

Giving Growth Podcast - Francesco De Flaviis of National Multiple Sclerosis Society, hosted by Greg Sobiech (full transcript)

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Greg Sobiech

There is a problem that not-for-profits can't ignore. The traditional giving pyramid may be collapsing. Older donors are aging out and younger generations aren't filling the gap.

And the volatile economy is squeezing non-profits from all sides. This is Giving Growth, the podcast where we talk to leaders who are reshaping the non-for-profit world and tackling these challenges head on. Sign up for the Giving Growth weekly newsletter and learn about one idea worth sitting with every week at [DelveDeeper.com/podcast](https://delvedeeper.com/podcast). My guest this week is Francesco De Flaviis, Chief Marketing and Communications Officer at the National Multiple Sclerosis Society. Francesco is a brand builder, a strategic thinker. He's a very seasoned non-profit leader with some 30 years of experience at global organizations like Partners in Health, UNICEF USA, Moleskine and DeLonghi.

And he's right now again at the National Multiple Sclerosis Society. And whether Francesco is crafting fundraising campaigns or driving brand transformation or building emotional connections across generations, his work truly is all about transformation. Francesco is all about leaning into his comfort zone and pushing the envelope.

And he deeply cares to create value for the organizations where he serves. This is also his second time on the podcast and I'm really honored that Francesco, you made the time to be here. Thank you.

Thank you. For listeners who don't know you, you have a very complex background because you have been both at commercial and mission-driven organizations. Can you talk for a bit about how did you get to where you are today?

Francesco De Flaviis

Yes. And first off, thank you for having me again on your podcast. It's a pleasure.

I think I reflected often about my path and the only real intentionality in that path was the switch from the commercial environment, the private sector, if you want, into the nonprofit. That was really the one moment in my career where I said, I need to actually make this intentional decision. The rest, I guess you can summarize it as follow what you like, follow the passion.

And I have many interests, probably too many. I'm sure you can relate to that. And so it's a little bit easier to get lost in something, whether it's branding or product marketing, which I absolutely love and miss to a degree, to fundraising, sales.

So when you have so many potential interests, it's easy to get lost. And then when you look back, you see a lot of 90 degree turns. Again, there was not a lot of intentionality, but I do

recognize the privilege and the luck maybe of having had these opportunities to have a diverse path.

And looking back, I think I really value diversity or non-linearity in the career path versus I start in one place and I'm for my entire career at the same place. Personally, I value that and I'm grateful for that.

Greg

What is, and I'm just really curious, what is one thing as a personality trait, as a characteristic that you think drove the different twists and turns that you took on your career journey?

Francesco

That's a great question. I would say probably curiosity and maybe I have ADHD, I don't know, but like the ability to focus intensely into something that captures your curiosity with a certain degree of challenge in it. I think that's also part of my personality trait.

I do appreciate new things. That's the curiosity angle. I also appreciate hard things.

That's what I think has been the impetus behind a lot of those maybe not so intentional choices. Why should I go from this organization to these organizations? What consistently comes to mind is, is it new?

Is it something I do not know? I have not had experience with and is it hard? Is it challenging?

Greg

And you have recently joined the National Multiple Sclerosis Society and you're the Chief Marketing and Communications Officer. What attracted you to the role?

Francesco

Similarly to my previous answer, I'm attracted to transformation, right? And so I think maybe this is worth unpacking quickly. There are many things that are challenging, hard, fixing or growing exponentially compared to a particular baseline.

But I am also particularly attracted to the Venn diagram between hard and challenging and transformation. Taking something from current state to future state. And maybe that's because my mind likes to wonder about what could it be and what it would take to take something from point A to point B.

And inherently transformations are hard. And so maybe that's why that overlap between hard and transformation always has attracted me. The National MS Society, which is the leading and most influential organization worldwide that tackles the multiple sclerosis disease, is being active for 80 years.

Right now they are at a transformational, pivotal juncture, I would say, where they want to accelerate even further the advance to both a cure, which is incredibly promising. I think we are now more than ever confident that we can end this disease in our lifetime. And at the same time, and that's kind of the duality of our mission, making sure that people who are struggling or dealing with the disease today, people living with MS today, have the very best chance to live a fulfilling life.

Both of these things are getting incredibly possible, increasingly possible. And that's what attracted me. And not to say that, oh, you jump on something that it's obviously achievable, but it's how do I become part of this wonderful and inspiring story?

Greg

I like looking at trends. And one trend that I see, we have fewer donors. The donor pool seems to be shrinking.

