



The State of the System in Public Radio and TV

July 16, 2020

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Jay Clayton, Individual Giving advisor,
Greater Public

Collapse...is a pretty strong word



NPR.ORG

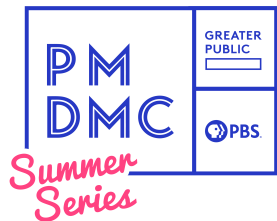
NPR Radio Ratings Collapse As Pandemic Ends Listeners' Commutes



*Summer
Series*

Actionable data...

- Target Analytics from Blackbaud
- Benchmarks for Public Radio Fundraising financial crisis analysis and the June 2020 On-air Fundraising survey from Greater Public



New Givers

Is it becoming more of a challenge to get new
givers?

	Spring 2019	Spring 2020	% change
Number of drives	1.24	1.24	No change
Number of days of preemptive pitching	7.86	5.04	- 43%
Number of total givers during these drives	54,980	57,831	+ 5.2%
Number of new givers during these drives	13,105	11,400	- 15%

Source: Greater Public Survey, June 2020

The Financial Crisis of 2007-2008

What we can and can't learn
from it

From FY08 – FY13:

- ✓ Listening: -24%
- ✓ Member revenue: +32%
- ✓ Mid-level revenue: +26%
- ✓ Major giving revenue: +34%

The Financial Crisis of 2007-2008

What we can and can't learn from it

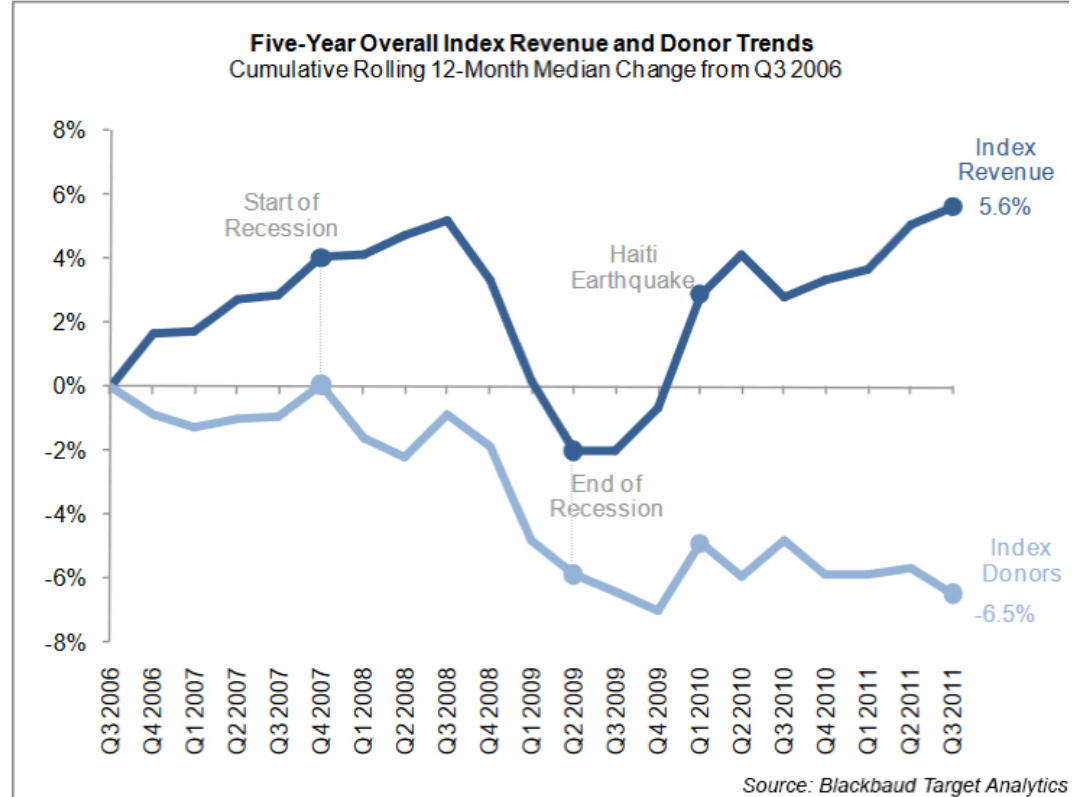
- Only seven of the 47 stations grew at a rate within +/- % percentage points of the average
- One station's revenue grew 109% while another station's revenue fell 37%
- Revenue at 39 stations grew
- Revenue at eight stations fell

What should you do?

- ✓ Know your station's fundraising performance and potential
- ✓ Follow best practices to achieve and sustain your potential

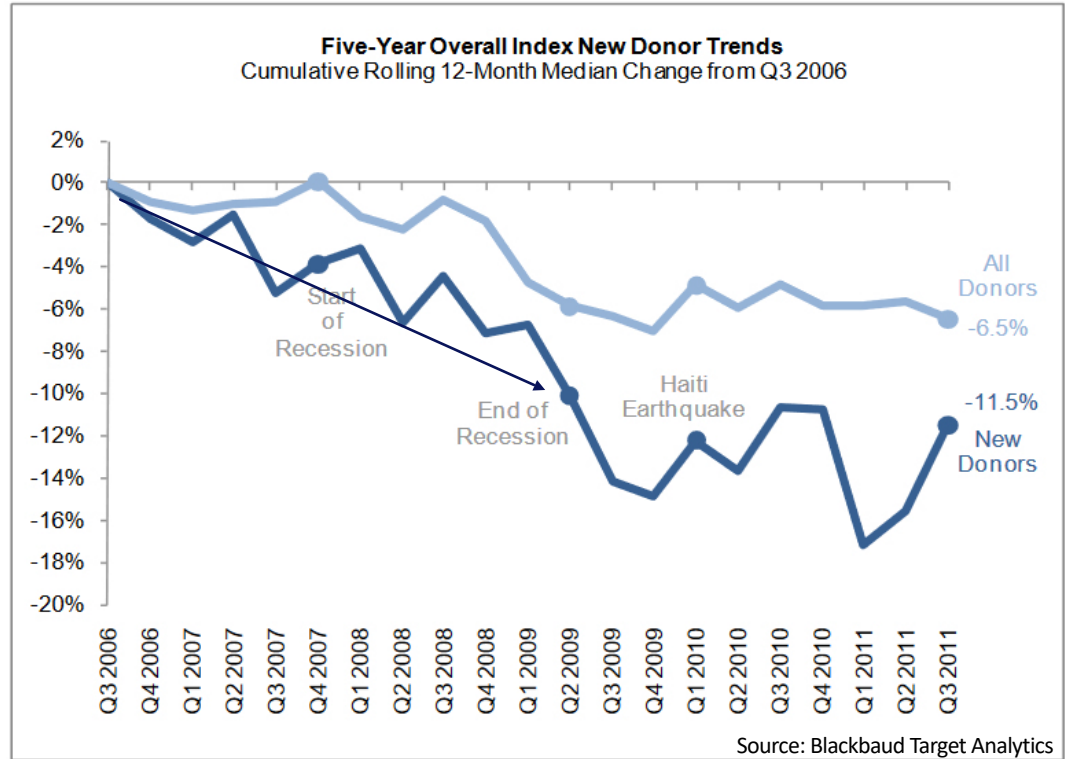
donorCentrics National Index of Direct Marketing Trends

Revenue trended upward during the first quarters of the 2007 - 2009 recession. Declines in revenue a year after the start of the recession and continued through 2009. The end of the recession triggered revenue growth, however donors remained well below pre-recession counts.



donorCentrics National Index of Direct Marketing Trends

Declines in new donors generally accelerated with the start of the recession, with occasional small lifts throughout.



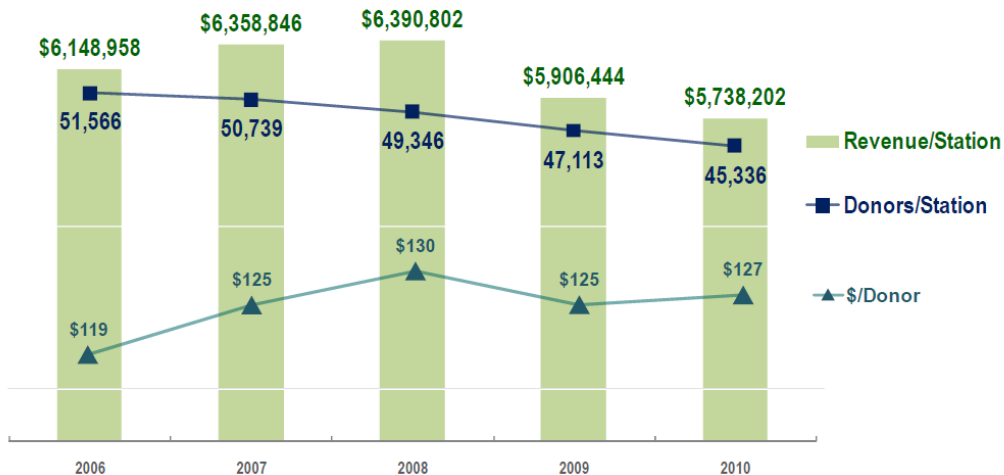
Public Television State of the System FY10

Donor declines were a continuation of declines that started before the recession. Revenue declines began in FY09.

FY06 - FY10 donorCentrics;
Average of 57 Public Television Stations

44

PTV Donors & Revenue



Source: Blackbaud Target Analytics

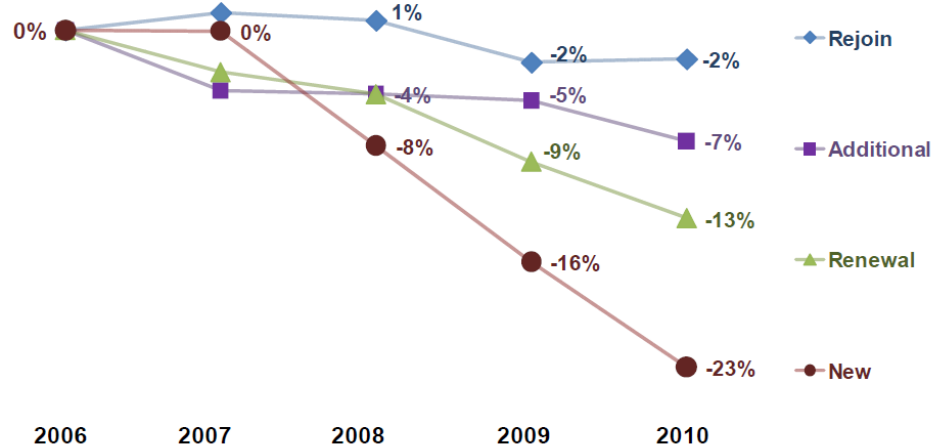
Public Television State of the System FY10

Though donors of all kinds declined since 2006, the rate of decline accelerated with the recession, with New donors impacted most deeply.

FY06 - FY10 donorCentrics;
57 Public Television Stations

46

PTV Gift Trends Relative to FY06



Source: Blackbaud Target Analytics

Public Radio State of the System FY10

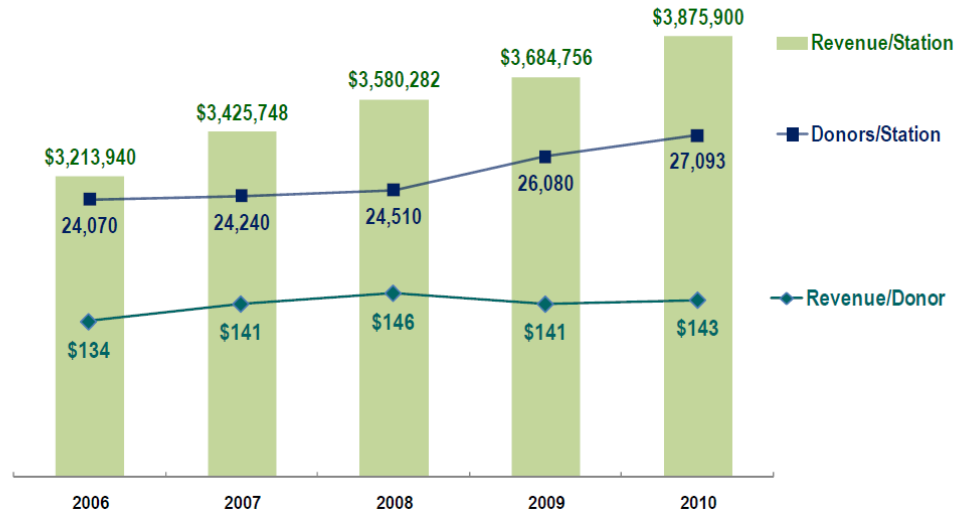
Public Radio donors were steady during the recession and increased shortly following.

