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The Listener Focused Fundraising Project (LFF) recognizes that public radio has two inextricable bottom lines – public service and public support – and that success for one can only be assessed in terms of success for the other.

The LFF project explored four fundraising "channels" – direct mail, on-air, telemarketing and Internet.

Its objectives were:

- To uncover underlying attributes in fundraising messages and delivery modes that will resonate with listeners' perceptions of public radio as a public service;
- To identify practices that have a negative and a positive impact on those perceptions;
- To employ these findings, with no decrease in revenue return;
- To increase revenue return if possible;
- To clarify concepts about listener support and make them actionable; and to create new models of public service fundraising that addresses public radio's two bottom lines.

#### **Results**

Overall, partner station income between September and December of 1999 increased by an average of about five percent over the same four months in 1998. The increase can be attributed to growth direct mail income.

The Listener Focused Fundraising Project is funded by CPB and KBAQ/KJZZ, KPLU, WBUR, WKSU, WUSF. Our thanks for making this project possible.

John Sutton LFF Project Director









### Research Highlights & Overall Results

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- Listeners don't resent being asked for money, they resent being asked in a way that is not consistent with our values and their expectations;
- Listeners prefer direct mail to all other forms of fundraising;
- Listeners prefer fundraising appeals that are informative, short, and to the point, whether on-air, through the mail, or over the phone;
- There are six known modes, or groups, of on-air fundraising messages. Some are considered good programming and some are not. In order of most negative to most positive, they are:

Mode	Listener Response
Frantic (includes Hell's Bells)	Very Negative
Blame & Pleading	Very Negative
Give & Get	Very Negative to Neutral
Funding Facts	Neutral
Personal Importance	Positive
Lighten Up	Very Positive

(Click any mode for full descriptions.)

• As listeners become more comfortable with e-commerce, they become more comfortable with giving on-line, but only after the ascend the Stairway to Given.





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Modes

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Six Modes of Fundraising Messages Identified by Listener Focused Fundraising Project.

The modes line up (from those perceived by listeners as most likely "tune-outs" to most likely "stay tuned") as:

**Frantic:** More sound than message. It's noisy (ringing phones, loud or busy music beds under pitches, etc), urgent, and nervous. We think it is high energy, the listeners do not. Very unlike the usual sound of the station. Listeners perceive this mode as highly negative.

**Blame & Pleading:** Characterized more by sound than message. It includes threats, whining, "poor mouthing," guilt, self-victimization, and weakness (such as a stated lack of control over financial circumstances that require asking listeners for money). Very negative.

**Give & Get:** Sound and message. It's the sounds of selling, similar to a TV infomercial, with the message "give to get stuff." Usually the "getter" is the listener (sweepstakes, drawings, premiums) but it can also be the station (challenge grant matches). Mostly negative to lightly neutral.

**Funding Facts:** Sound and message. "How to give" and "Why we need the money" messages, always characterized by a calm, rational, respectful tone. Informative, honest, professional, succinct. Neutral to positive.

**Personal Importance Personified:** Sound and message. Resonates with our listeners' values, beliefs and interests, always characterized by a calm, rational, respectful tone. Centers on appeals about the heart of our public service, programming. Very positive.

**Lighten Up, Public Radio:** Sound and message. An intelligent humor mode about taking our fundraising less seriously. Not always involving public radio celebrities, but when they pitch it's in character - in the roles they play on the air. (Tom and Ray Magliozzi are the quintessence of this mode). Highly positive.







### **Direct Mail**

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Between September and December of 1999, direct mail income for the LFF stations increased 21 percent compared to the same four months in 1998.

LFF direct mail tests produced better results than the control packages. These results were statistically significant.

In general, the LFF principles – short and to the point, no envelope teasers or fancy artwork – performed as well as or better than the longer, more complex control packages.

Perhaps the most powerful results came from KJZZ in Phoenix. The station included a marketing preferences survey in a test additional gift appeal. The survey asked contributors how they wanted to be contacted by the station. All other aspects of the test and control packages were identical.

The response rate was twice as great for the test package with the marketing preferences survey.

This is consistent with the LFF research. While most listeners prefer to be contacted through the mail, the station will still have plenty of people it can solicit with telemarketing, if necessary.

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### **On-Air Drives**

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Each station developed a fundraising plan based on the LFF principles. In summary, stations tried to eliminate the negative modes – Frantic, Blame and Pleading, negative elements of Give and Get – and strived to add components of the positive modes.

The word from all stations is that the fundraising sounded better.

