

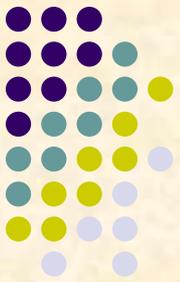
Results of Pre-Conference Survey:

Renewal & Lapsed Mail Frequency Analysis and Decision Making

Determining When To Add/Delete Campaigns

February 2006

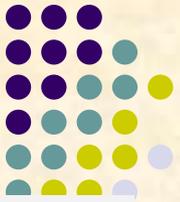
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An Overlooked Subject

- ***Or at least one that doesn't lend itself to easy analysis...***
 - **Most of us as nonprofits run our annual programs with two tools: budget and schedule**
 - **How are they determined?**
 - **Does they have built-in flexibility, particularly:**
 - **Across campaigns: types of mailings and volume per effort**
 - **Between acquisition, house file, recapture**
 - **Adjusting investments across media types**
 - **Are they optimal for short- and long-term performance with renewal and lapsed donors?**

Study of Nonprofit Practices

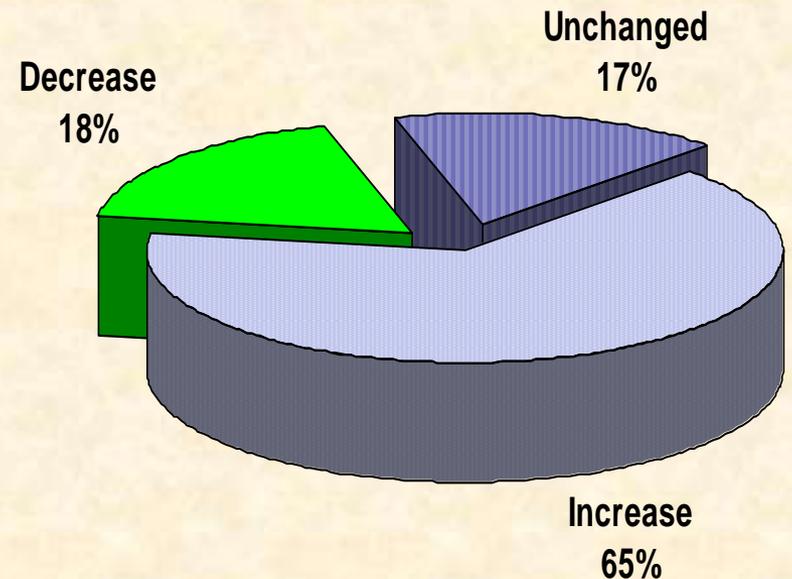


- **70 participants**

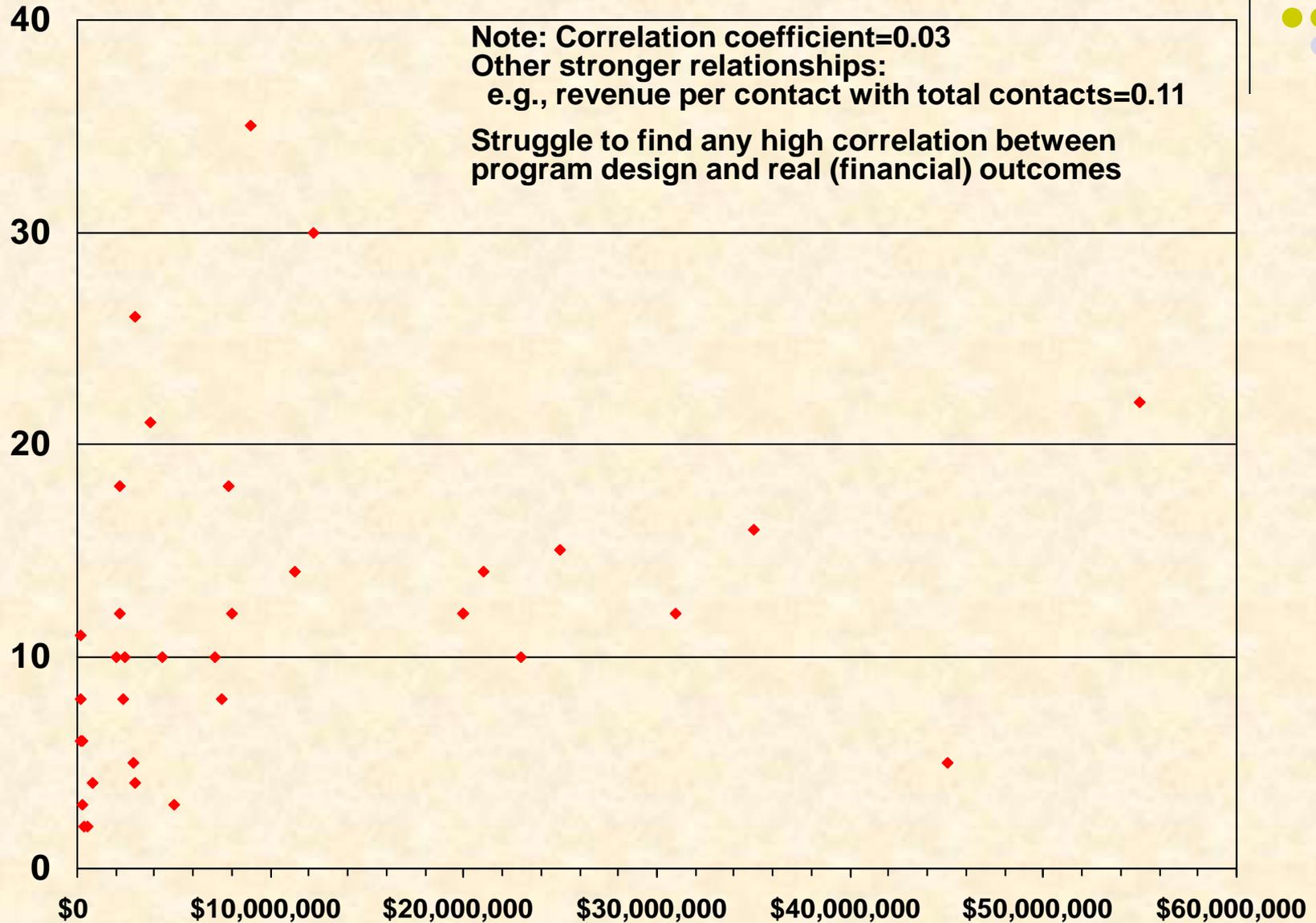
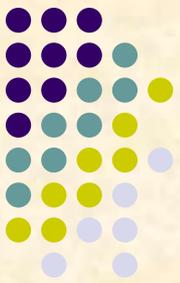
- 12 human services or relief, 12, 10 faith-based, 8 voluntary health, 20 other charities, 19 membership associations
- Averages below include zeros: 15% no DM acq, 34% no DM other, 60%+ no TM, 24% no email

1-Year \$\$ % Chg.	MEAN	MEDIAN
DM acquisition	2.8%	2.9%
DM house file	1.4%	1.7%
DM other	1.8%	1.2%
TM active	0.9%	0.3%
