# Global Trends in DM Acquisition And will they work here?

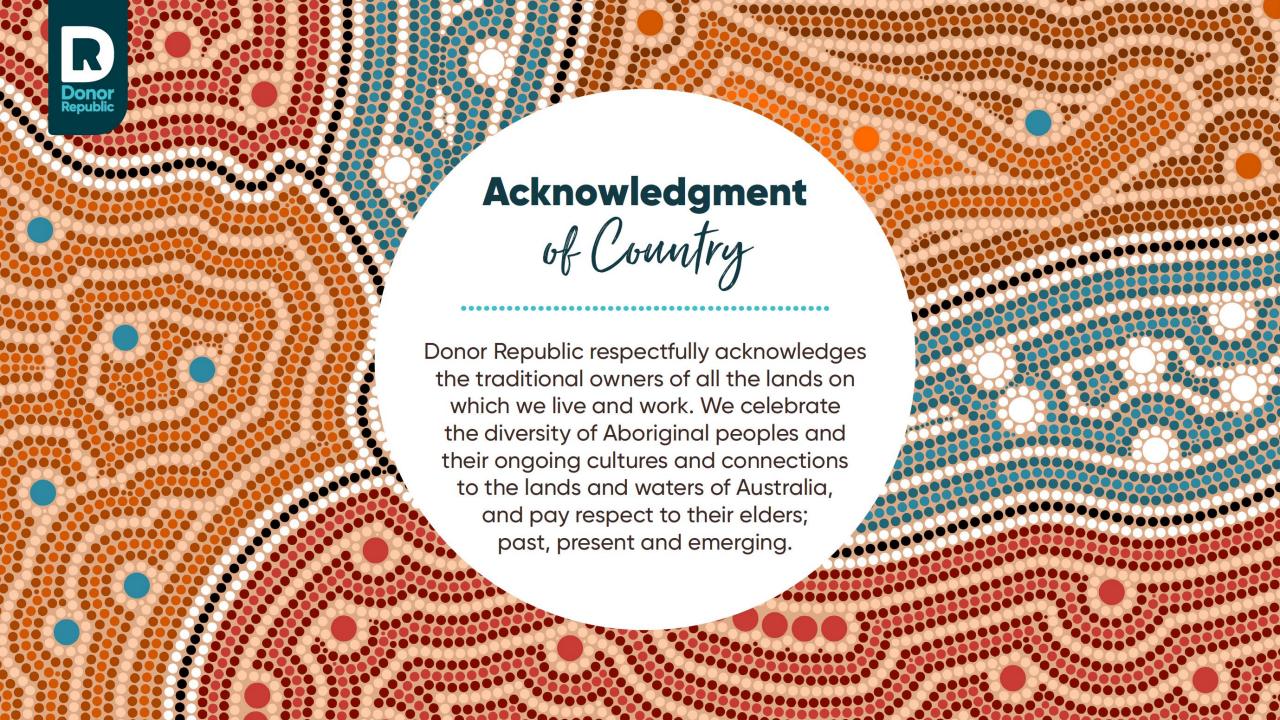
INDIVIDUAL GIVING TRACK

CHANDINI DEVASAHAYAM - FOODBANK NSW & ACT REBECCA SIJL - INNOVAIRRE COMMUNICATIONS ANDREW BERG - INNOVAIRRE COMMUNICATIONS ANDREW SABATINO - DONOR REPUBLIC JOSIE PEACH - DONOR REPUBLIC

Individual Giving Track
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### **Introductions**

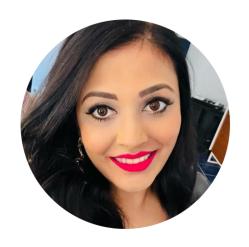
Chandini Devasahayam
Head of Individual Giving
Foodbank NSW & ACT

Rebecca Sijl
Senior Vice President
Innovairre Communications

Andrew Berg
Senior Account Director
Team Lead International
Markets
Innovairre Communications

Josie Peach
Account Director
Donor Republic

Andrew Sabatino
Director / Co-Founder
Donor Republic













# What we will be sharing with you today

Why invest in premium direct mail acquisition?

The ten biggest objections to premium direct mail

The best-performing packs from around the world

But will it work here?



Why invest in premium direct mail acquisition?



