

Is Direct Mail Fundraising Dead?

Directory of Social Change Fundraising Conference

Thursday 30 March 2023

Gordon Kane, Bloom Fundraising



Three Hurdles for Direct Mail Fundraising Today

1. Bad Publicity
2. Donor Recruitment
3. Costs



HURDLE 1 - Bad Public Relations

Poppy seller who killed herself got 3,000 charity requests for donations a year

Questions raised about charities' tactics after regulator's report says Olive Cooke, 92, was overwhelmed by approaches before her suicide



▲ Olive Cooke, who was believed to have been the longest-serving and most prolific poppy seller, dedicated 76 years of her life to raising money for the Royal British Legion. Photograph: PA

A 92-year-old poppy seller who took her own life felt “distressed and overwhelmed” by the huge number of requests for donations she received from charities, a report has concluded.

Unsolicited Mail

Fundraising Standards Board investigation 2015/16 found that

- Mrs Olive Cooke had supported **99 charities**. **70** had obtained her personal details from third parties (other charities or commercial list suppliers)
- Mrs Cooke donated to at least **88** of the 99 charities

Is Direct Mail the problem, OR part of the solution?

Excellent ENGAGEMENT



RATE IT BELIEVABLE



**FEEL VALUED
AND APPRECIATED**



**THINK BETTER OF THE
COMPANY THAT SENDS IT**



**SAY THEY'RE LIKELY TO GIVE
IT THEIR FULL ATTENTION**

Is POOR STEWARDSHIP the real problem?

1. DON'T SHARE/SELL
donors' details

2. DON'T OVER-ASK - Aim for
max of 7-mailings per year

3. BE ALERT for frequent
high-value gifts



HURDLE 2 - New Donor Recruitment

- **New Privacy Legislation**
- **General Data Protection Regulation (GDPR) 2018**
- **“Legitimate Interest” required to send appeals by mail to prospects**



GDPR - LEGITIMATE INTEREST

Information Commissioner's Office: “You won't need consent for postal marketing ...If you don't need consent under PECR you can rely on legitimate interests for marketing activities if you can show how you use people's data is proportionate, has a minimal privacy impact, and people would not be surprised or likely to object.”

Source: ICO, *General Data Protection Regulation (GDPR) FAQs for Charities*, April 2018 <https://ico.org.uk/for-organisations/charity/charities-faqs/>



GOOD NEWS!

Data Protection and Digital Information Bill (2023)

Will expand the scope of **legitimate interest** so that charities can use it with even more confidence as a lawful basis to recruit new supporters

Q: What is the best way to RECRUIT New Donors?

A: CONTENT MARKETING:

