

## Case Study: Louisiana Philharmonic, Part 2

# Quadrupled Annual Fund Revenue

### Multi-Round, Multi-Channel Matching Fund Campaign

#### THE SCENARIO:

Louisiana Philharmonic Orchestra (LPO), like many organizations on the Gulf coast, faced an uncertain future after Hurricane Katrina struck in 2005. By May 2011, TRG had helped the orchestra re-establish a home base, grow patronage in outlying parishes, and reconstruct a database that was no longer reliable in post-Katrina New Orleans (see part one). By revamping their marketing practices, LPO's subscriber base now exceeded pre-Katrina levels. The next priority was turning the new customers into donors.

**Potential for growth.** Successful marketing campaigns had grown the prospect pool substantially; from 2006–07 to 2009–10 there had been a 28% increase in subscriber records and 99% increase in single ticket buying households. The Orchestra now had a large pool of prospects to solicit for donations.

**Target: the Annual Fund.** Traditionally, arts organizations create donor-supported annual funds to provide general operating monies. Growing this annual fund at the LPO would allow the Orchestra to create consistent, annual support for its daily operations, furthering its goal of sustainability. As with many non-profits, the end of the fiscal year can be a critical time with big pressures for revenue generation. In May 2011, LPO wanted to take advantage of both the need for revenue and their expanded database.

**But how?** LPO had deployed annual fund campaigns before but hadn't applied a multi-round, multi-channel approach. While the Orchestra had utilized telefunding and direct mail, it had not aggressively gone after the newly expanded prospect pool with targeted messaging.

#### THE RESULTS:

The 2011 fiscal year-end campaign resulted in 11% of the year's annual fund non-major gifts revenue, nearly quadrupling what the Orchestra had made from its non-major donors in the same time period during 2010. The campaign dramatically increased number of the membership-level gifts (under \$3,000) the Orchestra received in the last six weeks of the year—from 4 gifts in 2009–10 to 162 gifts in 2010–11.

#### HOW LOUISIANA PHILHARMONIC DID IT:

**Leveraging a large gift.** TRG consultants had counseled LPO to launch a matching gift campaign, whereby a large donation (or collection of donations) would be used in collateral materials to inspire other patrons to give, with the message: "Your gift will be matched dollar-for-dollar by a generous donor." Development staff seized on the opportunity and were able to convert a well-timed gift from the Music Director, Carlos Miguel Prieto, as one of the lead gifts in the campaign. Combined with the gifts of other anonymous donors, the match was set at \$15,000.

**A multi-channel approach.** Consultants guided LPO in creating a multi-channel campaign (direct mail and email) in the last six weeks of the season, a critical time to balance the budget. TRG's patron behavior research has demonstrated that converting ticket buyers, especially subscribers, into donors will increase patrons' loyalty (and therefore lifetime value) to the organization. Therefore, the main focus of the campaign was converting ticket buyers to donors. However, the LPO also asked current donors for a second gift. Consultants cast the net wide for acquisition and culled LPO's data for the best acquisition prospects using database analysis to inform the target list.

**Frequent Contact.** Whether they were asked for a first or second gift, all prospects received four contacts within the six weeks—two mailed packets and two emails. There were two versions of each piece—one with messaging tailored to new prospects, the other with messaging targeted to existing donors. LPO updated recipients on the campaign’s progress with each communication.

**Momentum of Success.** By the fourth week of the campaign, LPO had already reached its \$15,000 goal. The Orchestra had successfully leveraged major donations to increase smaller donations among ticket buyers. However, with two weeks left in the fiscal year, LPO still had time to raise more and needed to generate additional revenue to help balance its budget. In order to maintain momentum, staff found donors to add \$5,000 to the match, a total goal of \$20,000.

**ROI and Inspiring Generosity.** In the end, LPO exceeded the \$20,000 goal too. The Orchestra had spent \$6,500 to generate nearly \$25,000—a 26% cost-of-sale (and nearly 300% ROI). Best of all, another couple was so inspired by the outpouring of support for the campaign that they donated \$10,000 to the Orchestra.

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LOUISIANA PHILHARMONIC  
**ORCHESTRA**  
CARLOS MIGUEL PRIETO, MUSIC DIRECTOR

**Help us make our goal!**

Dear Trey,

I consider music education to be enormously important, which is why I made the decision with another donor to provide a \$15,000 matching gift in support of the LPO's critical contributions in this arena. It gives me further pleasure knowing we are 91% to achieving our goal with one week left to go!

**We only need another \$1,325 by June 30 to have fulfilled the entire matching gift challenge.** If we're successful, a total of \$30,000 will go to supporting music education in the New Orleans region.

**Donate now to help share orchestral music with the many underserved children in our area.** You can also give by calling Mimi Kruger at (504) 523-6530 ext.108 or mailing your gift to the LPO at 1010 Common St., Ste 2120, New Orleans, 70112. As long as your gift is postmarked by June 30, it will count toward our goal.

With Sincere Appreciation,



Carlos Miguel Prieto  
Music Director



Donate

Phone: 504-523-6530 ext.108 Stay in touch with us on [f](#) [t](#)

### ABOUT THE LOUISIANA PHILHARMONIC:

Founded in 1991, the Louisiana Philharmonic is the only musician-owned and collaboratively managed professional symphony in the United States. The LPO performs a full 36-week concert season each year. For more information, visit [www.lpomusic.com](http://www.lpomusic.com).