital strategies in support of more traditional fundraising models is crucial for the long-term financial health of the system.

Stations report that the reactivation package, which included Passport messaging and a Roku® 2 Streaming Media Player, yielded higher reactivation rates than most lapsed donor campaigns. Additionally, OTT devices have shown to be a strong incentive for membership across segments. This suggests that the *right* offer at the *right* time is key to winning back lapsed donors.

Even though deep lapsed response rates were still above the industry benchmark of .07 percent, performance remained flat. Weak fundraising performance among deep lapsed members is a pattern seen in all reactivation efforts, from direct mail to telemarketing, and email is no exception. Given that there is virtually no cost to including deep lapsed members in an email campaign, the question to include them is best decided by a station's overall lapsed program. If deep lapsed efforts are producing losses by direct mail or phone, shifting more attention to email appeals may make sense.

There are two additional take-aways to consider for future testing purposes:

1. **Many donors came back as one-time donors rather than sustainers despite the Passport messaging for recurring gifts emphasized in the email series.** A number of stations attributed this to the restrictions imposed by their current donation forms, which cannot be changed for customizable ask amounts. Others

### Encouraged to Experiment

Though program maturity varies, all of the participating stations engage in frequent multi-channel communications aimed at reactivating deep and recent lapsed donors. However, at the conclusion of the campaign stations reported that the results encouraged them to explore new approaches to reactivating lapsed donors online.

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were unable to redirect reactivations to a separately hosted donation page that could coincide with the sustainer messaging of the email series. Customizable donation forms create consistency in the donation flow—between the email messaging and ask amounts— and can help reorient reactivated donors to their new membership with the station.

2. **A number of donors asked to use the Roku® 2 Streaming Media Player included in the reactivation package as a gift for friends or loved ones.** Stations reported that many of the returning members asked for the Roku® 2 Streaming Media Player be shipped to separate addresses as a gift to someone they knew. Seasonality appears to play an important role in such behavior, as witnessed in previous campaigns that also took place during holidays and included OTT devices (see the [Valentine's Day Roku blog post](#)). There may be an opportunity for seasonal campaigns to message the complimentary OTT device as a way for donors to give the gift of PBS programming and online streaming to someone special.

*To learn more, please contact [Natasha Hilton](#) and [Chas Offutt](#) on the Development Services team.*