

Stop Putting It Off: 9 Steps to Planning Your FY20 Budget With Confidence

By Craig DePole



Do you feel it? That sweaty, yet chilling, sharpness in the air. Your head feels a little woozy. You feel a knot in your stomach. You wonder if it's allergies. What is it? It's budget season!

If your fiscal year ends in June or even September, you are in the midst of that budgeting time of year most dreaded by direct marketers. And next year's budget is shaping up to be especially challenging.

The trends coming out of year-end have been anything but hopeful and uplifting. Industry benchmarks and online trends have reported softened results. For many, the year-end wasn't the euphoric season of double-digit revenue increases seen in previous years. And the first quarter of 2019 has been soft.

This doesn't inspire confidence in the fate of next year's revenue. Regardless, it's time to set the goals and build the plan for the next year and for the future.

Get a strong cup of coffee (or your caffeinated beverage of choice), take a deep breath and dive in. Follow these nine steps to take the guesswork out of the process and to build a plan that inspires hope and progress for the year ahead.

1. ANALYZE FILE TRENDS.

This often comes in the form of a file audit or file analysis. Start with the macro metrics. These are your key performance indicators (KPIs), such as overall revenue trends, average-gift trends, donor-value trends and retention trends.

The KPIs will help you understand the overall health of your file. Are the trends increasing or declining? Is the file growing or shrinking? While these aren't the figures you will use in creating individual campaign budgets, they will help you understand what's happening from a 30,000-foot view.

2. DETERMINE YOUR LIFE CYCLE COUNTS.

Some of the most important numbers to reference when budgeting are your counts of donors by lifecycle. New donors, multiyear donors and lapsed donors respond very differently. It's important that you are budgeting by lifecycle group and not by total campaign averages.

3. REVIEW PAST CAMPAIGN RESULTS.

William Shakespeare's quote, "What's past is prologue," should

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3 Surprising Neuroscience Tactics That Drive Donor Behavior

By Nancy Harhut



As marketers, I think we can all agree we're not living in a perfect world.

Because in a perfect world, people would recognize what a wonderful organization we represent. They'd line up to give us money. They'd periodically increase those amounts. And they'd never go away.

The truth is we all have the proof points that would support that kind of behavior. We can offer plenty of reasons why it'd make sense. We've developed rock solid support and totally just justifications.

The problem is, people aren't perfect. We, and the donors, members and others we

market to, all come with a slew of cognitive biases and irrational behaviors. And much recent scientific research proves it.

In fact, behavioral economist Dan Ariely details some of this research in his best-selling and aptly named book, "Predictably Irrational." In it, he explains that not only do people often fail to make the decisions that would make the most sense, they also repeat these errors over and over again.

We as humans are hardwired to behave in certain ways.

These hardwired behaviors humans have are not always rational, logical or sensible. In this respect, we are far from perfect. The good

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President's Perspective

What Are Your Best Practices?

By Marie Kosanovich



When I was in high school, I remember looking through the "Help Wanted" section of the newspaper (which was *only* paper back then), trying to find job. I came across an ad looking for people to help insert "junk mail" by hand. "You don't want to do that," my mom told me. While I took her advice that summer (having no choice since she was my means of transportation), she certainly had no idea that my career path would, in fact, take me in that same direction.

Once you get into the mission of direct response marketing, particularly for nonprofits, you come to the realization, it is not "junk mail." Instead, I like to think that I am helping to make the world a better place. To help our clients, I must understand the value of best practices and, most importantly, I need to stay up to date on the impact and changes of technology in our sector.

So the question today is: What are some "best practices"?

You may not like the response!

Looking back, I have written strategies that read, "This package is designed to stand out from the rest," as well as, "This package is intentionally similar to a previous campaign to ensure donors will be responsive." It may seem counterintuitive, but both strategies work, **depending** on the situation.