Overall, stations raised approximately 80 percent of the money they raised in their Fall 1998 pledge drives.

Audience Research Analysis was asked to analyze the results. Due to uncontrolled variables, ARA was unable to pinpoint the cause of the shortfall.

At each station, there were days that exceeded goal, suggesting we can raise the money we need while using the LFF principles.

There were also very disappointing days, demonstrating the need to proceed cautiously and strategically.





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### **Coordinated Pitching**

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In December 1999, four stations participated in an experiment during Weekend Edition Saturday and Car Talk. This experiment had each station running the exact same fundraising during the exact same programming.

National hosts, using LFF principles, did all fundraising. Most pitches were by The Car Guys, Ira Glass and Terry Gross. While there was no local pitching, call letters were customized in several of the spots. There was approximately 33 minutes of fundraising (total) over the three hours. All stations used a single toll-free number.

A total of 123 listeners pledged \$9,144. Though there was not a specific goal, this was below expectations given the available audience across four stations.

As with the Fall 1999 experiments, statistical analysis did not provide additional insights as to why results were below expectations. Were there not enough minutes of pitching? Would local pitchers have encouraged more calls? Should national hosts be used in a live setting? We can't tell from these data.

Given the results of this experiment, we should look for different models for involving national hosts in pledge drives rather than replicating this effort.





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### Telemarketing

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Telemarketing income was down 22 percent during the test period, compared to the previous year. This was due primarily to a reduction of telemarketing calls.

The telemarketing experiment scheduled at KJZZ was cancelled due to ongoing negative publicity about telemarketing in general in the state of Arizona.

The LFF did conduct one telemarketing experiment at WBUR in Boston. The station wanted to try an LFF-based opening to the telemarketing script, but according to the analysis from Catherine Harvanko, "once the donors hear that the call is on behalf of WBUR, they almost immediately decide to pledge or not pledge without needing to hear much of the script." Results of the test were inconclusive.

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The project accomplished its goals of identifying important listener perceptions about fundraising. We're still learning how to apply that information to direct mail and on-air.

In the case of direct mail, the first attempts at applying LFF principles were a success. In the case of on-air pledge drives, we still have much to learn.

Finally, the LFF project was designed to test fundraising tactics within specific channels: on-air, direct mail, and telemarketing. As the testing progressed, it became clear this was a weakness in the design.

Listeners don't segment fundraising channels the way public radio stations do. They perceive fundraising as a whole.

They tell us they don't like pledge drives and they don't like telemarketing.

Listeners told us direct mail is the most preferable form of fundraising. It does not interrupt the programming and the listener can deal with the appeal on his or her own schedule. The Internet holds similar promise.

The more we can rely on the mail and the Internet to raise money, and the less we have to use invasive techniques such as pledge drives and telemarketing, the better our relationship will be with our listeners and contributors.

If a station can meet its total income goals while doing less of the negative activities – even if that means shifting the income burden away from on-air and telemarketing – it will have achieved the dual bottom lines of the Listener Focused Fundraising project: improving Public Service and increasing Public Support.

That is going to take some time.

PRPD President Marcia Alvar observed that the LFF project is like launching a new radio program.

We've done our research and planning, we've gone on the air, we've sent out our mail, and we've received our first "ratings book" – fundraising results. By appropriately applying the lessons learned, each subsequent book will get better.

Over the next few months, we share the materials used in the LFF project. We hope you will use some of them, along with the lessons learned from the LFF project to make your own fundraising more listener focused.

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Funding for the The Listener Focused Fundraising Project project came from CPB and the participating stations. Many thanks to Kay Tuttle and Rick Madden at CPB for their support and guidance.

We would also like to thank the following people for adding their ideas to the project and for taking some risks along the way:

- Mario Ramos, Scott Williams, Carl Matthusen and the staff at KBAQ/KJZZ, Phoenix
- Caryl Zenker, Nancy Knudsen, Martin Neeb and the staff at KPLU, Seattle
- Jay Clayton, Jane Christo and the staff at WBUR, Boston
- Al Bartholet, Eric Nuzum and the staff at WKSU, Kent, Ohio
- Evelyn Massaro, Susan Johnson, JoAnn Urofsky and the staff at WUSF, Tampa

#### **Project Team**

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Direct Mail and Telemarketing Tests	Catherine Harvanko, DEI
Audio, Video and Web Production	Chris Montgomery, Montgomery Media

Thanks to everyone for providing ideas and insights above and beyond their specific roles in the project. Thanks also to Marcia Alvar of PRPD and Barbara Appleby for solid thinking and good feedback.

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