



BOY SCOUTS OF AMERICA®



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DIRECT MAIL FUNDRAISING MANUAL

For the Boy Scouts of America, direct mail is the NUMBER ONE opportunity to reach Mr. and Mrs. America – folks who otherwise would not be approached by Scouting via corporate solicitation, special events, FOS, or United Way.

But there is more ...

Saying Thank You

Recruiting Youth

Renewing Lapsed FOS Donors

Endowment Lead Generation

Endowment Cultivation

Disaster Appeals

Recovering From Financial Calamities

Advancing Relationships with Donors

Responding to Complaints

A Primer on Direct-Mail Fund-Raising

Why Use Mail to Raise Funds for Boy Scouts of America?

Identify New Donors

There is a huge market segment in each and every community where Scouting is present that will never be reached via United Way, FOS, or other traditional sources utilized by Scouts. They have discretionary (disposable) income and deep-seated beliefs that are consistent with Scouting's mission and values.

Develop a Regular Income Source

A series of regular periodic mailings to a database of direct-mail donors provides Scouting with a predictable and reliable flow of cash to support and maintain vital programs and operations.

Generate Positive Publicity

While this is not the primary function of a direct-mail fund-raising strategy, it is an undeniable benefit. A targeted, sympathetic audience receiving the Scouting message is reminded of your existence and important work. While they may not respond to each and every appeal, they feel their past support is reaffirmed and the stage is enhanced for a future gift.

Potential Endowment Leads

Not only are your direct-mail donors an excellent resource for current program operating support, they also represent a significant pool of partially qualified leads for planned gifts, major gifts, and even capital gifts.

Competition

There are over 1.2 million nonprofit organizations present in today's charitable marketplace. The most successful have direct-mail fund-raising strategies in place, whether rudimentary or very sophisticated.

Over \$241 billion raised annually

Of that, more than 77 percent is from individuals. Those individuals have in turn donated over \$122 billion annually via direct mail. Scouting deserves its fair share of this vast fortune of donated funds.

Most people like mail

It is personal. Retrieving the mail is part of everyone's daily routine. It is no accident that the number one way people pay bills is via the mail; it is habit forming! Plus mail is tactile. People can touch it, handle it, and get involved with it. There is no other media that offers this level of personal and physical contact with Scouting's message.

Effective with people age 60+

This market segment has more time available. They love to be told a story and to reminisce. They want to make a difference in the world before they pass away. They control over 44 percent of the discretionary (disposable) income in the United States; perhaps even more important, they have over 77 percent of all capital assets in the United States. Most often they are retired; there are no children at home.

Ability to Solicit Target Audiences

Age 65+

This market segment has an annual income of \$50,000 or more and they have lived in their home for 10 years or more. Most importantly, you can target people who give to other organizations via the mail and/or buy products or services via the mail. Avoiding people who are not interested or willing to do things via the mail helps to enhance your successes!

Acquisition Households

Targeting households that fit the right demographic and psychographic profile is a relatively simple and cost effective way to grow your base of support. Once a household becomes a Donor Household, you can continue to craft and target messages that allow you to advance their relationship with you.

Prior Donor Households

Through a program of regular and sustained Appeal Mailings, your prior Donor Households will ultimately reveal to you their unique likes, dislikes, abilities, and interests. Through their gift size and/or frequency of giving, you will discover Major Gift and Endowment prospects. As a result of non-responsiveness you develop unique approaches to motivate a Lapsed Donor to renew their support

Economics of Direct Mail

Acquisition Letters

Rarely return net income. Typically they are large mailings with a low response. It is important to remember an old adage you need to spend money to make money. Although with Direct Mail you can truly say that you are investing money today for a significant return tomorrow!

Donor Renewal Letters

This is the bread and butter of a successful Direct Mail Program. In contrast to acquisition, the volume is low and the response is high. Here your costs are low and you enjoy high NET income.

Ask more than once a year

This is an important element as it relates to the economics of Direct Mail. Collectively the most recent responders are most likely to respond again – sooner rather than later – but you must ask again. This is because emotion, not reason, plays such a big part in the decision to give. Also, giving, just like bill paying, is habit-forming.

Reasons People Give

Empathy – There but for the grace of God go I!

Power – I really can make a difference!

To Help Others – We truly are our brother's keeper!

To Fight for Their Beliefs – Freedom of expression is a founding principle for the United States of America. It is a powerful factor for Scouting.