That's my favorite/least favorite answer when it comes to classic direct marketing questions, by the way: **"It depends."**

Yet so many times, we find ourselves making decisions based on best practices but forget to gut-check or re-evaluate what really works best. We recently had two different clients who were pushing back on the use of the term "member card" for their respective renewal series campaigns. Both instances, we relied upon the best practice of using the word "member," regardless of the type of constituents they had, because that's what best practice tells us.

And in both scenarios—testing the use of the word "supporter" instead of "member" didn't make a bit of difference. Now, is this true for all organizations? **It depends!**

There is also the unwritten rule of using first-class postage for high-dollar donors. I recall years ago being told this was a best practice and doesn't need to be tested, yet I can think of three instances off the top of my head where nonprofit postage worked just as well, if not better. But is that always the case? **It depends!**

It's possible we're getting in our own way. I've been in numerous brainstorming sessions, trying to come up with new creative concepts or tests. Perhaps the goal is to beat the control; or perhaps we subconsciously want to do something different for our own self-satisfaction that we, in fact, go back to the basics or best practices.

In today's market, best practices need to be our foundation, but in each situation, we need to look at what our best practices are and maybe say, **"It depends."** Taking a second look at our approach will help us all continue to be efficient and effective marketers—and, most importantly, may even lead us to new best practices!

Best,
Marie Kosanovich
mkosanovich@lautmandc.com

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Calendar of Events



WED APR
10

Happy Hour
5:00pm - 7:00pm
Sauf Haus Bier Hall and Garten
Washington, DC

WED APR
3

DM 101
8:30am - 4:30pm
NAPCO, Philadelphia, PA

WED APR
10

DM 201
8:30am - 4:30pm
SEIU, Washington, DC



TUES APR
30

Webinar: Testing Strategies
1:00pm - 2:00pm



THUR MAY
9

Data Strategy Forum
8:00am - 4:00pm
National Housing Center
Washington, DC

TUES MAY
14

Lunch and Learn
Industry Trends With Carol Rhine
12:00pm - 2:00pm
SEIU, Washington, DC

Deadline for registration is 24 hours before the event, space permitting. Cancellations must be received 48 hours in advance. No-shows will be billed. Register at dmaw.org or call (703) 689-3629.

Quick Takes

Every month DMAW asks people in our industry for their 'quick take' on a topic

What small tweak did you make that had a big impact?



If you are looking for champagne impact on a beer budget, start with your ask string.

This is one of the easiest (and least expensive) tweaks you can make, and it can really make a difference in revenue. One of my favorite ask-string tests is the reverse-ask string.

Simply reverse the order you list the ask amounts, so that instead of listing them in ascending order, you list them in descending order with the largest ask first.

This test costs nothing and can provide a nice lift in your average gift size, but definitely test it!

For some files—or for donors who have already made a gift in the current year—this more aggressive ask can depress response.

— Amy Sukol, CFRE
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A few years ago, I had the opportunity to chair an international association's conference committee. While intended to be diverse, the conference primarily attracted 200 to 300 attendees from the U.S., and two or three who hailed from Canada.

After reviewing previous conference direct marketing materials, the planning committee quickly noticed a lack of diversity in the publication's photography and that featured flags were from the U.S. and Canada.

As a test, we included copy and imagery targeted for those across the globe. By implementing these small but important details, we registered more than 300—including registrants from Great Britain, Italy, Australia, Japan and Brazil!

In order to keep that international theme going, we strategically used the flags of each of these nations along with those from the U.S. and Canada in our primary conference hall.

— Marc C. Whitt
Director of Philanthropy & Advancement Communications
University of Kentucky
marc.whitt@uky.edu



Create compelling copy by incorporating robots and more readers in your review. Siri and Cortana willingly participate.

Use settings for the visually impaired. Actively listen with eyes closed to feel the tone and catch errors. Demand Siri speak in a British accent. Ask younger and older human readers (code for friends and family members) to review your work.

It is critical for our words to reach audiences and initiate action. Our livelihoods depend on effective writing!

Annoying friends and family is the trade-off. Don't ask them to read with accents. Don't worry about the robots. They don't object—yet.