This is an unusual trend that pool has been actually growing over the years as the US population has been growing. Now it's shrinking, and yet the revenues, donations, dollars are growing. My personal simplistic interpretation is that the rich are getting richer, poor are getting poorer.

And as we were preparing for this, you said the wallets may be shrinking, and I agree with that. That obviously worries me because of what the impact that this has on society. And it clearly affects, I believe, the environment in which charities are operating.

What is your interpretation of the fact that count of donors is shrinking, and yet dollars are increasing?

Francesco

Well, I just want to make a distinction of the two data points that you just brought up. I think it's much more certain that the gap between the top and the bottom, or the middle even, is increasing. That's not a speculation, that it's an absolute fact, and has been going on for some time.

During COVID, we saw an acceleration of that spread. What's less clear to me is the second point that you brought, is why fewer donors are coming up to sustain the work of charities. And it could be a multitude of factors.

It could be because the landscape that we are in currently, FY23 to FY25, has seen a lot of emergencies, and a lot of disasters and conflict. We are also, specifically in the United States, have seen an increased attention on the political side. So it's tough for me to definitively say why the bottom, the small gifts individuals are flocking fewer numbers to nonprofits.

Is it temporary, or is it here to stay? However, what we do know is when that happens, in other words, when you have fewer donors, likely it could also be that they are donating fewer amounts of their dollars, their disposable income, and therefore they're choosing fewer organizations or missions to donate to. So it's also true that when the wallet from a donation amount, total available donation amount shrinks, it's also true that we have probably seen people being more selective in the number of charities they donate to, which means that if we want to reverse that trend, we all have to deliver better value and experiences so that we can be part of that more selective cadre of organizations that people want to support.

Greg

So we've both been in business for more than two decades. And one of my lessons has been that it's important to just have a point of view. And sometimes it's wrong, sometimes it's right, but it's important to choose a path and stick with it for a given amount of time.

But picking a path requires having an understanding of how the world works. So if right now in 2025, I assume that the wallet is shrinking to your point, and now I have to work harder to get a piece of that share of wallet. And by the way, that's very like commercial language, but that's exactly how for-profit organizations think.

I remember having these conversations when I was driving digital at Bath and Body Works, for example. Like I agree with you that that frame of mind then necessitates a change in how I think about relevance. How do I make sure that my mission-driven organization stays relevant?

Is relevance something that you think about?

Francesco

Absolutely. I mean, relevance is perhaps more of a commercial term, right? But let me put it this way.

So we have a known universe of supporters and donors. For a subset of that universe, we are the number one charity they support. You can think of those as, and we were talking yesterday about this term of super fan.

We think for those people, we are top of mind. We are the number one charity, but there's also a subset of that universe. We are just one of the few, several, maybe many charities that I support.

So it's more likely that in that second subset, if we fail to increase relevance, then we might not make the cut. And obviously, in branding or brand measurement, we talk about the funnel. Usually there's always a distinction between awareness and top of mind.

Top of mind comes even without you saying, have you heard of this brand or this organization? So obviously one of the objective is to increase the ratio of our supporters and donors that see us as the number one, as their, in air quotes, their charity, their organization, their mission.

Greg

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You spoke about value. Let's get into that. The classic question that I often face, and I think I've been facing this especially over the last several years, is a shift from channels to audiences.

A typical organization has the email team, organic team, social, direct mail, you know, search. I know that you have a strong point of view on moving from channels to audiences. Can you unpack this for me?

Francesco

Yeah. The caveat is that this is my point of view and, you know, obviously not necessarily valuable to all. But I do feel that the concept of audience centricity is obviously not a new concept.

It's been around forever. Customer centricity as well, you know, more from the commercial side of things. The question is whether we are collectively and specifically in the nonprofit industry actually implementing audience centricity.

The equation should be, and this is my opinion, that we need to really know a lot about our audiences, not just donors, by the way, in the nonprofit, to then create insights or gather insights that then will drive value. When we have a better, a more relevant value proposition or offer, again, using the commercial space, then we use channels to deliver that. And the channel is a vehicle to deliver relevance and value to different audiences.

And that's where the equation most of the times gets broken because we don't know enough about our audiences to generate a relevant, to a degree personalized, that would be ideal value proposition. When those areas of the equations lack depth, we focus on channels. And what most people are seeing, most organizations, I'm assuming, are seeing is the difficulty of gaining efficiency at the channel level because, you know, the old term of spray and pray applies here.

And so we see lower ROI, we see a scrambling to create a channel mix that actually doesn't deliver much for anybody, the vanilla approach, right? And I think that needs correcting. The issue though is that those two parts, value at the center and as a prerequisite audience insight, are quite hard to get.