# A change in DM Acquisition data sourcing is coming...GDPR





# Typical response rates...

	LOW		MEDIUM		HIGH	
Cold	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%
Swaps and Co-ops	3.00%	3.50%	4.00%	4.50%	5.00%	5.50%
React	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%

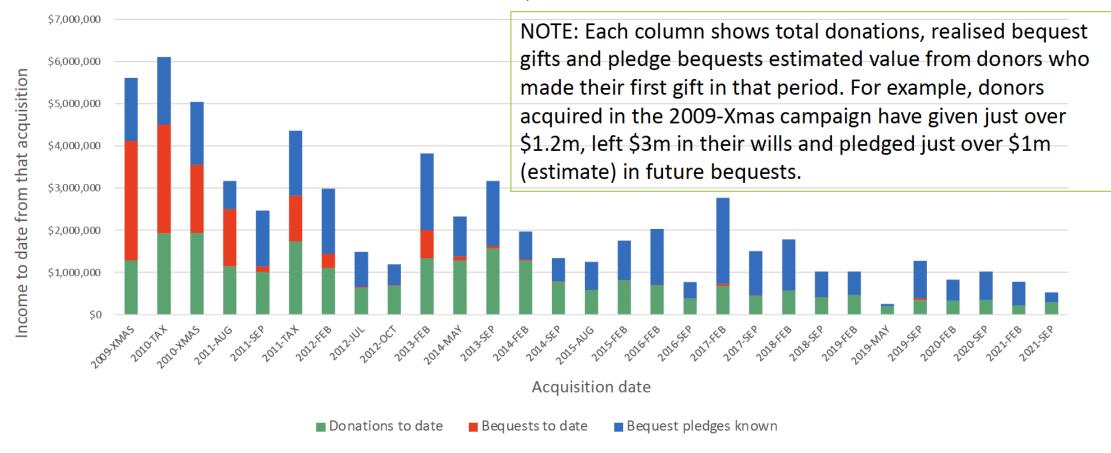


<sup>\*</sup> Premium DM Acq pack with best practice principles

# One of, if not the most sustainable fundraising pathway...



### Twelve years of data



The ten biggest objections to premium direct mail



1. Direct mail is dead, why would we even consider sending a premium mailing?

2. Our organization does not have the financial resources for premiums in direct mail

### **Acquisition: Mission vs Premium**

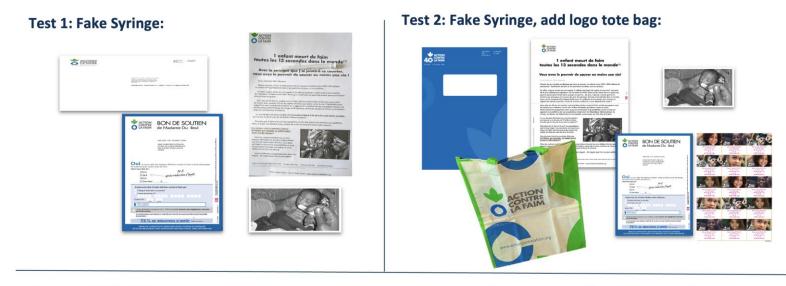
	QTY	Donations	RR%	Avge \$	Income	CPA/CTA
Mission pack	2,117,452	10,000	0.47%	\$22.20	\$221,976	(\$30.47)
Premium pack	601,605	10,000	1.66%	\$14.20	\$141,987	(\$23.03)

Less names are needed in premium acquisition to obtain the same number of replies. Overall costs are less. CTA is less.

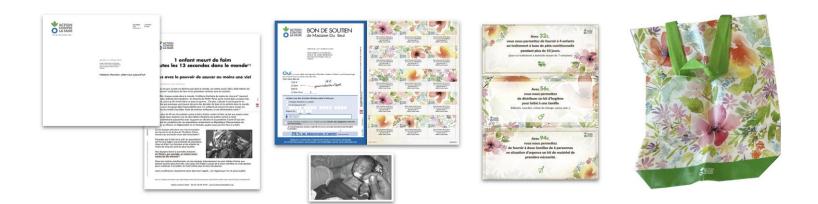
The mission package is no longer a viable package for this client. They cannot get 2 million names to mail.



