

# DIRECT FORUM

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Direct Forum is a free e-mail newsletter containing useful direct marketing tips, news updates and how-to information. It's convenient, informative and I am not trying to sell you anything!

This month's topics include:

- 1. A FEW REASONS WHY MOST FUNDRAISING MATERIAL GOES STRAIGHT IN THE TRASH CAN**
- 2. DARE TO BE DIFFERENT? THEN SHOW IT BY YOUR ACTIONS**
- 3. A SIMPLE GUIDE OF DISCOVERING HOW OFTEN TO MAIL TO THE DONORS ON YOUR DATABASE**
- 4. WHY FUNDRAISERS ARE LOUSY AT CUSTOMER SERVICE**

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## **A FEW REASONS WHY MOST FUNDRAISING MATERIAL GOES STRAIGHT IN THE TRASH CAN**



Sadly, charities are one of the most prolific producers of printed and electronic material and the bulk of what they produce is tedious, repetitive and boring.

**The real problem with most of these pieces is that, in spite of all the really dramatic human-interest material at their disposal, they continue to produce stuff that is dull.**

We have the best stories to tell which deal with real drama, real inspiration or life and death situations; real heroic tales of courage, self-sacrifice, neglect, nobility, despair, suffering, hope and triumph.

**So why do we continue to produce uninteresting or uninspiring material?.**

**I think the most common mistake that charities continue to make is that they concentrate on what**

**they want to say (corporate-babble) rather than what the reader wants to hear.**

Other reasons include:

- Lack of imagination, many are a rip-off what someone else has produced before;
- Communicating without any passion. We have the best stories to tell and the best reasons for telling them;
- Making it a monologue and not a dialogue. Filling the communication piece with lots of self-gloating material;
- Failing to write and design for readability. In a world drowning in information overload it pays to invest in a good writer or designer to help get your audience's attention, not just the cheapest one;
- Approval by committee. As **David Ogilvy** rightly said, **'A camel is a horse built by a committee.'** And that's what many pieces end up looking like.

Copywriting is the real backbone of direct mail and newsletters, yet many charities and non-profit agencies continue to make these mistakes.

Sadly they end up not really communicating with their donors but trying hard to sell them. Fundraising is not just about making money, it's about inspiring others to believe in your cause and rallying to help.



At heart, fundraising is telling stories that touch, move and motivate people. You need to take your readers on a trip with your words and pictures, so they can see first hand the real problem and how your organization is helping to alleviate it. It's important to become a master storyteller but that unfortunately is often lacking in many of the pieces.

If ever a profession needed to appreciate the power and potential of words, it is fundraising.

Let me close with another wise observation from **David Ogilvy**. He said, **"You can't bore people into buying your product."**

Similarly, you can't **bore them into donating either.**

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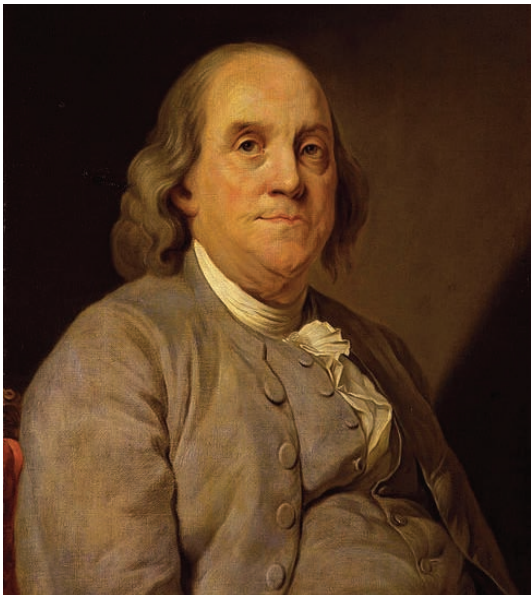
## **DARE TO BE DIFFERENT? THEN SHOW IT BY YOUR ACTIONS.**

A vast body of knowledge and experience has been built on what works and what doesn't in direct marketing and that is good.

What is bad is that most of what has worked for one client has been plagiarized to death by another so that look-alike direct mail packages abound.

Somewhere along the line we have all become so fixated on formulas espoused by gurus that we are afraid to take a chance on something new.

**And yet it was the pioneers who dared to be different who reaped the biggest rewards before the rest of the herd sheepishly mimicked them.**



*Good example:* One of the most famous direct marketers, **Benjamin Franklin**, who published his own catalogue in the early 1700s has been credited with incorporating the first “satisfaction guarantee” in his catalogue.

**Dr. Thomas Barnado**, who coined the first generic solicitation “*Dear Friend*” almost 120 years ago, continues to be copied even today.

More recently, **Barack Obama** won the election handily by employing online initiatives and new technologies using youth to raise over 500 million dollars in small contributions — need I say more?

And there's the person who first thought of getting donors to make contributions on a monthly basis.

And don't forget the first person that used telephone marketing as a one-two punch to sell or raise funds, or the first face-to-face agency that helped procure millions of Pounds, and Euros in Europe. That agency started a deluge of 'me-too' copycats that sprang up to do the same.

Or the very first non-profit that dared to create a catalogue to sell livestock, seeds or clean water online and reaped thousands of dollars.

