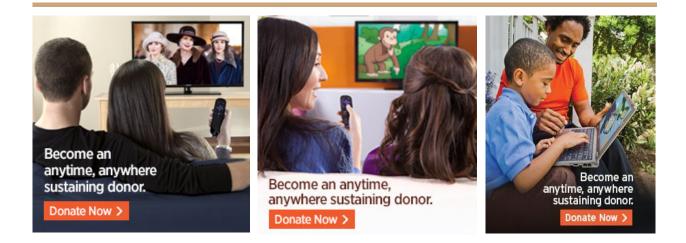


Case Study | April 2016

# Stations Raise \$163,080 from Digital Sustainer Acquisition Campaign

Incubating Digital Fundraising Strategies Through Station Collaboration



## Overview

This past February, PBS partnered with 12 stations (KVIE, MPT, KET, Mountain Lake PBS, WLIW21, WEDU, WTTW, WTJX, KAET, Twin Cities PBS, KQED, Idaho Public Television) for a targeted, four-week digital-only campaign to promote access to great PBS programming through digital streaming media players. Following the July 2015 campaign, the

# **Station Impact**

For every \$1 the system invested in discount Roku<sup>®</sup> Streaming Sticks<sup>®</sup>, participating stations raised \$4.50.

<u>February iteration offered</u> participating stations a risk-free environment to test digital fundraising strategies that are often more cost-effective and targeted, to acquire new online sustainers. Effective digital strategies are vital to stations' financial sustainability as media consumption continues to evolve.

As part of the campaign strategy, PBS provided participating stations with marketing materials and Roku<sup>®</sup> Streaming Sticks<sup>®</sup> for each new sustainer acquired, and fostered cross-station learning and

collaboration. The campaign resulted in 1,208 new sustainers for annualized revenue of \$163,080 for participating stations.

## **Situation Analysis**

Despite the 32 percent growth of online sustainers and successful adoption of sustainer programs across the public broadcasting system, online donations still represent a small fraction of total sustainers<sup>1</sup>. Of the 12 participating stations, less than 20 percent of all sustainers are acquired online. Stations often cite limited resources and adoption of industry practices as leading factors that contribute to the smaller number of digitally acquired sustainers, and overall fewer digital conversions. In fact, at the start of the campaign, 5 of the 12 stations surveyed felt they did not have the resources needed to be successful in digital fundraising.

## Objective

The campaign sought to combat the resource scarcity problem that stations face by providing messaging copy, creative, and campaign guidelines around PBS Anywhere. PBS sought to challenge the perceived barriers to testing new, innovative fundraising strategies. Stations were encouraged to collaborate and share ideas with one another on the community forum. Specifically, the goals were:

- Foster a culture of learning for future online fundraising campaigns.
- Reinforce good digital marketing practices to convert prospects and one-time donors to sustainers.
- Acquire new digital sustainers prior to March pledge.
- Achieve a high rate of return from sustaining donors over a 12-month period.
- Tie together three core messaging themes: consistent content delivery, content quality, and content support.
- Showcase existing streaming benefits of existing "PBS Anywhere" initiative.
- Reinforce good digital marketing practices to convert prospects and one-time donors to sustainers.

<sup>&</sup>lt;sup>1</sup> 2015 Public Broadcasting Stations: Luminate Online Benchmark Report

### Strategy

The pervasive theme of the campaign was station experimentation and collaboration. The digital fundraising incubation model fostered a more individualized approach beyond the basic requirements of the campaign which were: three emails over three weeks, onlinesourced sustainers only, and the option for additional email, website, and/or social media promotion. Participating stations were encouraged to share real-time questions and feedback with one another through a community forum, Basecamp, where PBS staff served as a resource.

Stations were also incentivized to take the lead rather than PBS staff, sharing not only performance metrics week by week, but creative and messaging in addition to those provided. The dialogue in the community forum fostered risk taking, which may not have been ordinarily undertaken due to limited time, resources, or organizational culture.

PBS provided to the participating stations:

- Three-part email appeal series to convert prospects and one-time donors to sustainers.
- Access to current social media language available to all stations through MyPBS.