- 3. Donors acquired with premiums need to constantly receive premiums to stay on file, and we don't want to do that
- 4. Premiums have no connection to our organization



Test 3: WINNER, Innovairre concept: Remove fake syringe, new tote bag design, add matching vouchers





- 5. We do NOT want to upset people with premiums and Higher response rate means MORE complaints
- 6. Premiums are kitsch and tacky



- 7. Premium donors ONLY give because of the premiums, and we want donors that CARE about our mission
- 8. Why invest in premium DM when we can invest and reach MORE people with digital and online fundraising?
- Direct mail **motivation response is 20% higher** than digital
- Direct mail requires 21% less cognitive effort to process than digital
- Direct mail has 75% brand recall versus 44% for digital
- Direct mail motivation response is 20% higher than digital
- Results are consistent across all age groups
- For every \$167 spent on direct mail campaigns, the non-profit receives \$2,095 in return
- Campaigns that use premium direct mail and 1 or more digital media elements (such as email) had a **118% increase** in response rate when compared to the premium direct mail alone.
- 9. We want to focus on acquiring younger donors
- 10. Premiums are BAD for the environment

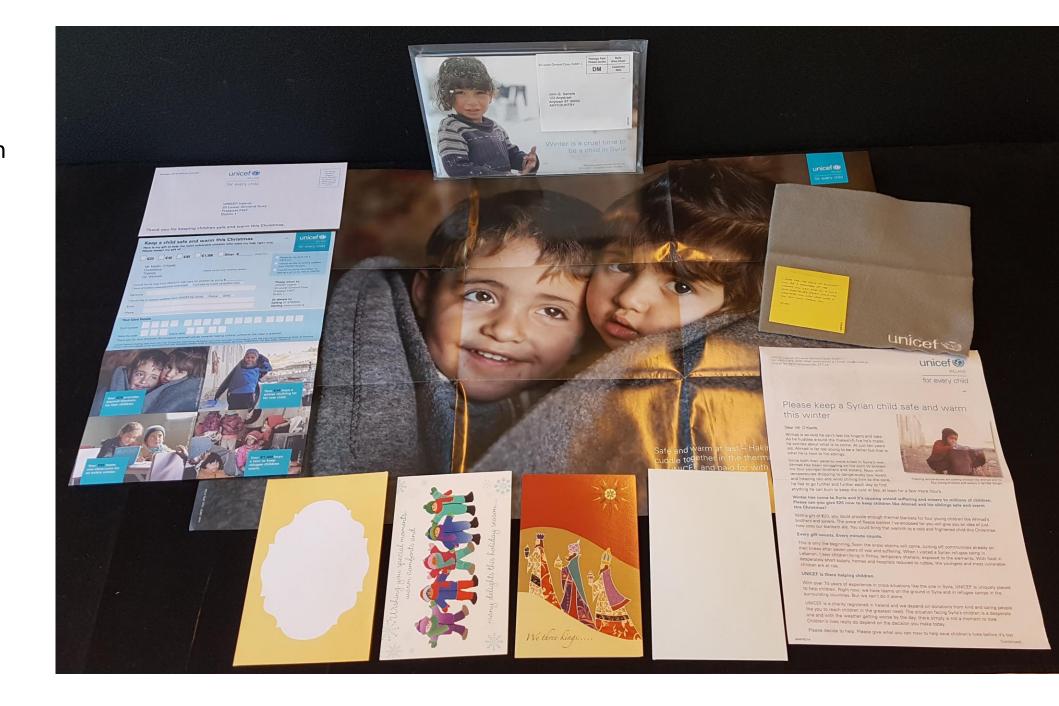


The best performing packs from around the world



# **Ireland**

Piece of blanket in a self-mailer



# UK

Canvas tote bag



Dog socks with stickers for Guide Dogs





Self mailer packs



Self mailer packs



Mini bell in outer box for Salvation Army

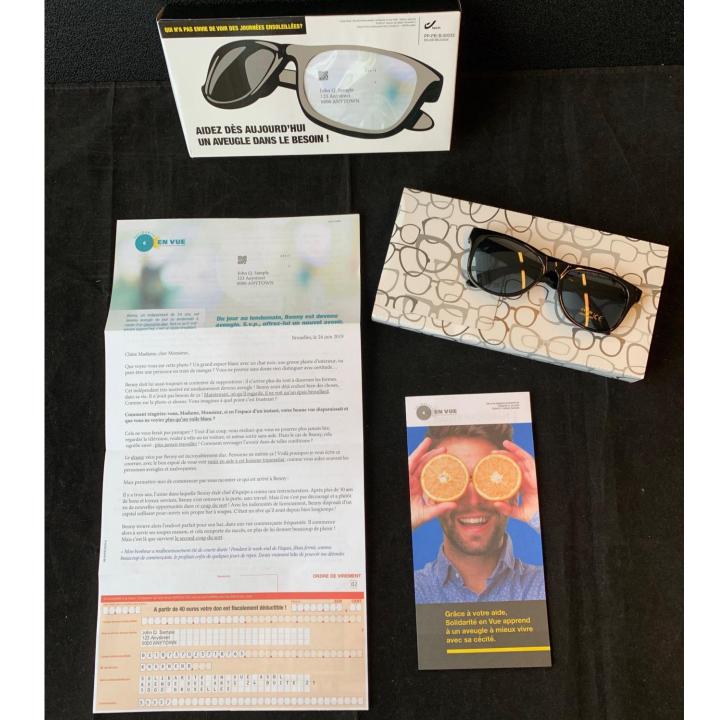


Kitchen apron, for Alzheimer research





Sunglasses for a blind charity





Boarding pass for humanitarian aid





Dog harness tote for Guide Dogs





# Netherlands

Cards and bookmark for Bible Society





### **Switzerland**

Soap sheet for Doctors of the World





# Germany

Pillbox for animal cruelty organisation



# **USA**

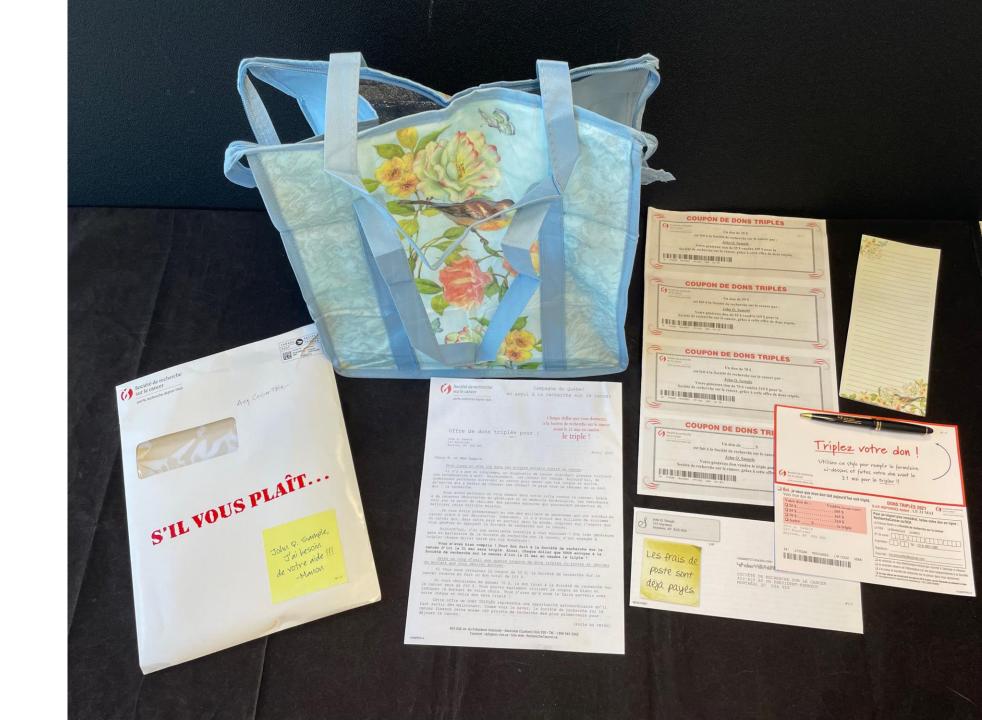
Dream catcher





# Canada

Insulated lunch tote for Cancer Society



# Top five international trends and takeaways in Direct Mail marketing

- 1. Creative format, design and content
- 2. Personalisation
- 3. Sustainable materials
- 4. Data-driven targeting
- 5. Omnichannel approach



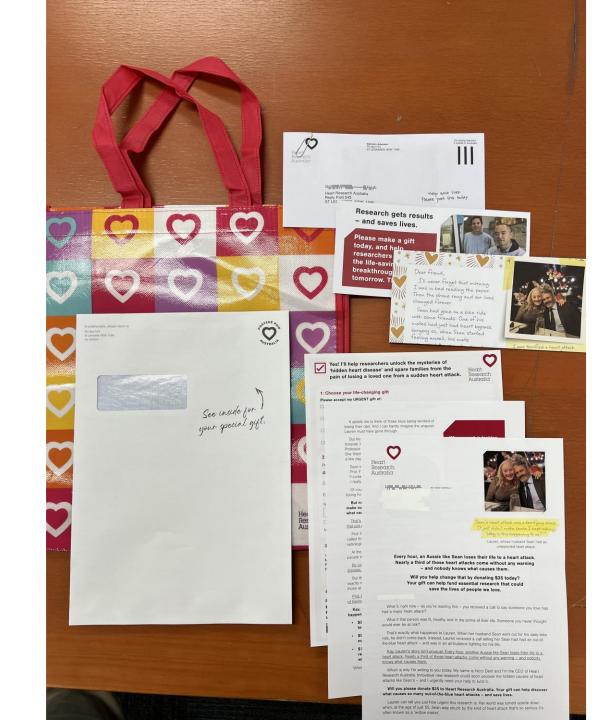
# But will it work here?



