

# What Alumni Want

New study sheds light on how colleges and universities can better connect with alumni.

WHITE PAPER



## Executive Summary

At a time when many colleges and universities are under pressure to manage their marketing budget, leaders in alumni relations and development departments are finding effective ways to communicate with alumni. These leaders have engaged their alumni—and in many cases boosted giving—with a keen understanding of market challenges, new communication technologies and most of all, the needs and preferences of their alumni and supporters.

This Pitney Bowes Inc. white paper examines the challenges faced by colleges and universities, and shares insights attained through an in-depth study conducted by the polling firm International Communications Research.

This national study asked alumni directly about their attitudes toward their school:

- What types of information do you most enjoy receiving?
- How do you prefer to receive correspondence, news and other communications?
- How do you prefer to be contacted about gifts or donations?
- What types of messages are you most inclined to ignore?
- How likely are you to make a gift or contribution in the next 12 months?

The findings, presented here, can help institutions make more informed decisions and develop more cost-effective communication plans.

## **Communication challenges make for difficult decisions.**

Some alumni will paint their house in school colors. Others barely remember where they went. For most, however, the campus experience is one of many affiliations they carry into adulthood—a relationship that must be fostered if it is to grow.

Today, however, alumni relations and development officers face new challenges which can make it more difficult to engage their alumni base.

- **Information overload.** In this era of content, alumni relations heads have ready access to more college news than ever before, from campus activities to alumni stories. Choosing what to communicate represents a key decision—as you want to send messages that engage your audience. At the same time, there is a need to break through the clutter and ensure your message gets noticed, as college grads are already inundated with thousands of messages every day.
- **Channel complexity.** Today, school administrators can reach out to alumni in more ways than ever. While events, face-to-face meetings, phone calls and written correspondence remain in vogue, communicators must also strengthen their Web and e-mail presence while becoming adept at emerging channels including text and instant messaging, mobile apps, YouTube, blogs and social media.
- **Budget pressures.** Given the 2008 stock market decline, most institutions saw the value of their endowments decline 20 to 30 percent last year.<sup>1</sup> With the number of applicants breaking records—and unemployment remaining high—few colleges or universities have the flexibility to cut back on core curriculum or financial aid. That leaves administrative functions—including alumni relations—with fewer dollars to invest at a time when alumni relations (and donations) could be most critical.

As a corollary, the same economic pressures may also make it more difficult to convince someone to attend a reunion, increase donations or support an athletic team.

Fortunately, new research from Pitney Bowes can help prioritize which actions will be most effective. In 2009, the polling firm International Communications Research surveyed approximately 1,100 college graduates and post-graduate school respondents about their preferences for receiving information from the school they attended. These insights provide much-needed direction on how campus officials can connect with alumni in ways that generate positive good will – and stronger relationships.

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<sup>1</sup> The Herald Sun, *The endowment at Duke fell 24.3% in 2008*, October 8, 2009.

***In terms of content, access and relevance prevail.***

Survey results indicate that successful institutions will generate content covering a broad range of topics – but avoid sending everything to everyone. Communications that directly involve alumni, whether it be alumni news or alumni events, were preferred more than current news from campus.

**Alumni want all, none and everything in between.**

- 29.8% All information about the school
- 22.9% Alumni news and events
- 22.1% A combination of campus events and alumni events
- 13.9% Only special events happening in your area
- 13.1% Current news and events from campus
- 23.8% None

Question: What types of information do you most enjoy receiving from your college or university?

While you may have ways to segment alumni based on well-defined criteria (such as geography, athletic support and stated preferences), alumni relations staff will still need to walk a delicate line between over- and under-communicating. Some universities solve this challenge by integrating multiple channels of communication to promote access to content without having to overload everyone.

Interestingly, while nearly all college graduates surveyed had Internet access at home or work, e-mail ranked far behind mail as the preferred method of communication. And few looked to their favorite social networking sites for campus news.

**Alumni prefer mail for school news**

- 57.1% Regular mail
- 30.5% E-mail
- 2.7% Social networking sites like Twitter and Facebook
- 7.4% No preference

Question: How do you prefer to receive correspondence, news and other communications from the college or university you attended?

With few staff members available to serve a growing base of alumni, university officials will need to prioritize which channels can be fully supported in the upcoming year. Clearly, some universities are attracted to emerging media. As of September 2009, the University of Florida had 24 separate Twitter accounts. Staff members at George Washington University generated nearly 60 tweets a day. While early adopters are using this tool, it will be interesting to measure how effective this channel can be, especially in light of the new survey results. Many top schools, for example, have fewer than 100 people following them on Twitter<sup>2</sup>.

