

Is direct mail fundraising really headed for the exit?

Under the headline, Is Direct Mail Really Headed for the Exit? Frogloop – a blog about non-profit online marketing – breathlessly reports on a startling new study just published by the ‘research’ firm, Borrell Associates. Chuck Pruitt reports.

The folks at Borrell allege that money spent annually on direct mail will decline by 40% in the next five years. In grave tones, Borrell concludes: ‘Direct mail has begun spiraling into what we believe is a precipitous decline from which it will never fully recover.’

For as long as I have been involved in the direct response fundraising world – now over two decades – the prediction of the impending demise of direct mail has been a recurring theme.

Younger demographic

With the advent of the Internet, this has taken on a new dimension. For now, according to the ‘direct mail is dying’ chorus, online fundraising will step in and provide a way to raise all the money direct mail used to produce and capture a growing share of a younger demographic waiting to give.

What has always mystified me about some (but far from all) of the online marketing community is their insistence that for online fundraising to rise, direct mail fundraising must fall. And what angers me about ‘studies’ such as those offered by Borrell Associates – and given legitimacy by blogs like Frogloop – is they camouflage their underlying biases.

Borrell Associates is, according to their web site, ‘a media research, consulting and project firm specialising in Internet advertising’.

It should come as no surprise that such a firm would be predicting that the demise of direct mail is occurring while, according to Borrell, ‘email advertising continues to surge and is now the number one online ad category’.

Quite frankly, the Borrell study has about as much credibility to me as the tobacco industry’s studies on the health effects of smoking in the 1960s and 70s.

This gets me to my second point. The late Senator Daniel Patrick Moynihan was fond of saying, ‘You are entitled to your opinion. You are not entitled to your facts’. So let’s try to elevate the ‘direct mail is

dying and will be replaced by email marketing’ debate by looking at a few salient facts.

Fact: The direct mail donor universe is alive and well and actually shows little signs of rapidly diminishing – at least in the next decade.

Evidence: In 1995, my firm, A.B. Data Group, joined with The Mellman Group to conduct a national survey of 800 progressive direct mail donors to analyse whether direct mail was endangered.

We found that progressive donors were aging rapidly – so rapidly they would soon disappear. Their average age was 65 years and actuarial analysis revealed that 40% would expire within ten years.

In 2007, we conducted a new survey – this time sampling 600 direct mail donors and 600 online donors. Our 2007 survey – 12 years after the first one – discovered that a new generation of contributors has been found via traditional direct mail fundraising.

Direct mail responsiveness, we learned, is a life cycle, not a generational phenomenon. Donors’ responsiveness to direct mail solicitations appears to be a function of their stage in life, rather than characteristics of a particular generation that has largely passed.

New pool

Sixty-eight percent of today’s direct mail donors are over 60 and their average age is 68 years – nearly mirroring the donor population we found in 1995. In addition, in recent years, a whole new cadre of online donors has emerged, adding a new pool of potential contributors to candidates and causes.

Our 2007 survey also found that direct mail and online donors live in very distinct fundraising worlds. Thirty-three percent of online donors also give through the mail, but 67% do not. Similarly, 22% of direct mail donors give online, but 78% will not contribute through this channel. The conclusion is obvious to anyone except those who myopically seek to wish away one or the other type of fundraising communication:

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Is direct mail fundraising really headed for the exit?

Chuck Pruitt is Co-Managing Director of the A.B. Data Group. Visit www.abdata.com.

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You will not get both kinds of donors and you will, therefore, not maximise your fundraising potential unless you do both online and direct mail marketing.

Fact: The growth of online fundraising is happening but it's happening much more slowly than many predicted.

Evidence: According to *The Chronicle of Philanthropy's* survey, online fundraising accounts for about 2% of the \$306 billion raised by non-profit organisations. While there are not equivalent numbers available for funds raised via direct mail, all agree that the direct mail channel accounts for at least 15 times – and perhaps as much as 25 times – as much as the online channel.

Slower growth

According to *The Chronicle*, online gifts grew by a median of 28% from 2007 to 2008 – a slower growth rate than the previous two years. Not all organisations are growing at the same pace. For 101 groups in the survey, online giving accounted for less than 1% of donations.