### **Heart Research Australia**

Premium - Tote RR - 6.7% 2023 Data - Cold, Swaps + Co-Ops





### **Vinnies QLD**

Premium – Tote RR – 4% React RR – 2% Cold















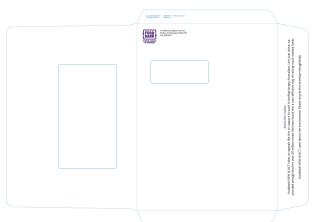


### **Foodbank Queensland**

Premium - Tote RR - 5% Swaps/Co-Ops RR - 2.4% Cold

















### Redkite







## **Cancer Council Victoria**

Premium – Socks 2019 RR – 2.5% Cold RR – 6.89% Reactivation





Cancer

Cancer

You really can make a difference

**URGENT** 

Todd Harper Chief Executive Officer Cancer Council Victoria Reply Paid 75583 Carlton South VIC 3053

thy name is Professor Phillip Durry, and I'm hoping you'll help me find better, less harsh treatments for secole with concer.

people wan cooren.

The olids should have to endure puin like Huffey did. I'm conditent that with your help we can develop innumenthempy treatments that we note effective and are less trivial in tomes of side effects for anyone going freeze transit. But I can't do it without you. Will you kindly nate a donation to Cancer Consorted transit content on the can't do it without you. Will you kindly nate a donation to Cancer Consorted transit content on the can't do it without you.

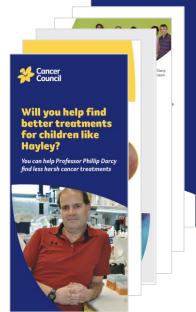












## **Peter MacCallum Cancer Foundation**



Premium – Socks 2023 RR - 4.9% Co-Ops + Swaps Premium – Gloves 2023 RR - 5% Co-Ops + Swaps























