# Attract New Donors and Members with a Magnetic Direct Mail Donor Acquisition Package.

Alan Sharpe

Discover over 70 tips, insider secrets and proven tactics by analyzing a superb donor acquisition package from a national charity.



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# **Attrition or Acquisition?**

By Alan Sharpe

our organization is doing well if 85 percent of your donors renew their support each year, according to Stanley Weinstein in his book *The Complete Guide to Fundraising Management*.

To put it another way, you are doing well if no more than 15 percent of your donors fall away each year.

So do the math.

If your organization has 10,000 active donors, and if 8,500 (85 percent) of them renew each year, then 1,500 (15 percent) of them will drop off every year. Ouch.

This is the main reason that you need to create and manage a well-planned, annual donor acquisition program. You cannot afford to simply mail to your existing donors only. You need to replace the donors who never renew. Without a steady influx of new donors, you will be moving backwards each year, not forwards.

Here are some tips for running a successful annual donor acquisition program.

# **Know your attrition rate**

Naturally, if you are to replace the donors who fall away each year, you need to know how many need replacing. That means you need to calculate your attrition rate. Your attrition rate is simply the rate at which donors do not renew their gifts, usually expressed as a percentage of active donors.

# Recruit as well as replace

Your donor acquisition program likely needs to increase your donor base as well. You not only need to replace the donors who stop giving each year. You need to add new donors as well. So if your attrition rate is 15 percent annually and your goal is to increase your donor file by 10 annually, then you need to increase your donor file by 25 percent each year.

# Mail in sufficient numbers to meet your acquisition goals

Another number that you need to know is your response rate for acquisition mailings. If your acquisition control package currently

generates a response rate of one percent, then you must mail 100 packages to acquire one new donor.

So how many packages must you mail each year to reach your donor acquisition goals?

Well, using our previous example, if you have 10,000 active donors in your house file, and if you lose 15 percent of them each year through attrition, and if you want to increase the size of your list by 10 percent each year, then you must acquire 2,500 new donors each year (25 percent of your total list of 10,000).

So, if your acquisition package attracts one new donor for every 100 packages that you mail, then to attract 2,500 new donors each year you must mail 250,000 donor acquisition packages each year (1% of 250,000 = 2,500).

# Aim to raise friends, not funds

Most acquisition mailings lose money or barely break even. According to James Greenfield, in his excellent book, *Fund Raising* (second edition), you can expect to pay anywhere from \$1.25 to \$1.50 to raise \$1 with an acquisition mailing. That doesn't sound like a wise use of your resources, does it? But with acquisition fundraising letters, you need to have your eyes fixed on the lifetime value of your donor, not the short-term value of their first gift.

# Agonize over your list more than your package

The single most important factor in determining your success in direct mail donor acquisition is your list. A poor letter mailed to a great list will generate a response. But a terrific letter mailed to the wrong people will generate nothing.

So before you rent a list of names and drop an expensive direct mail acquisition package in the mail, examine the potential donors on your list. Make sure they are good prospects for a donation today—and tomorrow. They need to meet at least three criteria:

- 1. have the capacity to make a donation now
- 2. have an interest in your cause or the people you help
- 3. stand a good chance of making repeated donations

"I know of no one in my profession who spends enough time on lists—including me," says Benjamin Hart in *Fund Your Cause with Direct Mail*.

# The Package

Below is a line-by-line anatomy of a successful donor acquisition package. It was mailed by the Canadian Cystic Fibrosis Foundation to potential donors in Canada.

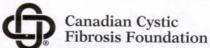
Review the entire package. Then read my annotated comments to learn what this organization did well. And where their package needs some polish.



Outer (mailing) envelope front



# Outer (mailing) envelope back



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Web address: www.cysticfibrosis.ca E-mail: info@cysticfibrosis.ca



February 2005

12 Dear Friend,

13

Purse your lips as if you're going to whistle. Now try to breathe.

Imagine struggling to breathe like that all day, every day, month after month.

14 That's how it feels for children and young adults who suffer lung damage as a result of having cystic fibrosis. Frightening isn't it?

