Digital Trends & Insights
Kim Taylor, Supervisor Digital Strategy
Overview

• Food Bank web performance
• Digital donors
• The rise of mobile & responsive design
• Conversion optimization
• Threats & Opportunities
Website performance is on the rise, but a key opportunity exists for Food Banks
Trend highlights

- Website traffic is on the rise
- Revenue and average gift have climbed dramatically for our US Food Banks
- Conversion rates are down slightly – an opportunity to optimize
US food banks website performance trends

<table>
<thead>
<tr>
<th>Measure</th>
<th>2013</th>
<th>% Δ YOY</th>
<th>2014</th>
<th>% Δ YOY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visits</td>
<td>2,132,162</td>
<td></td>
<td>2,278,849</td>
<td>6.88%</td>
</tr>
<tr>
<td>Page Views per Visit</td>
<td>3.1</td>
<td></td>
<td>3.0</td>
<td>-2.41%</td>
</tr>
<tr>
<td>Avg Time on Site</td>
<td>3.14</td>
<td></td>
<td>2.77</td>
<td>-11.99%</td>
</tr>
<tr>
<td>Bounce Rate</td>
<td>43.9%</td>
<td></td>
<td>45.1%</td>
<td>2.73%</td>
</tr>
<tr>
<td>Transaction Revenue</td>
<td>$6,161,340</td>
<td></td>
<td>$7,559,374</td>
<td>22.69%</td>
</tr>
<tr>
<td>Avg Transaction</td>
<td>$127.30</td>
<td></td>
<td>$161.26</td>
<td>26.68%</td>
</tr>
<tr>
<td>Transactions</td>
<td>48,400</td>
<td></td>
<td>46,877</td>
<td>-3.15%</td>
</tr>
<tr>
<td>Conversion Rate</td>
<td>2.3%</td>
<td></td>
<td>2.1%</td>
<td>-9.38%</td>
</tr>
</tbody>
</table>

- Our US food banks have seen growth in online traffic (+7%), revenue (+23%) within the last year.
  - A combination of website investments/improvements and driving paid media traffic has resulted in an increase in average gift (+27%)
- Conversion rates are fluctuating, but came in at 2.1% which is a slight drop over last year (-10%)

Source: Google Analytics Composite
US food banks have reached a make-or-break moment when it comes to mobile experience
Composite Mobile Trends

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Traffic</td>
<td>20%</td>
<td>27%</td>
<td>35.00%</td>
<td>18%</td>
<td>28%</td>
<td>55.56%</td>
</tr>
<tr>
<td>Revenue</td>
<td>7%</td>
<td>9%</td>
<td>28.57%</td>
<td>8%</td>
<td>10%</td>
<td>25.00%</td>
</tr>
<tr>
<td>Donations</td>
<td>7%</td>
<td>10%</td>
<td>42.86%</td>
<td>7%</td>
<td>11%</td>
<td>57.14%</td>
</tr>
</tbody>
</table>

- Mobile and Tablet usage on our websites have seen a large increase year over year.

- This change isn’t just happening in traffic/visits, but we are seeing larger year over year growth in giving in both the US and Canada.

Source: Google Analytics Composite
Most Important Device/Media Used to Search for Info When Making a Purchase Decision According to US Smartphone/Tablet Users, March 2014

% of respondents

- **Laptop or desktop**: 43%
- **Smartphone**: 29%
- **Tablet**: 13%
- **TV**: 8%
- **Print sources**: 5%
- **Other**: 1%

Note: n=2,001; numbers may not add up to 100% due to rounding
Source: xAd and Telmetrics, "2014 Mobile Path to Purchase: The New Shopper Mindset" conducted by Nielsen, June 3, 2014

182749
Mobile-friendly sites a must for mobile users

- 74% of users more likely to return to mobile-friendly site
- 52% less likely to engage again with organization that has poor mobile site experience
- Key attributes that users are seeking in mobile sites:
  - Load time of five seconds or less
  - Mobile-friendly features: large buttons, easy search, minimal scrolling
  - Quick access to contact info, product info, transaction funnel

*Source: Google*
Women 25-49 are Most Likely to Be on Mobile Platforms

Mobile-only W 25-49 are catching up to PC-only population

- **People 18-24**
  - PC Only: 22%
  - Screen Jumpers: 65%
  - Mobile Only: 13%

- **Males 25-49**
  - PC Only: 20%
  - Screen Jumpers: 74%
  - Mobile Only: 6%

- **Women 25-49**
  - PC Only: 17%
  - Screen Jumpers: 69%
  - Mobile Only: 14%

- **People 50+**
  - PC Only: 48%
  - Screen Jumpers: 51%
  - Mobile Only: 1%
Social is mobile. Plan accordingly.
US Mobile Phone Social Network Users and Penetration, 2013-2018

millions and % of social network users

- Mobile phone social network users
- % of social network users

Note: mobile phone users of any age who use a social network site via mobile phone (browser or app) at least once per month
Source: eMarketer, Aug 2014

www.emarketer.com
Optimization a key (missing) ingredient for food banks’ digital performance
What is Conversion Optimization?