Offer people valuable Content for FREE in exchange for **marketing consent**

REACH new prospects ONLINE via Social Media





TIP: Boost Posts
But only those with MOST
views

Offer FREE 'valuable' Content

- Email News



- How-to-Guides



HURDLE 3 - Rising Direct Mail Costs

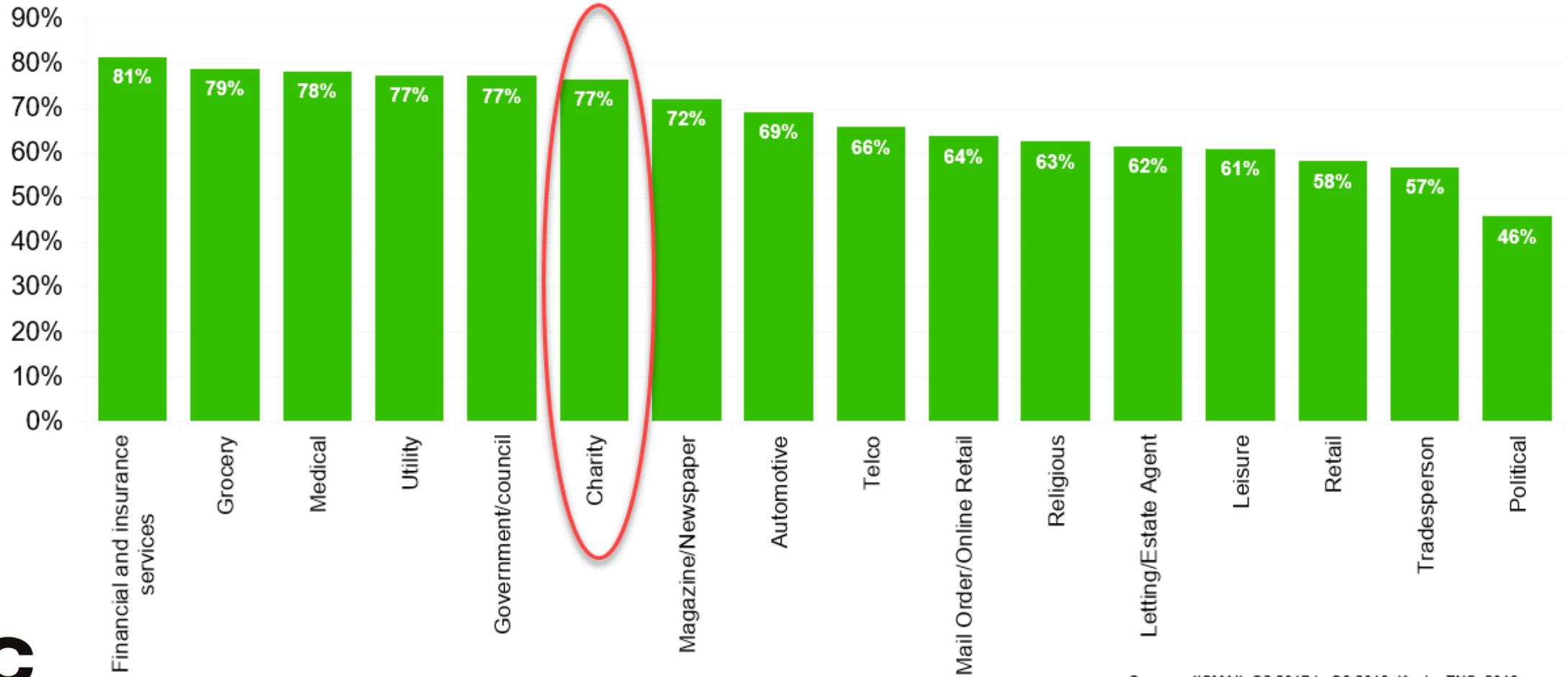
- 2008 Financial Crisis prompted a spike in **production** costs
- Royal Mail **postage** charges increased significantly in 2012.
- Cost of a Direct Mail pack **doubled** for this charity.

Went from 48p in 2003, to more than £1.07 in 2018.

MAIL PACK £	£ Postage per unit (2,500-9,999 items)	£ Printing per unit	£ Total cost per unit
May 2003	0.17	0.31	0.48
June 2008	0.20	0.43	0.63
May 2012	0.29	0.47	0.75
May 2018	0.39	0.67	1.07

Direct Mail Open Rate By Sector 2018 - UK

Open rates for Utilities, Financial Services, Grocery and Charity are the highest.



Source: JICMAIL Q2 2017 to Q3 2018, Kantar TNS, 2018
Base: Direct Mail Items n=32,216