In short, the evidence shows that we are still a long way from online fundraising supplanting other forms of fundraising for non-profit organisations. Progress is being made and growth will continue – but remember that a 20% or 30% increase on a base total of 2% still means that there is much work to be done. Fortunately, there are significant opportunities out there for smart fundraisers to exploit in the years ahead.

Fact: There are enormous multi-channel marketing opportunities out there for smart people with open minds.

Evidence: There has been much discussion in recent years on the promise of multi-channel marketing. In A.B. Data's work with the Obama for America campaign, we saw firsthand that promise become reality. Beyond the slow but steady growth in online fundraising, there are two reasons why it's critical for non-profit organisations to develop a new emphasis on multi-channel marketing.

First, multi-channel contributors have dramatically higher long-term value than single-channel donors. Our analysis has shown that:

- Multi-channel donors contribute over 2.5 times as much as their single-channel counterparts;
- Multi-channel donors give almost 2.75 times more gifts than single-channel contributors;
- Multi-channel donors, who first give through direct mail, end up giving almost 3.15 times more than single-channel, direct mail-only donors.

Second, recent studies have underscored

the value of using multiple channels – and especially direct mail – to increase donor retention.

Lower retention

The 2008 donorCentrics Internet Giving Benchmark Analysis found that online-generated donors have lower retention rates and value over time. However, more and more organisations were finding success moving segments of the online donors offline and making them multi-channel donors.

A median of 33% of the donors acquired online in 2007 renewed their support offline in 2008. In addition, 37% of donors acquired online in 2006 gave again in both 2007 and 2008, but never gave online again. Jennifer Tierney, from *Doctors Without Borders*, was asked to comment on the donorCentrics study and said:

'People are asking us all the time why we don't reduce mailing costs and save paper with online fundraising but the simple fact is that people come online to give once and don't repeat.'

We've found that building successful multi-channel marketing programmes to move online donors offline and expand direct mail-generated donors to online contributors requires a different creative and strategic approach.

The Internet is changing the direct mail experience. And marketing success in the future will recognise the changing sources of news and information and, if the goal is to convert an online donor to a multi-channel direct mail donor, you cannot rely on tired or traditional direct mail techniques.

However, the effort to discourage the use of direct mail fundraising could lead to a refusal to take advantage of the extraordinary multi-channel marketing opportunities that can occur if online and direct mail fundraisers work together to craft integrated, synergistic multi-channel programmes.

Success story

In our 21-month-long work with now President Barack Obama's campaign, we saw and participated in an unparalleled success story of the appeal of multi-channel marketing. There are more success stories out there to create, but it will require a clear-headed, honest appreciation of the strengths and limitations of both online and direct mail fundraising.

Let me conclude by returning to Frogloop and the Borrell Associates' study with which I began this article. My industry colleague, Mal Warwick, was asked by *The Chronicle of Philanthropy* to comment on the 'direct mail is headed for the exit' conclusion. Mal's response: 'Hogwash'. Now there is an opinion supported by the facts. I couldn't agree more. ■

Adapted from
Mal Warwick's Newsletter
August 2009
Visit www.malwarwick.com

Milestone Thinking

On-target observations in brief

It's important to listen when your principal donors offer suggestions or criticisms. After all, they represent your major 'investors'. Be proactive at seeking out their opinions regarding your mission, case statement, strategic plans and other issues.

With acknowledgement to Successful Fund Raising August 2009, Volume XVII, No.8

True generosity requires more of us than kindly impulse. Above all it requires imagination – the capacity to see people in all their perplexities and needs, and to know how to expend ourselves effectively for them.

I.A.R. Wylie

Often when there's change, people believe we are leaving what's been working over time behind. The idea is to add capacity and to bring new ideas and new people and new models to the fore and to the task of addressing these big challenges.

With acknowledgement to Melody Barnes in The Chronicle of Philanthropy June 4 2009

We must not, in trying to think about how we can make a big difference, ignore the small daily differences we can make which, over time, add up to big differences that we often cannot foresee.

Marian Wright Edelman

The challenges non-profit groups face today demand that we find a better way to insert business expertise into the non-profit world. In building a bridge between business and non-profit groups, we must devise solutions that both improve our communities today and build a lasting resource for non-profit organisations.

