IMPROVING DONOR RETENTION THROUGH PARTNERSHIP

About the Client
Project HOPE is an international relief and development organization that solves some of the world’s greatest public health challenges by putting real power in the hands of local health care workers who are most able to have the greatest positive impact on the health of the people they serve and save lives.

Founded in 1958, the nonprofit converted a former U.S. Navy vessel into the first peacetime hospital ship, transporting American health care workers to developing nations to share their skills and knowledge. Continuing this tradition of “teaching while healing,” Project HOPE partners with local governments, businesses and other nonprofits to develop lasting solutions to complex health challenges.

In 2016, its programs delivered more than $114 million in life-saving medicines and medical supplies, trained more than 100,409 health care workers, and improved the health of nearly 1.2 million individuals worldwide.

Background/Situation
Jann Schultz, Project HOPE’s Senior Director, Individual Giving and Communications, joined the nonprofit in 2013 with a track record of providing an exceptional donor experience in her past work at other organizations. Soon after she arrived, she conducted an assessment of how well Project HOPE was serving its donors. It revealed multiple gaps between current processes and best practices.

Challenge #1: Ineffective Response to Inbound Donor Communications
Right away, Schultz saw a need to improve Project HOPE’s handling of donor phone calls and e-mails, which the nonprofit managed in-house. When donors called with questions or other requests, they were initially routed through the receptionist and would often be transferred among departments without having their question answered or issue resolved.

“It was a classic case of being bounced around,” Schultz said. “The worst-case scenario for a donor who needs assistance.”

Further research found that this inability to respond to donors quickly and knowledgably was linked to low donor satisfaction and retention.

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Senior Director,
Individual Giving and Communications
Project HOPE
The Merkle RMG Solution

In 2014, after going through an RFP process, Project HOPE outsourced its donor contact center requirements to Merkle Response Management Group (RMG) with expectations of delivering an outstanding donor experience.

The impact was immediate and significant. In addition to providing timely and accurate high-touch responses to donor inquiries, Merkle RMG was able to support innovative techniques for gathering donor feedback right at the point of contact — helping Project HOPE better understand its donors’ needs, and making supporters feel listened to and validated.

Schultz noted that as Project HOPE’s inbound donor services call center team, Merkle RMG truly serves as an extension of the organization.

“They don’t just represent HOPE,” she said. “They are my donor services team and deliver an exceptional experience to every one of our supporters.”

Results

Schultz said that because Merkle RMG’s contact center team gathers direct feedback with each donor interaction, Project HOPE is better able to address areas of need. Subsequently, donor retention rose by 5.2 percent within the first two years of partnership. Additionally, Project HOPE saw more than a 15 percent increase in the number of active donors and a 21 percent rise in the number of gifts overall.

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Challenge #2: Inconsistencies and Inefficiencies in Gift Processing

Early on, Schultz noted multiple shortfalls in Project HOPE’s mail gift processing. These included a lack of transparency in how much mail was received and processed daily; an inability to scale in times of heavy activity, such as at year’s end or following a disaster; lack of timely depositing of funds and delivery of captured data; no dedicated account management support; and delayed reporting, which hindered financial insights.

“Month-end closing was painful,” Schultz said. “We’d be waiting for the data to be imported to the database, preventing close-out. It created a cascade effect where the finance department couldn’t report on financials, and then senior leadership was unhappy.”

As a result, Project HOPE began to explore other outsourcing options.

“I was looking for a partner that could address all of those concerns,” Schultz said. “We had multiple candidates participate and respond to our request for proposals, but there was only one organization that was able to meet all of our key criteria. That was Merkle RMG.”

The Merkle RMG Solution

In 2016, Project HOPE began using Merkle RMG’s gift processing services. In this capacity, Merkle RMG provided a transparent, consistent process for quickly,
securely and accurately processing donations from the organization's direct mail fundraising program.