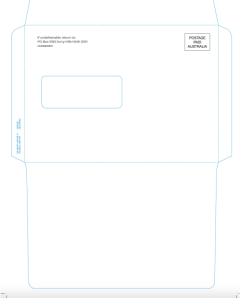


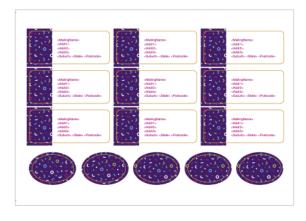


#### Canteen









Premium – Socks 2023 RR – 3.3% Cold + Swaps & Co-Ops









#### **RSPCA WA**











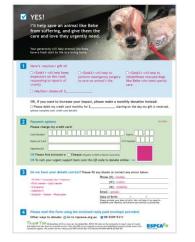




Premium – Socks 2023 RR – 3.3% Cold













## **Shepherd Centre**



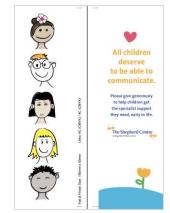


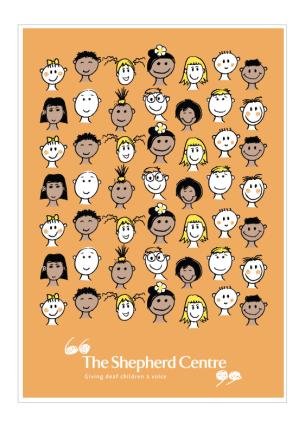


Premium – Tea towel 2022 RR – 7.93% Co-Ops & Swaps







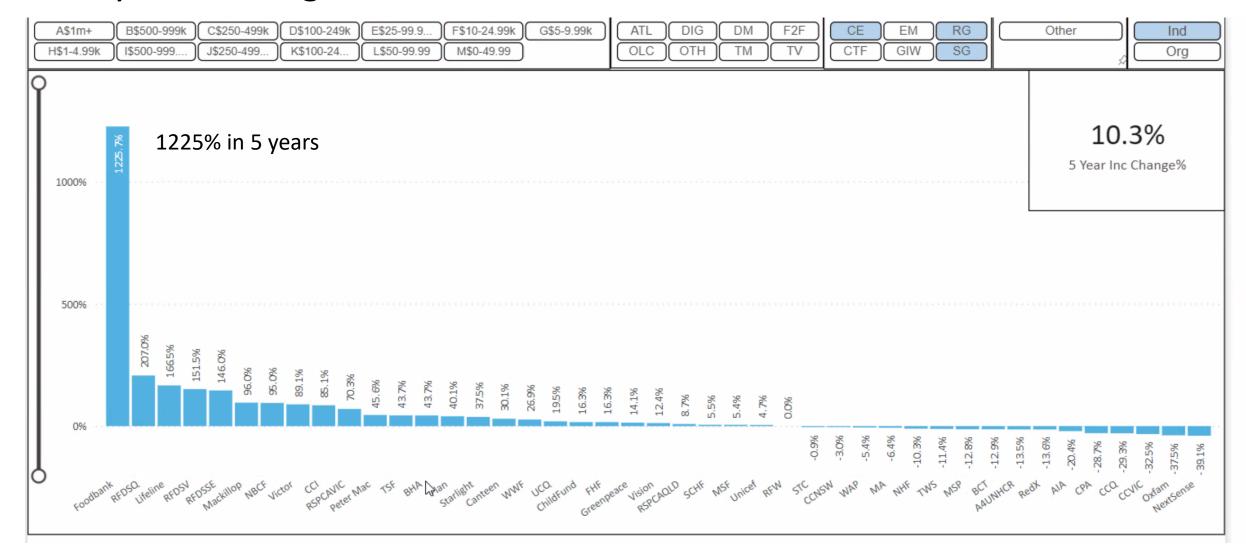




# Case study – Foodbank NSW & ACT

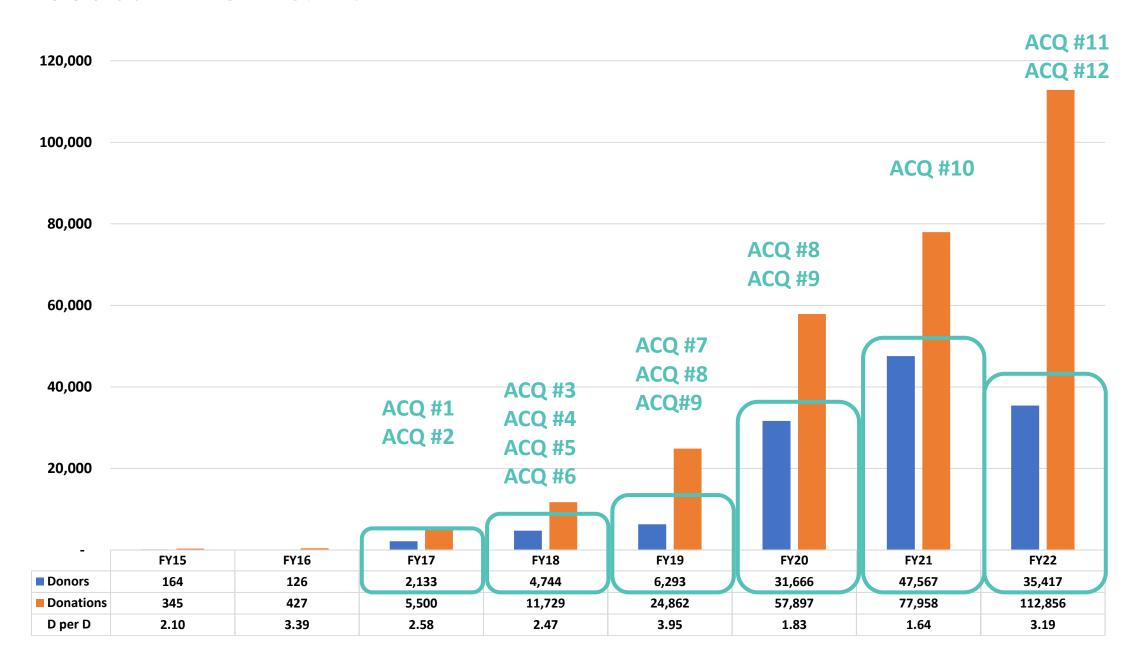


# Five-year sector growth rates

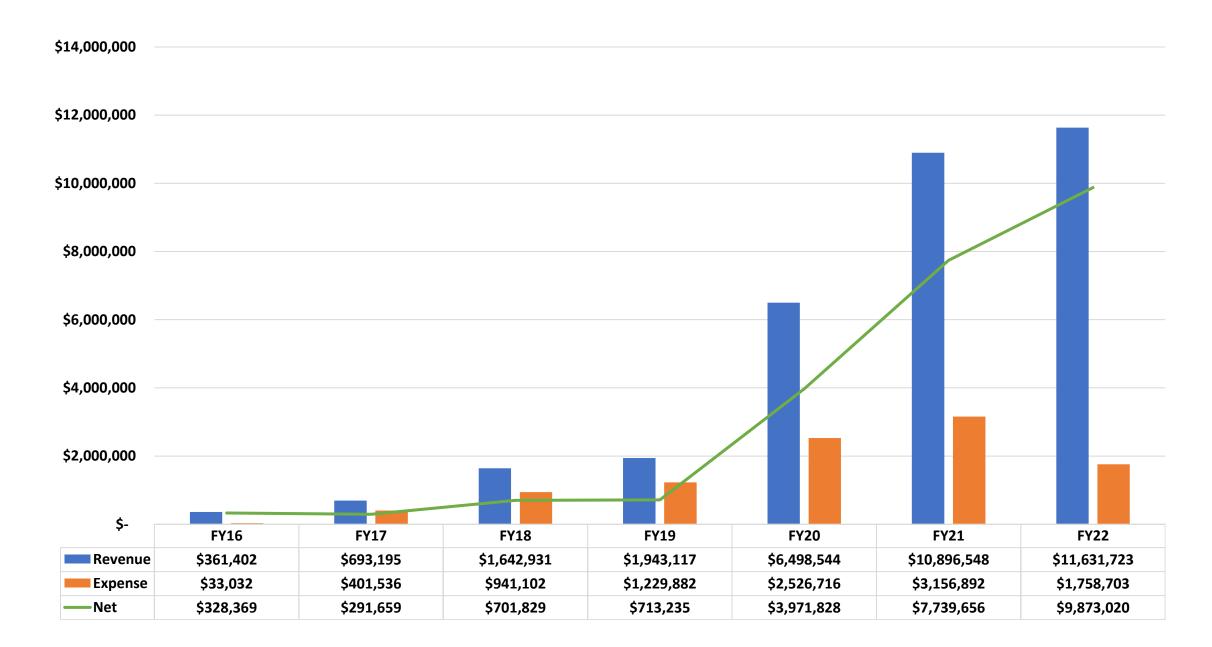




## Foodbank NSW & ACT



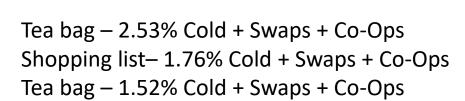