Revenue from Public Radio donors increased during and more significantly following the recession.

FY06 - FY10 donorCentrics Trends among 45 Stations

52

Public Radio Donors, Revenue, & Revenue/Donor



Source: Blackbaud Target Analytics

Public Radio State of the System FY10

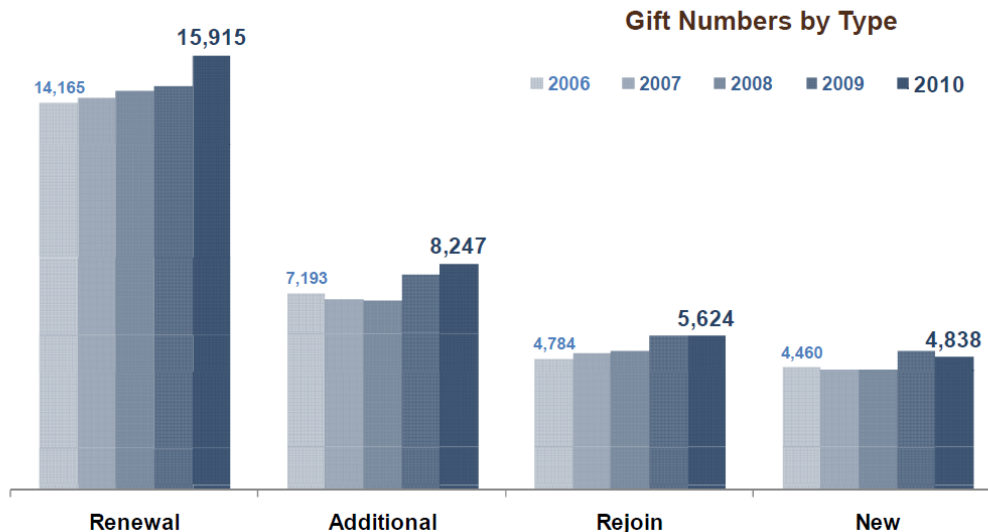
Public Radio multi-year donors drove growth during the recession as new donors declined slightly.

Sustainers had reached the tipping point for many programs with a positive impact on retention in FY10.

New donors rebounded in FY09.

FY06 - FY10 donorCentrics Trends among 45 Stations

56



Source: Blackbaud Target Analytics

Target Analytics Combined Benchmarking Groups

73 Stations representing a variety of:

Market Sizes

State Networks

Licensee Types

Geographic Locations

Radio Formats

3.5 Million Donors

\$500 Million in Donor Revenue



***donorCentrics* Public Radio Benchmarking**

Overall Active Donor Giving

Active Donors and Total Revenue Trends – 2018 to 2019

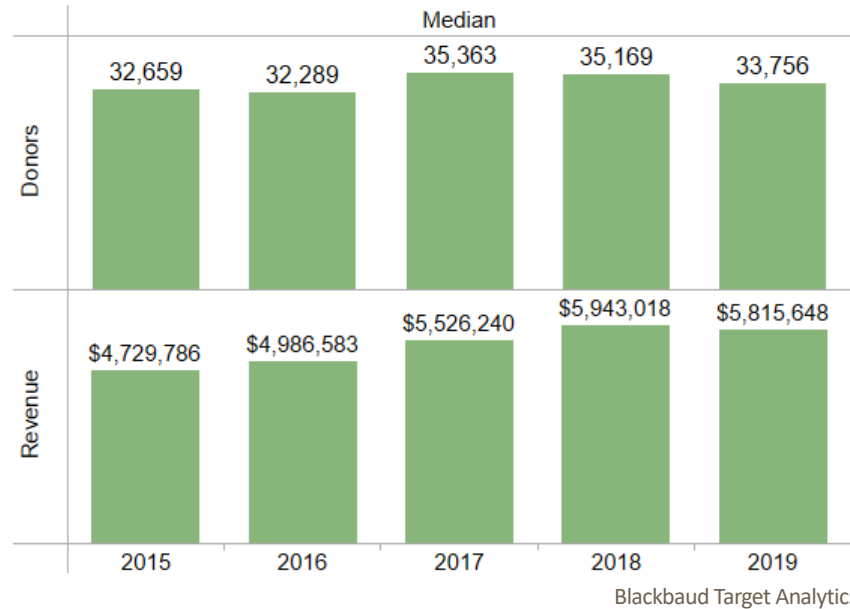
4% ↓

Median decline in
Donors in 2019

2% ↑

Median increase in
Revenue in 2019

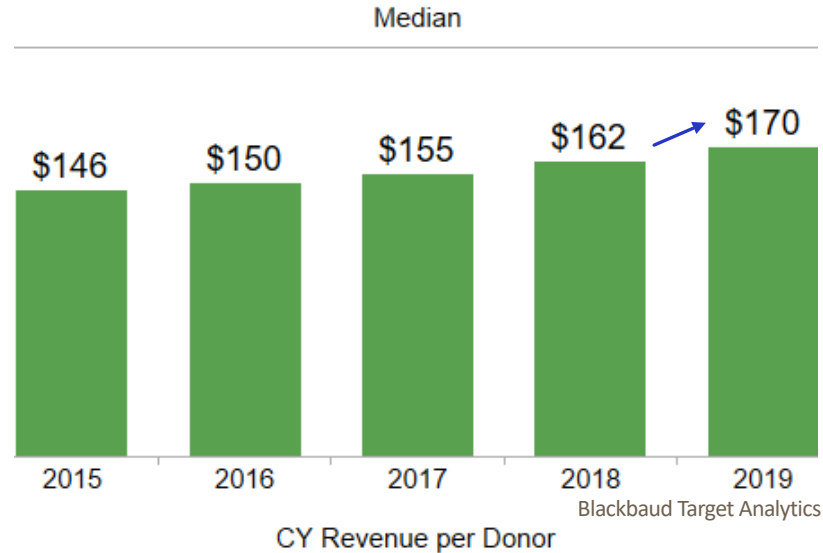
Active Donors and Total Revenue Trends



➤ Donors increased by 3% since 2015

➤ Revenue increased by 23% since 2015

Revenue per Donor Trends

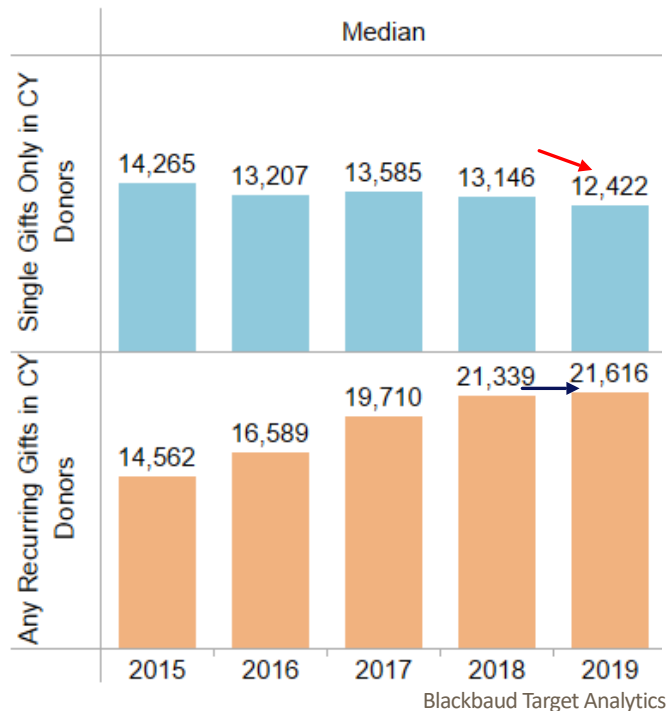


\$8 increase in donor value in 2019 was the greatest in five years.



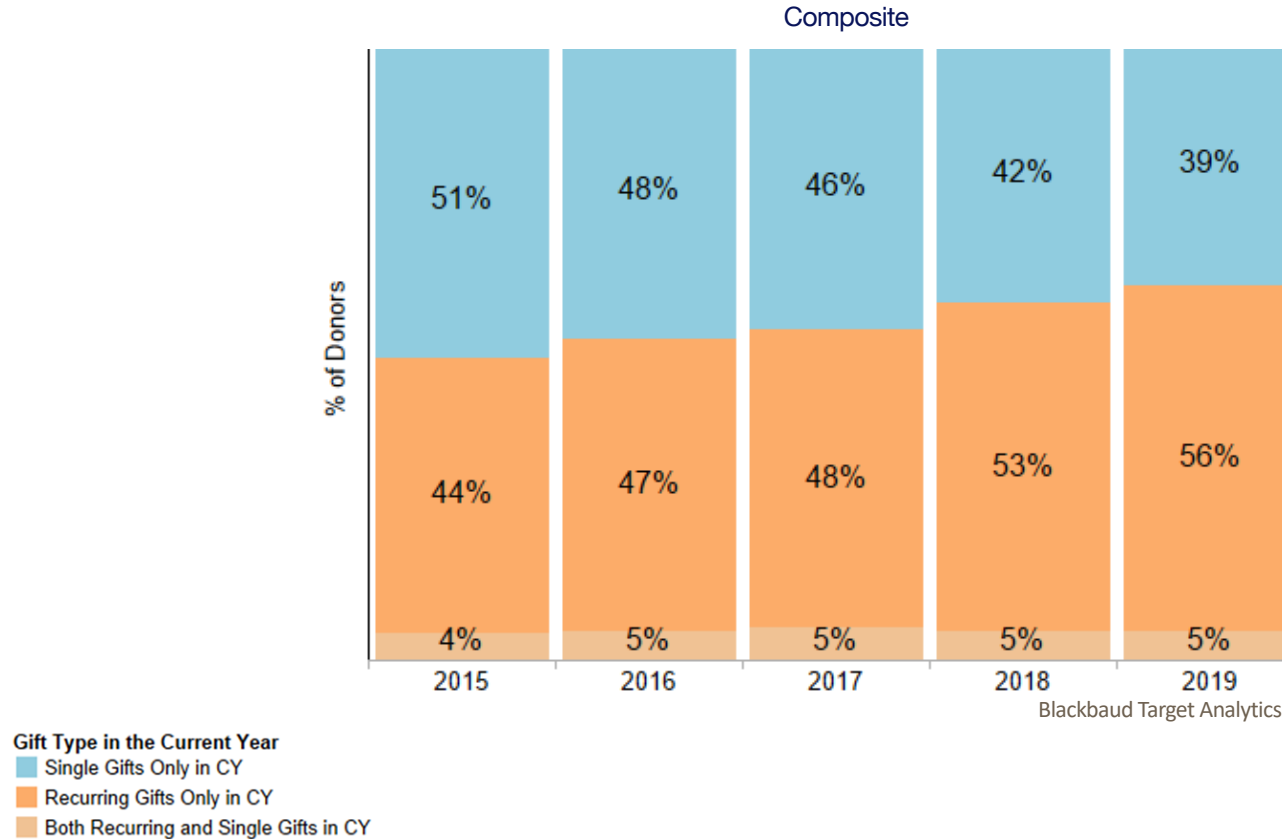
- Over the five-year period, revenue per donor increased by 16%
- Revenue per Donor increased by 5% in 2019

Active Donor Trends by Gift Type



- After three years of consistent single-gift donor counts, these donors declined by 6% in 2019
- Sustaining donors have increased by 48% since 2015, and a modest 1% in 2019

Sustainers as a Share of All Donors - Trend



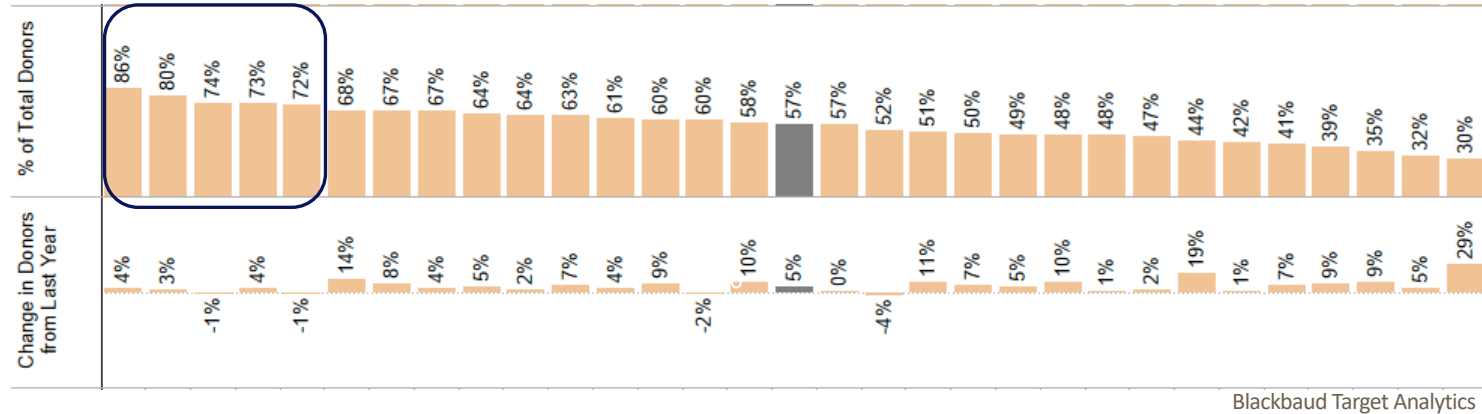
61%



Share of all donors making a sustaining gift in 2019.