Direct Mail is stronger than ever

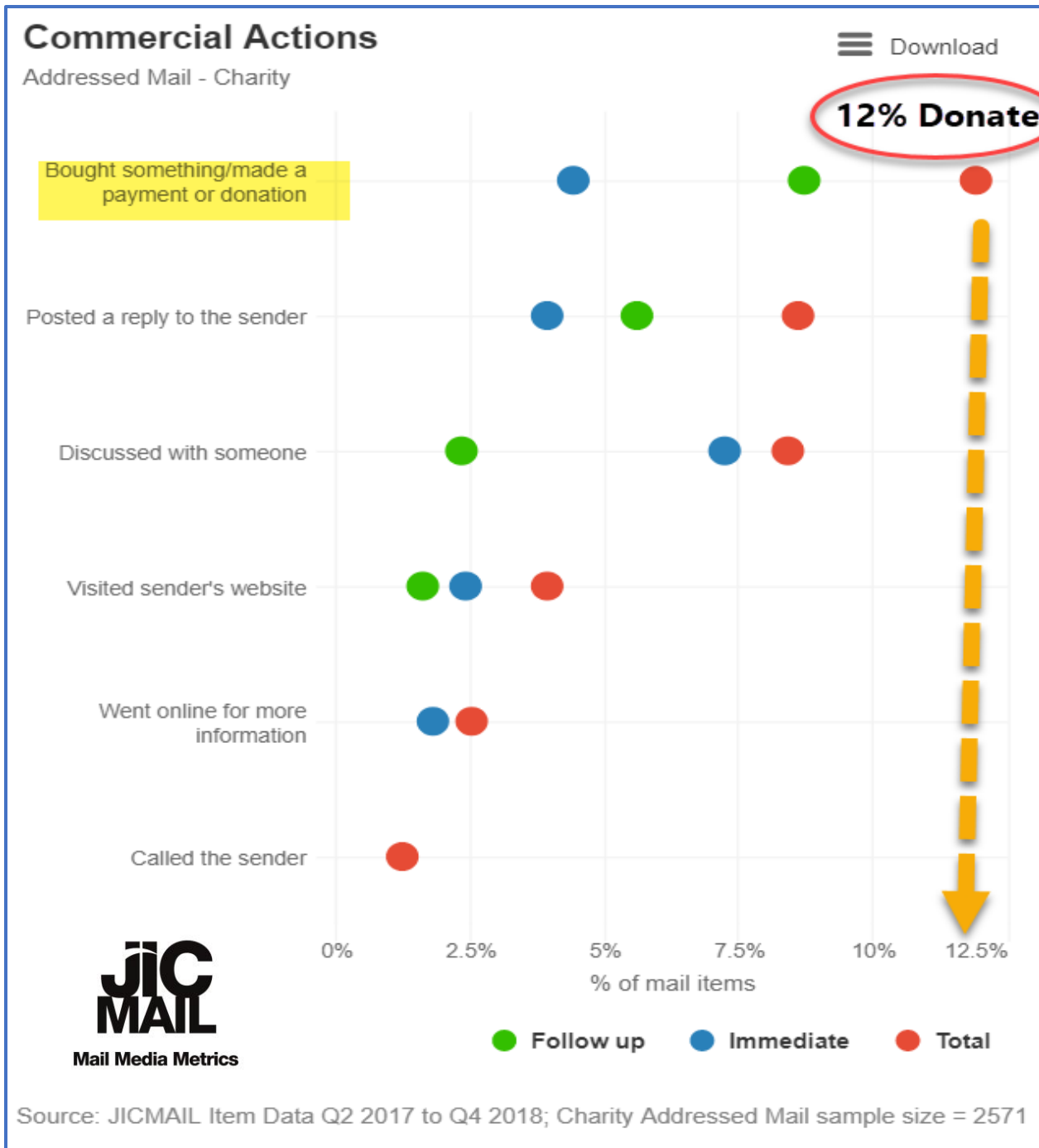
- Direct Mail response rates at their highest point for more than a decade

(Direct Marketing Association 2018)