TM lapsed	1.0%	0.3%
Email	3.1%	3.7%

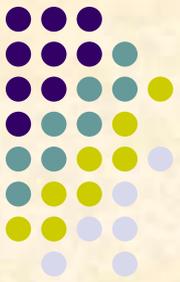
Efforts	MEAN	MEDIAN
DM acquisition	4.5	3.4
DM house file	9.6	7.9
DM other	5.8	2.1
TM active	1.0	0.4
TM lapsed	1.3	0.4
Email	13.1	6.0
Total	35.3	20.1



Distribution: # House File Campaigns and Gross Revenue



Comments from Your Peers



- **"Direct mail (especially acquisition) has got increasingly difficult over the last 5-6 years."**
- **"Disaster fundraising falls outside of our annual budget but greatly affects existing program and strategy."**
- **"Increase in number of monthly donors has changed the landscape of our program."**
- **"Most of my direct mail and telemarketing campaigns are the same for active and lapsed, but only the one campaign is exclusively lapsed."**
- **"We finally took marketing seriously and dedicated resources accordingly."**
- **"Organization committed to increased investment in direct mail acquisition and online fundraising to spur membership growth."**
- **"We deleted the spring acquisition campaign due to budget issues and plus we had already obtained the budgeted new donors. In doing this we increased the house mailings to replace the revenue because they are not as expensive."**
- **"New marketing strategy and reduced restrictions on spending have led to growth in excess of 20%."**