Recurring Donors as a Share of All Donors (2019)



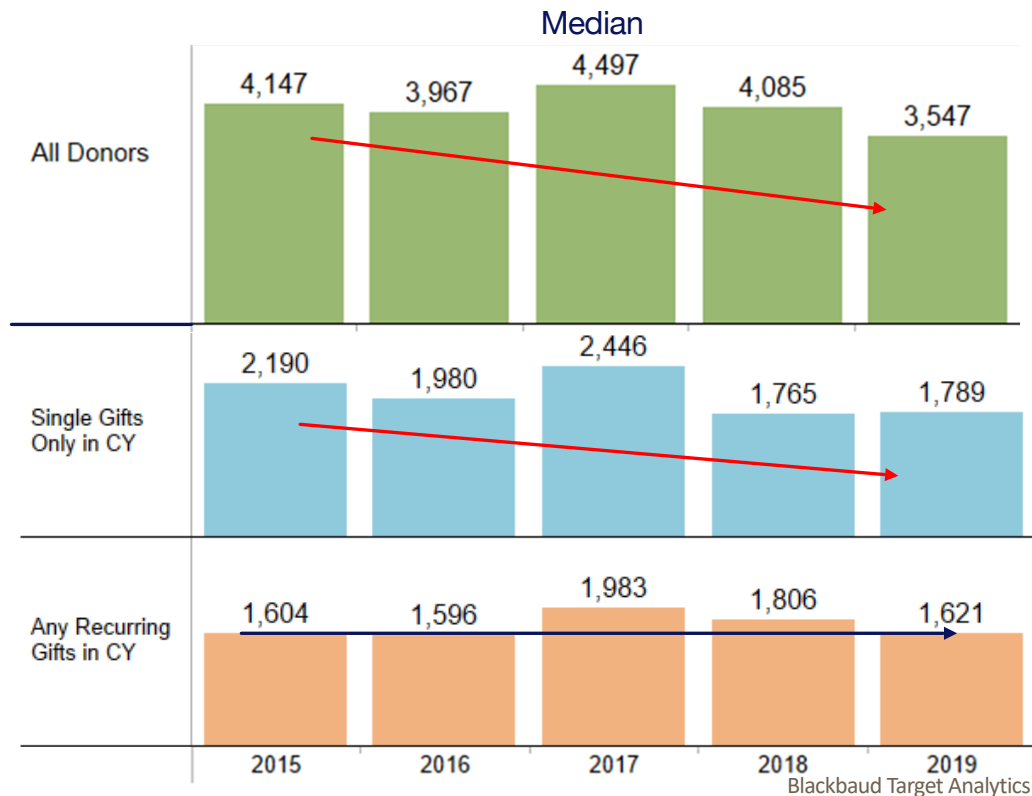
- The range in the share of recurring donors for all stations was 30% - 86%.
- Five stations with greater than 70% share of recurring among all donors.
- All but four stations had an increase in donors making recurring gifts in 2019. (Only two had an increase in single gift donors.)

File Building Trends:

Acquiring New Donors

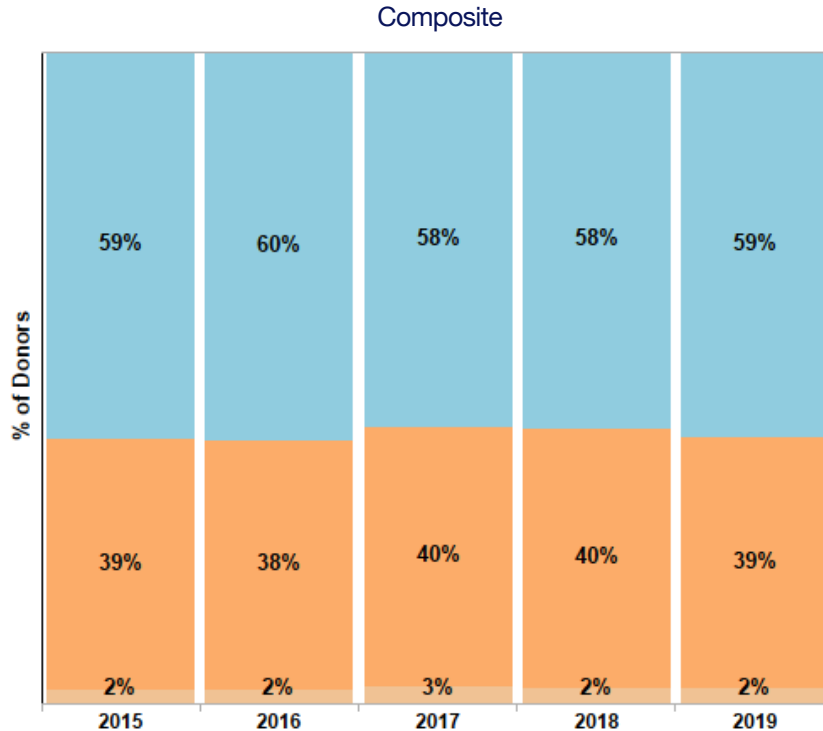
Converting Donors to Sustainers

New Donor Trends by Gift Type



- Median new donor counts have declined over time by 14%.
- In 2019, single gift acquisition was flat with 2018, and below prior year donor counts.
- New recurring gift donors declined for the second year in a row in 2019, returning to pre-2017 rates.

New Donor Trends by Gift Type



Blackbaud Target Analytics

Gift Type in the Current Year

Single Gifts Only in CY

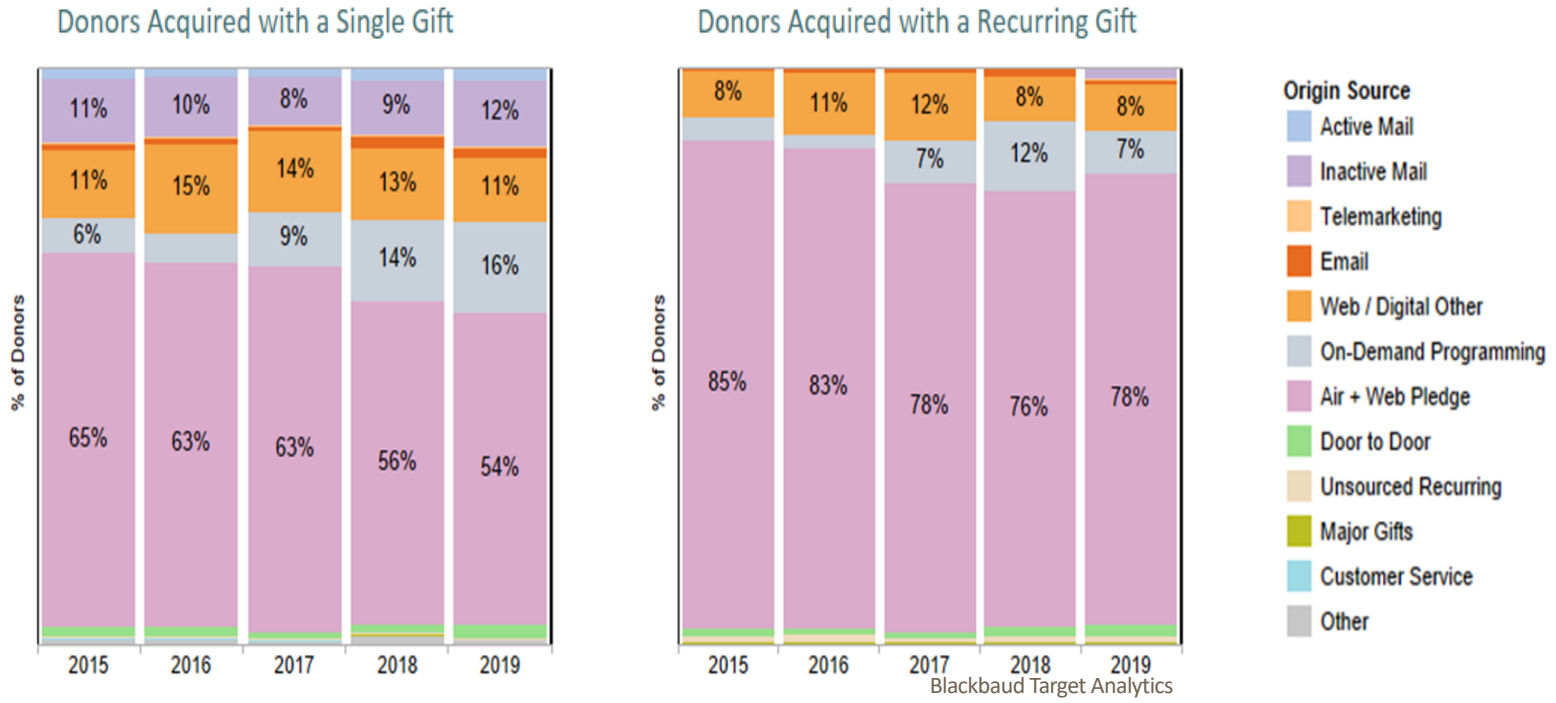
Recurring Gifts Only in CY

Both Recurring and Single Gifts in CY

- Since 2015, the share of new donors making sustainer gifts has been in the same range.
- In 2018, direct-acquired sustainers as a share of all new donors ranged from 16% to **59%**.
- 5 stations had 50% or more new donors acquired directly to sustainer giving.

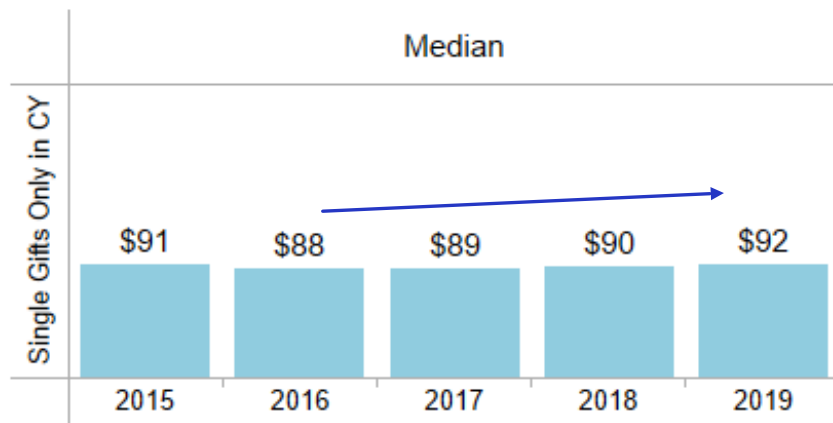
What Channels Are Driving Acquisition and How Is That Changing over Time?