— Pete Kimbis
Independent Nonprofit Consultant
peter@peterkimbis.com



Sometimes what is old is new again. One of the best approaches we have taken, which has driven up our response rate for new leads and also for upgrading more current customers, is to use direct response.

People are swamped with emails, but if you have a letter that is mailed, which looks personalized and stands out, with a call-to-action and even a return envelope with postage, you will engage people.

It's been one of the best things that we've done for our business.

— Wayne Elsey
Founder & Head Coach/CEO
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Planning Your FY20 Budget

Continued from page 1

inspire this next step. (And if you doubt the significance of this statement, consider that it is also carved into the National Archives Building on Pennsylvania Avenue.) Campaigns tend to perform similarly to how they performed in the past.

If you aren't making strategic shifts or changing creative focus and your donor counts are about the same, then budget for similar results. Don't decide that this is the year your year-end appeal revenue will double just because you want it to.

4. EXPECT EXPENSES TO RISE.

Costs for social media ads, postage and paper have all increased this past year and will likely continue to do so. Make sure you are accounting for the increased costs to execute the strategies you are planning.

5. BUDGET WITHIN THE CHANNEL.

In our omnichannel world, we often analyze direct mail, online campaigns and digital ad spends with an eye toward influencers. For example, a matchback analysis has indicated that 10 percent of your online revenue was motivated by direct mail.

Your digital ads were served to donors who gave \$10,000 through the general donation page. The influenced revenue is important in evaluating the value of the influencer for future investment, but be sure to budget the revenue in the channel the gift was received, or you'll end up double-counting this revenue.

6. BUILD IN A TESTING BUDGET.

You may not know what you want to test now or what great breakthrough awaits, so add in a line item for testing. If you want to know where you are headed next year, you need to test some things this year to point the way. Funds, whether large or small, earmarked for research and development encourage innovation and make you accountable for implementing strategic tests within the year.

7. PASS THE SMELL TEST.

After you have budgeted all the individual campaigns, your budget should amount to a grand total of revenue, expenses and net. Cross-check your totals against previous years' totals to make sure the figures

look about right. What is the percentage of increase/decrease you are projecting overall? Does that square with industry trends and your file trends? (Review file audit again!) If not, make adjustments.

8. DOCUMENT YOUR PLANNING.

Write up a narrative of the strategic calculations you made to arrive at specific projections. Include details about segments you were thinking of adding or excluding from specific efforts.

Jot down the new ideas or tests you are planning. Keep notes about the influencer revenue you are projecting based on results of other campaigns, so you know what contributes to those big buckets of mysterious revenue, such as general donation page, white (unidentified campaign) mail and "other."

9. AND, FINALLY, DEFEND IT!

After you have put in the work to analyze the trends, evaluate the segments, review the campaign metrics, and make sure the budget you have produced is solid and attainable, sell it to your boss, your boss's boss and their boss's boss if you have to! Budgeting is a stressful time for all in-

involved. There is never enough revenue to cover all the important program work an organization wants to fund, but our job as fundraisers is not to shoot for the stars and hope for the best; our job is to set realistic expectations for the funds we believe we can raise.

Sure, there should be some discomfort to push us a bit outside our comfortable boundaries, but when organizations set unrealistic revenue goals, the desperation results in harmful fundraising practices that lead to treating donors like ATM machines. And then that wooziness you're feeling this year will be nausea next year.

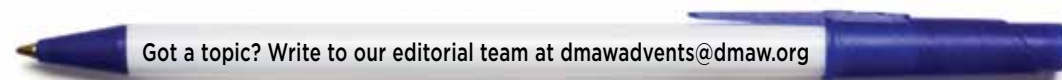
Remember, your budget is an opportunity to plan for new strategies, test new ideas and set a new course. Use the time to plan properly, and you'll be confident in your stronger program.

Craig DePole is president of Newport ONE, a leading full-service, direct response fundraising agency serving nonprofit organizations for more than 30 years. He also serves as chairman of the board of directors for the Association of Direct Response Fundraising Counsel. Craig can be reached at cdepole@newportone.com.