Other Comments



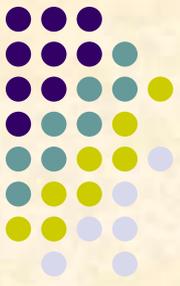
Channels

- **"We're in the process of determining how to complement direct mail, e-mail and web site communication, outreach & promotion. The market is changing."**
- **"Since we see more people accessing our info on the web, don't have to mail as much to them."**
- **"We are trying to include email appeals in our direct mail mix, attempting to switch folks from mailed appeals & newsletters to emailed appeals and newsletters."**
- **"We have added volume by increasing mailings to current donors. We are quite worried about donor fatigue, but thus far the need to keep revenue consistent has trumped those concerns."**

External Stuff/Awareness

- **"We recently went through a merger with another nonprofit and have had steep declines in volume due to name unfamiliarity."**
- **"We went from 20 years' success at inhouse creative and production, to a well known agency. They were a 100% flop, disaster and cost us a huge amount in losses. We fired them after 8 months and are trying to restructure back."**

Program Profiles



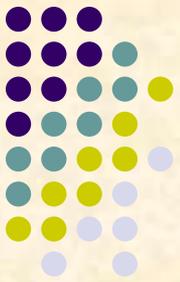
- **Average program**

- Reasonably productive, good revenue per average donor and securing multiple gifts per name on file.
- Efforts conducted typically have good economies of scale.

Average (mean) DM acquisition mailing	1,407,096
Average (mean) DM house file campaign	220,984
Average lapsed donor mailing	223,253
Average low dollar mailing	34,265
Average telemarketing to active donors	42,305
Average telemarketing to lapsed donors	10,713
Average size, broadcast email campaign	81,683

	MEAN	MEDIAN
DR program annual expenses	\$3,992,108	\$1,158,651
DR program annual revenue	\$14,583,418	\$3,400,000
Approximate Cost Per Dollar Raised	\$0.43	\$0.35
Average revenue per active donor	\$64.20	\$60.50
Average gifts per active donor	3.06	1.83