And that's where I think is stumping a lot of the potential for organization because we can create value just by assumptions. And if we need to rely on audience intelligence, which is the term that I prefer, we need infrastructure, we need investments, we need internal cultural understanding of that value in order to create an offer. And that's where I think most of us, I put myself in the happy circle, are struggling with.

Greg

The way that you speak about this sounds very commercial. How has your experience with Moleskine or DeLonghi impacted your obvious clarity around the need to deliver value for supporters and donors?

Francesco

Deeply, I've learned so much in the commercial space, and obviously there are glaring differences between the commercial and the not-for-profit space, but the principles are the same because people are the same. We are not putting a different hat in the morning, today I'm going to be a donor, not a consumer. We are an infinite blend of needs and wants.

Now obviously some of the differences, which some might say make working in the non-profit space a little bit more challenging, we can impact those. So for example, in the offer, in the value, if you want to call it, again value has a lot of different meanings. We are not able to leverage the want and the desire.

So if I am selling a product, usually that product, it's either a commodity, so I need it, or it's a desire, a want. And again, this is obviously basic commercial marketing. Understanding how much you increase or can increase the intangible value, brand appeal, status, design, versus the tangible.

In a physical product, it's what marketers in the commercial space do. The difference between a commodity and a product that is a want, it's all in the intangible, mostly. Sure, there's a baseline for quality, but if any toilet paper, how many of us really try to dissect the quality of the paper?

If you're a marketer, you try, in a commodity environment, you try as hard as you can to create a differentiation through quality. But let's be honest, there's not much there. For a value proposition then in the commercial space, this is where we play.

And there's other factors, obviously, which are part, outside of the product itself, they're part of the experience. So often, marketers understand the directly proportional relation between, for example, desire and friction. The higher the desire for a particular product, the higher the tolerable friction to get to that product.

That's why we can justify people camping out of an Apple store, right? That's a very high friction. But desire, which is often driven by scarcity and all that stuff that we're not going to talk about, allows for higher friction.

Now flip that, when the desire is low, the tolerance for friction is also very low. And so in a non-profit environment, where is the desire versus the commodity? Is there even commodity in the mission-driven work?

I would argue no. So how do we then draft the equivalent in the commercial space of desire? And in the commercial space, we talk about relevance.

In the non-profit space, I like to use the word affinity, which is much more related to the intangible value set that I can see reflected into a mission that makes me a better person.

Greg

And the word affinity is one lens through which one can see audiences. And this is a core thing I want to get at. Because when we talk about audience first, I don't know if it's about persona.

And I know how you feel about that word, right? And I have a similar feeling. Things are complex.

People are complex. It's hard to put us into boxes. Affinity, I feel like it's being thrown around.

But what does it really mean? What do you have affinity towards? And then you say value.

If I think about affinity and value, are they the same? Are they different? How do you interpret these two terms?

Francesco

These are both terms. All these terms are thrown around a lot. And this to me signals that people are aware that those are important.

But when we're trying to get into the concrete, we see that we as an industry, we don't have it down as a science yet. So to me affinity means answering the questions, why are you here? And again, it's easier in a commercial environment, but it's even more critical in a non-commercial environment to understand why should you be at this table?

Why do you want to be at this table? And so that affinity largely in some organization is determined by your set of moral values. I can be at the table of a particular mission because of my religious belief or because of my own experiences.

I may have lost somebody to a particular disease. That's why I am here. And it still connects to what I believe I'm going to get out of it.

Whether we know this consciously or subconsciously. We like to think that people donate out of sheer generosity, but psychologically, and I'm not a psychologist, but psychologically, everything has to be the what's in it for me at the end of the day. And so understanding the affinity of why are you here allows us to go deeper and generate value, which can be really multifaceted.

The value needs to, at the very minimum, answer the needs that you have. And as we know in marketing, not all needs are visible or known to the audiences. Some of those needs are invisible or unknown, and it's up to us to unearth them and deliver value against those.

Let me restate.

Greg

Affinity is about understanding why I am here. Value is about unpacking what's in it for me or what do I need. If I'm at the National Multiple Sclerosis Society, how do I then unpack value?

This seems like a very subtle difference, and yet it's fundamentally different.

Francesco

They are related, but they are not the same. Let me give you an example. Let's say that I really care about mission X, whatever that is.

I really, really care about it. And I stumble upon an organization that delivers impact against that mission. So I go to that mission and I raise my hand.

I want to be part of this. That is acquisition by affinity. This is why I am here.

This is why I show up at your door. It doesn't necessarily mean, though, that just because I showed up at your door, the organization is able to keep me there by providing value that increases my loyalty, for example, or makes me an evangelist. It's not automatic.

