

# Stretching Your Direct Mail Dollars for Maximum Results

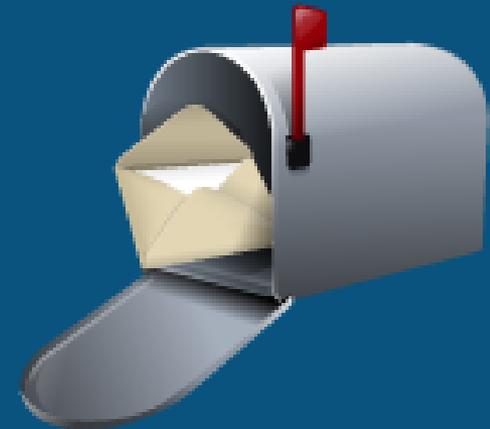
Blase Ciabaton

[www.TheDirectMailMan.com](http://www.TheDirectMailMan.com)

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In '09 the USPS delivered more than 12.5 billion pieces of mail for nonprofit organizations

This represents approximately 14.7% of all bulk mail delivered in the US (1 out of 7 pieces)



(Source: '09 USPS Household Diary)

According to the most recently available statistics, how much money did Direct Mail yield for nonprofits?



44 billion

(Source: '02 The Direct Marketing Association)

It's estimated that more than \$260.28 billion was raised by US nonprofits in 2005

- Individuals \$199.07 billion
- Legacy \$17.4 billion
- Foundations \$30 billion
- Corporations \$13.77 billion
- **This means that 83% comes from individuals**

(Source: '06 Annual "Giving USA" study)



Most of the time, almost no one will respond to your appeals for funds from the public by mail.

The only reason that direct mail fundraising works is that someone who does send you a first gift is very likely to send another when asked

Nonprofit managers have to expect to lose between 15-50% of their investment in mass-mail “prospecting” or “donor acquisition

# Factors when preparing a test mailing:

- List selection (50%)
- The offer (25%)
- Format (10%)
- Copywriting (5%)
- Design (5%)
- Timing (5%)



## *What to include...*

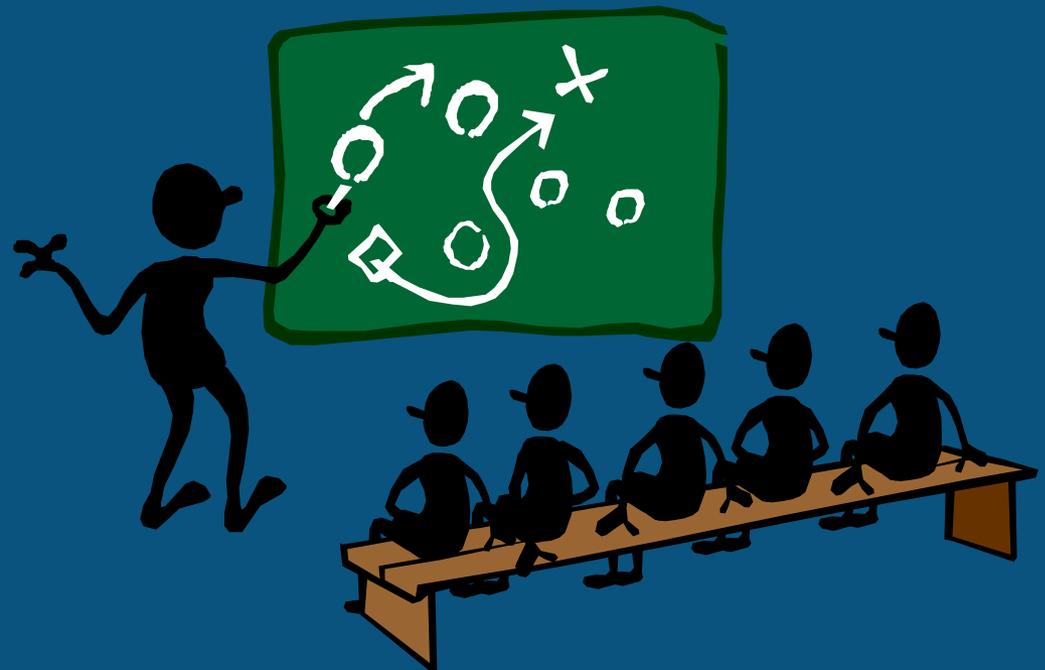
- Ask yourself what satisfaction a donor will receive from making a contribution to your organization?”
- A successful appeal letter establishes **urgency** and asks for a specific sum of money.
- The Chief Executive is typically the best person to sign a donor letter

## What else should you consider including?

- A business-reply envelope where the donor can mail it for free.
- A front-end premium (stickers, decals, etc.).
- Donor involvement devices:
  - Surveys: require the reader to take some action. The respondents are usually good prospects for donor acquisition

# How do you define a success?

- Decide *in advance* how to define a “successful” outcome for your direct mail test.

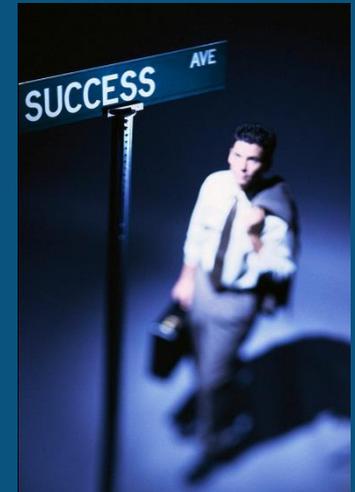


# A first-time contributor is really just a...

- Qualified prospect
  - It's likely that from 1/3 to 1/2 of your first time contributors will **never** give you a 2nd gift.
  - People who have given 2 gifts are much more likely to contribute yet again, perhaps much more generously.
  - The most urgent task of a donor re-solicitation program is to convert the largest possible percentage of your first-time contributors into *donors*

# GETTING THE MOST FROM YOUR DONORS

- The average “life” of a direct mail fundraiser is 2.6 years (31 months)
- Donors of less than \$15 are difficult to upgrade.
- \$50 donors typically have a high conversion rate.
- There is a very high correlation between the level of the donor’s original gift and the likelihood that that donor will still actively support you more than a year later.



Your most active donors should receive 6 or more fund appeals per year from your organization.

Few donors are aware how frequently they are solicited by mail.

An acceptable response rate for a donor acquisition mailing is 0.5-2.5%. For donor re-solicitation 6-12% is the average response rate.

The true rewards from direct mail come only over the long haul.



## Thank you letters should:

- be mailed within 24 hours
- be personalized/hand-written
- cite the amount of the gift and the date given
- *NOT* ask for another gift
- bear the signature of the CEO/Executive Director
- include a receipt for tax purposes

## Welcome packages should:

- always list key accomplishments of your organization
- include a questionnaire
  - The goal of the welcome package is to *involve* donors.



Segmenting Donors should primarily be classified by:

- Recency (most likely to give again)
- Frequency
- Monetary Amount
- Source or channel

# Legacy Giving:

- The major influencer about whether an individual will consider becoming a legacy donor is *your organization's mission*.
- The average bequest in the US is approximately \$35,000, but few such bequests come from major donors.



# 7 Tips for saving money on your printing & mail campaigns:

1. Consider using fancy paper and black ink instead of full color printing
2. Don't over order; get just the quantity that you need (this is Earth-friendly as well)
3. Use your nonprofit permit. If you don't have one, get one
4. Use window envelopes when sending personalized letters
5. Save postage by being conscious of the shape & size of your mail piece
6. Segment your mailing list
7. For prospect mailings use a smaller, targeted database instead of a larger database

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