In particular, Merkle RMG brought rigorous security standards to Project HOPE's donation processing. Merkle RMG is compliant with Payment Card Industry Data Security Standards (PCI-DSS) at Level 1 — the highest level. This offered valuable assurance to the nonprofit in how donors' credit card payments were handled.

“When I talk about the security and efficiency in our donation processing, PCI compliance is at the heart of that,” Schultz said.

**Results**

Within weeks of implementing the gift processing solution, Schultz said, the nonprofit was able to close on time at month’s end.

“The financial team was thrilled because Merkle RMG is able to close at the end of the month within three business days,” she noted.

She recalled when, in early January, Merkle RMG supported Project HOPE as the nonprofit acted “on the fly” to realign the dates of its fiscal year with the close of the calendar year.

“Merkle RMG was flexible enough to accommodate this change,” Schultz said. “They helped us shift the goal post, and we were able to close what was not only the end of the calendar year — but also the fiscal year — in a timely manner.”

She added, “We knew gifts that were dated and processed in December were truly being batched, processed and credited to December, which is important to donors.”

**Challenge #3:**

**Need for Better Support of Recurring Gift Program**

Schultz knew an effective back end would be essential to maximizing revenue and growing Project HOPE's sustainer program.

But due to the business challenges the nonprofit was experiencing with its original processing partner, Project HOPE decided not to give that vendor the added responsibility of sustainer management.

“I didn't want to compound the problem by entrusting our sustainer donors to a vendor we wanted to move away from,” Schultz explained. “I wanted to consolidate our operations for better efficiencies, but with an effective partner.”

**The Merkle RMG Solution**

In 2017, Project HOPE started using Aeon — Merkle RMG's turnkey sustainer processing and management solution — to strengthen the back-end support of its recurring gift program.

The solution allows Project HOPE to easily manage sign-ups from multiple channels. It also offers the critical ability to identify donors with soon-to-expire or invalid credit cards using an established process for contacting the donor to get updated information. Aeon also enables customizable reporting to give the nonprofit better transparency into giving activity and actionable information from which to grow it.
Results

While Project HOPE works to fully implement the Aeon solution, Schultz said it already promises to be a value-added service to the organization.

“We [are looking] to scale, grow, and move into direct acquisition of monthly and multi-gift donors,” Schultz said. “Having Merkle RMG support that with security and quality service provides the bandwidth I don’t have to manage that critical process internally.”

She also commented, “By adding their Aeon-based capabilities to the integrated service solution they’ve been providing us, Merkle RMG enables the sustainer management we need to grow our program.”

Overall Benefits

Schultz noted Merkle RMG’s unique ability to resolve multiple pain points.

“Merkle RMG was the only one that could provide end-to-end production cycle reporting, offer extended hours, and scale quickly at times of heavy activity,” she said. “We needed somebody who could activate additional staff and complete our gift processing on time. Merkle RMG was the only provider offering turnkey support for our monthly sustainer program, and that could meet our goals with next-day deposits and second-day receipt of data.”

She said the value Merkle RMG brings is rooted in two key aspects: partnership and expertise.

“I lean on partners to provide expertise so we can focus on our mission,” she said. “Project HOPE needs a partner that supports all aspects of services that touch donors, because we don’t have the capacity or skills for that. That’s why we partner with Merkle RMG.”

“I know I can reach out and share a concern that our partners at Merkle RMG will work with me to address,” Schultz added. “And that allows Project HOPE to focus on what we do best — deliver global health programs that prevent disease, promote wellness and save lives around the world.”

A Relationship With a Future

Schultz said future plans include working with Merkle RMG to implement a more timely and effective acknowledgement program.

“We continue to find areas of opportunity,” she said. “As we grow together in this partnership, we’ll both continue to look for ways to improve current business processes and find new methods for delivering a high-quality donor experience. I know, at the heart, Merkle RMG is aligned with our donor-first approach.”

Watch this video featuring Jann Schultz and other Merkle RMG clients as they describe the benefits our contact center services bring to their organizations.