



NEWPORT  
CREATIVE  
COMMUNICATIONS

The Measure of Success

## **Pssst ... Don't Tell the Big Guys**

BY BENJAMIN BORNE

I have a secret.

No, not *The Secret*, Oprah's recent favorite book, that is topping the best seller charts. This is a secret that I only want to share with smaller non-profit organizations. So keep it to yourselves, we don't want the big guys to know we're on to them.

The secret is that non-profits of all sizes can conduct their fundraising programs in the very same way that the biggest and most successful organizations in the world do. To be clear, we're talking about the way you conduct your program; raising the kind of money that the larger organizations do is something that I can't promise. But, taking cues from how they operate will translate to increased success for your organization. So, think of a large non-profit that you respect and whose fundraising program you would like to emulate: American Cancer Society, American Diabetes Association or how about the Red Cross?

Got one in mind? Here is how your organization can raise funds in the same way.

### **Planning**

A non-profit organization will be fundraising as long as it is in existence. It is for just this reason that large non-profits think, strategize and plan all aspects of their fundraising activities with a "big picture" view. Fundraising is seen as an investment, with almost equal focus on the future as there is on the present. All areas of the organization play specific roles in the fundraising plan. From the board down to the volunteer corps, the more departments that think and function in synergy, the more successful the fundraising program will be.

### **How you can do it:**

-Internally, all departments should understand the role they play in fundraising. Boards need to understand that fundraising is an investment. Program staff should be alert for compelling examples of the work they are doing that might be featured in a specific

appeal. Development folks then have the ammunition to provide their agency or department with compelling information to develop a budget and an effective campaign.

-Fundraising goals should be set and analyzed annually, not campaign-to-campaign.

-Never consider acquisition efforts and renewal efforts as mutually exclusive. Acquisition campaigns bring on new donors, whereas donor/renewal campaigns are money raisers. Always budget for some losses within an acquisition program.

### **Utilize Resources**

Non-profits of all sizes have fundraising resources at their disposal. The key is to use them for all their worth. In this case I'll focus on the biggest resource you have, the donor file. If, for example, Special Olympics' fundraising strategy was to mail every donor name on their file or call every name on their telemarketing list each time they conducted a campaign, I can assure you, their annual revenues would not be what they are now. Managing and maximizing donor effectiveness can mean the difference in thousands (even millions) of dollars each year for these organizations. The same is true for you.

#### **How you can do it:**

-Look at your donor file in a scientific light.

-Segment your file with an inexpensive file audit. Then strategize to get the most out of each group of donors. This will mean communicating with some groups more often and some groups less often (or even not communicating with some of them at all anymore).

-Rent and exchange your file. It is a misconception that allowing your donor file to be used by other organizations will anger your donors. If done properly, sharing your file will provide another source of income and will surely make available good lists that you might not otherwise have access to.

-Communicate with your major donors in a different and more personal way. Call them, send handwritten letters, thank them, invite them to events and let them in on early news and announcements.

-Employ an inexpensive, but seamless and focused multi-channel fundraising campaign. Have volunteers make telemarketing calls, utilize inexpensive email blast software or if your email file is small, send individual emails.

### **Learn**

One thing is for sure, the big non-profits don't have their fundraising program in cruise control. Testing, changing and improving is a way of life for these behemoths. Just about every decision made when conducting a campaign will be measured or analyzed to

provide valuable information for future efforts. Testing, of course, doesn't come without cost, however, there are ways to test that minimize expense and still provide valuable information.

### **How you can do it:**

-For direct mail campaigns, use variable laser copy to test lots of things: a different P.S., different gift ask amounts, key words within a letter, more religious tone vs. less religious, etc.

-For emails, test the items above as well as when you email: try before a mailing then try after a mailing.

-Telemarketing can be tested as well: vary the script, test voice tones to convey different levels of urgency.

-Include at least one or two test lists with every acquisition campaign. The cost is nominal when compared to the overall investment. Finding a new productive list for any fundraising medium is extremely valuable.

-Build the idea of investment into every single fundraising campaign. Commit to learn something from each and every mailing, telemarketing campaign or event. This way the cost to learn is spread evenly throughout the program, not just focused on one or two large acquisition initiatives that don't yield a net gain in revenue.

-Analyze results. Analyze results. Analyze results. It is that important.

### **Manage**

Saving money, working efficiently and finding new ways to raise money effectively are everyday goals that large non-profits work to achieve. Smaller organizations should manage their program with these same goals in mind.

### **How you can do it:**

-For direct mail, look for gang run opportunities. Large mailers are constantly producing proven, effective mail pieces and getting economies of scale that yield low per-piece costs. Enlist your agency to design a mail piece that can be produced with one of these larger production runs, you'll likely get an upscale mail piece at a low price (there may be plate and or set-up charges, but not enough to offset your savings).

-Gang runs don't just apply to mail production. List orders can be grouped as well. For some non-profits (especially regional fundraisers) obtaining acquisition lists is a major challenge. Names are sparse and costs are high. These issues can be averted by being included with a larger organization's list order. Your agency or list broker can work with you to make sure you're getting lists that will work, not just lists that someone else is mailing.

-Postage is an area that can easily be overlooked as a source for saving money. At the very least, non-profits should use the Standard Mail Nonprofit rate for the vast majority of mailings -- major donors getting a first class stamp can be an exception. However, there are ways to reduce the cost of postage further. Make sure your mailings are being pre-sorted with current software. Many mail vendors will enlist a commingling service. Commingling involves combining and sorting multiple mailings to achieve even deeper postage discounts using the leverage of hundreds of thousands (even millions) of mail pieces.

-Save money on materials. Stick with two colors on print components. Consider printing for more than one mailing at a time, slit and nest your letter and reply slip instead of matching. Get economies of scale or contract pricing.

At the risk of spoiling Oprah's favorite book, *The Secret* suggests that to obtain anything in life, all it takes is visualizing exactly what you want. I'm not suggesting that fundraising like the larger organizations is a matter of visualizing; however, changing your mind-set is part of the process. Sure, your budgets are beyond tight and deadlines loom, so take it in steps. There is a reason that these large organizations fundraise the way they do, because it works.

But, remember, keep it to yourselves.

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