## Foodbank NSW & ACT



# ACQ 2016 – tea bag vs shopping list vs no freemium























## ACQ 2017 and 2018 - freemium



3% Cold + Swaps + Co-Ops















# ACQ 2019 - premium

6% Cold + Swaps + Co-Ops



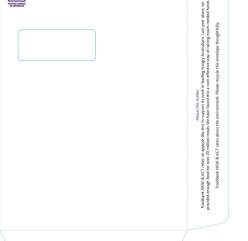












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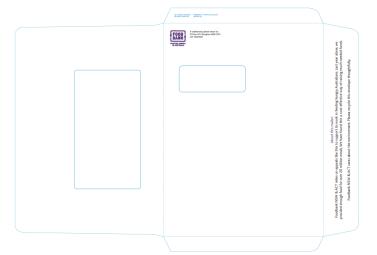






# ACQ 2022 – same premium / new pack













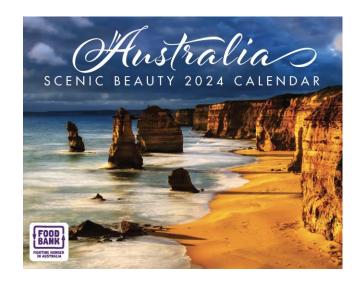
Control: 3.2%

New pack: 4%



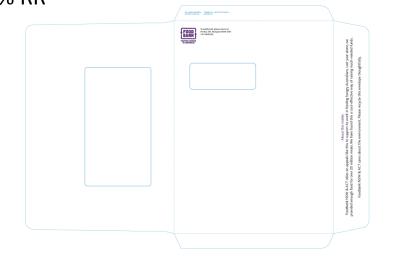
FOOD BANK	Stationery Addresses: Included Self- PL, and T.C.M. Motor 2791	No stamp impal Epimologia Auri
Foodbank Reply Pald	NSW & ACT Limited 196792 N NSW 2761	l want to help families going hungry this Christmas