With acknowledgement to Aaron Hurst in The Chronicle of Philanthropy June 4 2009

To become wholly compassionate requires us to open our eyes and hearts, to behold the pain and exploitation our culture obscures, to arouse deadened emotions, and to rise above our egos.

Joanne Stepaniak



Fighting malnutrition for a healthier future

For the past 52 years, Feed the Babies Fund – a registered KwaZulu-Natal non-profit – has worked to eliminate malnutrition and promote good health in babies.

By distributing food and supplements the organisation aims to ensure the normal development of children's brains during the time from birth to six years old.

Malnutrition prevents the brain from developing as it should – and that means a malnourished child will never cope with a normal education.

In later life, these adults won't be able to support a family of their own – and the end result is widespread poverty, unemployment and disease.

Feed the Babies Fund provides cereal and other foodstuffs to 129 crèches in the informal settlements, townships and rural areas of KwaZulu-Natal, feeding 6000 children daily. Besides food, Feed the Babies Fund also distributes clothing, blankets, educational items, toys, medicines – and more – to the crèches.

Whilst the cereal which is distributed is bought from cash donations, all other items are donated. The cost to feed a child for a whole month is approximately R30.

For more information visit www.feedthebabiesfund.org.za **(Readers are invited to submit photographs, together with a brief overview of their organisation's work, for inclusion in this regular feature.)** ■

Feed the Babies Fund fights malnutrition by feeding thousands of children in KwaZulu-Natal every day.

FUNDRAISING FORUM

Fundraising Forum is a regular newsletter dedicated to the enhancement of management, fundraising techniques and the promotion of community service, welfare and not-for-profit organisations of all kinds.

It is published by Downes Murray International and circulated, free of charge, to anyone with an interest in the growth and improvement of the non-profit sector and those served by it. In addition to regular features written by Downes Murray International staff, there are extracts from international fundraising publications which are reprinted with acknowledgement to the publishers.

We welcome submissions for publication from all writers involved in not-for-profit work.

Visit www.dmi.co.za

Is direct mail right for you?

Can direct mail be a cash cow for smaller non-profit? Think 'cash calves' instead. As Tom Abern reports, mass market expectations yield disappointing results at local levels. Take heart, though: direct mail is about far more than instant cash.

Everything you think you know for sure about direct mail is likely based on the ways and means of mass market fundraisers.

One-half of one percent: that's an acceptable response rate, mass market professionals figure, for an untried direct mail appeal sent to an untried audience. You're acquiring one new donor, in other words, for every 200 pieces you mail.

Well, okay, if you mail a million pieces, that math might work for you. It somehow does for sophisticated mega-charities.

Disappointment

But if you mail just 5 000 pieces, as a local non-profit might, hoping to attract new donors, a one-half of one percent expected return is bound to disappoint, at least in terms of an immediate financial windfall.

And yet ... direct mail can be a vital contributor to the fundraising efforts of smaller and niche charities. You just need a different sort of maths.

Onesies-twosies maths. Smaller non-profits are not in the churn-and-burn direct mail business. They are in the business of adding a few friends at a time, accumulating a list of true believers, fellow travellers, concerned neighbours and others.

Work the percentages, not the gross income. Direct mail for smaller non-profits is as much about 'friend-raising' as it is about fundraising.

Case study: a non-profit serving immigrants and refugees took its first baby steps into direct mail, sending out 5 000 pieces of mail to strangers. The mailing did surprisingly well, reaping 100 new donors, a 2% response rate.

Still, the average gift was just \$25 (a typical 'first date' gift), for total gross revenue of \$2 500. Total net revenue after expenses? Less than zero.

Was their mailing a failure or a success? If you counted just the cash, a failure definitely. But let's take a second, deeper look. This non-profit was new to non-event fundraising.

A mere 400 names comprised their entire annual donor list. Adding another 100 donors increased that supporter base by 25%, a significant improvement. Looked at that way, I would deem the mailing a howling success.

Why? Because, as a small non-profit, an essential mission is to build your 'tribe'.

Tribe

Tribe is a marketing term. You can define your tribe as those few people who believe in your mission, would like to see you prosper and grow, and will occasionally contribute money or time to that end.

If it works, mail it again. Embrace this stark

reality: most people ignore most of their mail most of the time. You do. I do. We all do.

Newbies to direct mail worry about the 99.5% who do not respond to an acquisition mailing.

