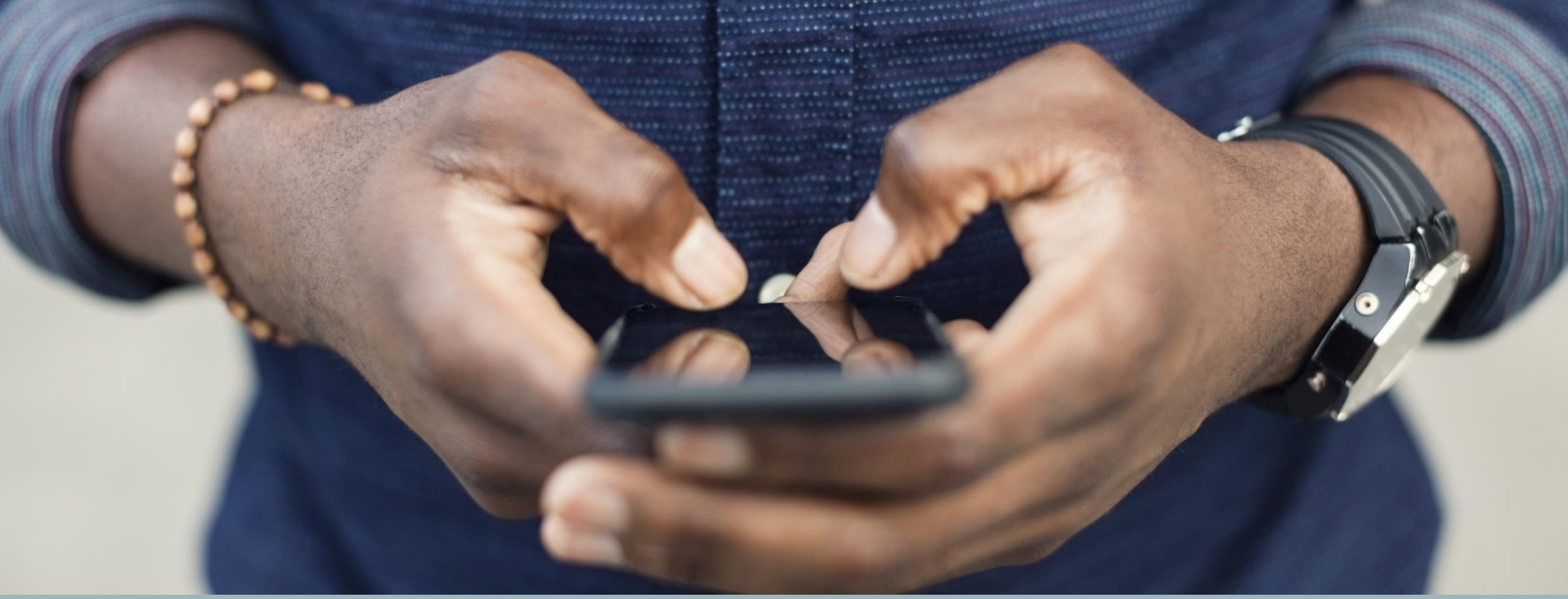
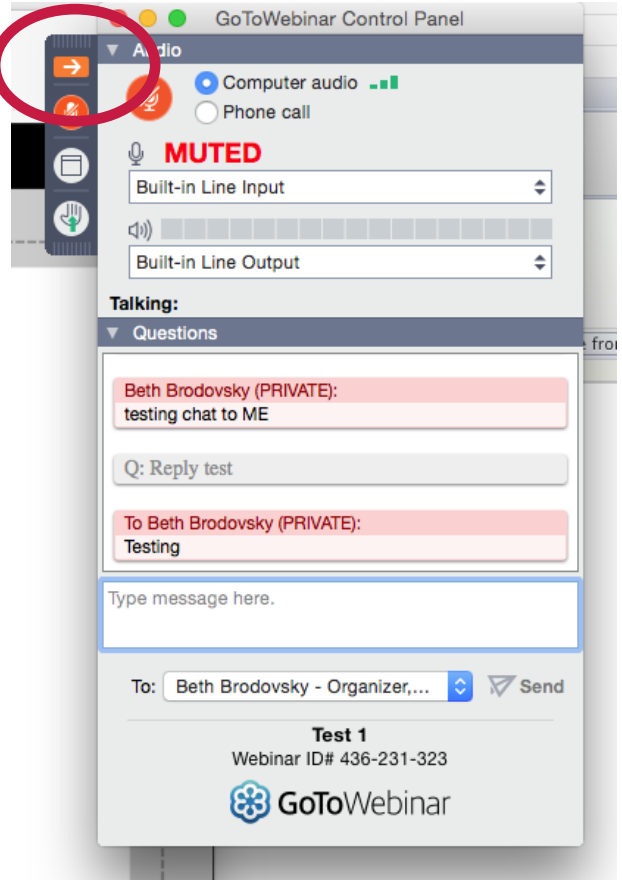