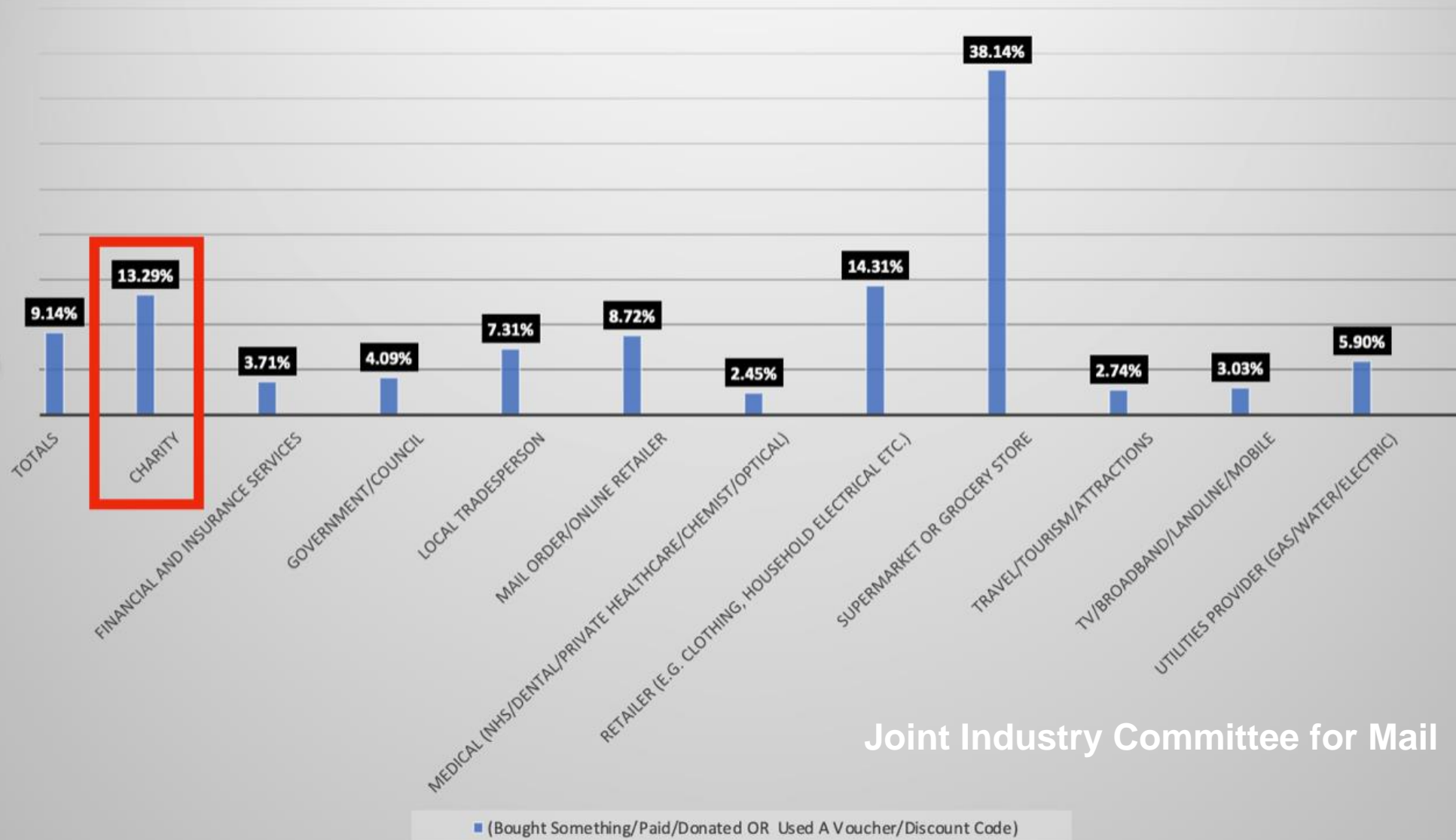
Charity Direct Mail Response 2018 - UK

Overall Response = 12%



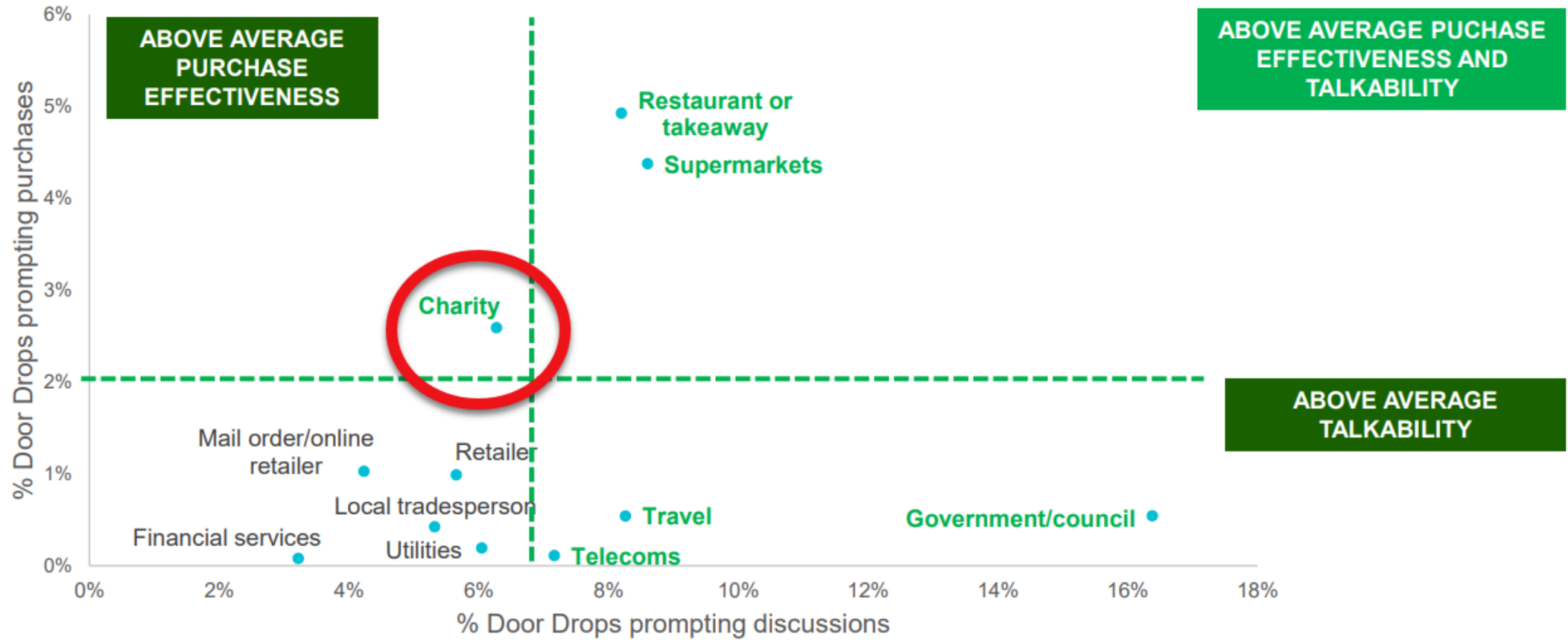
JMI224 JICMAIL Items Q2 2017 - Q4 2022

Addressed advertising items ~ Mail Type: Direct Mail



Joint Industry Committee for Mail

Door Drop purchase effectiveness vs discussions prompted



A. What's causing the Direct Mail response?

Q. Greater Visibility / Standing Out More



- More Online Billing = Less clutter on Doormats