Composite Data

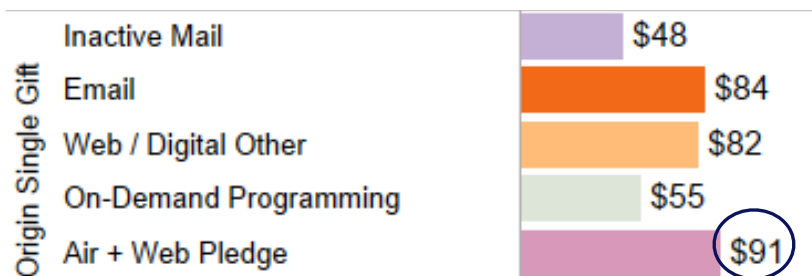


Growth over time in the share of new donors acquired via podcasting for both single and recurring gift donors.

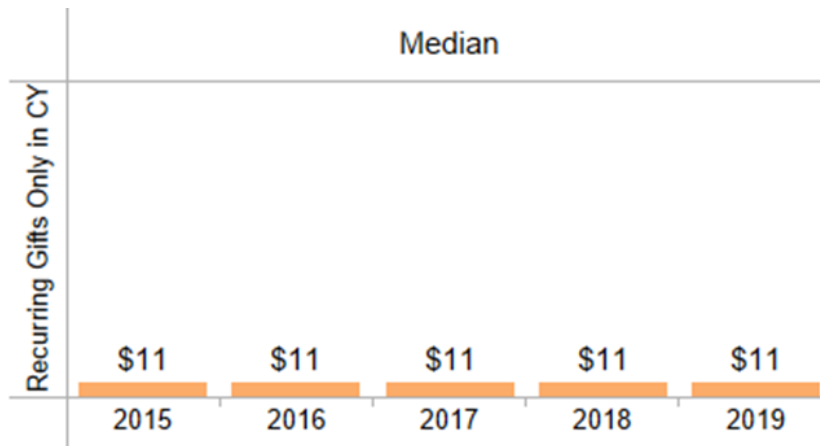
New Donor Average Gift: Single-Gift Donors



- The median single gift average gift increased to \$92 in 2019.
- Pledge has the highest average gift.



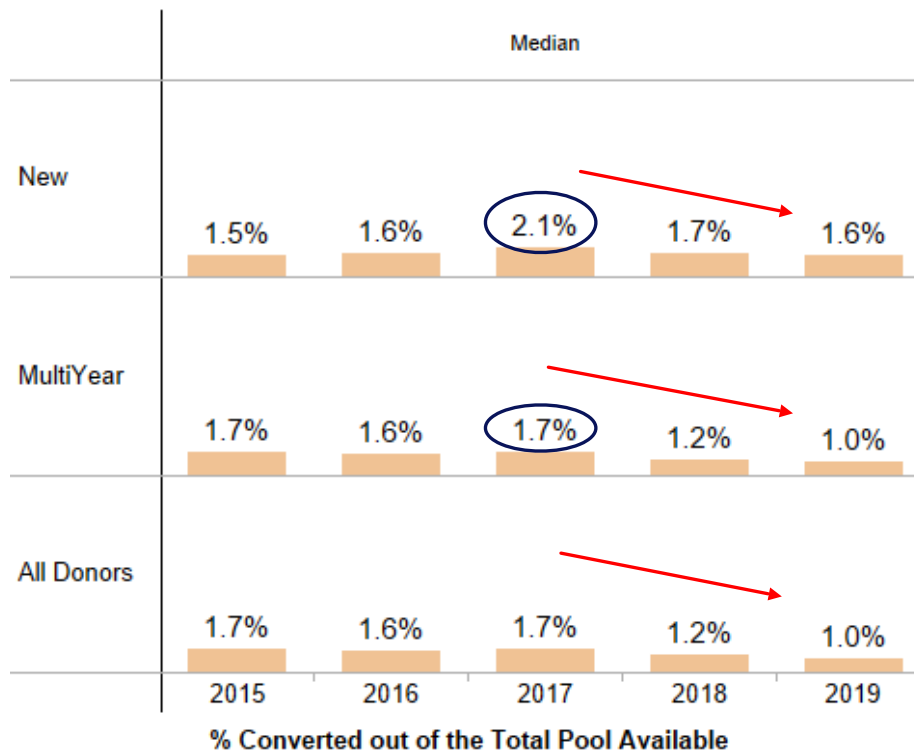
New Donor Average Gift: Recurring-Gift Donors



- Recurring gift average gift has been constant across the report.
- Online average gift increased in 2019.

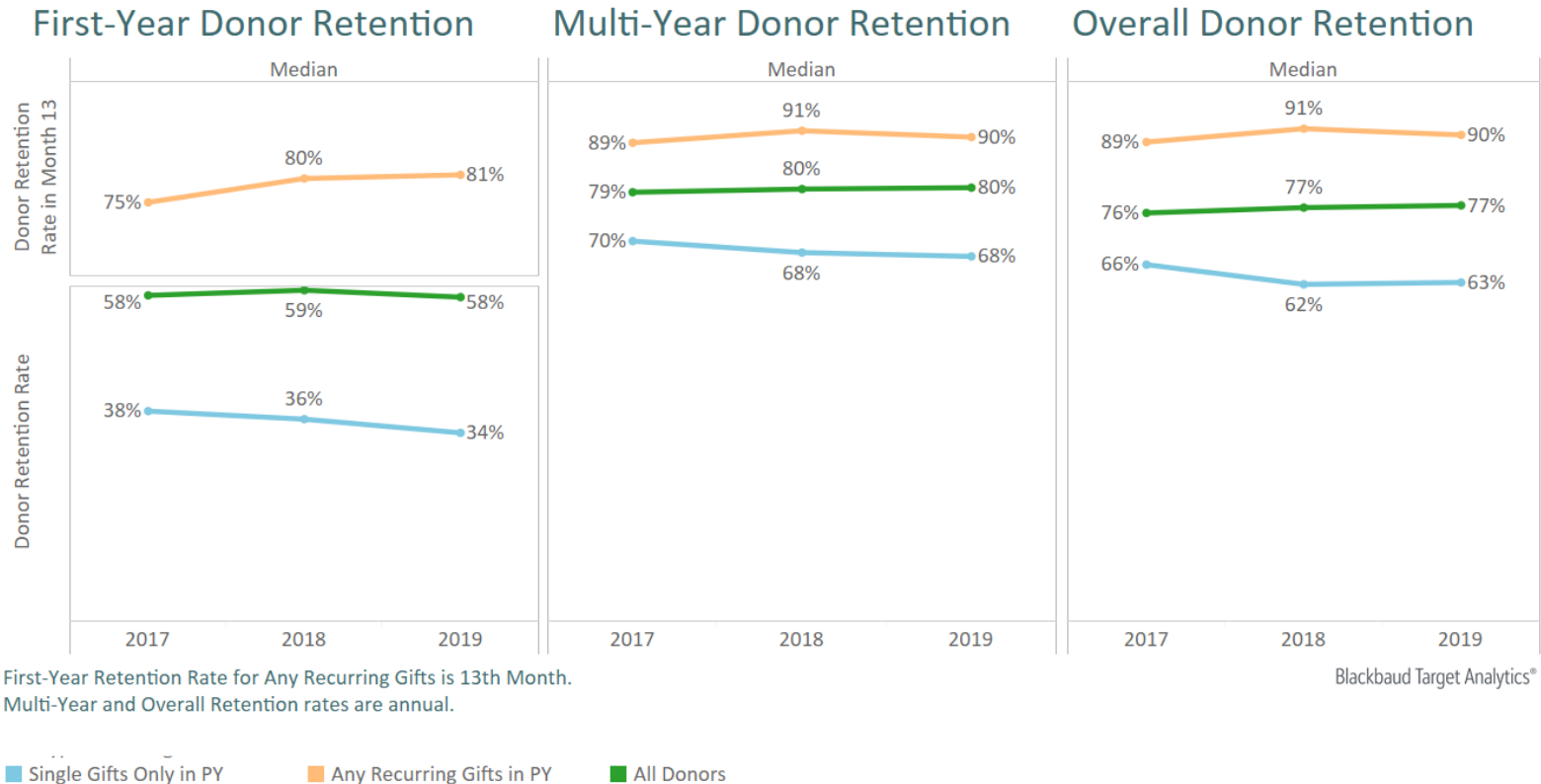
	Median		
	2017	2018	2019
Inactive Mail	\$10	\$10	\$10
Email	\$13	\$10	\$11
Web / Digital Other	\$11	\$11	\$12
On-Demand Programming	\$7	\$8	\$8
Air + Web Pledge	\$11	\$11	\$11

Conversion: As a Percentage of Population Available

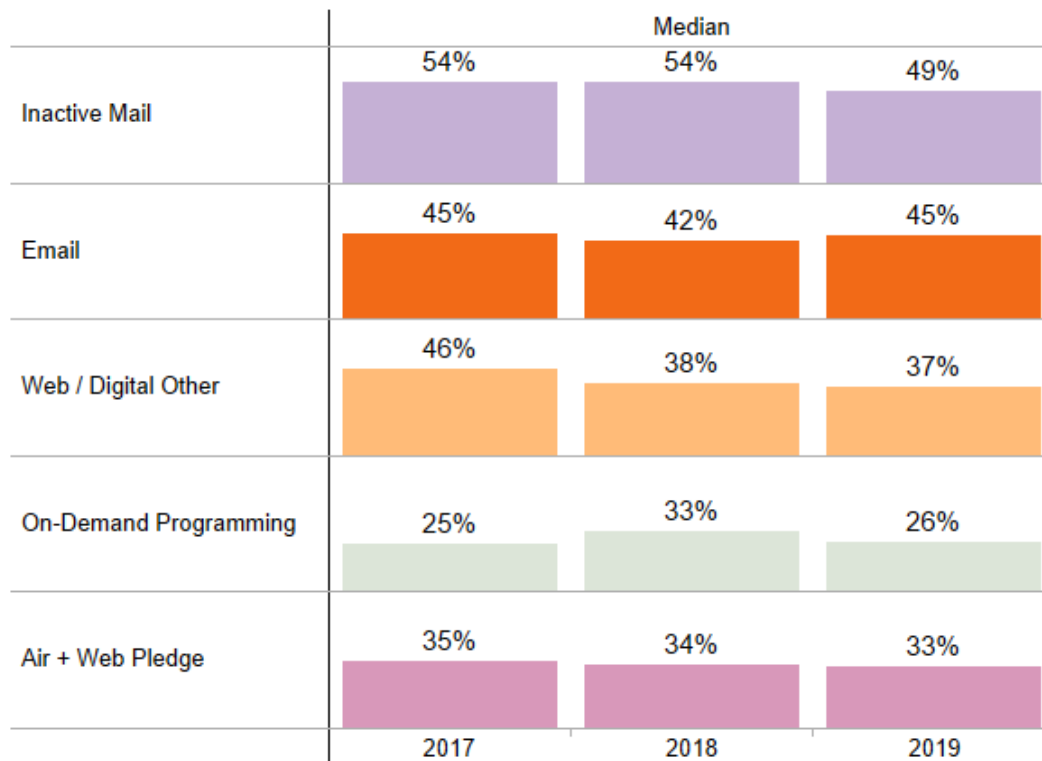


Retention

Median Retention Trends (First-Year, Multi-Year, and Overall)