They worry, why don't they like us? It's a pointless anxiety. Most people receiving your mail neither like you nor hate you. In fact, they've made no decision about your organisation, except to ignore your mailing that particular day.

I learned a very interesting thing: if you keep mailing a good piece of direct mail to the same well-qualified group of people, you will pick up additional response each time you mail.

I wrote a direct mail 'friend-raising' package for a community foundation. We sent it to a list of millionaires in the relevant geographic area. The first mailing went out to 3 340 names and garnered a 3% response. Hence, we judged it successful measured against industry standards.

So we mailed the very same package again to the very same list, minus anyone who had responded, a few months later.

This time we attracted a 2.5% response. A few months later we sent the very same package to the very same list yet again, minus anyone who had responded. This time we received a 1.3% response.

Point? Had we stopped with the first mailing, we would have left more than half our eventual response on the table.

Again: most people ignore your direct mail for no good reason. If they're qualified recipients (for a local charity, anyone who lives in the same area is the broadest brush) and (important caveat) you have a direct mail package that works, keep mailing. It will pay off.

Retention

Retention is the real name of the game. It is expensive to acquire new donors. It is cheap – up to 10 times cheaper – to elicit a gift from a person who has been a donor before.

And yet retention is probably the least developed aspect of most fundraising programmes. Donor loyalty programmes are in their infancy.

Welcome packages are virtually unknown. Most donor newsletters, a primary tool for donor cultivation, are unmercifully wrong-headed.

Lesson: A local charity needs a way to attract new friends and build its tribe. Direct mail remains the tool of choice for that important task.

Know, too: as the economy went sour, U.S. donors began redirecting their contributions to local charities such as food banks, research indicates. Local charities, this might be your best moment to reach out. ■

*Adapted from
Ahern E-News7.1
www.aberncomm.com*

Economic downturn may bring African donors and charities together

While some major Western donors to Africa, like the Bill & Melinda Gates Foundation, plan to maintain or increase their giving, many are scaling back their efforts in Africa in order to concentrate shrinking resources on projects closer to home.

As a result, charitable groups here in South Africa and elsewhere on the continent may deepen their ties with African philanthropists, corporate grant makers, and others, observers speculate.

New generation

A new generation of African philanthropists has been gradually emerging, particularly in South Africa and Nigeria. The scale of their efforts so far is modest.

But the new players, such as Cyril Ramaphosa, South African trade unionist-turned-businessman, and Theophilus Danjuma, businessman and former defence minister of Nigeria, bring a hands-on approach that emphasises making sure their gifts produce tangible results.

That trend will almost certainly accelerate because of the global downturn and the social problems it creates, said Akwasi Aidoo, executive director of TrustAfrica, a foundation in Dakar, Senegal, that promotes democracy and development on the continent.

'Donors are going to be asking tough questions about whether their efforts are going to help the society as a whole, the country as a whole,' said Mr Aidoo.

What's more, some officials said that non-African organisations working on issues of democracy, governance, human rights, and fair elections in Africa may increasingly want to work with some of the nascent African grant makers.

'With the global downturn, the bar has been raised,' said Josh N. Ruxin, an assistant clinical professor of public health at Columbia University, who lives in Rwanda and directs the Millennium Villages project and other efforts there. 'Those who have dollars want more leverage for those dollars.'

Businesses step in

To be sure, Africa is not free of economic turmoil. Flagging commodity prices are hurting some industries, and remittances from Africans who live abroad, which often pay for food, housing, and school fees for many families, appear to be declining.

But tight banking regulations on the continent have left financial institutions relatively unscathed, leaving both corporations and wealthy individuals relatively better off than many of their developed-world counterparts.

In part because of this, African businesses –

and efforts to expand private enterprise – may take the lead in philanthropic projects in the years ahead.

Through two non-profit organisations, the Access Project, in Rwanda, and Rwanda Community Works, Mr Ruxin is trying to establish businesses that will spur economic development.

Rwanda's government, he said, prefers private investment to philanthropy and would like to build the tax base so that the government itself can support childhood health and education, causes that have often been the purview of aid organisations operating in Africa.

'Over all, there's a pretty serious backlash against donorship and philanthropy because that makes us into a charity case instead of an investment case,' said Mr Ruxin. 'Rwanda Works is an incubator, but it takes donations, and the government was very clear in saying, "We really want you guys playing in the private sector."'