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OUT OF THE TRENCHES: YOUR DIRECT MARKETING COLLEAGUES
TAKE A BIG-PICTURE LOOK AT THINGS

Direct Mailer or Scientist? You Decide

By Jonathan Locy



As direct mail professionals, we wear many hats. We're project managers, copywriters, graphic designers and, sometimes, public speakers. And that may be all on the same day! While our jobs

have many roles, I liken our profession to that of a scientist.

Admittedly, raising money for organizations isn't the same thing as growing bacteria in a Petri dish, and I could never pull off the white lab coat look. But we do share something very important in common: Our best results come from following a proven and regimented process. It may appear that we're far removed from the scientific field, but I think it is an apt comparison. Consider the vital steps we both share in our fields.

HYPOTHESIZE

The first step in our process is always the hypothesis. We consider an idea for an upcoming campaign and how that may affect results. If we increase the first ask amount, can we lift the average gift without sacrificing response rate? That extra insert may not be helpful and is quite costly. Perhaps it's not necessary? This particular segment is just not responding as well as I had hoped. Can we change that by talking to them differently?

It can be a wide range of questions, but whatever campaign you plan to mail, you always start with your hypothesis. And, just like a scientist, that is the core of what drives your strategy and objectives for your efforts.

EXPERIMENT

Now that you have your hypothesis, it is time to conduct your experiment. With that said, you can't just mail a whole package out with that new ask string.

For the results to bear any weight, the environment must be highly controlled, so that there can be no mistake what is driving the outcome. This can mean many different things, depending on your

experiment. It could be that it means ensuring carefully selected audiences are alike in every way, except the one you are trying to isolate. Or it could mean the copy must be the same for every version except one, where you split the control and test evenly down the middle. Or it



FOR DIRECT MAIL TO TRULY BE EFFECTIVE, WE MUST FOLLOW THE PROCESS. WE MUST CONSIDER A HYPOTHESIS THAT DRIVES OUR STRATEGY.

WE MUST TAKE CARE TO EXPERIMENT IN A CONTROLLED MANNER SO WE'RE TRULY TESTING WHAT WE SOUGHT OUT FOR. LASTLY, WE MUST ANALYZE THE RESULTS PROPERLY TO ENSURE OUR READINGS ARE ACCURATE AND MAY BE USED TO EFFECTIVELY DRIVE STRATEGY IN THE FUTURE.



could mean the packages are identical in every way, except for that one piece you're back-testing out of. Whatever it is you are testing, the experiment is only as good as the environment it is conducted in.

ANALYZE

You have your theory, and you ran your test. Now, you must analyze the results. Did that envelope without a teaser return with better revenue than your control?

Maybe that ask string did lift average gift like you hoped, but did the lower response rate offset any additional revenue? What about that component test?

Removing it decreased your gifts, but, taking into account costs savings, was it able to bring in more net revenue? There is a lot of data to sift through when your campaign cycle is complete, and it can be tricky to sort through the learnings.

Often the results may be the exact opposite of what you were expecting, or your test may have won; but returns were not in a statistically significant manner, so you really can't be certain of the results. Regardless of the specifics in your findings, the success or failure from your experiment is a major part of the process for a successful direct mail campaign. You must be able to clearly and convincingly understand the results.

Yes, ours is a creative field. We get to draft new and inspiring copy that has the power to move a reader to action. Or we create bold and uplifting designs that catch the eye and draw an onlooker to seek more of what's inside. We find new ways to look at groups of people and manifest ways to motivate them that may not otherwise exist. But for direct mail to truly be effective, we must follow the process.

We must consider a hypothesis that drives our strategy. We must take care to experiment in a controlled manner, so we're truly testing what we sought out for.

Lastly, we must analyze the results properly to ensure our readings are accurate and may be used to effectively drive strategy in the future. In this way, I find we are very much like scientists. Lab coats not required.