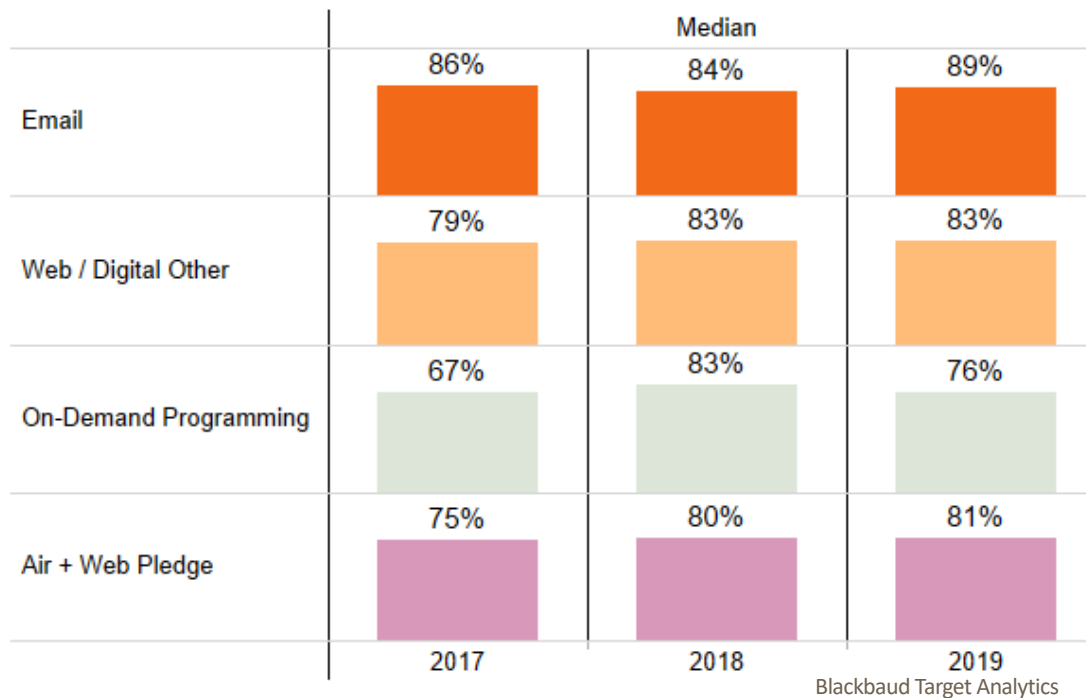
First-Year Retention by Origin Source – Acquired as Single Gift Donors



Blackbaud Target Analytics

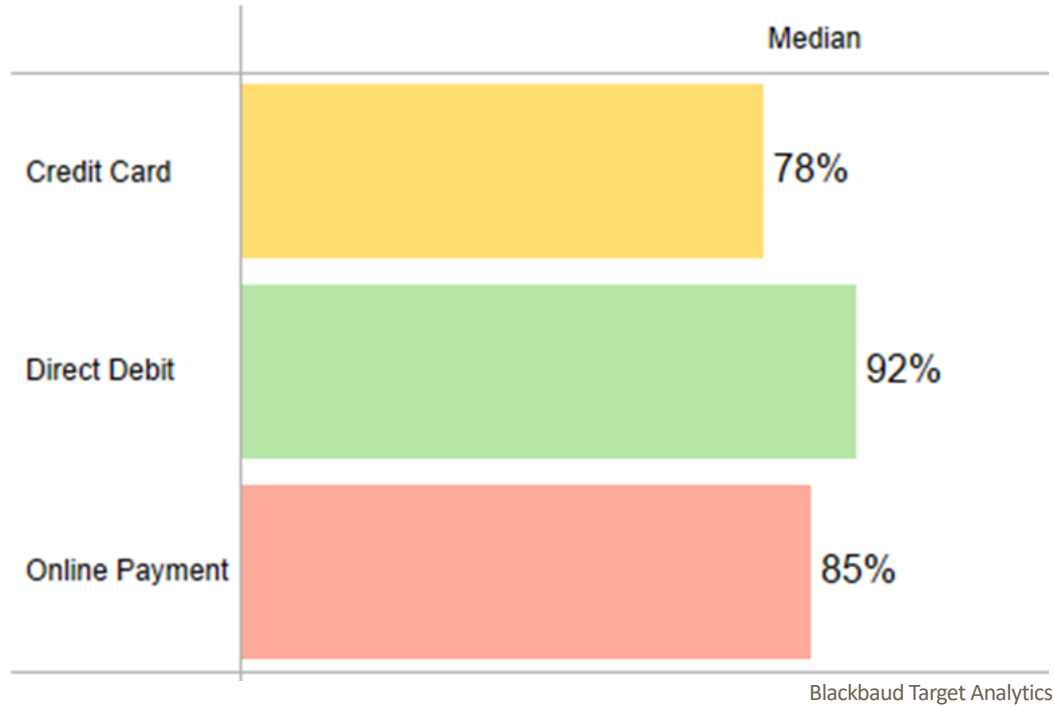
Donors acquired via digital sources, outside of pledge, though declining overtime, still have greater first year retention rates than pledge acquired.

First-Year 13-Month Retention by Origin Source – Recurring Acquired



13th Month retention rates for donors acquired as sustainers via Podcast are higher than other non-profit sector retention rates, but low for public radio.

First-Year 13-Month Retention by Origin Payment Method: Recurring Acquired Donors



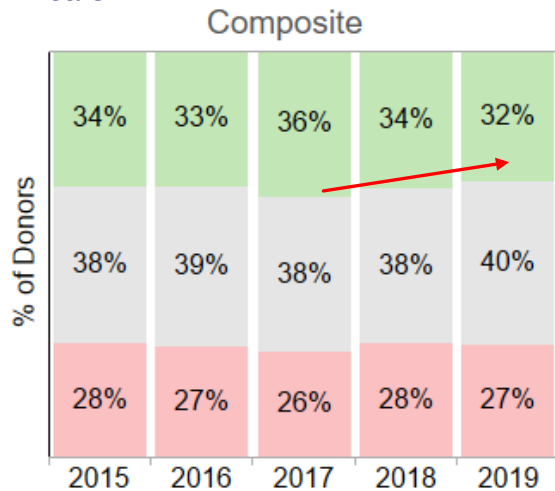
In FY19, a median

- 23% of donors were making their gifts via EFT
- 1% of donors made their gifts via Online Payments

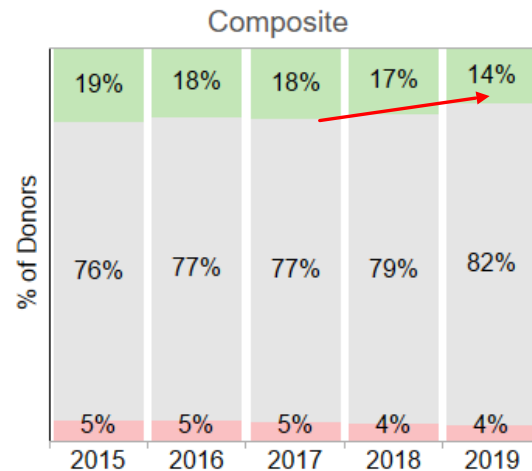
Increasing Donor Value Trends: Upgrading and Long-Term Value

Multi-Year Donor Upgrading

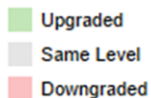
Single Gifts Only in Prior and Current Years



Recurring Gifts Only in Prior and Current Years

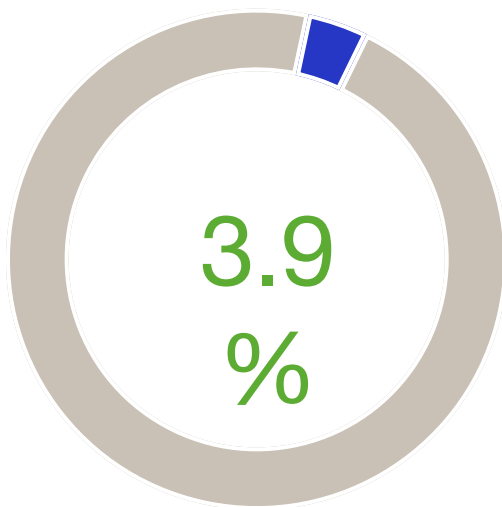


Blackbaud Target Analytics



- Significant declines in the share of donors upgrading for both single and recurring gifts in 2019 since 2017 peak.
- Shift has been toward remaining at same levels, rather than downgrading.

Share of Recurring Gift Donors Making Additional Gifts in 2019

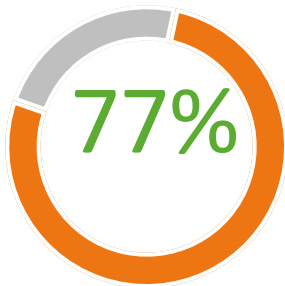


- Less than 4% of all multi-year recurring gift donors made an additional gift in 2019, down slightly from prior years.
- The average single gift from recurring gift donors was \$90 in 2019, an increase from prior years.
- The median revenue received was \$25.1K, an increase over prior years.

Does not include donors that converted from single to recurring.

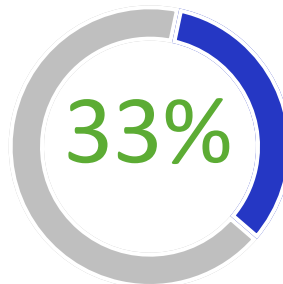
Long Term Value for Donors Acquired in 2017