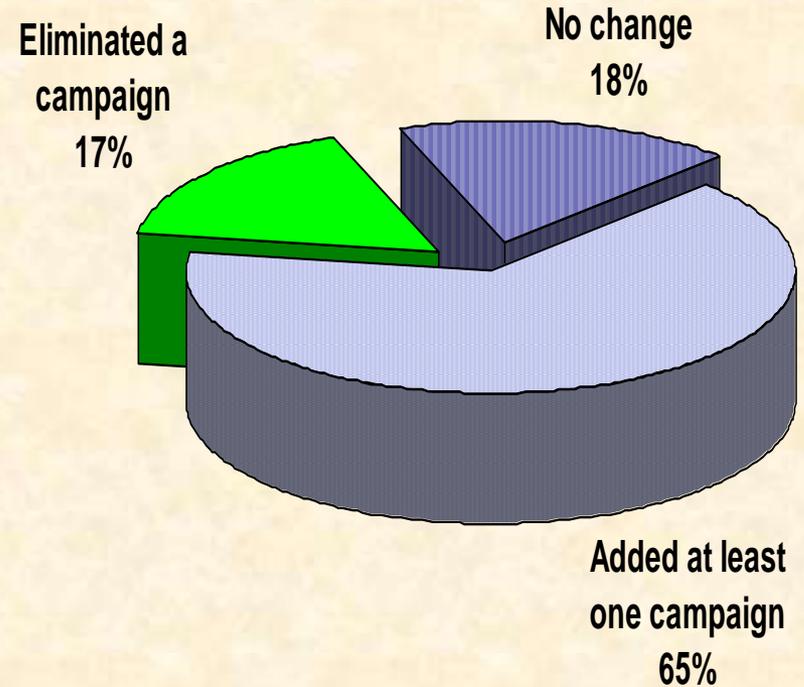
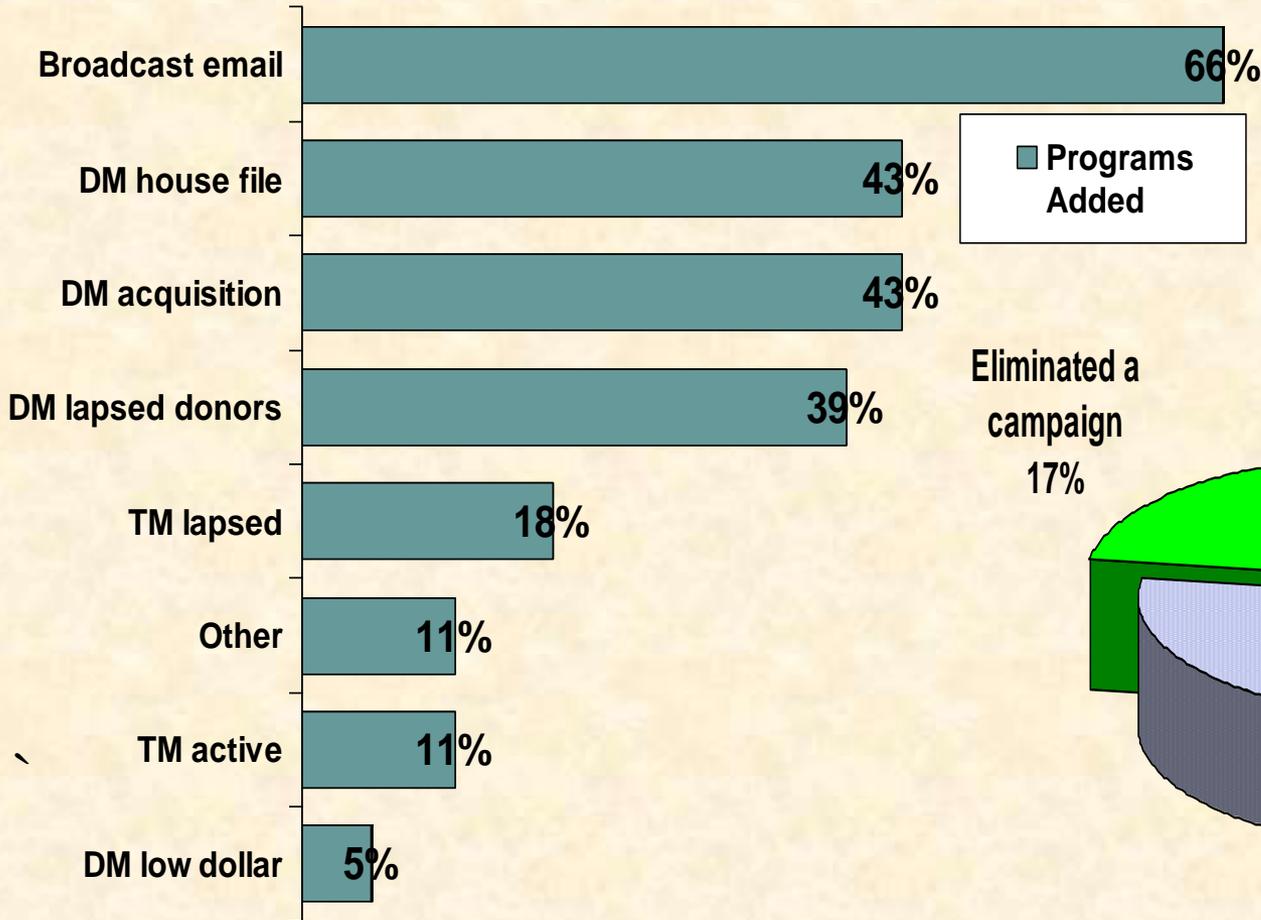
Overall Program, Size and Revenue Performance



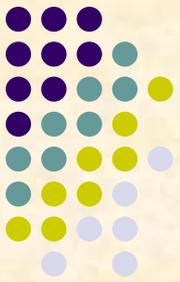
Overall Program	MEAN	MEDIAN
Total Contacts	18,350,334	1,737,500
Total Acquisition Volume	12,569,379	300,000
Total House File	2,642,416	175,000
Total Telemarketing	93,415	-
Total Email Volume	1,731,708	51,200
Total Lapsed/Low Dollar	1,007,529	3,500

Productivity	MEAN	MEDIAN
Revenue per campaign	\$347,171	\$86,275
Revenue per contact	\$11.89	\$6.50

Profile: How Practices Have Changed Over the Past Year



Most Common Reasons for Larger or Smaller Programs



■ Top Reason

■ #2 Reason

■ #3 Reason