Conversion Optimization is the process of strategically testing elements across your website with the goal of increasing your conversion rate.

Conversion Optimization is an essential part of any digital strategy and can deliver:

- Dramatic increase in your online fundraising potential
- The ability to do more with the traffic you already have
- Higher ROI
Atlanta Community Food Bank

Which donation page checkout sequence achieved a higher conversion rate?

Control Variation

Test Variation

The test variation achieved a 12.7% lift in conversion rate. The test reached a statistical confidence of 96.1%.
Community Food Bank

- Did removing the top navigation on the donation page improve the conversion rate?

Control Variation

Test Variation

The test variation resulted in a -8.6% lift in conversion rate.
Community Food Bank

• Which donation page checkout sequence achieved a higher conversion rate?

Control Variation

Test Variation

The test variation achieved a 21.6% lift in conversion rate. The test reached a statistical confidence of 96.2%.
Water Street Mission

- Which left rail content achieved a higher homepage revenue-per-visitor?

Control Variation

Test Variation

The test variation achieved a **97.0%** lift in homepage revenue-per-visitor. The test reached a statistical confidence of 98.9%.
Downtown Rescue Mission

- Which donation page value proposition achieved a higher conversion rate?

**Control Variation**

**Test Variation**

The test variation achieved a **63.3%** lift in conversion rate. The test reached a statistical confidence of **97.8%**.
Which donation page value proposition achieved a higher conversion rate?

Control Variation

Urgent: Help provide more than 33,800 meals this Resurrection season
Give meals for hungry, homeless people—$2.07 each
As we prepare for the more than 33,800 meals we expect to serve this Resurrection season, you can help make it possible. Please give and help renew hope. Just $2.07 is all it takes to give a to a hungry, homeless and hurting person this Resurrection season.

Please select your donation amount:

Test Variation

Urgent: Help provide more than 33,800 meals this Resurrection season
Give meals for hungry, homeless people—$2.07 each
As we prepare for the more than 33,800 meals we expect to serve this Resurrection season, you can help and make it possible. Please give and help renew hope.

Your gift will provide:
• Hot, nourishing meals for homeless people
• Safe shelter from the streets
• Hope for a brighter future

Please select your donation amount:

The test variation achieved a 50.8% lift in conversion rate. The test reached a statistical confidence of 93.1%.
The Christmas splash page resulted in a -9.5% decrease in the homepage conversion rate.
The test variation achieved a 59.5% lift in homepage conversion rate. The test reached a statistical confidence of 95.9%.
Feed the Children

• Which donation page value proposition achieved the higher average order value?

**Control**

**Need**

**Multiplier**
Feed the Children

• Which donation page value proposition achieved the higher average order value?

The Multiplier treatment achieved a 54.8% lift in average order value over the control. The test reached a confidence of 95.4%.

The Need treatment also achieved a 37.7% lift reaching a confidence of 91.9%.

The bulleted format of both the Need and Multiplier treatments improved readability and the perceived benefit of the multiplier compelled users to make larger donations.
Which test won?

• Which donation page achieved a higher sustainer conversion rate?

Recipe A

Recipe B
Recipe B achieved a 362% lift in sustainer sign-ups. The test reached a statistical significance of 97%.

Additionally, Recipe B achieved a 54% lift in overall revenue (96% statistical significance).

Which test won?

• Which donation page achieved a higher sustainer conversion rate?
What trends are you seeing?
What opportunities or threats are you seeing?
Biggest opportunities . . . biggest threats
The rise of mobile commerce
Mobile payments on the horizon

- Several contenders; which will be first to go mainstream?
- Will dramatically impact both offline and online commerce
- The consideration for nonprofits
  - Who is rising to the top?
  - How will this impact donor giving behavior?
  - What is the opportunity for my organization to drive fundraising growth?
Mobile payments on the horizon

Shopping Cart

Subscribe to Bundle & Save!
If you choose the Diapers & Wipes Subscription Bundle, you'll get a monthly supply of diapers and wipes for only $79.95.

Review Your Cart

Formula Dispenser
remove

Quantity
1

Subtotal
$6.95

FREE SHIPPING on orders over $50.00.
You're only $43.05 away from free shipping.