To Save Something – A life, a forest, an animal. Doing good is inherently good.

Anger – I am mad and I am going to do something about it!

Fear – I want my community to be a safe place to live, work, and play!

Guilt – I can't give my time, but I can share from my bounty!

Greed – Support for selfish reasons as opposed to selfless reasons.

Exclusivity – To be a part of something special that makes you important.

Salvation – There must be a reason that religion is the number one recipient of charitable dollars donated in the United States.

Factors Affecting Giving

Personal Experience/Involvement – Past involvement or a positive personal encounter are strong influences in making the decision to give.

Achievement – Personal achievement often carries with it a sense that you owe a debt to society ... your family, friends, neighbors, and community.

Local vs. Regional vs. National – This can work all three ways. Some people see the big picture and understand the importance of a regional and/or national strategy. Others only see and care about LOCAL.

Creating a Feeling of Excitement – Sets the stage with a mindset that allows for a mutually rewarding dialog, not simply a monologue. Good communication is a two-way street!

Remember the Psychology of Giving – People need and love to be recognized. Assuring them of their importance and value will keep them leaning toward you, not away from you.

Keep It Simple – Ask for ONE thing, not many things. Offering too many choices creates confusion and uncertainty, and will cause rejection.

Publicity – Some communication professionals say there is no such thing as negative publicity. Within reason this may be true, depending on your brand image. However, this is a subject that would require more time and space than this brochure will allow. Nonetheless, a positive public image and a current event that raises the public's consciousness will almost always enhance your fund-raising appeal. Oftentimes Direct Mail can help you capitalize on an unexpected event or crisis. Loss of United Way funding, a devastating flood, fire, tornado, hurricane or earthquake that destroys property (Camp or Council Service Center) are all potential publicity events that can positively impact your opportunity to raise funds via Direct Mail.

Discretionary (Disposable) Income – Those that have it are excellent prospects, those with little discretionary income are not as likely to be donors

Lifetime Value of a Donor

Active up to 10 years

On average it is reasonable to expect that someone who gives to you via Direct Mail will continue to give for as many as ten years. Death, departure, and dissatisfaction are the three most common ways you will lose a donor. Never be discouraged by the loss of a donor.

NET Giving Value over \$125

This is what you can expect on average. It does not count Major Gifts, Endowment Giving or Capital Giving that will come from your Direct Mail Donor Database.

Endowment Gift Prospect

Here the sky is the limit. Many organizations have been and continue to be surprised by the \$25 Donor who becomes a \$25,000+ Major Gift Donor and ultimately a \$1 million + Planned Gift Donor.

NET INCOME WILL GROW WITH CONTINUED IMPLEMENTATION

Testing

Testing is a way to lose money in little bits ... so you can make it in big bunches! No primer on direct mail would be complete without mentioning the value and importance of testing. In large campaigns, it is relatively easy and inexpensive to test the marketplace and gain new perspectives on what will capture your donor's eye, heart, and imagination so that they will support you with their hard-earned dollars. Whether you test copy platforms and themes, package elements, lists, or package formats, testing is an important way to improve what you are doing so that you continue to grow and advance your fund-raising success.

Strategies for Success

Acquisition Lists

There are three basic groups of lists in the market available "for rent" so that a business or organization may send an offer via the mail to entice or persuade the individual to become a Customer or Donor. They are:

Response Lists – Lists of people who buy products, services, or give money to an established business or non-profit organization. Businesses and organizations that have a mailing list of customers or donors have discovered over a period of time that they can "rent" their list to others with little or no negative impact and create a new income source. There are several hundred thousand lists that are available on the list rental market. Mailing to lists that have an audience that is similar and/or sympathetic to your organization is the best way to select response lists for your acquisition efforts. (Note: Boy Scouts of America donor lists are never to be rented or exchanged. This practice is strictly prohibited by the National Policy).

Compiled Lists – There are a few hundred commercial list compilers in the United States. Each of these list source providers has their own methods and practices for compiling and maintaining their files. Some

methods and practices are similar from one to the other, some are different. Some are high quality, some very low quality. For Scouting there are really fewer than a dozen list compilers that deserve serious consideration: phone, tax roles, automobile registrations and credit cards are the most significant and useful. Creating a model of your mailing list and using that model to select names from the compiled file is the best way to select names.

Occupant Lists – These are the easiest to compile and maintain, and generally the cheapest. There are no names, ONLY addresses. So if you are trying to reach a location, they are great...if you are trying to establish a relationship, they may not be for you.