Customizing Direct Mail Appeals

Growing for Good with Funding For Good

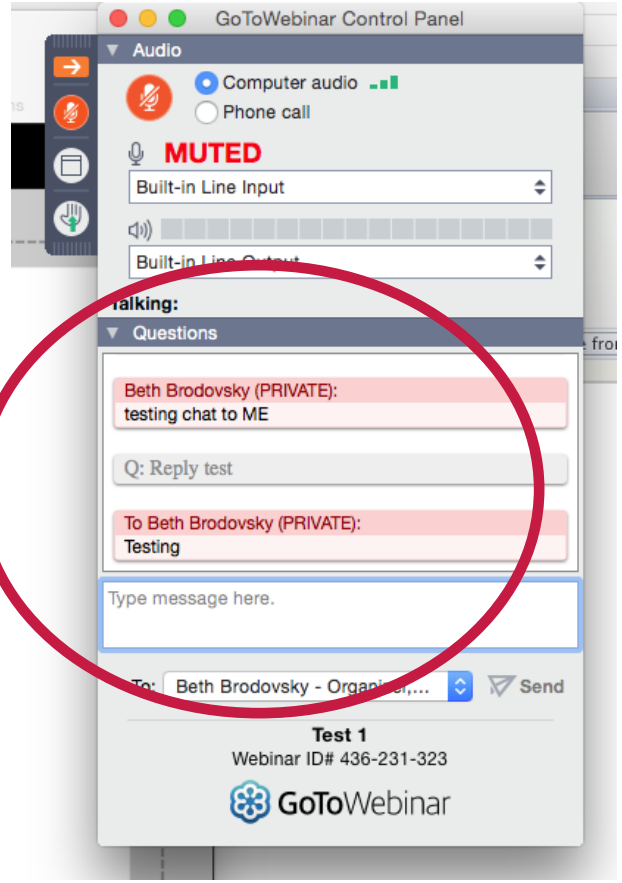
Tips

Click the orange arrow if you can't see the tools



Tips

Type your questions here



Funding For Good

Owner, Mandy Pearce (*left*)