Otherwise, the only thing we would need would be just to say, this is what we do. So impact is, we know in the non-profit space, is a key part of the value proposition. Trust is another.

Do I trust that the money, the funds, the time, the advocacy, whatever it is that I bring to the table is efficiently used? So trust, impact, these are no brainers that we have to deliver. Does it stop there?

What type of experiences do I get out of it? We know psychologically, again, I want to learn about a particular mission if I'm in it, because I want to grow as a person. I want to be more informed about what's going on.

So that's education, for example. Okay, so let's add that block into the value mix. I might also really like experiences.

I might like to attend events or galas. And again, differentiation means that everybody has a different take on what's in it for me. And again, it could be subconsciously present, not very visible.

Some folks, I donated to public radio and they have those swag, right? It's the cup or the umbrella or the tote bag, right? So am I showing up because of my desire to get a mug or a tote bag?

No. Is that tote bag part of the value proposition? I would argue yes.

Now, what is the motivation? Is this like a phenomenal tote bag? No, it's probably because I want to show the world that I am a supporter of public radio because it shows something about me to the outer world.

Now, isn't that what's in it for me?

Greg

You spoke to me last night about this example of Moleskine notebook, right? I think you said, let's say \$25, but you could buy a similar product maybe for three bucks at Staples. And you talked about how one can, in a way, justify the price point because of the experience, because of what it communicates about you, right?

Maybe there's heritage. The value in the context of a \$25 notebook is broken into several different pieces. It isn't just one thing.

And it just clicked for me that when you talk about creating a value for the donor, supporter, and delivering on their needs, it is about this mix. Now, I was taking notes of, again, the right experience, understanding their affinity, which, again, I want to make sure I use your words, is about understanding why they're here. Trust is important, right?

I will be a steward of the money that you're donating to me every month. Exhibiting impact is important, actually showing examples of how this money is driving research forward. And to your point, maybe multiple sclerosis, damn, will be cured in our lifetime.

Wouldn't it be amazing? I mean, that would be incredible. Incredible.

That would make life worth living, literally. So if I unpack value that way, your point from last night also makes more sense. And you said, look, if I attended a bike ride, don't just talk to me about bike ride.

If I know value that I get as someone who participated in a fundraising event, when I'm riding a bike or I'm walking or whatever it is that I'm doing, it isn't about that event. It is about pushing different buttons that I care about. Because maybe this experience, to your point, using your language, of walking or riding a bike, is one element of what I perceive as value, but there are other things I need to communicate to the donor supporter.

Did I get it?

Francesco

Yeah, I like this distinction. Value should be multi-point, right? Should be diversified.

Because we have diversified needs. And so you were talking before about silos. Yes.

And they really are channel silos, but also sometimes tend to be functional silos. Or program silos. Or program silos.

My team does this, therefore these are my donors. I don't think donors think that way, because people don't think that way. And so understanding that with better insights or audience intelligence, we can try, and the try means testing and validating, offering an ever changing and variable value proposition.

Which could be, yes, surely the hygiene factors, and I call them hygiene because without it, you don't really have opportunity to attract more people under your tent, such as trust, right? Or impact. If I'm not an impactful organization or not a trustworthy organization, those are more hygiene factors.

But beyond that, are there experiences? Are the storytelling? How does it make me feel?

Do I get, again, education, inspiring education that makes me a better person, a more informed person? These are all little pieces of value that are not a cookie cutter approach. That's why we need diversification, i.e. personalization to a degree. And that's why we need audience insights to deliver that.

Greg

Which, by the way, thank you for mentioning that word, because I think this is about personalization. What I don't like about that word is that it's being thrown around and we really don't know what it means. It's very easy to get confused by college level language.

I like eighth grade language, right? Proverbially, because it de-bullshits the conversation. Yeah.

The jargon free. The jargon. And in that spirit, imagine that we fast forwarded three years and you had the runway to bring some of this to life at NMSS.

Give me an example of a scenario where there is a supporter or a donor and what they're seeing in different channels, in different places, speaks to their value. Is there a use case that you can paint for me where this kind of comes to life?

Francesco

Yeah. So one of the things, and I'll get to that quickly, one of the things that makes this hard, this whole personalization, to your point, being more relevant to a particular individual in offering value, it's difficult because of the numbers. Let me give you an example.

If I'm a and a customer walks in and I have the chance to chat with a customer, ask questions to the customer, what are you here for? Maybe that person says, I need a suit and that's a need. But all of a sudden I'm talking to the person.