- High Cost of Mail = Less commercial mail on Doormats
- Better Targeting = Less 'irrelevant' marketing mail on Doormats



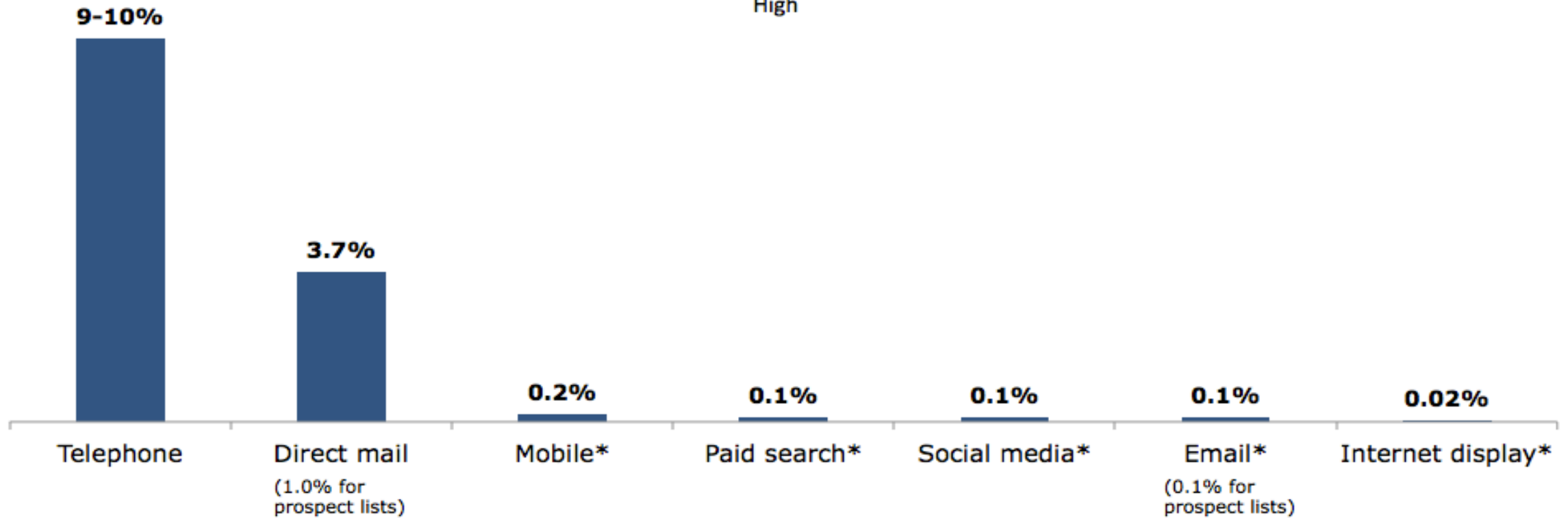
Response Rate, by Select Direct Media

based on a survey of 485 industry respondents / **figures are for house lists**

Note: response rate for telephone charted using midpoint of the range / *CTR x conversion rate

April 2015

High



Q: How do you outperform your competitors with direct mail?