Acquired As Recurring



Percent of Original
Donors Still Giving in
2019

Acquired As Single



Lifetime Revenue
Per Donor in 2019



donorCentrics Public Television Benchmarking Overall Active Donor Giving

Active Donors and Total Revenue Trends from 2018 to 2019

7% ↑

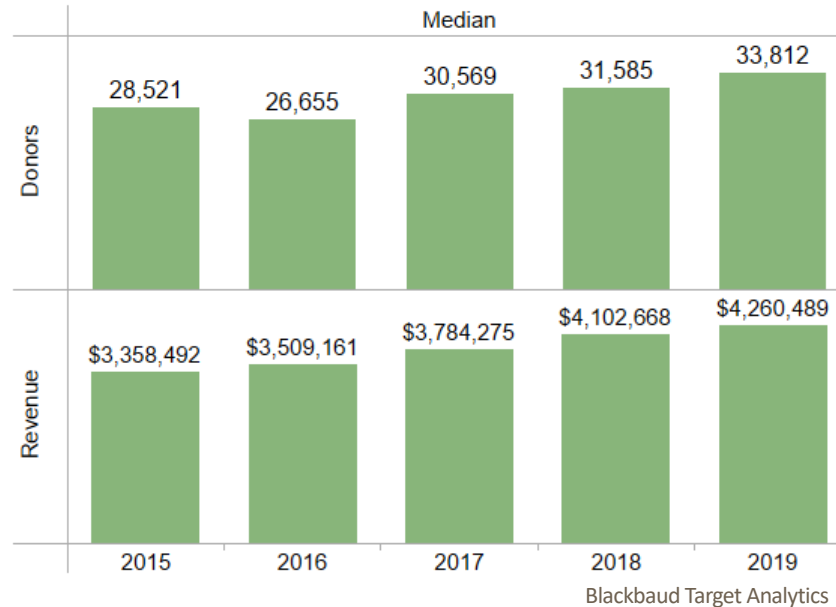
Median increase in
Donors in 2019

4% ↑

Median increase in
Revenue in 2019

Active Donors and Total Revenue Trends

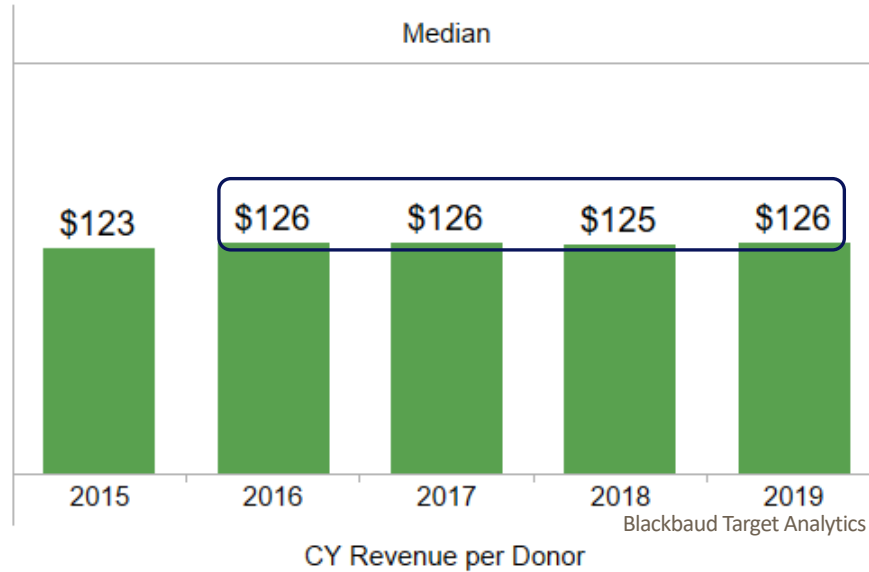
Active Donor and Revenue Trends



➤ Donors increased by 19% since 2015

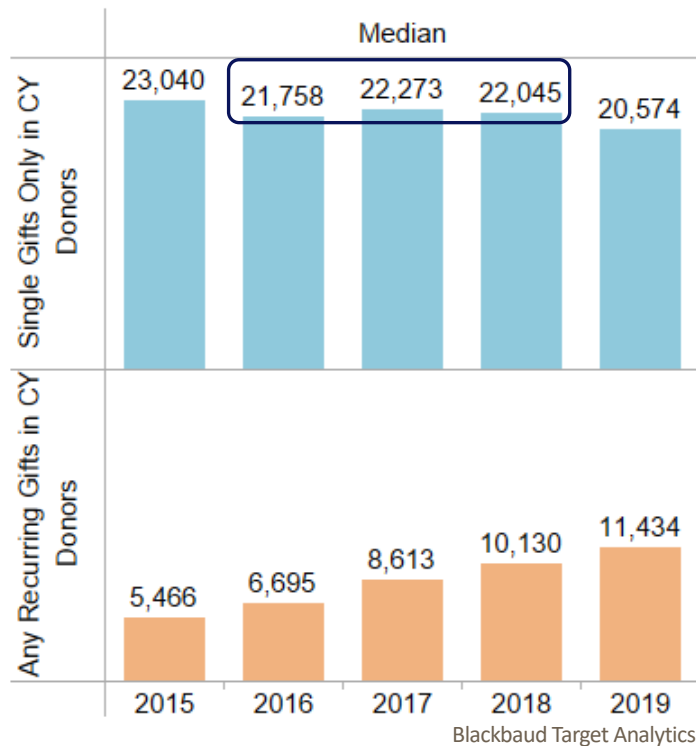
➤ Revenue increased by 27% since 2019

Revenue per Donor Trends



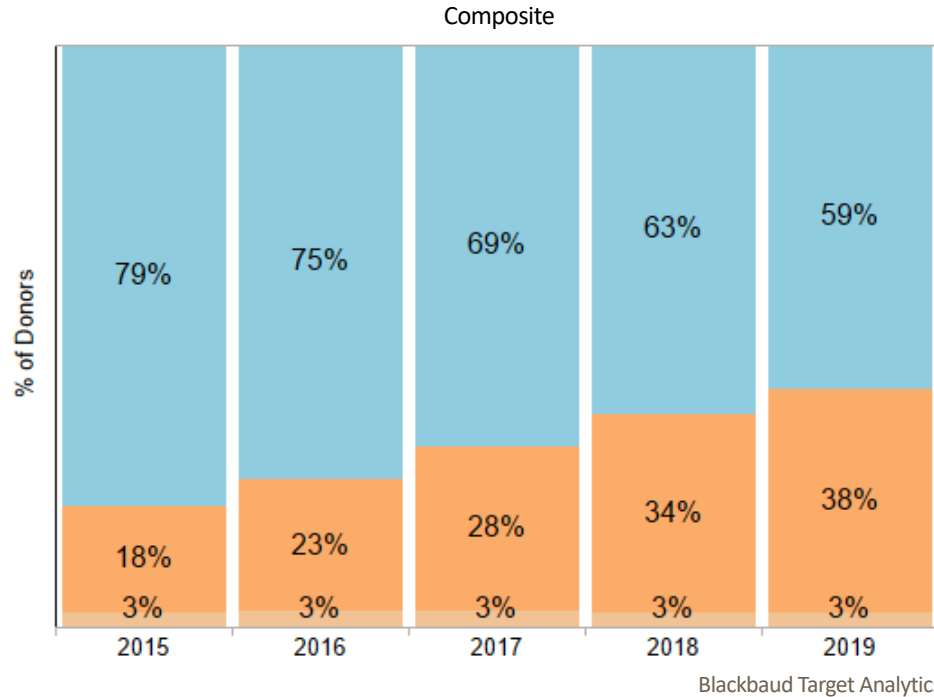
- Over the five-year period, revenue per donor increased by \$3
- However, that increase occurred in 2016 and donor value has been essentially flat since then

Active Donor Trends by Gift Type



- After three years of consistent single-gift donor counts, these donors declined by 7% in 2019
- Sustaining donors have increased by 107% since 2015, and 13% in 2019

Sustainers as a Share of All Donors - Trend



41%



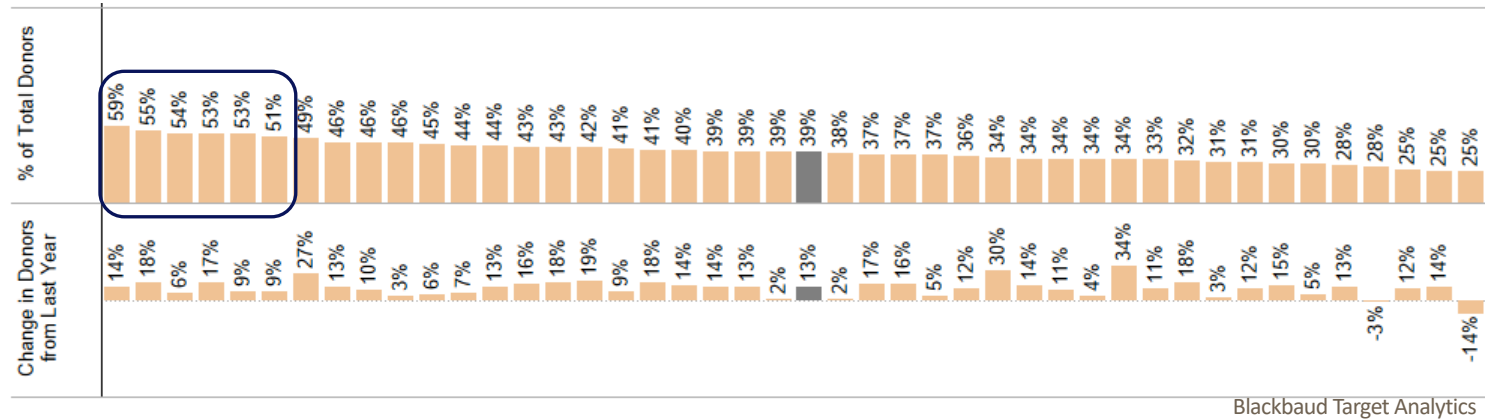
Share of all donors making a sustaining gift in 2019.



Gift Type in the Current Year

- Single Gifts Only in CY
- Recurring Gifts Only in CY
- Both Recurring and Single Gifts in CY

Recurring Donors as a Share of All Donors (2019)



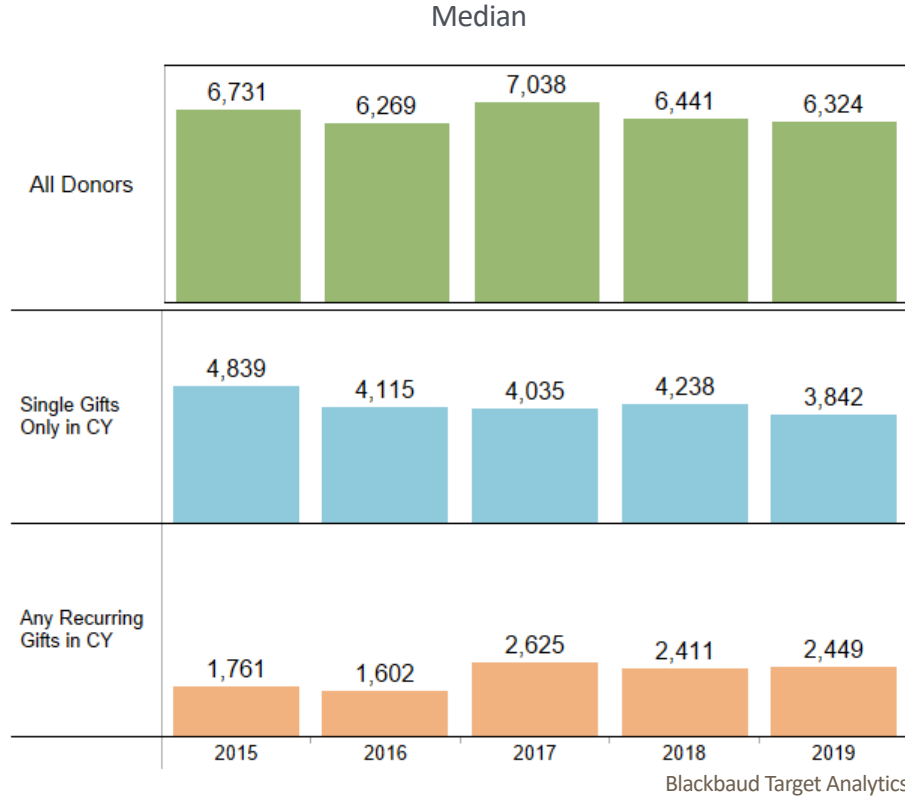
- The range of donors making recurring gifts for all stations was 25% - 59%
- Six stations with more than half of all donors making recurring gifts in 2019
- All but two stations had an increase in donors making recurring gifts in 2019
(Only two stations with growth in single gift donors in 2019.)

File Building Trends:

Acquiring New Donors

Converting Donors to Sustainers

New Donor Trends by Gift Type

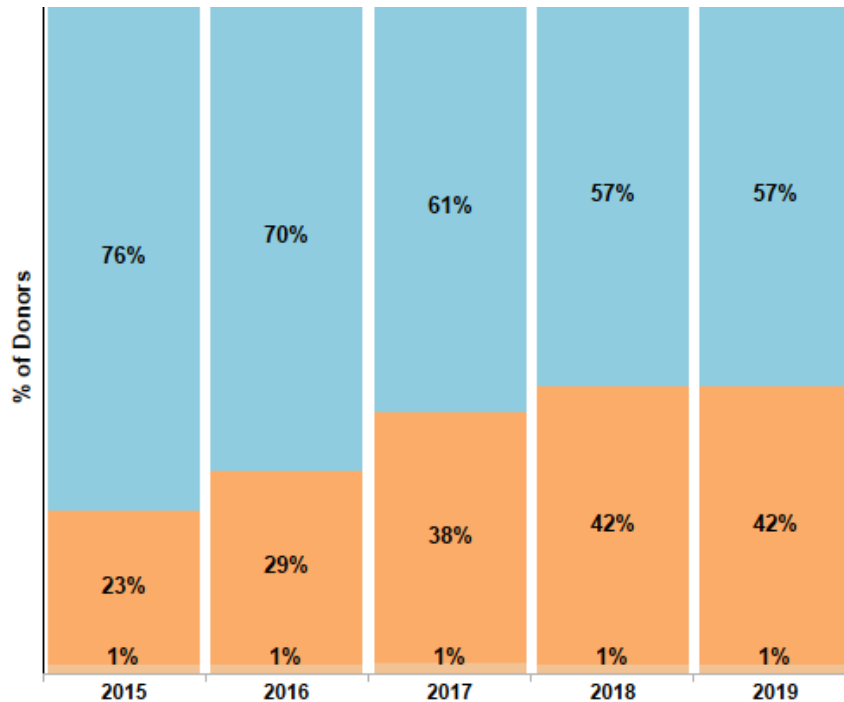


➤ Median new donor counts have declined over time by 6%.

➤ In 2019, single gift acquisition was down by 11% from 2018.

➤ New recurring gift donor counts were essentially flat in 2019, down by 7% since the 2017 peak.