I try to understand if I'm a good service provider slash salesperson, I understand beyond what they need right now. I try to understand what I can provide value-wise to that person. That's a one-to-one audience intelligence gathering.

Yes. Much easier to do versus having thousands of people. If I may, that's like a major giving officer speaking to a major donor.

Correct. Yes.

Greg

Okay.

Francesco

So obviously we cannot deploy major gift officers to hundreds of thousands of donors. That's the complexity. But at the same time, that tailor or that salesperson in the department store, for example, has the opportunity to suggest different offerings.

The customers may not have walked in with those offerings in their mind because of what they have learned about that person. We talked in the commercial space about upselling a lot. That's basically expanding the value offer, not necessarily based entirely on what the customer expresses their needs to be, but also understanding you are a person that clearly values this type of lifestyle.

You don't know that we offer this that really matches your type of lifestyle. And by the way, communicates to the outer world that you are that person. Let me show you.

Now the difficult part is when we have many numbers. And so we can not obviously have a one-to-one personalization. So we create groups of people, trying to avoid the jargons, right?

We would call them- Segments, cohorts. Or segments that loosely match a profile or a persona. Your favorite word.

Yeah. And so when we do that, it allows us to kind of cut corners a little bit and remove the distance that we have between one of us and thousands and say, okay, if this is the profile, which is a composite picture of moral values, needs, preferences, right? We talked a lot about preferences.

Then we can try to test and iterate on what is the best type of mix of value. We will not get it right the first, the second, the third, the fourth time, but eventually with time, and this is the progressive nature of personalization, we're not really doing a bespoke offering. I mean, it wouldn't be great, but we are trying to recognize the person that lands on our properties, for example, assign that person to a defined and tested cohort or segment or group, and then deliver what we have tested as the most likely to be successful in terms of value proposition.

And again, how do you define success? It depends. It can be, I want a higher donation.

I want to increase loyalty. I want to keep you around for longer. Again, the outcomes are as valuable as the inputs that you need to define value.

Greg

Paint the picture for me. Is there an example of a donor you spoke to, or maybe you spoke to someone on your team, and there's an example of a segment that just kind of bubbles up where you feel in your bones what that segment of, let's say, 20, 50, 70,000 supporters and donors looks and smells like, and then what's value to them? And how would you, what would you want to show them to maximize the share of wallet, to meet their needs, their needs, and to meet the organization's needs?

Francesco

Let's start with affinity. Again, why are you here? All right.

So let's identify two people that belong to two different cohorts or segments. One person is a young person, and it's here because, let's say, their mother have been diagnosed with multiple sclerosis. So that's why they're here.

They care about, because their family has been touched by multiple sclerosis. Now let's think about person number two. They have the exact same condition.

So in other words, they have, they're here. Their affinity is the same. They're here because somebody in their family has been touched by the disease, but they are older.

Maybe they work, let's say, in investment banking. So two different type of people. We can assume that they define themselves differently.

Maybe the first one is a young activist, really interested in policy change. It doesn't mean that they know that they only want to do policy change or advocacy for our organization, our mission, but it is who they are or who they prefer to be. The other person is a person that maybe is used to a more rational definitions of impact.

They are drawn to ROI in a more scientific or economic way. Maybe they are, depending on where they work, really, really attracted by scaling innovations. So their approach is going to be different.

I think affinity might be very similar. Yeah.

Greg

I mean, it sounds like the same exact affinity, but completely different messaging.

Francesco

So let's think about what value, because messaging, storytelling and channel is a way to deliver that value, right?

Greg

Yes.

Francesco

But what is that value? Correct. Now I could do two things.

I can say, okay, this is clearly a young activist. So the only thing I'm going to give this person is chances to engage in the policy change space. And likewise, while this is clearly maybe a high net worth individual, business oriented, I'm only going to ask that person for money.

My question is based on what data are we making these assumptions? And segmenting doesn't necessarily mean caging people in one type of value only. For example, I could definitely understand that that first person, what they really want to see themselves is being an agent of change through activism.

Okay. That's going to be the core of our value proposition, but it doesn't necessarily mean that I'm not going to maybe make a financial ask. How I make the financial ask makes a difference.

Maybe I not make a financial ask for AI innovation. I make a financial ask to help the organizations fill some of the gaps or shortages of funding that affect our ability to influence new policy. The end result is the same for the organization.

The way we communicate that value, it's both diverse and yet anchored to that particular profile. Likewise, if I have somebody who is day in and day out attracted by scaling innovation, presenting a project that requires funding for how to use AI to come to a quicker diagnosis, maybe exactly what they see themselves bringing impact to the organization. At the same time, I may want to ask that person or offer, and that's to validate, experience that are not fundraising only.