A: “Answer your readers’ *Questions*”

(The Dialogue Method)

The Dialogue Method

Developed in the 1980s
by German academic,
Siegfried Voegele

***Handbook of Direct
Mail (1992)***



The Dialogue Method

Vogele's Mailpack TEST:

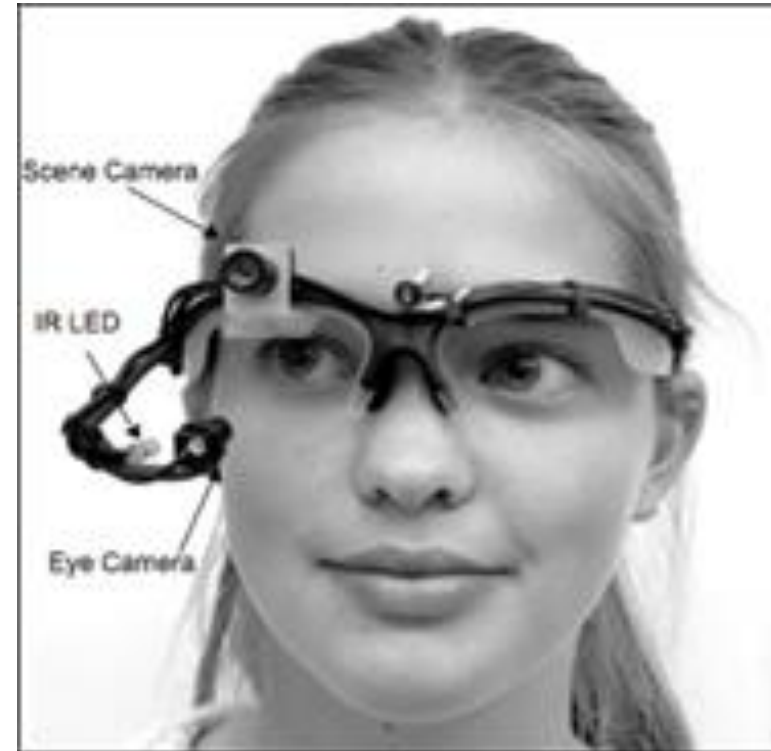
Outperformed identical packs (which didn't feature answers to customers' questions) by a **FACTOR of 5 to 10 times.**

The Dialogue Method

Eye-Tracking Research

Vogele found that:

BEFORE deciding to respond
recipients asked themselves **at
least unspoken 20 questions**



“Do I care about it?”

“Where did they get my address”

“Can they prove what they claim”

“How much do they want?”

“Can I still cancel with no hassle?”

*(There are total of **151** ‘unspoken’ questions)*

The Dialogue Method

“If readers don’t spot something to *interest* them in the **first 20 seconds** of opening their mail, it’s destined for the wastepaper bin.” *Vogele*

The Dialogue Method

- To avoid the fatal **20-second throw-away** phase add 'Amplifiers' and remove 'Filters'
- Only when **helpful information** - called 'Amplifiers' - outweigh negative factors – known as 'Filters' – is a **response** triggered

The Dialogue Method

‘Filters and ‘Amplifiers’



Amplifiers are anything that give clear, positive answers to the reader's unspoken questions.