Questions? 1.888.862.8818 Mon - Fri 5AM - 5PM PST

Proceed to Checkout

Pay with Amazon

ru ss re id
# US Holiday Season Retail Ecommerce Sales, by Device and Shopping Day, 2014

<table>
<thead>
<tr>
<th></th>
<th>Thanksgiving</th>
<th>Black Friday</th>
<th>Cyber Monday</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Desktop</strong>*</td>
<td>$1.01</td>
<td>$1.51</td>
<td>$2.04</td>
</tr>
<tr>
<td><strong>Mobile</strong>**</td>
<td>$0.36</td>
<td>$0.44</td>
<td>$0.56</td>
</tr>
<tr>
<td>— Mobile % of total</td>
<td>26%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1.37</td>
<td>$1.94</td>
<td>$2.59</td>
</tr>
</tbody>
</table>

Note: Thanksgiving was Nov 27, Black Friday was Nov 28 and Cyber Monday was Dec 1; excludes auctions, large corporate purchases and travel; numbers may not add up to total due to rounding; *includes home and work desktop computers; **includes smartphones and tablets

Source: comScore Inc. as cited in company blog, Dec 8, 2014

www.eMarketer.com
Mobile purchase study

- This Experian study shows that people who were asked were just as likely to give to a charity on Tablets as their PC (15%)
- There is a 33% drop in whether this group has given on a Mobile phone (10%)
- This percentage drop is well below the standard for all other sectors / industries listed in this study which average well over 50% drop-off in mobile conversion

<table>
<thead>
<tr>
<th>Product/service purchased</th>
<th>Via mobile phone</th>
<th>Via digital tablet</th>
<th>Via PC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel/Accessories</td>
<td>28%</td>
<td>47%</td>
<td>56%</td>
</tr>
<tr>
<td>Electronics</td>
<td>21%</td>
<td>41%</td>
<td>49%</td>
</tr>
<tr>
<td>Food</td>
<td>11%</td>
<td>23%</td>
<td>21%</td>
</tr>
<tr>
<td>Pharmaceuticals/Drugs</td>
<td>9%</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>Stocks/Bonds/Mutual funds</td>
<td>6%</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td>Tickets to movies/events</td>
<td>15%</td>
<td>34%</td>
<td>43%</td>
</tr>
<tr>
<td>Toys/Games</td>
<td>11%</td>
<td>34%</td>
<td>32%</td>
</tr>
<tr>
<td>Travel services/reservations</td>
<td>10%</td>
<td>33%</td>
<td>56%</td>
</tr>
<tr>
<td>Personal care/Toiletries</td>
<td>9%</td>
<td>13%</td>
<td>23%</td>
</tr>
<tr>
<td>Auction items</td>
<td>14%</td>
<td>26%</td>
<td>23%</td>
</tr>
<tr>
<td><strong>Charitable donation</strong></td>
<td><strong>10%</strong></td>
<td><strong>15%</strong></td>
<td><strong>15%</strong></td>
</tr>
<tr>
<td>Books</td>
<td>13%</td>
<td>45%</td>
<td>41%</td>
</tr>
<tr>
<td>Music</td>
<td>17%</td>
<td>41%</td>
<td>35%</td>
</tr>
<tr>
<td>Video games</td>
<td>16%</td>
<td>33%</td>
<td>25%</td>
</tr>
<tr>
<td>Other</td>
<td>13%</td>
<td>14%</td>
<td>15%</td>
</tr>
<tr>
<td>None of these</td>
<td>24%</td>
<td>4%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: Experian Marketing Services
Opportunities . . . And threats

• Responsiveness rules
• The impact on donor loyalty
• Cross-platform advertising
• Simple transaction technology
Trends in digital media
Cross platform retargeting

• **#1 Thing to remember:** Measure individual interactions across all device types
• **Benefit:** Reach audience with high frequency in timely manner on any connected device
• **Needs:** minimum spend, 6 week campaign recommended

**Multiple touch points = increased awareness**
Location Based Targeting

“Geo-fencing” for mobile reach and location data targeting

**Goals:** Driving user activity while at a specific location, driving users to a specific location, gather data on user movement and trends for specific regions, or demos

**Needs:** Mobile Creative, Minimum Budget ($50K), Desired Location(s)

*HOW OUR PLATFORM WORKS*

*Start with the structure:* We have nearly one billion tiles, each measuring 100×100 meters, layered across the entire US. By ingesting, analyzing and organizing data in each tile, we develop a profound understanding of the area – what kind of people and locations make up the space.
Opportunities . . . And threats

- New opportunities for marketing and transaction
- The evolution of user experience
- Fragmentation
- Location, location, location
- Bigger data
- Security
Three key takeaways

- Optimization is the missing key for most Food Banks.
- You need a fully responsive website . . . You cannot wait any longer
- New data-driven digital advertising tactics offer an unprecedented level of ROI with the ability to scale
Thank You!