Maybe invite them to hear a panel of experts speaking about the impact on society, on our society, in our communities about the disease, and that gets them a little bit closer to advocacy.

Greg

What I'm hearing is that us marketers, especially us digital fundraisers, or I think of myself as a performance marketer, we get so wrapped up in the spreadsheets and numbers and landing pages that we're in our head a lot. What you just described as being more in your body, really feeling that person. I love the example of someone, and it sounds terrible, whose parent is diagnosed with a disease.

And you're right, someone in their 20s who's more into advocacy versus someone who may be in their, let's say, 50s who is an investment banker and maybe is very rational and sees

themselves as very logical and driven. Again, the affinity exactly the same. What they value, what they need is quite different.

And multiple programs and multiple things that elements of impact or different types of programs may be one fit for one person, but exactly the wrong fit for the other person. My judgment is that these conversations don't happen within charities. I don't know, but I suspect you're correct.

Francesco

I did say judgment.

Greg

Yeah. I'm not saying it's true.

Francesco

I suspect you're correct.

Greg

Or not enough. Not enough. Why?

I wish there were more of those conversations. These types of conversations, what you just said, there are probably 30 other examples like that. We do get wrapped up in, I think you said this last night, like in hit data, right?

20 years ago, we use that language. What's the hit? What's the signal?

We get wrapped up in the mechanics of what landing page they landed on or some third party, a pan that tells me that this is a couple of three kids or two kids or five kids. And we just forget about the humanity of the supporter. And I get it, by the way.

I've been there. I am there. I simply am expressing a desire that we would remember about that humanity more.

And maybe we call it value.

Francesco

Listen, I think in general, every marketer, most marketers know that they have to put their customers or their audiences or their donors at the center. It's not, I think, a foreign- For sure. ...

understanding. So why is it not happening more? That's what I'm wondering.

And I think it's because of the difficulty that true audience intelligence comes with. And I think as humans, as professionals, we tend to gravitate towards the easier versus to try to unpack the harder. So I'm trying to understand if I'm a digital marketer or a regular marketer and I land in an organization that does necessarily have the understanding about data and maybe have not invested in data infrastructure, that's a very tall mountain to climb.

And you know what? I still have to deliver results tomorrow. So the stamina, the influence required to generate the conditions that will make audience a reality are just too high.

And so people then resort to shortcuts. And that's why we tend to silo because it's easier to your point to be an expert of a channel than to be the holistic viewer of our audiences, especially if we don't have the structure and or the internal culture to support this type of investments.

Greg

Or internal curiosity to just sit in a room and again, you know, like write down or record using Copilot or Gemini what you just said and to work backwards from these assumptions that you just made about hypotheses, about the needs, and then to actually map data to these needs. Again, as simple as it sounds, it's almost never done, especially at what I call mid-market, especially if I have, you know, two, four, 20 million budget per year that I spent. I think that's organizations in the for-profit world that spend a hundred million plus per year on digital.

They do have the budgets to get into it. I'm sure they also mess it up. But I think it's your point, it's much harder to do when I'm strapped for resources and I'm held accountable to some tunnel metric, you know?

Francesco

Yeah, and I think when people hear data or audience intelligence or insights, they miss the point, some miss the point, that it's not about the nerdy technology aspect. It's really about creating value for people. And value, by the way, that needs to generate an experience.

The one thing we're not talking about, which is looming, is what is that, the branding outcomes, branding with a big B. You know, organizations don't get to behave differently for consumers, whether they're commercial or non-commercial. We know that.

We, as humans, relate to organizations or brands just as we relate to other humans. And so organization understand that the value beyond the tangible, the product, it's also in the experience. And so there's plenty of examples, probably more commercially, of brands that have done really a terrific job.

When they can't really offer a lot of value through their product, maybe they're selling commodities or more commodities, they then balance that out in terms of the experience. An organization that comes to mind, several organizations come to mind, in the early days, it was Zappos. Zappos is a great example of a company culture that is, from the get-go, focused on audience centricity through experience.

And they wrote books about it. They proved to be a successful model. They were responding to the Amazon revolution, where all of a sudden the key part of that value proposition was not the product itself, was not necessarily even the price, although later it came to be a big factor, it was the convenience.

It was the frictionless delivery of a product much faster than a brick and mortar could get. So Zappos understood that frictionless was an incredibly important part of the valuable experience. Another organization or company that is doing this extremely well is Chewy, the pet food company.

They understand the affinity, the relevance of their brand has to be centered about the relationship between a pet owner and their pet. And so they are all of a sudden implementing positive experiences. Now they have taken already for granted the frictionless, the speed of delivery, the return opportunity.