Donor Renewals

The heart and soul of any Direct-Mail Fund-Raising strategy rests with the current donors by seeking and securing renewed gifts from them. A regular and consistent mailing schedule is the most effective and efficient way to cultivate current giving and advance your relationship.

It is important to break up your annual fund-raising strategy into “bite-size pieces” that your donors can quickly and easily understand.

Mailing multiple appeals during the course of a year allows you to introduce the variety of program efforts (Camp, Multicultural Markets, Advancement, instilling religious values, etc.). It also allows you to cultivate familiarity which is key to establishing a long-lasting bond.

Donor Upgrading

Challenging a \$15 donor to become a \$25 donor helps to improve your net return and advance your relationship. The more someone invests in you today, the more likely they will invest in you tomorrow.

The best Direct-Mail Fund-Raising program is one that attempts to gently upgrade donor giving. Consistently and politely encouraging donors to raise their support and commitment is a vital element for an effective Direct-Mail program.

Through familiarity, or your current image in the mind of the donor, you may enjoy a spontaneous large gift that surprises you, say \$100. By calling that donor, even visiting them, you may be able to advance your relationship into one where the donor makes a significant Capital Gift or Planned Gift for your Endowment Fund.

Renewing Lapsed Donors

An exception to upgrading a donor's giving level is with Lapsed Donors. With this segment getting a renewed gift at their inception gift level or even lower, is better than having the donor remain inactive.

What you have to say versus how you say it is as important as your message itself. It is vital to tell your story thoughtfully, accurately and effectively. Thank Tank Before Ink Tank!

Scouting and the United States Postal Service

Address service requested assists your local council in maintaining your donor database current and accurate! With the national move rate around 20 percent, this is an important strategy for your Direct-Mail Fund-Raising efforts. Fortunately, the move rate for Scouting's Direct-Mail donor is less than 3%. Each donor has a lifetime value of \$125 so a \$.70 to \$.80 charge from the Post Office is a worthwhile expense to keep your donor!

Regulation 3623 is an old requirement that has been followed more meticulously by the USPS since September 11, 2001. Simply stated it is verification to a local post office that your council exists and that you have authority to grant out of town third party providers to assist you with your Direct-Mail Fund-Raising appeals. It says you know who is helping you with your mailing campaigns!

Finally, an extra effort that should be made twice a year is to automatically update your donor database. It is called National Change of Address service or NCOA for short. This service helps minimize the costs mentioned above. When used together, it is the easiest, most cost-effective way to make sure your donors receive all their mail, all the time. This will help maintain the best possible flow of income to your council offices.

Letter-Writing and Appeal Strategy Pointers

- Design a fund-raising appeal letterhead. Avoid using your business letterhead for fund-raising appeals. It has too many distractions for the relationship-building, response-generating purpose of your appeal.
- Always indent paragraphs. It invites reading and contributes to improved retention, understanding, and comprehension. The same is true for using a serif font style!
- Always include a P.S. that references a point made in the body of the letter. The P.S. is the second-most-read part of a letter (the first is the recipient's name). A good P.S. will help reinforce a message and inspire the reader to take action.
- Indent, underline, and use a **bold font** to also highlight key messages and "calls to action."
- Gift suggestions on the remit (response device) need to match the gift suggestions used in letter text.
- The remit (response device) should be personalized for each recipient.
- Commit to an Annual Plan (strategy) and stick to it. To enjoy maximum volume pricing, order 100 percent of your printed materials for a 12-to-24-month period of time. A friendly letter shop should provide no-cost warehousing of your inventory.
- Print one-color reply envelopes.
- Consider alternative appeal strategies and stick to them in order to enjoy the benefit. Perhaps you have an opportunity for a greeting card solicitation strategy? Consider planning your year around: Happy New Year in January, Happy President's Day in February, Happy Spring in March, Happy Mother's Day/Father's Day in May/June, Happy 4th of July, Happy Labor Day, Happy Thanksgiving, and of course, Happy Holidays!
- On your reply device, include a benefit-oriented check box offer for your reader like: "Please tell me how my planned gift to the Boy Scouts of America can lower my taxes and provide me a lifetime income."

Evaluating Your Results

The most important thing that can be said here is that costs are only important as they relate to income. It is the bottom line that counts most.