Kim Taylor, Supervisor of Digital Strategy
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Addendum
Demographic trends = new marketing opportunities
Older audiences rapidly adopting digital, with HHI seniors leading the way.

A majority of older internet users go online on a daily basis:

- 94% of seniors 65-69
- 92% of seniors 70-74
- 87% of seniors 75-79
- 82% of seniors 80+
- Net: 11%

Every day or almost every day:
- 5 times per week

Internet adoption over time, seniors vs. all adults:

- 2000: 88%
- 2002: 94%
- 2004: 98%
- 2006: 99%
- 2008: 100%
- 2010: 100%
- 2012: 100%

Internet and broadband adoption among seniors:

<table>
<thead>
<tr>
<th>Age</th>
<th>Go online</th>
<th>Broadband at home</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total for all 65+</td>
<td></td>
<td></td>
</tr>
<tr>
<td>65-69</td>
<td>74</td>
<td>65</td>
</tr>
<tr>
<td>70-74</td>
<td>68</td>
<td>55</td>
</tr>
<tr>
<td>75-79</td>
<td>47</td>
<td>34</td>
</tr>
<tr>
<td>80+</td>
<td>37</td>
<td>21</td>
</tr>
</tbody>
</table>

Education:
- High school grad or less: 40%
- Some college: 69%
- College graduate: 87%

Household Income:
- $30,000-$49,999: 63%
- $50,000-$74,999: 86%
- $75,000+: 90%

Pew Research Center’s Internet Project tracking surveys.
Smartphone Owners Skew Younger; Tablet Older and Higher Income

Device Ownership by Age (% Comp)

- P 50+: 31%
- W 25-49: 28%
- M 25-49: 25%
- P 18-24: 17%

Device Ownership by Income (% Comp)

- 100k+: 40%
- 75k-100k: 20%
- 60k-75k: 20%
- 25k-60k: 16%
- <125k: 8%
<table>
<thead>
<tr>
<th>Mobile</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smartphone</td>
<td>4.2%</td>
<td>10.8%</td>
<td>22.4%</td>
<td>31.2%</td>
<td>35.4%</td>
</tr>
<tr>
<td>Tablet</td>
<td>0.0%</td>
<td>2.7%</td>
<td>10.2%</td>
<td>20.8%</td>
<td>24.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Desktop/laptop</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>95.8%</td>
<td>86.5%</td>
<td>67.3%</td>
<td>48.0%</td>
<td>40.4%</td>
</tr>
</tbody>
</table>

Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on desktop/laptop while on a mobile device is counted as 1 hour for desktop/laptop and 1 hour for mobile

Source: eMarketer, Sep 2014
The Attribution Conundrum
Digital Channel Impact / Attribution

- Attribution has become the topic of interest in the industry (Offline & Online).
- We live in a complicated environment where campaigns and channels impact each other in all integral elements of a conversion funnel.
- This study shows that some channels have strengths in certain steps within the path, but all have attribution issues.
- Search has shown to be the best at single channel attribution, but only occurs 10% of the time.

Source: Convertro Cross-Client Attribution Data Q1 2014
Digital attribution & reporting

• There are tools available that specialize in tracking multiple digital campaigns

• Russ Reid utilizes a combination of Google Analytics and Double Click (a 3rd party ad server)

• These tools can track touch points for multiple campaigns and help to determine the correct models for applying credit.

• This at the end of the day prevents double counting, and gives us the best information for making strategic decisions on how to best allocate budget

• Transaction IDs tracking allows us to do deep dive analysis to see the following:
  • New vs. existing vs. reactivated donors that our campaigns are influencing
  • Second gift conversion rates
  • Long-term donor value
Offline to Online Attribution Methodology

• Online/offline match back analysis to determine percentage of donors driven by complementary channels

• TV/digital/radio lift analyses to determine lift in markets where all channels vs. some are present, to determine impact of channel mix on total lift

• Correlation of lifts in gift frequency and retention to awareness driving activities

• Culminates in matrix credit for driver channels to enable optimal mix

• Not all clients need all methodologies – depends on the mix

• Formal attribution models are cost-prohibitive for virtually all nonprofits
Opportunities . . . And threats

- Simple solutions?
- The mix model
- The power of the assist
- Diversifying too fast, or too slow
- The danger of single touch metrics in a multi touch world
- New opportunities for competitive advantage