

March 1, 2004

Special Report: Fundraising Ideas That Really Work

By Jeff Jones, Ted Montuori and Matthew Sinclair

What the donor wants ...

Sometimes imposing a little direct mail self-control can spell great returns from otherwise skeptical and unresponsive donors. Baltimore, Md.-based Catholic Relief Services (CRS) used this technique in its limited mail appeal.

The relief group informed people, who previously had requested to receive no mail, that CRS offered restricted mail options, Kevin Whorton, director, direct response fundraising at CRS, explained in an email.

CRS sent a two-page letter with a simple reply device asking donors to check one, two, three, four or six mailings per year. "We achieved a response rate greater than 15 percent, very few complaints, and, oddly, received quite a few checks from donors up front," Whorton said.

The approach was launched on a systematic basis to individuals who requested limited mail or no mail, to acknowledge their wishes and manage their expectations, Whorton said.

CRS explained several donor services features to those people who formally requested to receive less or no mail, such as a 60-90 day delay in cessation of mail because projects were already underway when they asked for removal, if they called, Whorton said. There wasn't similar mail correspondence.

The group sent an acknowledgement letter, then tested a reply for reinstating mail volume. "(We) were pleasantly surprised to find approximately 20 percent asking to be put back on the list with a minimum of complaints," Whorton said.

CRS then sent a test mailing to 10,000 older requests for list removal or reduced mailing volume.

"This was a risky audience since these individuals had not received mail from CRS for at least a year, (and) often four to five years," Whorton said. CRS achieved the same 20 percent response rate, and three-fourths of respondents indicated they wanted back on the mailing list. One-fourth reaffirmed their original preference, Whorton said.

A second test mailing went to 90,000 people who had asked only for a confirmation of gifts they proactively sent, or asked to be deleted from the mailing list. The inexpensive package

-- a plain number 10 envelope with slit-and-nest letter and reply, and a business reply envelope -- cost roughly 26 cents to prepare and mail, he said.

CRS mailed the first test during late May 2003 to a limited number of people.

It generated names back into the mail file and fueled revenue of nearly \$132,000 -- an 18 cents cost per dollar raised, Whorton said.

It garnered a little more than 1,000 gifts, notched a 1.2 percent response rate, and received a high average gift of \$126, he said.

“In retrospect, it makes sense, since donors who care enough to let us know how much mail they want are probably far better prospects than donors who quietly drop off the file over time,” Whorton said. “It seemed far riskier at the time we decided to launch this. We will not do this en masse again for a long time, but it was a successful donor service initiative and a wonderful opportunity to update our records and to make money doing it.”

Pass-along value ...

CRS went back in the mail with another idea. With a little help from its friends, CRS did more than get by. The organization decided its donors would be the best avenue to raise greater awareness.

Long-time donors received a bundle of five CRS brochures and a business reply envelope, Whorton explained. CRS selected donors for participation based on length of relationship and recent giving history, he said.

“Loyalty, measured by length of relationship to CRS, was the key basis for selecting donors and invite them to help us,” Whorton said.

The relief group conducted its first mailing September 2002, mailing to 82,000 pre-qualified donors, who had given more than \$25 in the past year and given at least eight gifts during their lifetime.

The mailing generated \$365,000 in gifts, a 3.85 percent response rate and a \$116 average gift, he said.

“Unfortunately, we could not easily tell from this first effort how many of the gifts came from brand-new donors and how many came from current donors choosing to send a gift in one of the enclosed envelopes,” he said.

A number of staff on CRS's seed list told “us that we made a mistake” by sending these people five brochures, Whorton said.

One year later CRS repeated and refined the campaign taking into account some of the staff's confusion. CRS bundled brochures with a small band of brown craft paper, and clarified instructions, Whorton said.

This mailing focused on 124,000 similar long-time donors, except it lowered the giving history to at least five during a lifetime. The return this time was a bit less productive.

It generated \$289,000, a 1.53 percent response rate, and an \$84 average gift, Whorton said. “We are more delighted with this performance,” because it appears to have generated an additional 1,500 donors, most of them high-dollar givers, Whorton said.

“We are happy to have an annual program that generates new donors by generating three times its cost in total donations -- making it roughly six times as productive as our acquisition program today,” Whorton said.