Cystic fibrosis is an inherited disease. It strikes children, usually showing up in **16** infancy or when they're two or three years old – it clogs their lungs with thick mucus and leaves them gasping for air.

Forty years ago, most children with CF died before age five. Today, they often 17 live well into their 20s and 30s, thanks to medical advances and research – much of it done right here in Canada and funded by the Canadian Cystic Fibrosis Foundation.

But CF is still always fatal – more young Canadians die from cystic fibrosis than any other inherited disease.

**19** I'm writing today to ask you to make a donation to the Canadian Cystic Fibrosis Foundation to help save lives.

Thanks to the caring and generosity of thousands of people who support CF research, we've come a long way in our ability to keep young people with cystic fibrosis alive. Like Jay Finch for instance. 21

With only days to live, 12-year-old Jay underwent a double-lung transplant.

His black, diseased lungs were removed from his tiny chest and replaced with healthy pink ones. Diagnosed with cystic fibrosis shortly after he was born, Jay has spent much of his life in and out of hospitals. Now a teenager, he's looking forward to living, and doing what other young adults are able to do.

The world's first successful double-lung transplant involving a person with cystic fibrosis was pioneered by investigators, in Canada, using funds from the Canadian

23

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# Letter page 1 of 4

Cystic Fibrosis Foundation. In fact, since 1985, the Foundation has contributed \$4 million to this area of research and treatment alone.

- Won't you help by making a donation to the Canadian Cystic Fibrosis Foundation? Your gift will help fund CF research and treatment programs.
- For people like me who have children with cystic fibrosis research holds the promise of a cure and for a normal life for my kids. Most parents live with the relative certainty that their children will live longer than they will.

I would give just about anything for that certainty.

I remember so clearly when the doctor told us ... "Your children have cystic fibrosis ... they won't likely live past their late teens..."

Those words hit my wife and me like a ton of bricks. 28

- Valérie and Benjamin were born within a year of each other. They were just 29 babies when they were diagnosed with CF. It's so difficult for me to express what we felt when the doctor told us ... the fear and the guilt, the worry, the complete lack of control and the huge sense of impending loss.
- Their mother, Christiane, and I were an average couple hardworking and very much in love, close to our families, and our church. We had a young family, and it felt as if our babies were being torn from our arms.

At the time very little was known about cystic fibrosis. We'd never heard of this disease and knew nothing about it. We needed more information – we tried to find out what to do, how to make it better, how to help our kids live longer. We didn't know where to turn. **31** 

- **32** We cried a lot. But we learned to take one day at a time and to cherish each day as a gift.
- And soon we found we weren't alone we became involved with, and helped build up, our local chapter of the Canadian Cystic Fibrosis Foundation. You can imagine our relief to find other people sharing similar experiences. That was 1981.

The Foundation, we learned, was funding cystic fibrosis research right here in Canada aimed at finding effective treatments and, hopefully, a cure. As volunteers, we worked hard to raise more funds to help the research program grow.

And I began, what has been for me, a very long and personal fight for a cure for this terrible disease.

Valérie was quite sick the first year of her life – doctors told us her lungs were

36

.../3

05007-02 7799LT-B becoming more damaged with each downturn in her health. We lived in fear of her getting a cold, or worse, a life-threatening infection like pneumonia.

As the years passed, the Foundation's research efforts began to pay off. We learned more about how to "manage" CF so that our children would live longer. And they did, **37** 

In the early years, it was thought that physical activity was bad for children with CF – through research we've since learned the opposite is true. Developing methods to help clear the thick mucus from the lungs has been lifesaving – one method, called "postural drainage", involves two to three daily half-hour sessions of hard chest and back clapping or thumping while the child lies in a variety of positions. This helps children with CF to cough up the mucus that otherwise clogs their airways.

Children with CF do not digest their food well. As a result, they're often under normal weight, and as they get older, they can become malnourished, even on a normal diet. Through research, medications have been discovered to aid digestion and help these kids maintain their weight, which means they're better able to fight infections.