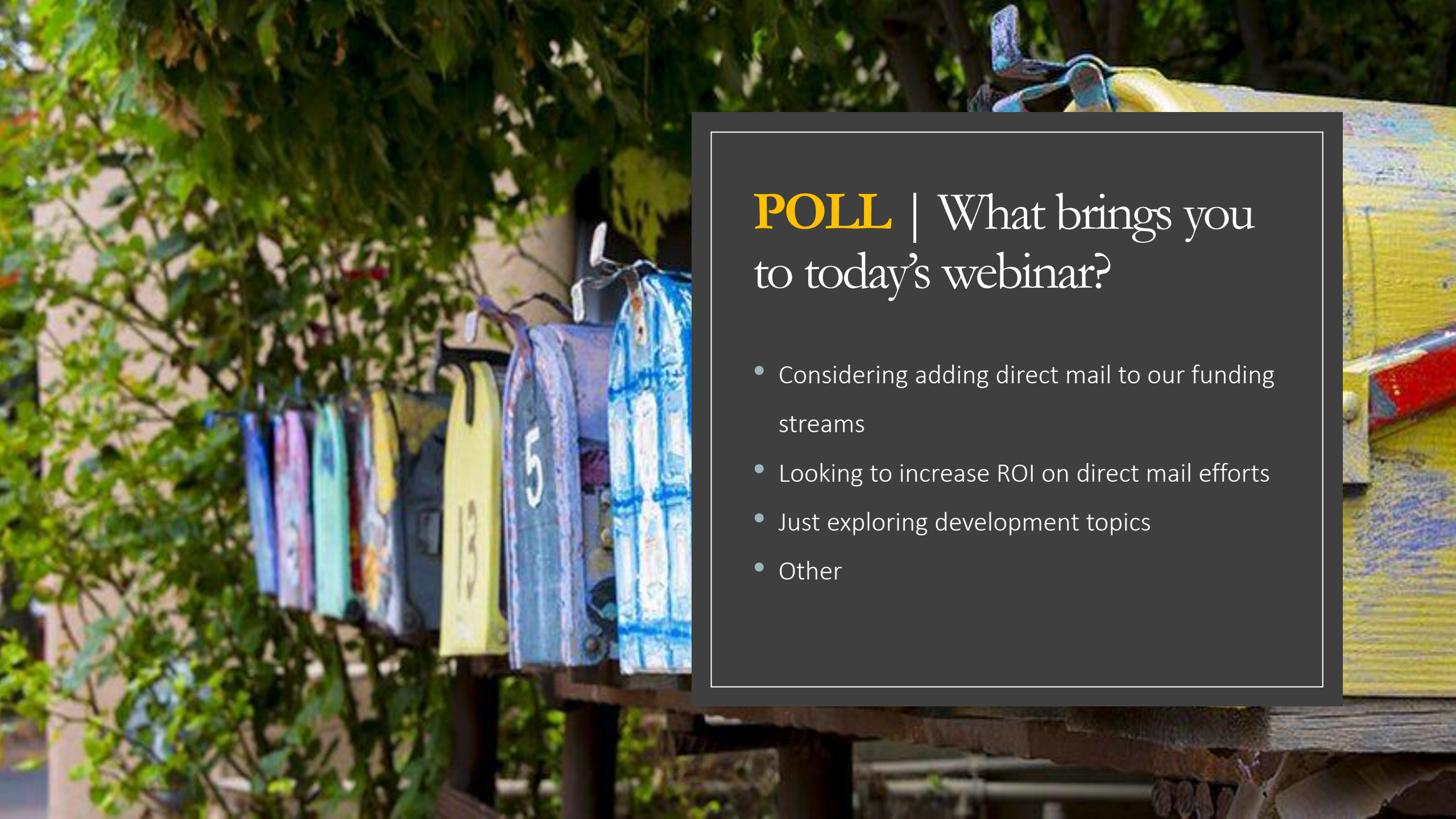
Lead Consultant, Marie Palacios (*right*)

development & business coaching | board development | budgeting | template creation | strategic planning | grant research | consensus building | community planning

www.fundingforgood.org

What we'll cover

- Lengths and format of the most successful appeals.
- Direct mail best practices.
- Managing segmenting effectively.
- Tweaking letters to achieve different goals.
- New approaches to crafting a compelling call to action (CTA).
- How and when to consider direct mail as a new funding stream.



POLL | What brings you to today's webinar?

- Considering adding direct mail to our funding streams
- Looking to increase ROI on direct mail efforts
- Just exploring development topics
- Other

Prediction #4:

"Offline engagement becomes even more important as the tectonic shift to remote work continues (despite COVID vaccines!) and reaching screen-fatigued prospects who are already bombarded online with too many webinars etc. via higher-touch, unorthodox methods offline such as via Sendoso become even more effective." – *Paul Sebastien, CMO, Offensive Security Inc.*

Prediction #12:

"The use of direct mail will more than double in 2021. It will be the antidote to the digital overload of 2020." – *Carol Meyers, Venture Partner, Glasswing Ventures*

Prediction #14:

"Less branded pens, more value for the prospect. Personalization will remain most important when engaging with direct mail. It's important that the offline engagement is bringing value to your prospects and customers and not centered around your company brand." – *Katelyn Martin, Director of Marketing Operations, Jellyvision*

Prediction #15:

"I predict that direct mail becomes what email became about 10 years ago — an integral part of engagement programs and 1:1 marketing." – *Michelle Burrows, CMO, Procare Software*

Prediction #16:

"Personalization will become even more important. No longer can you target your whole list with the same tactics. In a time where trust is more important than ever, personalizing your outreach approach will help build that trust by showing prospects that you are willing to go above and beyond to get their attention. That sets a great precedent on the first step of the larger customer experience." – *Nicholas Price, Global Senior Manager of Content, Aircall*

Source: *https://sendoso.com/blog/direct-mail-trends/*

Direct Mail Trends 2021

"As the digital world became saturated and Zoom fatigue kicked in, people began to crave offline experiences. As a result, strategies like direct mail that deliver a personal touch became more powerful than ever." – sendoso.com

“41% of all ages look forward to checking their mail each day.”