# ACQ 2023 – new banker / new premiums





Tote: 2.6% RR Calendar: 4% RR









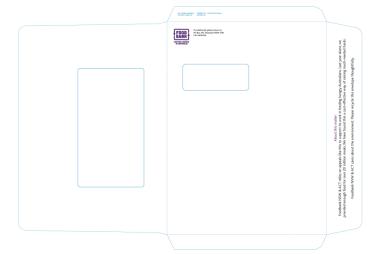




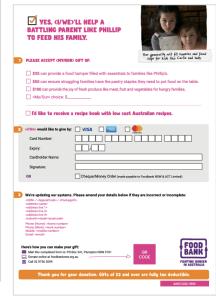


# ACQ 2024 – banker / new premium







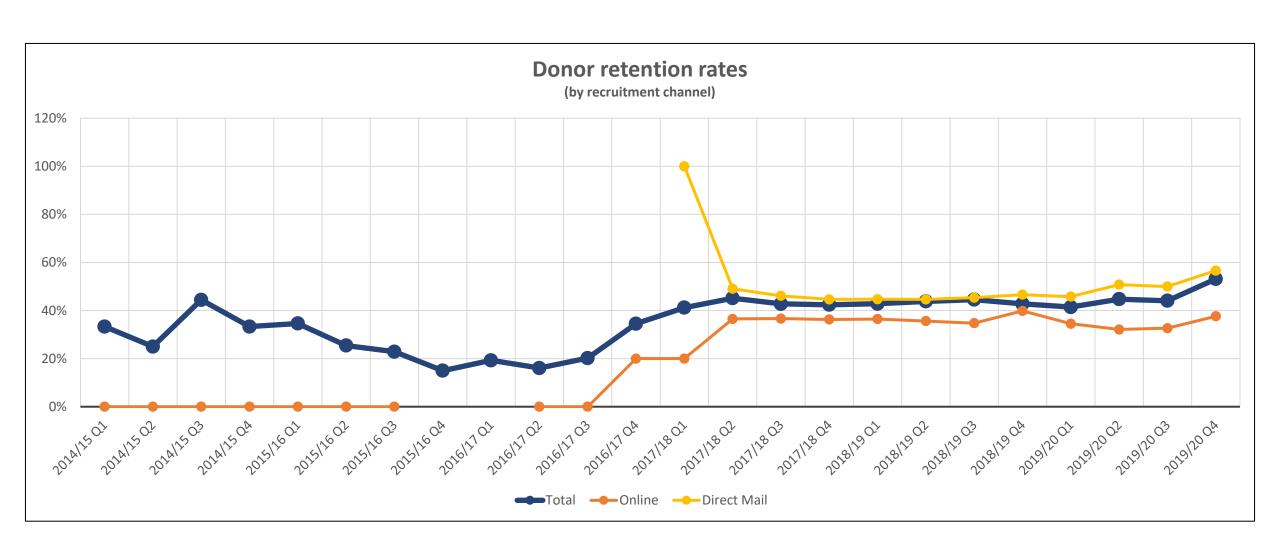








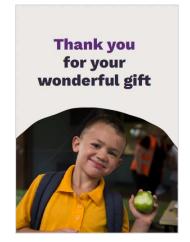




# Onboarding and retention

#### Welcome Pack





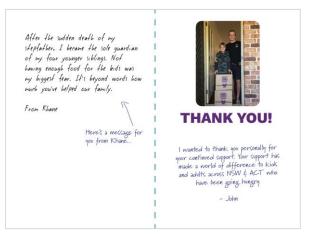






#### 2nd gift lift





#### 3rd gift lift



#### 4th gift lift



#### **EOY** thank



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### Direct Mail premium acquisition works, but remember...

Not all premiums are equal

Your pack needs to be great

Your pack needs to be optimised for acquisition

Test, test, test

Data is critical

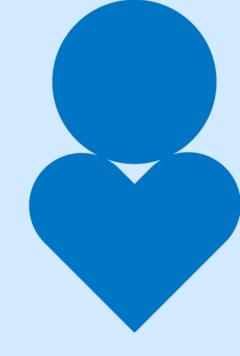
Make sure you model your numbers

Don't invest in acquisition unless you are prepared invest in onboarding and retention

Make hay while the sun shines



FIA Conference 2024



# Thank you



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