As I write to you, I am overjoyed to report that Valérie is currently recuperating from her own double-lung transplant. Even though there were many times when we thought that she was near the end, Valérie was lucky. She received her new lungs and a second lease on life, after 14 months of waiting for a suitable donor to be found.

Sadly, two of her friends with CF, lost their battle before lungs became available. They died all too young, at the ages of 22 and 26.

While Valérie is now alive and able to breathe with ease, she is still not cured. Cystic fibrosis continues to ravage her body, and it will one day claim her life. After all that we have been through, I can't tell you how very difficult it is for me to say, or to even think those words. 42

Right now, with today's medications and treatments, my children have a 50% chance, statistically, of living beyond their mid-thirties – that could mean less than ten more years for both of them. And every day, we face the reality that with the onset of a cold or infection, their lives could be cut short much sooner than that.

**44** Research to find a cure is our only hope.

The Canadian Cystic Fibrosis Foundation is an international leader in cystic fibrosis research. In fact, the Foundation, along with the national CF charities in the Unites States,

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# Letter page 3 of 4

the United Kingdom, and France, is one of the world's largest non-governmental granting agencies in the field of cystic fibrosis research.

We have seen remarkable progress in the past few years – especially since the Canadian-led discovery, in 1989, of the gene responsible for CF. Scientific work under way in Canada today, is truly groundbreaking.

And interestingly enough, Canadian CF research is also generating findings which are important in many other areas – such as research into certain cancers, osteoporosis and immune system disorders.

We're able to do all this because people like you care enough to give. Won't you please help by making a donation now?

Last year, the Foundation committed \$7 million to research and treatment. This year we hope to maintain, and possibly increase that amount. But we can't do it without your help. 48

- Help us find the cure. Help us save young lives. Please, send your donation to the Canadian Cystic Fibrosis Foundation in support of CF research.
  - **50** Every dollar helps us add years to very precious young lives.

Yours sincerely, 54

Denis Mouton 53

Past President

P.S. I hope you find many uses for the personalized notepad and address labels I've enclosed. There is a lovely story behind how the rose became a CF symbol. It started with a young boy who couldn't pronounce cystic fibrosis ... he called it "sixty-five roses". Ever since, the rose has symbolized hope for those of us who are touched by this devastating disease.

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# Premium (1 of 2)



Premium (2 of 2)

# Why do we send you these gifts in the mail?



**62** 

Friends of the Canadian CF Foundation have asked us about our gifts, such as cards, address labels and notepads and why we send them to you in the mail. There are several reasons why ...

- We send them as a way to say thank you for your generosity.
- · Most of our donors tell us how much they like receiving and using these items.
- These mailings are cost-effective they are inexpensive to produce and they raise significant funds for cystic fibrosis research.
  - When you use these items, you promote the Foundation's name. People who receive
    envelopes with your labels on them or see our organization's name on a notepad, may
    become interested in knowing more about the Canadian CF Foundation and may
    someday choose to join our family of donors.

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# **Buckslip front**

### Fact

Cystic fibrosis (CF), which attacks the lungs and the digestive system, is the most common, fatal genetic disease affecting young Canadians. It strikes children, clogs their lungs with thick mucus, and makes it difficult for them to breathe.

# Fact

Scientists funded by the Foundation are among the world's leaders in CF research and treatment. Canadian researchers discovered the gene responsible for cystic fibrosis in 1989.

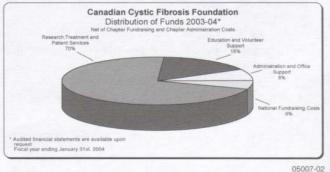
## Fact

63

With developments in research and care, the median age of survival of Canadians with CF has increased from four years in 1960, to over 37 years today.

### Fact

Thanks in part to your support, there is real hope for a cure or control for CF.