For councils that do not have a direct-mail donor database but want to create one, patience is your watchword. It used to take three to five years for a council to enjoy net income from a direct-mail program. Then it would take another five years to have a donor database large enough to generate a meaningful amount of funds to make a difference in their annual budget.

Today, thanks to a lot of testing and market research over the past 15 years, many councils will enjoy immediate success in generating modest amounts of net income as they grow a direct-mail donor database. Within three to five years of persistent and consistent implementation, many councils will enjoy a direct-mail donor database that makes a truly meaningful contribution to their annual fund-raising objectives.

A 13-Point Mailing Checklist

This checklist will help you make certain your direct-mail appeal has every chance of outstanding success:

1. Look at your direct mail as your recipient will look at it. Pretend you are them.
2. Remember your primary objective. What do you want your prospect to do?
3. Does your number one benefit hit your prospect right between the eyes
4. And, does your number two benefit hit your prospect right between the eyes?
5. Does your mail package "flow" ... does it look like it all goes together?
6. Does the package encourage your prospect to open it now? At once? Immediately!
7. Do you see the letter first? Design your mail to get your prospect to read the letter first.
8. Does it address the benefits you offer against the needs of your prospect? If there are no needs, there will be no sale...make certain you address their needs.
9. Do the graphics support the copy? Do they make the copy better? Do they make it easier to read?
10. Does your response device include a summary of your full story? If all I have left is your application or response card, do I know what I'm supposed to do?
11. Is there a reason to reply now – an offer? Something over and above the benefits?
12. Is it easy to reply? The easier you make it, the more likely your audience will be to respond to your offer.
13. If you are the recipient as mentioned above in number 1, would you respond?

Seven Mistakes to Avoid In Direct Response Marketing

1. Not Having A Clear Plan

This includes not having a clear contact plan for soliciting your donors and acquiring new donors. It also includes a plan for what you want to say in each communication.

2. Starting with The Letter Instead of the Envelope

The first thing the prospect sees is the carrier, so develop a compelling carrier. Try window envelope vs. closed face; #10, 6"X9", or other format; live postage vs. indicia;

teaser vs. no teaser. Think about your audience, put yourself in your reader's shoes and try to think what will get them to open the piece.

3. Overlooking The Response Device

Make sure you know where your letter will lead the reader – and make sure it's leading to the response device. Will it be perforated from the letter or freestanding? What's the size? Are you using Pie Charts, testimonials, quotes or other credibility builders? Go back to your plan for this communication: call to action should be clear and immediate (give now!). Ask for the donation while reinforcing reasons to give. [Carrier vs. Response Device]

4. Failing To Consider Donor Benefits

"...feel good about myself...making a difference...helping someone...changing the world..."

5. Avoiding The Ask

Ask. Don't soften the ask with words like "support", "partnership" or "friendship". These are OK in the letter, but when the time comes for the ask, say "Please donate now" and give one or more good reasons to do so.

6. Writing "Purple Prose"

Tell your story directly. Eliminate unnecessary adjectives and adverbs. Use strong verbs.

7. Forgetting That The Letter Is A Letter

Write it so it reads from one person to another. Not an essay, not a polemic, not a philosophical treatise. Strive for a warm, informal, conversational tone; that's what people respond to. Use contractions; use italics for emphasis; vary sentence length; begin sentences with "and", "but", "so" and "or". Use fragments. Read the letter. If it sounds like you're talking to your reader, you've got it!

PLANNING YOUR MAIL CAMPAIGN

If you are planning to mail a package to names that are already available, allow 3 to 4 weeks to create the package, print the envelopes and letter and complete the mailing. If you plan to prospect for new donors, add another 4 weeks for rental of names and purging of duplicate records by the computer.

Appeals can be mailed all year. People seem to be in a generous mood at the end of the year, so make sure you mail at least one appeal in the September-December time period. If your relationship with United Way allows, you can successfully mail to your donors as many as five appeals during the course of twelve months and you can successfully solicit NEW donors as many as three times a year.

AN IMPORTANT CAVEAT

Many state and some local governmental agencies have enacted laws that may impact your fund-raising campaigns. Before you begin implementation of your Direct Mail Campaign, be sure all of your material conforms to your state or local laws (if any).

Also, consult your local postmaster to ensure your materials meet all necessary postal standards which will allow you to enjoy the privilege of mailing at non-profit bulk rates.

This guide has been prepared to give you an introductory overview of Direct-Mail Fund-Raising. If you

have more questions, call the Finance Impact Department at 972-580-2339.

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