***“Old school” media remains critical component of fundraising mix.***

Magazines, e-newsletters, sports news and reunion updates play an important part of the communication plan, but for many schools – the rubber meets the road when it comes to participation in fundraising campaigns and annual appeals.

Survey respondents cited mail as the preferred method of communication. While not as intrusive as a dinner-time phone call, the physical nature of mail obviously gets noticed. Mail also makes it easy for recipients to respond when it is more convenient, as solicitation materials can be saved with invoices, statements and other critical communications.

**Mail ranks tops for donations**

- 54.2% Regular mail
- 22.7% E-mail
- 1.4% Social networking sites like Twitter and Facebook
- 5.3% Phone
- 13.0% No preference

Question: How do you most prefer to be contacted by your college or university about gifts and donations?

While mail creation and delivery cost less than an outbound telephone call, e-mail is less expensive. Each college or university will need to identify the mix that optimizes return on investment. It is likely that you can vary the frequency of each approach and develop communication plans for unique segments. An individual’s prior giving history, for example, is a key indicator as to whether they will donate funds in the coming year.

<sup>2</sup> universitiesandcolleges.org, Top 100 Colleges on Twitter, September 2009

### **Four out of five donations will come from prior givers**

10.3% One  
9.2% Two  
10.8% Three to Five  
9.6% Six to Ten  
8.3% 11 – 20  
7.3% 21 – 40  
3.2% 41+  
41.0% None

Question: How many times have you made a gift to your college or university since graduating?

### ***Mail particularly effective in fundraising results.***

While alumni prefer mail, smart development heads will utilize methods that deliver the best results. Therefore it will be important to develop a system where you can track contact history, so you can measure the effectiveness of each channel.

Some researchers have already begun to explore channel optimization as it relates to non-profit fundraising. According to published reports, the Internet can be a valuable fundraising tool, yet people who donate to charities online often never return to make a subsequent gift.<sup>3</sup> Some experts note that organizations simply have more experience with direct mail and know how to ask for money using the mail—skills that are still being tested in online channels. That study suggests that while e-solicitations are important, they cannot replace direct mail.

The latest International Communications Research study, however, does shed some light on why mail is so effective. The first hurdle is to avoid the immediate delete button or call hang-up—and here mail outperforms other channels.

### **Alumni often ignore fundraising calls.**

38.0% Phone  
33.8% Social networking sites like Twitter and Facebook  
30.2% E-mail  
27.1% Regular mail  
5.5% No preference

Question: Which types of messages are you more likely to discard or ignore when it comes to fundraising?

<sup>3</sup> The New York Times, *Study Shows First-Time Online Donors Often Do Not Return*, March 18, 2009

## **Schools and universities look to employ best practices.**

Understanding what alumni want is only one component to developing a strong communication plan. Often, the difference between a solid program and off-the-chart results depends on execution – and taking advantage of every opportunity. Best practices that can help you streamline your efforts, lower costs and better connect with alumni include:

- **Improve address quality.** More than 45 million Americans move each year<sup>4</sup>, which means keeping your contact lists current and up-to-date rates as a must-do activity. While e-mail addresses can be lost forever, the USPS keeps a database of physical addresses, which you can access to cleanse and update your database records.
- **Communicate how money is spent.** Many stop giving because they never received meaningful information on how their donations helped improve the school<sup>5</sup>.
- **Look for ways to increase relevance.** Personalization can improve open rates and overall performance. Using the information you have on alumni, even simple data such as major, graduation year or geography, can make a big difference.
- **Reduce mail costs.** Postage for a two-ounce letter can range from \$0.61 to less than seven cents—which means knowing postal rules can make a big difference in your ROI. Barcoding and presorting mail in particular can save you a lot of money.
- **Ensure channels work together.** While some channels of communication are preferred over others, making sure all of your touchpoints support one another is the best strategy of all. Using offline channels such as postcards to drive traffic to your Web site, for example, can be extremely effective and cost-efficient.

Faced with significant challenges, such as information overload, channel complexity and budget pressures, alumni relations and development teams will need to make some tough decisions in the months ahead. Providing alumni with the information they want, in the format that best meets their needs, is one way to strengthen relationships.



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<sup>4</sup> United States Postal Service, *Updating Address Lists is a Smart Move*, January 2009

<sup>5</sup> Cygnus Applied Research, Inc., *Donor-Centered Fundraising*, 2003