Government policies

Tough economic times may also drive more corporate giving, said TrustAfrica's Mr Aidoo. He expects companies may do more charitable work as they vie for customer loyalty and want to show their altruistic side in hard times.

In South Africa, new government policies have already triggered an uptick in such efforts. Last year the African National Congress introduced codes of conduct that businesses must follow in order to be eligible for government contracts.

The policy – Black Economic Empowerment – spurred an almost 30% rise in company support for social programmes in 2008, according to research by Trialogue, a South Africa-based consulting company that tracks corporate citizenship efforts.

The South African government has also extended tax breaks for charitable giving in recent years, and non-profit groups are trying to promote philanthropy among the nation's citizens.

'We're moving away from the traditional perception that philanthropy is all about the wealthy,' said Carol Tappenden, managing director of Greater Good South Africa. 'Anyone can be a citizen grant maker.'

The Greater Good South Africa website (<http://www.myggsa.co.za>) connects people with charities to volunteer for or support financially.

The organisation screens the charities it lists online and also conducts research to determine the country's most pressing needs.

Ms Tappenden said that with South Africa's

*With Africa spared the full brunt of the global economic crisis so far, some non-profit leaders say the tough financial times can provide a new impetus, and opportunities, for African donors and philanthropists to expand their work.
Megan Lindow reports.*

*Adapted from
The Chronicle of
Philanthropy
April 23, 2009
Visit <http://philanthropy.com>*

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Take the donor-centred pledge

Tom Ahern suggests organisations follow these 23 rules to live by – rather than die instead.

We, (fill in the name of your nonprofit organisation here), believe...

1. That donors are essential to the success of our mission.
2. That gifts are not 'cash transactions' and that donors are not merely a bunch of interchangeable, easily replaceable credit cards, cheque books and wallets.
3. That no one 'owes' us a gift just because our mission is worthy.
4. That any person who chooses to become our donor has enormous potential to assist the mission.
5. That having a programme for developing a relationship with that donor is how organisations tap that enormous potential.
6. That we waste that potential when donors are not promptly thanked.
7. That 'lifetime value of a donor' is the best (though often overlooked) way to evaluate 'return on investment' in fundraising.
8. That donors are more important than donations. Those who currently make small gifts are just as interesting to us as those who currently make large gifts.
9. That acquiring first-time donors is easy but keeping those donors is hard.
10. That many first-time gifts are no more than 'impulse purchases' or 'first dates'.
11. That we'll have to work harder for the second gift than we did for the first.
12. That a prerequisite for above-average donor retention is a well-planned donor-centric communications programme that begins with a welcome.
13. That donors want to have faith in us, and that it's our fault if they don't.
14. That donors want to make a difference in the world – and that every gift is an attempt to achieve that goal.
15. That donors are investors. They invest in doing good. They expect their investment to produce, or they'll invest somewhere else.
16. That we earn the donor's trust by reporting on our accomplishments and efficiency.
17. That individual donors respond to our appeals for personal reasons we can only guess at.
18. That asking a donor why she or he gave a first gift to us will likely lead to an amazingly revealing conversation.
19. That fundraising serves the donor's emotional needs as much as it serves the organisation's financial needs.
20. That we are in the 'feel good' business. Donors feel good when they help make the world a better place. We sell joy, the joy of 'feeling like you (the donor) have made a difference'.
21. That a prime goal of fundraising communications is to satisfy basic human needs such as the donor's need to feel important and worthwhile.
22. That the donor's perspective defines what is a 'major' gift. Is R250 a major gift? Many organisations would say no. Most donors would say yes. The donor's always right.
23. That, for the donor, every first gift to a new cause can open a door to a strange and exciting world, and you're the guide to that world, through your communications.

Lesson: I am a joy-bringer. As a writer of fundraising communications, that's my basic job description: joy-monger. My job is to put joy in someone's heart.