# Mountain Lake PBS Finds Creative Side

Mountain Lake PBS embraced the spirit of innovation and creativity underlying the campaign by offering the Roku® Streaming Sticks® as a Valentine's Day gift. Additionally, they created copy that targeted parents to promote the benefits of streaming PBS Kids programming on Roku.

Read the blog post

- Promotional images to be used with email, social media, and the stations' websites.
- Suggested campaign marketing and fundraising strategy, weekly office hours, online community forum plus an informational kick-off and conclusion call.
- Unlimited number of Roku<sup>®</sup> Streaming Sticks<sup>®</sup> for newly acquired sustainers.

### Results

The campaign resulted in 1,208 new sustainers for participation stations. At an average contribution of \$11.23, the campaign generated \$163,080 in new sustainer revenue for the 12 participating stations.

And with the 40 percent discount PBS secured for each Roku<sup>®</sup> Streaming Sticks<sup>®</sup>, stations raised \$4.50 for every \$1 the system invested in the campaign.

"We're delighted that 58 percent of the pledges from this campaign are on EFT rather than credit card. We usually have about 40 percent EFT for online sustainer pledges."

- Cindy Papenheim, Twin Cities PBS

As a cohort, online acquired sustainers represented only 19 percent of total sustainers for participating stations; however, by end of the campaign stations collectively grew their online acquired sustainers by 4.5 percent in one month. The growth in number of new sustainers at stations can likely be attributed to two observations: 1) targeted email communications that resulted in fewer number of email recipients but a 40

percent increase in open rates above industry benchmarks and 2) 9 of 12 participating stations crosspromoted the campaign across all fundraising channels to more effectively tie in email marketing messaging with engagement opportunities on Facebook, Twitter, and websites.

Email 1	Email 2	Email 3
# Sends – 759,137	# Sends – 387,472	# Sends – 866,399
24 percent open rate	25 percent open rate	23 percent open rate

Email open rate benchmark – 17%

## Conclusion

Although the bulk of station donations still come from direct mail and on-air pledge, there are big opportunities for growth in the of area online fundraising, as audiences continue to make the transition from broadcast to digital streaming.

## **Roku Sustainer Retention**

Stations from the July 2015 campaign report a retention rate of 95 percent at 6-months.

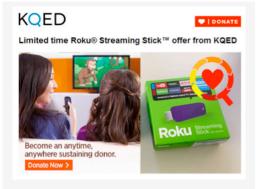
Encouraging stations to experiment with new digital strategies in support of more traditional fundraising models is crucial for the long-term acquisition and cultivation of sustainers as well as the overall health of the system.

The February campaign allowed for such experimentation, and stations reacted positively—showing a shift in attitudes toward online fundraising. Undoubtedly, the financial investment enabled stations to experiment with the digital fundraising channel prior to pledge by effectively removing the barrier to entry: the cost of Roku<sup>®</sup> Streaming Sticks<sup>®</sup>.

Following the campaign, all stations said that they would replicate this or a similar campaign on their own, with or without absorbing the cost of the Roku® Streaming Sticks®. This response was particularly striking when 42 percent of participating stations felt they did not have the resources needed to be successful in digital fundraising ahead of the campaign.

The results left many stations feeling more confident about trying out new online fundraising tactics for donor acquisition and cultivation, underscoring the importance of a creating a culture of learning at the station-level and challenging existing perceptions regarding the barriers to testing new online fundraising tactics. Indeed, roughly 93 percent of stations said the campaign results encouraged them to explore new approaches to acquiring sustainers online—making the case that perhaps the quantity of resources isn't the issue, but instead, how they are used.

Sound digital fundraising tactics will be increasingly important as the public media landscape continues to



## **KQED Wins Back Lapsed Donors**

KQED conducted multivariate tests to learn if the Roku® Streaming Sticks® was a better incentive for sustaining membership in some segments versus others. They created special copy to emphasize the benefits of sustaining membership, and learned that lapsed sustainers were most likely to reactivate.

For a full analysis, read the blog post

evolve, and stations should be proactive in testing out new ways to strategically deploy them as part of a more integrated fundraising strategy.

To learn more, please contact Natasha Hilton and Chas Offutt on the Development Services team.