New Donor Trends by Gift Type



Blackbaud Target Analytics

Gift Type in the Current Year

Single Gifts Only in CY

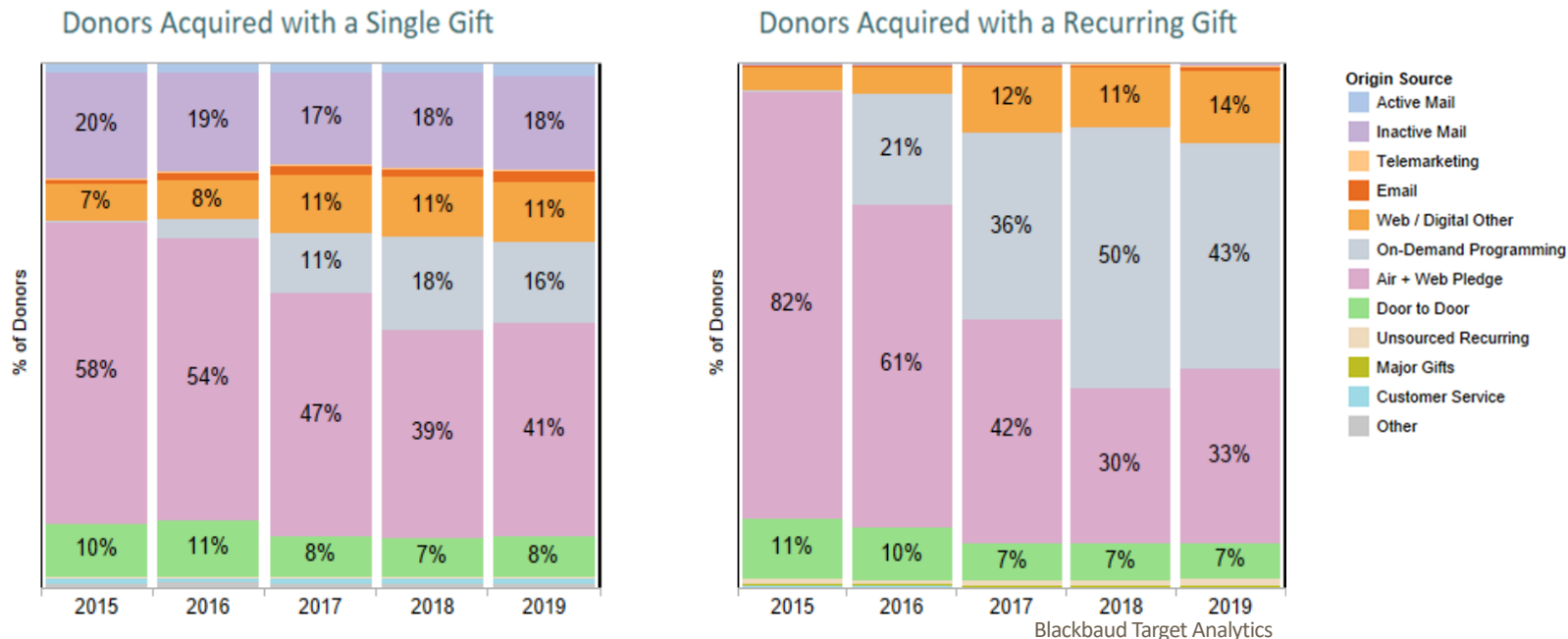
Recurring Gifts Only in CY

Both Recurring and Single Gifts in CY

- 43% of all new donors made a recurring gift for the second year in a row
- In 2018, direct-acquired sustainers as a share of all new donors ranged from 22% to **65%**.
- 8 stations had 50% or more new donors directly acquired as sustainers.

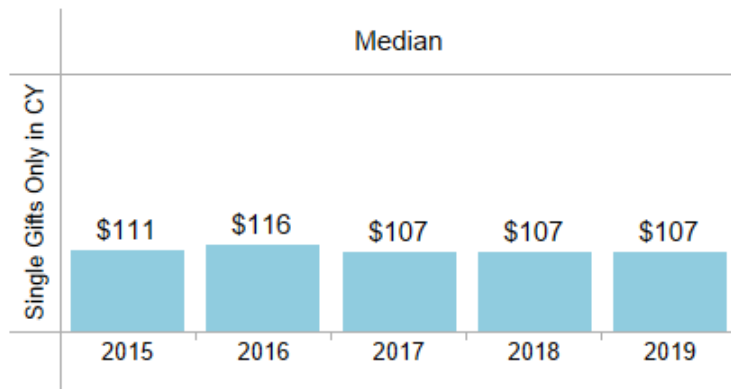
What Channels Are Driving Acquisition and How Is That Changing over Time?

Composite Data

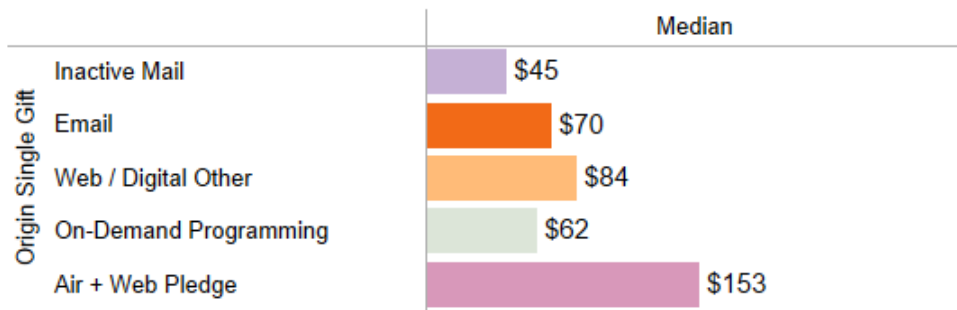


- Growth over time in the share of new donors acquired via digital and passport for both single and recurring gift donors.

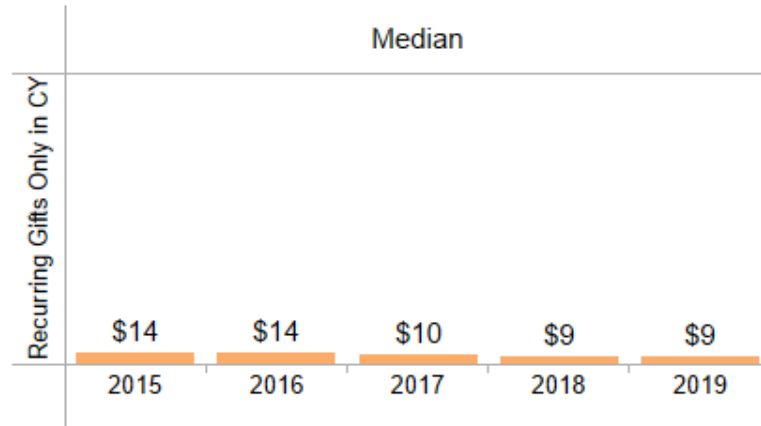
New Donor Average Gift: Single-Gift Donors



- The median single gift average gift has been consistent at \$107 for three years in a row.
- Pledge has the highest average gift.



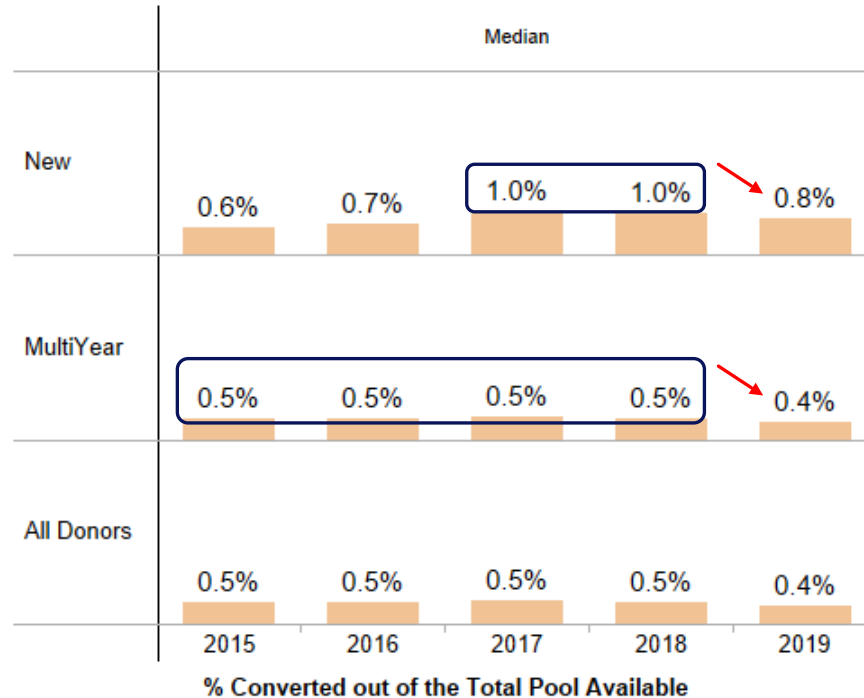
New Donor Average Gift: Recurring-Gift Donors



- Recurring gift average gift has declined significantly over time, but it seems to have stabilized at \$9.
- Online and direct mail average gift declined in 2019.

	Median		
	2017	2018	2019
Inactive Mail	\$10	\$11	\$10
Email	\$9	\$8	\$9
Web / Digital Other	\$10	\$10	\$9
On-Demand Programming	\$6	\$6	\$6
Air + Web Pledge	\$15	\$15	\$15

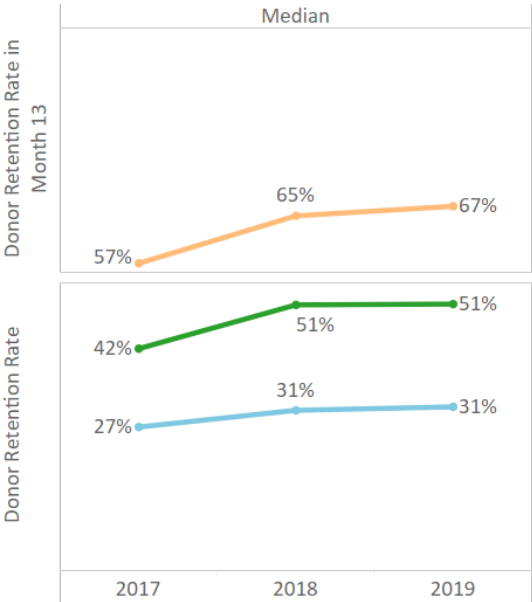
Conversion: As a Percentage of Population Available



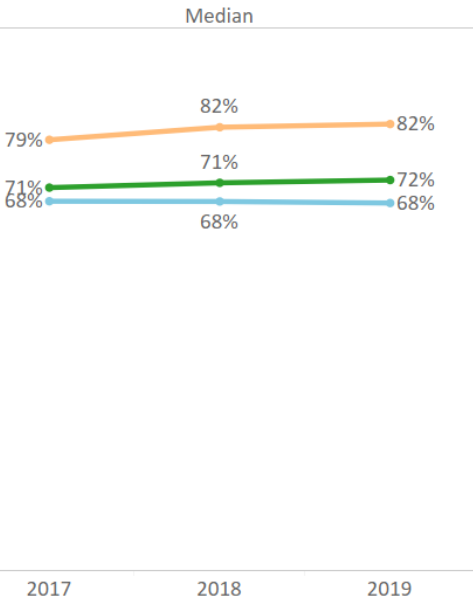
Retention

Median Retention Trends (First-Year, Multi-Year, and Overall)