- Gallup

There’s just something exhilarating about opening that little mailbox to find an item you can hold, with your name written on it. And though older generations are more likely to say they enjoy getting mail, 36% of Americans under 30 also feel this way.

Lengths and Formats of Most Successful Direct Mail Appeals

1

Successful Direct Mail Appeals

People don't want to fund your existence; they want to invest in your impact.

- Use the 3 C guidelines . Be clear, concise and compelling.
- Say what you need and want to share.
- Take the space to do it well.
- Format and include images.
- Appeals may be 1, 2, 3, 4+ pages.
- Test **YOUR** audience and see what works best. One size does **NOT** fit all.

Long vs Short

In focus groups, donors say they dislike long letters. In Hong Kong, one client ran focus groups which all concluded that donors would be more likely to respond to a pack with a two-sided letter and tear off coupon than a four-page pack (actually, eight pages – English and Chinese) with lots of additional information. The two-pager raised HK$1.5m (AUD$220k) – the big pack raised over HK$7.5m (about $1.1m). (moceanic.com)

Long vs Short

I've tested long against short many times. In direct mail, **the shorter message only does better about 10 percent of the time** (a short message does tend to work better for emergency fundraising).

But most often, **if you're looking for a way to improve an appeal, add another page**. Most likely it'll boost response. Often it can generate a higher average gift too.

It's true in e-mail too, though not as decisively so.

In my experience, a longer e-mail outperforms a shorter one about two out of three times. Brevity may be a virtue in the e-mails you write to co-workers, but longer e-mails still get through to a lot of donors.

– Jeff Brooks, moceanic.com

Resources

https://www.moceanic.com/2017/long-fundraising/

https://lawrencedirect.com/ldmi-blog/159-long-vs-short-fundraising-copy-length-does-matter.html

https://www.smallbizgenius.net/by-the-numbers/direct-mail-statistics/

https://www.trec.org/wp-content/uploads/TREC_report-donor-centered-direct-mail_111.pdf

https://sofii.org/article/secrets-of-direct-mail-3-how-people-read-letters

Direct Mail Best Practices

2

Nonprofit Direct Mail Response Rates

Percentages for nonprofit direct mail response rates vary from organization to organization, state to state, and according to the type of nonprofit. Success rates go up when the direct mail campaign is paired with other means of communication. Some statistics nonprofit direct mail research shows are:

• Direct mail response rates are between 5-9%.

• When organizations combine direct mail with digital methods, response rates climb to 28%.

Source: ballantine.com

Consider a Wrap-Around Campaign to Increase ROI

- Media coverage pre-snail mail drop
- Social media coverage post snail-mail drop
- Email blast shortly after snail-mail drop
- Possible follow-up with campaign results
- Donor connection after gifts are made

Best Practices

- Run an NCOA update annually (at a minimum).
- Personalize appeals with the name and include previous donations or other segmenting info. **Example:** "Nancy, thank you for your generous contribution of $250 to our 2020 building campaign."
- Lead with a clear, concise call-to-action (CTA).
- Ensure your materials eye-catching, simple, and easy-to-read.
- Avoid jargon, acronyms, or 'internal language.'
- Include items like a holiday ornament, bookmark, seed packet, etc. 9when feasible).
- Change up the size or look of your regular mailings. **Oversized envelopes have the highest response rate: 5%.** (Data & Marketing Association)

Postcards get a fairly high response rate - 4.25% - followed by dimensional mailers with 4% and catalogs with 3.9%. The average response rate for direct mail in letter-sized envelopes is the lowest at only 3.5%.