What if I don't like this product? What if my pet doesn't like this product? Those are now becoming hygiene factors. And they were not 10 years ago.

So instead, they're focusing on those small touches that make you want to stay at that table instead of going to the many competitors out there, including, for example, Amazon. There's not a lack of examples of organizations and companies doing this well.

It's just that it's difficult, to your point, without the means and the culture to implement those conditions that help us as marketers do that.

Greg

It sounds to me like what you're saying is that in order to have these kinds of vulnerable, I'm not exactly sure what the right answer is, conversations around what are elements of value or what are the needs that the different segments of donors or supporters have in order to actually sit in the room. Because I think it's a meeting or maybe several meetings where we just sit in a room and it's a bunch of people from different departments. Probably it's people who actually talk to supporters and donors who were at an event, who talked to maybe someone who doesn't give a penny or who gives \$100,000 a year.

People are people, they have the same exact needs. And we just sit in the room and we just write down some assumptions, some hypotheses around people who donate to my organization have these needs and I can group them into discrete segments. But maybe there's a cultural, deeper reason behind why that isn't happening.

It isn't just silos. Do you agree? Do you disagree?

What do you think?

Francesco

I agree. I think one other aspect worth talking about is the short-term versus long-term viewpoint that many organizations have. When our organization demands immediate results, i.e. fiscal to fiscal, there is automatically less appetite to engage in structural, maybe more complicated and or expensive changes, transformations, when the dividends will be paid five years from now. Sure. Next fiscal year elections. That is something that contributes to the inability to have those conversations.

Greg

That example you just shared about, again, the older investment banker, the younger activist, their mom has the disease. That doesn't cost me any money. In what sense?

Having a meeting to just define that this was something we would love to do, that we would love to work backwards. Yeah, sure. That doesn't cost me money, but it does require some degree of vulnerability and risk-taking and permission to have this conversation, even if we don't know what we're going to do about it.

It does require some cultural permission to just have- That's a good way to say it.

Francesco

Those meetings. Yeah. From a cost perspective, value definition is very important because we know, again, this is not an hypothesis.

We know that better value propositions, i.e. matched to the needs or wants of a particular segment, increases our efficiency on how, for example, we spend money. It's very easy, a high schooler can understand it, that if I target somebody randomly, I'm going to have to spend more money to net the same type of consumers or donors versus if I know who to go after. At the end of the day, not having this focus on audience intelligence and value generation is going to cost organizations a lot more money.

It's just understanding that where you're leaking money, it might not be as easy to say, well, we spent a million dollars in this advertising campaign, we got X out of it. That might seem like a good return. We're not seeing how bigger that return could have been with a more targeted, personalized, value-based approach.

Greg

My guess is it could have been much bigger, that we're leaving lots of money on the table. Of course. And to me, that's a play-to-win mindset.

Whether the wall is shrinking or not, whether the pyramid is collapsing or not, whatever is really happening, I think there's always more dollars that we can grab to fund solutions that cure disease, hunger.

Francesco

I mean, it's one of the biggest challenges for marketers, but I would say especially so where marketers have smaller budgets, where marketers have a target base that is smaller than, let's say, commodity markets. We know as marketers that we have to go to a board, to a CEO, and convince them of increasing advertising spend to generate awareness, right? Because that's the first degree of growth.

Wouldn't it be easier to say, this part of the investment has to be in increasing our intelligence or our awareness because I'm going to increase your ROI. And again, everybody understands that. I think CEOs understand that.

It's just that the hill to climb is a little too steep for most. So it requires cultural commitment to the longterm, as I was saying before, and that's not something that a lot of organizations can tolerate.

Greg

I want to connect this back to what we spoke about at the very beginning, which is this idea that we have fewer donors, donations are growing. Something's happening at the base of the giving pyramid with mass donors, for example. If the industry was clear about the need to work backwards from clarity around value or donor intelligence, DI, a new acronym, that pyramid will be more stable.

Francesco

I think so. We cannot control the philanthropy landscape. By the way, the United States is one of the most generous country per capita speaking, but we can't really control how people spend their money, but we can try to increase stability in our pyramid by increasing relevance, affinity and value to our donors.

It's a no-brainer to me that with a higher value proposition or a better, more targeted value proposition, people are going to stick around longer. Sometimes they don't drop off because they don't see value. They drop off because they forget.

Totally. It's possible, right? Or their interest is captured by something else.

Not necessarily. Again, outside of that top tier of people for whom we are their top of mind mission, they will likely stay loyal for a long time, maybe forever. Maybe they will live even some of their inheritance or will to us.