7799BE

# **Buckslip back**

Receive free tips like this each week by email. Sign up for Alan Sharpe's Fundraising Letter at www.RaiserSharpe.com

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Fib 2221 Phor	rosis Founda Yonge Street, Suite ne: 1-800-378-2233 I address: www.cystic	tion 601, Toronto, Ontari fax: (416) 485-5707	io M4S 2B4 info@cysticfibrosis.ca
I want to help	find a cure fo	r cystic fibros	is. Enclosed is my gift of:
□ \$20	□ \$25	□ \$35	☐ I prefer to give \$ <b>67</b>
☐ I have encl	losed my chequ	ie or money or	rder made payable to the Canadian Cystic Fibrosis Foundation.
☐ I prefer to	use my:		05-P1-00
□ Visa □ 1	MasterCard		
☐ American	Express		<b>71</b> 1/1 xx22(A)
Card#			Canadian Cystic Fibrosis Foundation
Expiry Date_			2221 Yonge Street, Suite 601 Toronto, Ontario M4S 2B4
Signature			
Today's Date_			450 471 015 4711
A tax-creditable request. The Ca	receipt will be is	sued for all dona	tions of \$10 and over. Receipts for donations of less than \$10 are issued upon you is a registered charity. Our charitable business number is 10684 5100 RR0001.

# **Reply device front**

	Join the Breath of Life® Plan Monthly Giving – Automatic and Easy
over the entire year.	Fibrosis Foundation's <b>Breath of Life®</b> Plan for donating monthly is a simple way to spread your generosity And it's affordable – a small gift is easy to squeeze into your budget. As a <b>Breath of Life®</b> supporter, you will so, the Foundation's newsletter.
☐ I authorize the	Canadian CF Foundation to receive my monthly gift of :
	□ \$5 □ \$10 □ \$15 □ \$20 □ \$30 □ Other \$
☐ I have enclosed rethe 15th day of each Foundation in writing	ny cheque for the first monthly donation. I understand this amount will be deducted from my bank account or month, and that <u>I can alter or cancel this plan at any time</u> by notifying the Canadian Cystic Fibrosis g.
Signature	Today's Date
☐ Please charge my	monthly donation on my:    Visa    MasterCard    American Express
Card No:	Expiry Date:
Signature:	Today's Date:
☐ I would like to re	quest in my will to the Canadian Cystic Fibrosis Foundation. ceive more information about including the Canadian Cystic Fibrosis Foundation in my will. ceive more information about making other gifts that may help me realize tax benefits in my financial or  0500 7799Rt

# Reply device back







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**79** 

CANADIAN CYSTIC FIBROSIS FOUNDATION PO BOX 26398 STN BRM B TORONTO ON M7Y 4R1

# **Reply envelope**

# **Outer (Mailing) Envelope**

- 1. This acquisition package stands out in the mailbox by breaking with envelope tradition (this is not a standard #10 window). This envelope measures 8 X 5 ½ inches, the dimensions of a greeting card, so the package has the appearance of coming from a friend.
- 2. This rose motif, the symbol for cystic fibrosis, is introduced here and then used throughout the package, on the letterhead, reply device—even the premium.
- 3. Teaser copy intrigues the recipient by describing the contents that make this envelope bulky and heavier than normal. In what way are these items personalized? What do they look like? You must open the envelope to find out.
- 4. To meet post office regulations for machine-readable mail, this address should be in all capitals with no punctuation. The mailer will receive greater postage discounts on their bulk mailings this way.
- 5. The postal indicia also saves the non-profit money by letting it mail large quantities first-class for less than first-class postage.
- 6. Putting the return address on the back of the envelope leaves more room on the front for teaser copy and visuals, and gives the front a cleaner look. Showing who the package is from will likely encourage some recipients to open a package that they would otherwise discard. Worth testing.
- 7. This call to action and website address are a gamble. Some readers may simply lay the package aside and visit the website instead (and never return to the package). Also worth testing.

### Letter

- 8. The letterhead immediately identifies the sender.
- 9. The street address, phone number, website address and email address would look better at the bottom of the page where they would be less distracting.
- 10. The floral motif introduced on the mailing envelope is carried over to the letterhead to give the package components visual continuity.