Managing Segmenting Effectively

3

Segmenting Matters

1. *Adding a name to your direct mail piece can increase response rates by 135%.
2. *60% of donors value a personalized experience when interacting with nonprofits, but only 44% are satisfied with the level of personalization they currently receive.
3. *59% of survey respondents said they would give up to 10% more for a more personalized experience; 25% would donate up to 25% more; and 8% said they would donate up to 50% more.
4. *Individuals who are given a variable ask amount based upon their previous gift are 20-50% more likely to renew at the same level or increase their gift.

Source: Compu-Mail

Potential Segments

- Current Donors
- Lapsed Donors
- Capital Donors
- Pledge Donors
- First-Time Donors
- Volunteers
- Event Attendees
- Lifetime Donors
- Planned Givers
- Major Donors
- Monthly Donors
- Members
- Charter Donors
- Acquisitions (purchased/rented)
- Organization Specific – (pet owner, foster families for pets, veterans, military personnel, etc.)

Segmenting Next Steps

Questions to consider:

- What lists/segments do we currently have?
- What lists/segments do we want/need in the future?
- How will we collect data for each segment/list?
- How many contacts do we have on each list now (baseline) and how often will we track/update/run numbers for those? What goals do we have for each list?
- How often, and who is responsible for updating segmenting data/tools like tags in databases?
- What are organizational SOPs around updating data and who makes those decisions (ex: moving a current donor to the major donor list? How do we classify major donors? When is that data reviewed? When do we move a volunteer who made their first financial gift to the donor database? Are they still in the volunteer database? When do we move a client to a donor list and how do we tag for both?, etc.)

Tweaking Letters to Achieve Different Goals & New Approaches to Crafting a Compelling Call To Action (CTA)

4 & 5

“It IS what you say and how you say it.”

- Marie Palacios, Funding For Good

Givers Glow through the Hero Model

https://health.usnews.com/health-news/health-wellness/articles/2015/05/01/what-generosity-does-to-your-brain-and-life-expectancy

What is it and why is it important?

Before you craft, ask:

What is our IMPACT? Share stories and statistics to highlight how your initiative touches the lives of people, transforms your community, creates new opportunities, etc.

What do donors want to know? (Who we are, what we do, what we need, why we need it, when we need it, status report, call to action).

Answer: Who are we? Where are we going (vision)? What are we doing (mission)?

Craft your invitation: Identify the need (problem), confirm the solution (goal), share how donors can partner to create meaningful impact, extend an intentional invitation (CTA).

Clarify the Problem

Confirm How Donors Can Support a Solution

Craft the Message

Problem Focused

If we do not raise $30K in 2021 we risk closing our doors/halting programs which means:

- 20 local artists will not have a gallery space to display their work and generate income to sustain more than 120 family members.
- 200 special needs students will not longer have a place/program to come for art therapy and will miss out on more than 5,200 hours of art programming annually
- More than 6,000 community members will not have a local art gallery to visit for enrichment/entertainment.
- More than 14 local businesses will not benefit from the $x generated in local tourism by the gallery.

Goal Focused

We seek to raise $30K in 2021 to sustain our gallery so that:

- More than 70 local artists can exhibit and sale their art and sustain their families.
- More than 600+ community members annually can engage in diverse educational seminars to learn about art mediums
- More than x students can [experience/achieve what?] by exploring hands on arts experiences
- Bring job/improve mental health of individuals through x virtual arts programming quarterly/annually.

Craft the Message

Sample Order of Content

1. Introduce the organization and establish the donor as the "HERO"
   "Thanks to generous donors like YOU, we have achieved [insert impact] since [insert date].

2. Organization- framed as a tool the donor can use that is consistent, capable, credible
   "As the community's only/largest/longest serving….."

3. Highlight the problem (statistics/stories/local impact)
   "Due to the pandemic, more than x% of local small business owners were forced to permanently close their doors this past year."

4. Offer a SOLUTION (The hero has the skills/resources to contribute)
   "A gift of $x allows us to/provides/etc."

5. Call to Action (Specific ask, Power of contribution, ti*melines, urgency)*
   "Make your secure contribution online/using the included pledge card <u>now</u> by [insert action]"

* Insert stories, quotes, images in relevant places to increase impact and readership.

Share the Value of a Dollar

Value of a Dollar Examples

Your donation can make camp a reality for an exceptional child and their family this year.