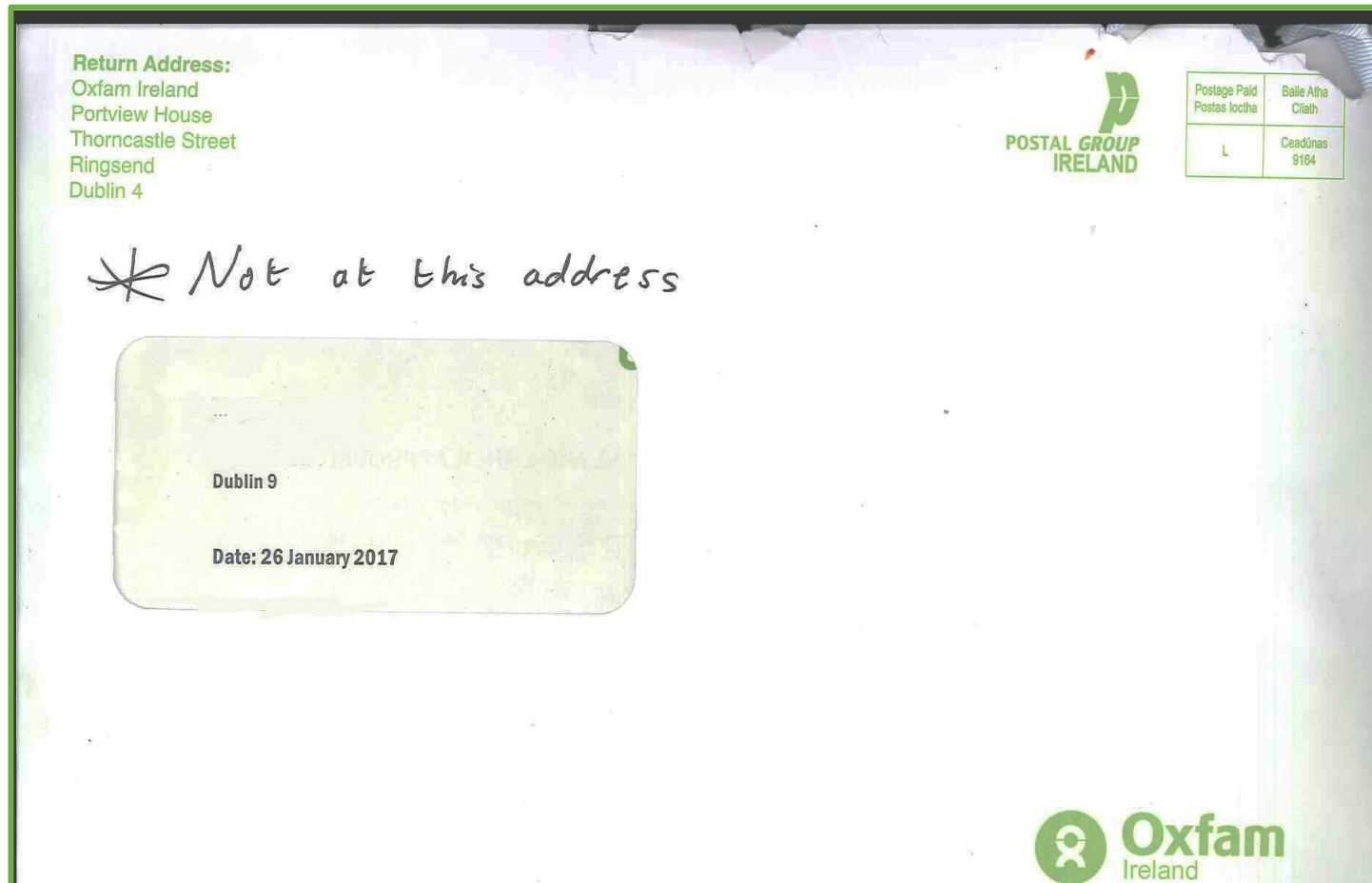
- An **Amplifier** might be an **interesting image** and message which makes your offer intriguing
- Or it could be a line in your appeal which shows that you are **trustworthy or effective** — like a testimonial from a satisfied beneficiary

The Dialogue Method

'Filters and 'Amplifiers'



A filter is anything confusing, irrelevant or uninteresting.



- A **Filter** might be a name spelled incorrectly on an envelope or it missing altogether!

The Dialogue Method

'Filters and 'Amplifiers'



Lots of little 'yesses' = Big YES!



Lots of little 'noes' = Big NO!