That's the ultimate legacy definition. But for the rest of them, for whom we are not their top of mind, we have a lot more variability. Instead of trying to control what we cannot control, the philanthropic landscape, we actually do have the opportunity to control the stability of our pyramid.

That's my argument, is through the delivery of more relevant value, which requires understanding better our audiences in order to craft value proposition using, as we said before, segmentation. We can also use data to create, another word that I don't like, but better journeys or better sequential experiences or value definition through our channels. That's something we can do today, but we still require the observation of behaviors, preferences, and to a degree, even demographics about our audiences.

We can't escape that.

Greg

I like this term play to win versus play not to lose. I like how you said control what's controllable basically, because for many charities that I talk to, the thing that will be awesome is to get more of those recurring donors, right? 20, 30, 50 bucks a month.

If I think about, can I get more donors, not supporters, actual donors into my mission, they will give, let's say 20 bucks a month, I don't know, 50,000 more people like that. And that is literally a cliché example for Starbucks coffees, right? I think it's possible.

I believe we can get more donors to support our missions. We give 20 bucks a month and there could be thousands of them. But to your point, if I believe that what's the unlock, I think what you're saying is we just really need to be donor centric, let's call it.

Like we just need to work backwards from just getting into their head, right? There's a conversation in their head that's happening about multiple sclerosis because their mom was diagnosed. How do I enter the conversation in their mind?

Francesco

Yeah. And I think in general you see knee jerk reactions that affect the data out there. So for example, if we are seeing a reduction in the average gift for single gift donation, we might tend to say, okay, let's lower that.

In other words, lower the friction and let's try to push for more smaller monthly donations that I can see that happening. The reality is that the data last time I took a gander shows that from a lifetime value perspective, actually monthly donors have the chance to contribute more in their lifetime than a single gift donor. We also see that monthly givers are not only giving monthly, so we have the opportunity to add on top of that single gift appeals.

But again, the mechanism, and it's important to say this because it expresses a clear data driven, data backed value of shifting to a monthly first. But again, not everybody looks for being monthly first. Another knee jerk reaction that has pushed some organizations to focus on monthly is because they believe that they will forget that they're having this payment.

Like a little bit, sometimes you forget that you have a subscription payment, right? It's a little uncool. And there might be some truth to that, right?

But is that the right reason? I think not. For sure.

But again, it's really understanding not in a knee jerk reactive way. It's not about how to exploit our donors. It's how to provide value to them.

When we see, for example, potentially the base of our active donors shrinking, are we just going to start treating them like an ATM and just ask more of the same people for more money? Is that a winning strategy? Or we should try to focus on the experience and the value, which in turn should create more loyalty and maybe even a deepening of the financial commitment from a particular donor to the organization.

And these are choices. The outcomes might seem similar, but I think it's really important that we are intentional and always centered around the customer in the commercial space or the supporter slash donor in the non-for-profit space.

Greg

One final question. What do you know about cracks in the donor pyramid today that you wish you knew at the start of your career? Cracks in that pyramid?

Explain that to me. What do you mean by that? Everything we're discussing right now.

So what do you wish that you knew about the changes that are happening in the pyramid at whatever level resonates with you the most that you wish you knew when you first started in this industry?

Francesco

Well, the thing I wish I knew is that it's all about us. It's not about the product or the brand or the organization, which I think as you start, you think so. You become product centric or brand centric.

You're not the center of anything. You're at best a planet orbiting around it. And so that to me is the fundamental distinction that I think still some organizations are struggling with.

You see a lot of organizations that obviously attract similar staff, similar employees with similar mindsets, similar worldviews, and that they're starting to mold their experience, which is more uniform because again, think about what a manager, who a manager will hire. It's really shaped around who the manager is, right? There's that tribalism.

All of a sudden we have organization that have inside mentality or culture and they assume that everybody in the audience shares the same and it's not true. And so that shift from brand centric to audience centric is very hard. And I think again, it's hard because it's hard to gather information, data to produce insights, knowledge that we can use to benefit that audience versus blindly follow assumptions that are fairytales.

Greg

Francesco De Flaviis, Chief Marketing and Communications Officer at National Multiple Sclerosis Society. It's always a pleasure to see you.

Francesco

Thank you. Thank you. This has been a great chat.

Greg

I agree. And if you're enjoying this content, we do have regular conversations with wonderful people like Francesco and many others at global organizations that are solving real problems.

If you'd like to receive a weekly update on one big idea worth sitting with to your inbox every week, go to DelveDeeper.com/podcast and you will hear from me, from Francesco, from many others every week. Thank you for being here. Thank you.