- $20 – Provides a camp experience for a child for one day.
- $50 – Provides fresh fruit/veggies, bedding, and enrichment items for an Animal Ambassador that plays a vital role in camp for a month
- $100 – Provides a camp experience for an exceptional child for one week.

Your gift of:

$25 buys nails to hold together a family's home
$50 purchases 2x4's for a child's bedroom
$100 buys a window for a family to see the beauty outside
$500 to purchase doors so a family will feel safe and secure in their home

Would you please consider sending a donation today?

- Your gift of $50 will help ensure access to health care through our medical and dental clinic
- Your gift of $75 could provide 366 jars of peanut butter for our food pantry to distribute
- Your gift of $150 could help provide 185 life-saving prescriptions through our pharmacy

Medical Clinic

- In 2017, GHCCM's Medical/ Dental Clinic, the only free clinic in Catawba County, saw 1,080 patients.
- $50 will help ensure access to healthcare to those in need

Food Pantry/Nutrition Services

- In 2017, GHCCM's Food Pantry distributed 11,181 carts of food valued at $1.21 million.
- $75 will purchase 366 jars of peanut butter for distribution through GHCCM.

Pharmacy

- In 2017, GHCCM pharmacy filled 22,070 presciptions valued at $823,396.
- $150 makes 185 life-saving prescriptions available to GHCCM clients.

Sharing Impact & Value of a Dollar

Tie data from the appeal to the reply card to reinforce impact.

Always Have a P.S.

One thing we know that people will always read is the P.S.

'Always have a P.S. at the end of your direct mail letters.
(PS stands for **postscript**. It comes from the Latin postscriptum, which literally means "written after.")

And the P.S. should not be an afterthought.

The function of the P.S. is to summarize or capsulize what you now want the reader of this letter to **do**. Usually, go to the enclosed reply form, sign the petition that's there, or list your prayer intentions, or answer the survey questions. And then please send a contribution of $25, $35, $50 or the most generous gift you can afford for this good cause.' – *lawrencedirect.com*

P.S. *don't forget the P.S*

When crafting a greeting and P.S., be sure to effectively communicate the feeling you want to create in your donor.

If you want your donor to feel close to your nonprofit, you may adopt an informal and casual tone in your greeting and P.S. Perhaps you want them to read the letter as if they were receiving it from a close friend. You can then conclude your P.S. with a joke that will make them smile.

Segmenting the P.S. can also include additional information that can get donors more involved in a cause.

It can be a minor suggestion based on a specific donor, or it can be a reference to a website/organizational resource.

In short, the greeting and P.S. are the main components of the letter that donors remember; *that's why it has been used in sales-boosting for so long*.

Ask yourself what impact you want to have on the donor and make the opening and closing statements reflect that.

Source: doublethedonation.com

How and When to Consider Direct Mail as a New Funding Stream

6

Adding Funding Streams –

questions to consider

Have we analyzed each current funding stream for ROI? If so, which ones should we keep or let go?

Have we analyzed potential new funding streams to ensure we have the resources to implement them successfully?

Do we have the resources in place to conduct direct mail in the next FY? (time, staff, lists, technology, finances, etc.)

Are we willing to participate in direct mail for 2-years to establish baseline data and analyze our success over numerous campaigns (2-4+ annually)?

Regarding direct mail, are we considering snail mail, email, phone, social media?

Allocating Additional Resources for Direct Mail – *questions to consider*

How much have our lists grown with direct mail? What are our goals?

What are our average gifts?

Are we using moves management with direct mail now?

What is our ROI for various appeals annually?

Do we have the systems in place to begin or enhance direct mail efforts?

Do we have specific objectives around direct mail… such as increase monthly giving, etc.?

Are we segmenting? If not, do we have the resources to do so? If yes, can we segment further?

Maximizing Donor Databases

September 29, 2021

https://fundingforgood.org/product/maximizing-donor-databases-sep-29/

Free Webinar with Erica Waasdorp

https://www.charityhowto.com/nonprofit-webinar/5-reasons-why-direct-mail-continues-to-create-fundraising-home-runs-recording?list=Recorded+Webinars

Q + A

Consultations On-Demand

Untangle the issue, gain clarity, and get back to making a bigger impact.

BOOK NOW

"What you do today can improve all your tomorrows." – Ralph Marston

https:fundingforgood.org/impact-work/consultations-on-demand/