THE 'KISS' METHOD HELPS YOU AVOID THE '20-SECOND THROW-AWAY' PHASE

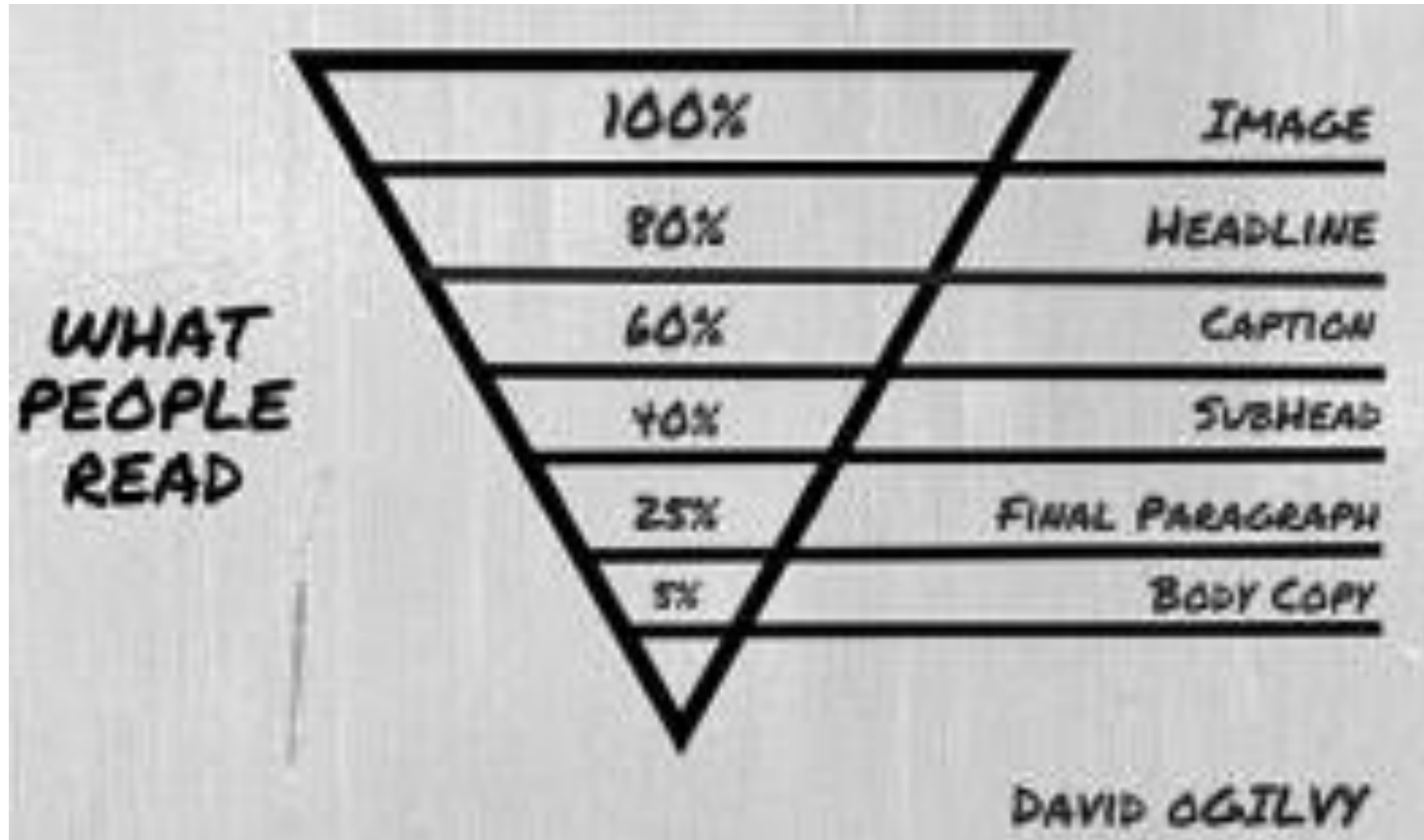
Keep

It

Simple and

Straightforward

The KISS Method



The KISS Method

1. Telegraph Benefits

- Images
- Headlines
- Sub-Headings
- Colour
- Text Blocks

These help pique **interest**

The KISS Method

2. Test 'No Frills' Packs

- **Plain envelopes** often outperform expensive packs
- **'Glossy'** mail packs can be a 'Filter' for some ... especially charity donors!

The KISS Method

3. Write LONG Copy



TIP: Write 4-6 sides of A4, rather than 2-3

(Gets higher response because you can answer MORE readers' questions)

The KISS Method

4. Write copy for 12-year-olds

Flesch Reading Ease Score	Readability Level / Category	Education Level
0-29	Very Confusing	College Graduates
30-49	Difficult	College
50-59	Fairly Difficult	High School Senior
60-69	Standard	13 to 15 year-olds
70-79	Fairly Easy	12 year-olds
80-89	Easy	11 year-olds
90-100	Very Easy	10 year-olds

The KISS Method

5. Be 'Specific' (Not Vague)

Amounts:

Say: 3,072 children were helped – NOT 'thousands'

Dates:

Say: Parliament votes on 29 June 2023 – NOT 'this summer'

Costs:

Say: School costs rose by £1.56M in 2022 – NOT 'costs are rising'

6. Personal Stories:

- **People Give to People NOT Organisations**
- Make your appeal about a **person** – (NOT the group they belong to!)

Direct Mail & Email Programmes



Coaching



Copywriting



Editing



Donor Acquisition

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