*Gone are the days when fundraisers can continue to live*

*by keeping their heads down, buried in the sand, for fear of being different.* Given the plight of fundraising today, such conservatism is a folly. You need the guts to try something new.

I am not advocating that direct marketers sink all their resources into innovations, I am suggesting that at least 5% to 10% be allocated to creating something new each year — be it a new way of segmenting or even a radically new way of marketing — or a dramatically different dm package.

**The worse you can do is fail, but that's how we all learn. The best you will do is create a stampede of followers.**

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## **A SIMPLE GUIDE OF DISCOVERING HOW OFTEN TO MAIL TO YOUR DONORS ON YOUR DATABASE**

Your Donors



- 1. The majority of your donors who give are going to respond just once a year. In most cases that gift is going to be less than \$75.**

### **Who are they?**

- They are people who value what your organization does but
  - o They either do not have the means to give more
  - o Or are donors who are first putting just one toe in the water to test the organization. Few jump in with both feet, because they are not fully convinced.

### **How to separate the two groups?**

- One way to find out who has the means to give and who does not is by inviting them to an event, by contacting them directly, or asking them to complete an information sheet with the intent of having an accurate database.

### **How to target those who are not fully convinced to give more?**

- As I mentioned earlier, at heart, fundraising is really telling stories that move and motivate people. You need to take these donors on a trip, with your words and pictures, to see first hand the real problem and how your organization is helping alleviate it.

Your loyal supporters



- You need to prove to them that you are a good custodian of their funds.

**2. Next, there are a significant number of donors who make multiple gifts.**

**Who are they?**

- They are your best supporters.
- They are people who value what your organization does and enjoy sending gifts more than once a year.
- They show their support each time with a gift.

**How to target this group?**

- Send them multiple mailings that include just a few solicitations, all your newsletters and your annual report. Do not overwhelm them with too many solicitations just because they give.

**3. New donors who have just given for the first time.**

- This group needs to be solicited more often, at least 4 times a year initially until they indicate a clear pattern of giving.

**4. Another category of donors only sends one gift at a particular time.**

- Learn when they give and only solicit them at that time.

**5. Another 5% to 25% of your donors can be convinced to switch to monthly giving.**

**Who are they?**

- Donors obtained from a direct mail appeal are more likely to become monthly donors and will stay on the longest;
- Donors acquired through telemarketing are the next group most like to convert and stay on;
- However, TV, email or Face-to-Face acquired donors tend to drop out much faster after one or two giving cycles.

### **What is the best way to convince them?**

- Tie your ask to a tangible program such as a:
  - o Membership drive
  - o Child sponsorship program
  - o New research

### **Where can you find the ideal monthly donors?**

- Donors in your house list who have stayed the longest.
- Donors who give 2 or more times a year.

### **When is the most appropriate time to ask for monthly donations?**

- New donors should be asked to join a monthly giving plan anytime from 2 to 4 months after they have made their initial gift.
- All other donors who give 2 or more times a year should be asked to convert to monthly giving at least once a year.
- Monthly donors should be asked annually to upgrade their giving close to the end of their yearly giving cycle.

Your not-so-loyal supporters



### **6. Finally, a large portion of your donors, from 95% to 75%, will not give to each and every direct mail appeal.**

Some will need more appeals throughout the year, while others will eventually turn into lapsed donors. Mail to those who have given recently in the last few years for a full cycle of 4 to 6 appeals.

Those who have not given for over 4 years or more should be moved to a prospect list. Better still, if you can contact these lapsed donors you may find that they still want to stay connected.

**The past history of giving by each of your donor should give you a clue as to who belongs to which category of givers and how often and when you should be mailing to them.**

**Finally, if you still can't figure this out, remember asking your donors too often is bad but not asking them often enough is worse.**

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## WHY FUNDRAISERS ARE LOUSY AT CUSTOMER SERVICE

Even the freckled-faced kid who serves at the counter at **MacDonald's** is better at customer service than most people working for a charity.

At least they know how to cross-sell you with the question, ***"Will that be with fries?"*** or to say, ***"thank you"*** promptly.

Many charities are guilty of not acknowledging gifts promptly and properly. They tend to do so at the end of the year or a month after a direct mail promotion and sometimes never at all – an act well documented and one that I have spoken about at length in the past.

Charities too often fail to cross-sell or up-sell their donors by converting them to monthly donors or asking them to increase their gift amount.

Most books on fundraising are filled with hints and suggestions on how to perform your job better, yet most of them lack the most important advice of all — how to properly implement this post donation process that deals with effective follow-up.

People working for a charity may have a passion for the cause but lack the skills to communicate effectively with their donors and they need to learn these in order to be successful at their jobs.

Here are five important things that happen when you follow-up with your donors promptly:

1. Donors know that their gifts have been safely received.
2. Donors know that you value them.
3. You reassure donors that their gifts will be used for the purpose specified in the request.
4. You open an ongoing communication channel with them.
5. You build a deeper bond with your donors.

So think about this and if you need help there are many books, including mine, that can guide you.

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### **OPT IN, OPT OUT, OPTIONS:**

- To unsubscribe, send me an e-mail simply saying, "Please, remove".
- To participate, send me an e-mail with your suggestions.
- To post a comment, please include your name, e-mail address and your thoughts.

**Let me remind you again that your name and/or e-mail address will never be shared, sold, circulated, or passed along to anyone else.**

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