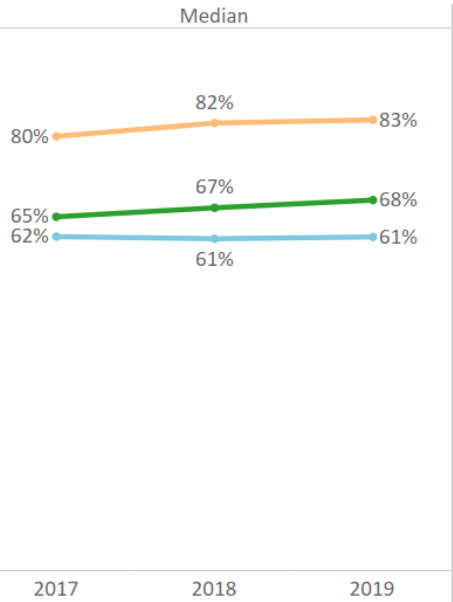
First-Year Donor Retention



Multi-Year Donor Retention



Overall Donor Retention



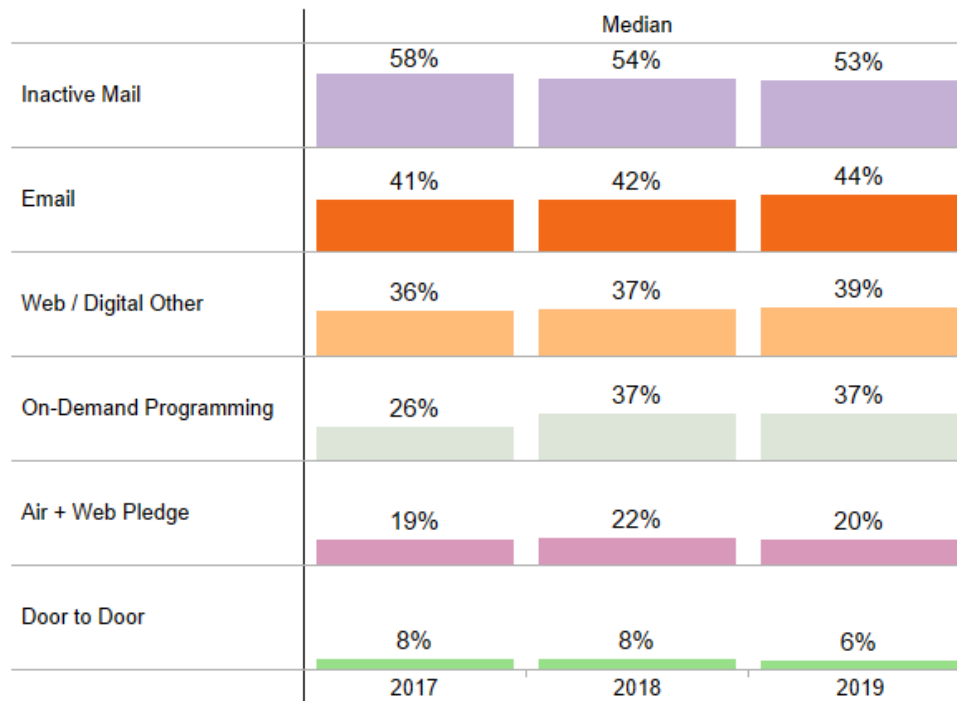
First-Year Retention Rate for Any Recurring Gifts is 13th Month.
Multi-Year and Overall Retention rates are annual.

Blackbaud Target Analytics®

3 PY

■ Single Gifts Only in PY ■ Any Recurring Gifts in PY ■ All Donors

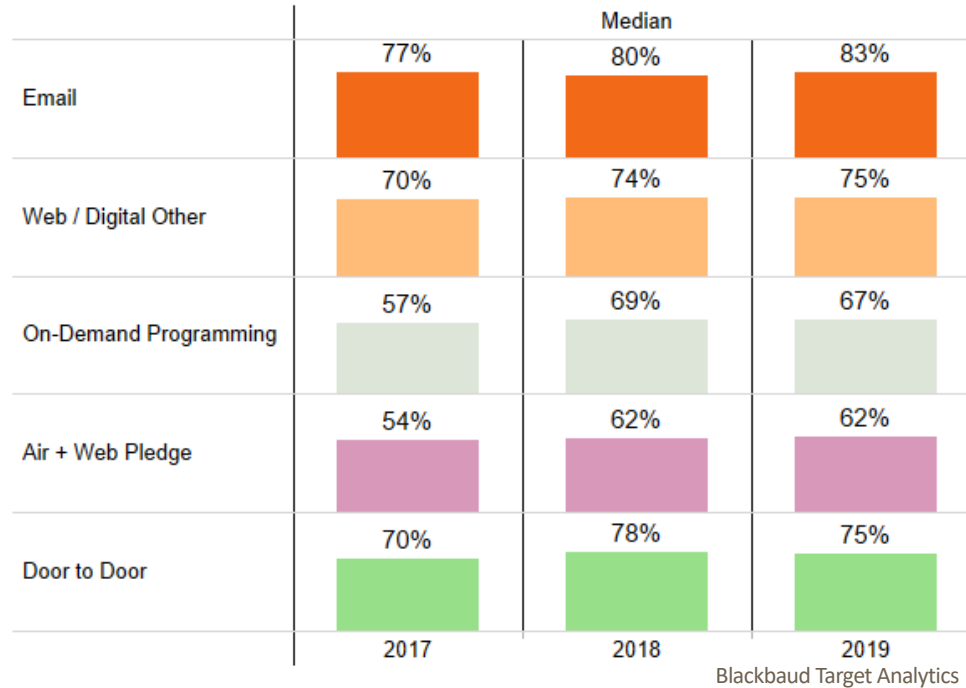
First-Year Retention by Origin Source – Single Gift Acquired



Blackbaud Target Analytics

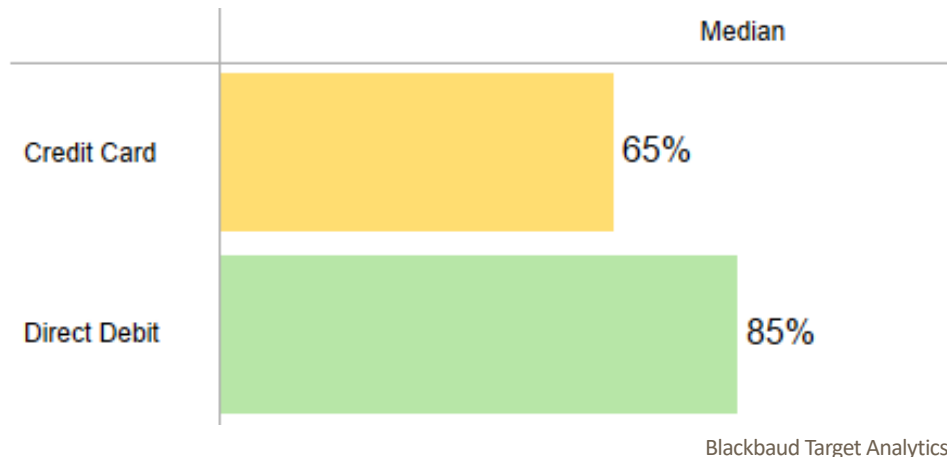
Donors acquired via digital sources, outside of pledge, have greater first year retention rates than pledge acquired.

First-Year 13-Month Retention by Origin Source – Recurring Acquired



13th Month retention rates for donors acquired as sustainers via Passport outperform pledge-acquired donors only.

First-Year 13-Month Retention by Origin Payment Method: Recurring Acquired Donors



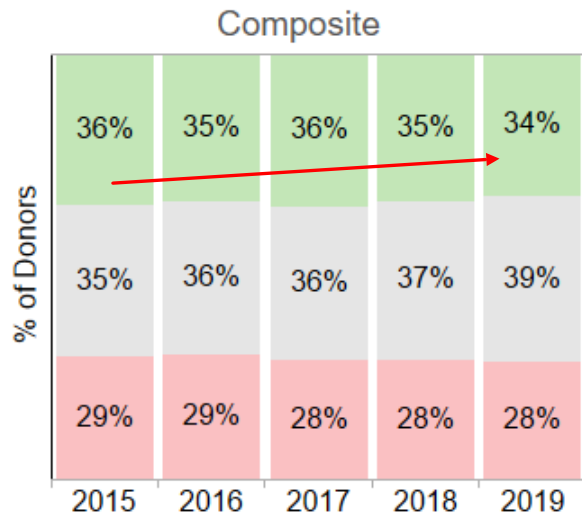
In FY19, a median

- 20% of donors were making their gifts via EFT
- Less than 1% of donors made their gifts via Online Payments

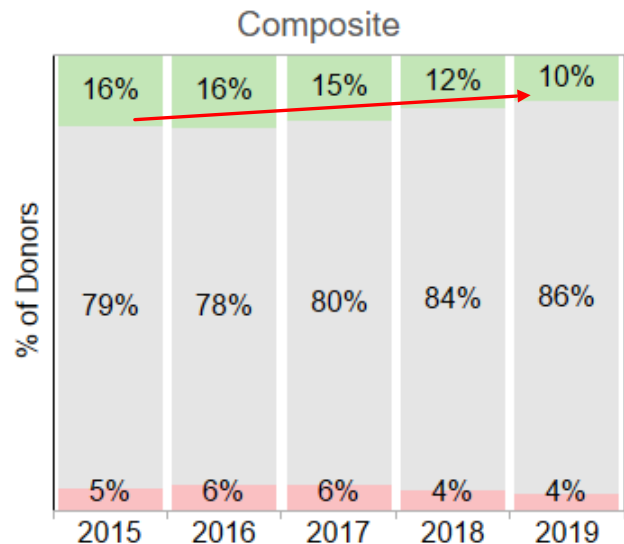
Increasing Donor Value Trends: Upgrading and Long-Term Value

Multi-Year Donor Upgrading

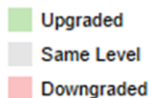
Single Gifts Only in Prior and Current Years



Recurring Gifts Only in Prior and Current Years

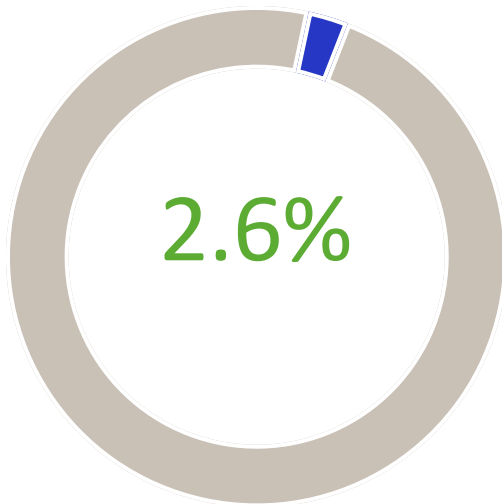


Blackbaud Target Analytics



- Declines in the share of donors upgrading for both single and recurring gifts in 2019 since 2015.
- Shift has been toward remaining at same levels, rather than downgrading.

Share of Recurring Gift Donors Making Additional Gifts in 2019



- Less than 3% of all multi-year recurring gift donors made an additional gift in 2019, down slightly from prior years.
- The average single gift from recurring gift donors was \$79 in 2019, an increase from prior years.
- The median revenue received was \$20.5K, an increase over prior years.

Does not include donors that converted from single to recurring.

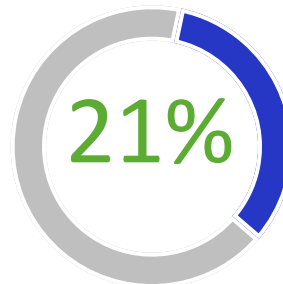
Long Term Value for Donors Acquired in 2017

Acquired As Recurring



Percent of Original
Donors Still Giving in
2019

Acquired As Single



Lifetime Revenue
Per Donor in 2019



The Big Take-Aways

Stay the Course.

- Resist the urge to cut acquisition
- Continue to build your sustainer file with direct acquisition
- Increase efforts to convert new and reactivated single gift donors to sustainers
- Increase efforts to acquire and convert donors to EFT Payment Method and consider Online payment methods
- Prepare for sustainer cancellations with offers to lower gift amount or pause the donation for a time
- Monitor for changes in gift frequency from your single gift donors. Are donors previously giving 2 to 3 gifts in a year now only giving 1 to 2 gifts?

Thank you to the donorCentrics participating stations!

AETN

CAPR

CPBN

DPTV

GPB

Ideastream

KCPT

KCTS

KDFC

KL VX

KPBS

KPCC

KQED

KUED

KUSC

KUT

KVIE

KWMU

MPR

MPT

MPTV

NHPTV

Nine

Network

NYPR

OPB

PBS

SoCal

PMNJ

RMPBS

TPT

UNCTV

VETV

WABE

WAMU

WBEZ

WBFO

WBUR

WEDU

WETA

WFAE

WGBH

WGBY

WGVU

WHYY

WITF

WLIW

WLVT

WMFE

WMHT

WNED

WNEO

WNET

WPBA

WPBT

WPR

WPTV

WQED

WTTW

WUNC

WVIA

WXEL

WXPB

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