I know, from research and experience, that if I focus on making my audience (my donors and my prospects) feel good about themselves – because they have chosen to join my good fight or stirring campaign or worthy cause – then I will never, ever have to worry about bringing in money or retaining donor loyalty. Those will follow in abundance. ■

© 2007 and 2009 Ahern and Joyaux. Adapted from *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, by Tom Ahern and Simone Joyaux (John Wiley & Company Publishers, November 2007). Available on www.kalahari.net. Visit www.aherncomm.com

Economic downturn may bring African donors and charities together

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racially fragmented society, people often feel overwhelmed by the magnitude of poverty and don't know how they can make a difference.

While homegrown African philanthropy may expand, albeit slowly, in the near future, non-profit leaders do expect charity casualties during the recession.

Mr Aidoo of TrustAfrica said that organisations that are poorly run or do not connect with societal needs will fail.

'A lot of organisations that are on the margins are probably going to have to fold as donors cut back, which may not be such a bad thing,' said Mr Aidoo.

'We need strong institutions that are accountable and effective and efficiently run to produce results.' ■

Five keys to determining the best format for your next appeal

For some, it's a blanket in a box. For others, it's a sheet of name labels, or a personalised greeting card. And for many charities, it's the old-fashioned letter in a closed-face envelope.

The plain truth is, there is no 'one-size-fits-all' silver bullet format approach that works for any charity, or to any audience. And because every strategic challenge is different, your format choices also must be flexible.

Here are five key questions you should consider next time you choose a format approach for a direct appeal:

Question 1: Does this format speak to the recipient ... on the person's own terms?

Before you even think about what kind of format to mail you need to put yourself in the recipient's shoes. Ask the questions the person will be asking at that moment your piece is picked out of the mailbox.

Do I know this organisation? And, do I like them? Are they one of my favourite charities, or someone I'm casually interested in? Do I have what I would consider a personal relationship with them?

Passion

The answers to these questions should drive any format decision, because the recipients' degree of passion about you should drive your degree of investment in them. It should determine how much you spend, how 'personal' the format appears, how detailed the contents become.

Consider two contrasting examples of two very successful appeals. The first format was a closed-face envelope, with a seven-page, personalised letter inside. The second was a small window envelope enclosing a typewritten index card, showing the donor's giving history. The difference? One appeal was sent to a highly segmented list of major, long-term donors, announcing a once-in-a-lifetime project to expand a children's shelter. The second was directed to a group of one-time, low-value donors to a national health charity.

Each was a classic case of more is more, and less is more. If just a three- or four-page letter had been sent in the first example, results would have been OK, but would not have produced the record amount raised. And, what would have happened if a letter was in the second example? Well, that actually was tested and results plummeted.

In each instance, the winning format fit the donor's interest level – a high-touch, highly-personal approach scored with high-interest audiences, and a low-touch, sparse approach did best to a peripherally

interested constituency. In this instance, audience meant everything.

Question 2: Does this format speak to the moment ... in a compelling way?

Before choosing any format, it's critical to consider the context of that moment. Is the charity in the throes of an emergency, or is this just another slot in the mail schedule?

Out of place

If your format seems out of place for that moment of time – if it includes a ton of bells and whistles, but it somehow doesn't 'ring true' to the donor – then your approach is going to fall flat. And, your results might fall flat on your face.

Question 3: Does the format dramatise the offer ... does it make it real?

There's nothing more important in fundraising than presenting people with a great offer. But is your fundraising format helping you dramatise it as strongly as it could? Does the format 'show' the offer in exciting ways? Can the donor visualise their impact? Does it make the vision real, something the donor can touch and feel?

The people at Covenant House have been very successful reaching out to donors with a special appeal called 'A Bed for Every Kid's Head'. A few years ago, it tested a very different and visual approach to major donors. This new test format included a portfolio, with a diecut window at the top. Showing through the window were the words etched on a simulated plaque: This Bed has Been Lovingly Provided by John D. Sample.

When the recipient opened the portfolio, the image was the plaque affixed to a bed, and a letter that told the donor that \$3,000 would provide a bed to a kid in need. Right away, the donor could see exactly how his help would be recognised. It showed the donor's deeds in action.

Does this kind of dramatic visualisation work? Last time Covenant House mailed this appeal, it received almost 20 five-figure donations, making this one of its most successful 'big dollar' offers in history.

Think of the big offers you send to your donors: Does the format give you the chance for the donor to see and feel and touch

These days, fundraisers have a dizzying array of direct mail formats available. But what kind of format to use – and to whom, and when – is not always an easy decision. Tom Gaffny investigates.

*Adapted from
The NonProfit Times
May 15 2009
Visit
www.nptimes.com*



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Choosing the best format (cont.)

how the gift will make a difference?

Question 4: Does the format get you noticed ... get you into the 'A' pile?

When all is said and done, there are ultimately three objects for every format mailed. They are, in no particular order:

1. Get Opened.
2. Get Opened.
3. And, oh yes, Get Opened.

The first place to start, is to again place yourself at the mailbox, and visualise your target recipient as your piece is received. While donors can come in all shapes, ages, demographics, and sizes, each tends to open mail the same way. The pile is sifted through and immediately categorised by level of importance, placing pieces in the 'A' pile, the 'B' pile, or the 'C' pile.

'A' pile mail: Stuff that demands attention, and that must be looked at right away ... personal letters, a friendly registered letter from the IRS.

'B' pile mail: Stuff that's glanced at and put off to the side, knowing that it will be gotten to later. This includes bills, mailings from organisations we like, magazines we like to read, fliers that peak our interest, etc.

'C' pile mail: Things that are glanced at and immediately discarded.

Success

Your likelihood of success improves dramatically if you can get your mail in the 'A' pile. Even if you can get it in the 'B' pile, you've given yourself a chance to win.

How do you do it? The surest way to get into the 'A' pile is to send a closed-face envelope, with a 'real' handwritten address block, and multiple postage stamps on the outside. If it's being directed toward a major donor, including your identification on the outside helps. If it's going to someone who's less passionate about your cause, then a 'blind' outer envelope helps increase openability. After all, you have to open an envelope like that, don't you?

Of course, closed face-envelopes can be expensive. Many charities have had huge success mailing simple window envelopes with no teaser or no identification on the outside. And if you have what looks like real handwriting showing through the address block, your chances of being opened increases yet again. Other techniques? A boxed envelope often helps, too.

While it's counterintuitive, very often the plainest envelopes are the ones most likely to get attention and get opened.

Inspire action

Question 5: Does my format inspire action ... and generate results?

One of the most fascinating trends in direct marketing today centres around the fact that the old has become new again. Some old ideas are more in vogue than they were originally. Have you noticed how many coin packages you see nowadays, after not seeing any for a decade?

Packages like the coin package work because they talk to people at a subliminal level that is powerful and timeless. 'I wonder what this coin is all about,' you can almost hear a prospect asking when they pick up the package.

'Someone must have taken some time to affix this coin to this package for a reason,' you can almost hear them saying.

Years ago (and older donors will remember this), it was common for charities to mail out coin packages, which were actually hand-affixed by workers at many charities. Even though machines do the hard work now, many older donors still believe the coin package was lovingly and painstakingly produced by someone at the charity. And that's part of their magic.

Of course, if you can then tie the coin into a story, your chances of succeeding improve.

Tom Gaffny is principal of Tom Gaffny Consulting in the United States. Email tomgaffny@hotmail.com ■

"Reprinted with acknowledgement to ..."

Fundraising Forum prides itself on keeping South African fundraisers right up-to-date with developing attitudes, trends and techniques, both here and overseas. We are grateful to the following international publications, which are regularly quoted and highly recommended:

- *Successful Fund Raising*, PO Box 4528, Sioux City, Iowa, 51104, USA, (12 issues per annum \$159) website: www.stevensoninc.com
- *The NonProfit Times*, 190 Tamarack Circle, Skillman, NJ08558, USA, (\$129 per annum) website: www.nptimes.com
- *The Chronicle of Philanthropy*, PO Box 1989, Marion, Ohio, 43306, USA, (24 issues – one annum at \$95) website: <http://philanthropy.com>
- *Successful Direct Mail, Telephone and Online Fundraising*. Subscribe for free at www.malwarwick.com/newsletter
- *Ahern E-News*. Subscribe for free at www.AhernComm.com

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Durban
Tel. 031 207-3755

Johannesburg
Tel. 011 465-7217

Website
www.dmi.co.za

E-mail
fundraisingforum@dmi.co.za

If you would like additional copies of *Fundraising Forum* or would like to add names to our mailing list please write to:

The Editor
Fundraising Forum
PO Box 3455
Durban
4000

E-mail: richard@dmi.co.za