Jonathan Locy has specialized in direct mail marketing for nearly 14 years. He is currently a senior account executive at Mal Warwick Donordigital, a full-service, integrated fundraising and advocacy agency serving leading charitable organizations. You can reach him at jlocy@mwdagency.com or (510) 225-0419.

Developing a Workhorse: Tapping Into 4 Direct Response Pillars

By Debbie Loubier



It's a big goal for any direct response campaign: find a tactic that brings in great results, works year after year and isn't terribly expensive. When this golden trifecta is reached, it's reason to

celebrate, which is why the DMAW, no doubt, includes a workhorse category in their annual MAXI awards.

The MAXI workhorse category recognizes direct mail and email campaigns that have shown repeated success for three or more years. My team at The Lukens Company proudly received the 2018 Gold Award in the Workhorse Campaign category for our work with the National Committee to Preserve Social Security and Medicare (NCPSSM). While this package was a triumph for us and our client, it was a long time in the making and the result of some highly creative brainstorming that led us to think outside the box.

Creating a workhorse package was an intentional goal, and we focused on four of the main pillars of direct response to create something that would generate results year after year.

1. Message. The topic must be relevant year after year, no matter what is going on politically or in the news. The ask must also be motivating and inspiring.

2. Budget. The greatest, most well-crafted message in the world means nothing if it doesn't fit in the budget!

3. Creative. It is critically important that the package stands out from the mailbox clutter and ushers the recipient from opening the envelope to completing the ask—all while staying within budget.

4. Audience. Without the right audience, all this hard work will barely make a splash, let alone a wave year after year.

MESSAGE

Deciding on a message and topic when developing an evergreen package can be

tough. The topic must be relevant no matter what is going on in the world, and the messaging must be written in a way that conveys urgency and importance that is applicable year after year. Consider the core mission of your organization and how the need for your donors' involvement is ongoing, as you fight to achieve your organization's goals.

Messaging and topic selection for the NCPSSM workhorse package was our first hurdle because they are a 501(c)(4) advocacy-based organization whose message typically fluctuates depending on which political party is in Congress and



the White House. Fortunately, we found a sweet spot in asking for renewed support in strengthening the voice behind NCPSSM's efforts to protect Social Security and Medicare.

BUDGET

Keeping a tight budget in mind ensures that the package will be able to mail year after year, as is, without removing major bells and whistles even during a slow fiscal year.

This might feel like a constraint, but consider a limited budget a blessing in that it is easier to achieve success when you're not balancing a gigantic postage charge and production bill!

The NCPSSM workhorse package faced one main budgetary consideration: It needed to mail in what was historically a slow month, and, therefore, the package

needed to be relatively inexpensive in order to hit any significant ROI.

CREATIVE

Even with a small budget, it is critical that the package stand out from the rest of the mailbox clutter. If no one notices the package, no one will open the package. If no one opens the package, no one will fulfill the ask. If no one fulfills the ask, the package fails. Personalization, urgent language and "official" looking packages are just a few inexpensive ways to attract this initial attention.

However, creative needs to extend to the inside of the package as well.

In addition to clearly conveying the message, the reply device needs to inspire action either by engaging the donor in an action or creating a sense of urgency. In the case of the NCPSSM workhorse package, we included three highly personalized petitions and asked the recipient to sign and return each.

AUDIENCE

All of this means nothing if you're contacting the wrong people! Mailing the right segment at the right time with the right message is the only way to achieve success—and to be able to repeat that success year after year.

For our package, we chose a target audience list very intentionally in order to generate the highest response rate. Whether you're developing an evergreen package or a stand-alone campaign, by keeping the above pillars in mind, you'll be on the right track to direct response success. Maybe even an award winner!

Debbie Loubier is a fundraising professional with more than 20 years of experience. As director of client services for The Lukens Company (TLC), she oversees TLC's East Coast Nonprofit Division and works closely with the account teams to develop roadmaps and create the strategies that achieve organizational priorities and objectives for a variety of TLC's nonprofit clients. She can be reached at dloubier@thelukenscompany.com.

3 Neuroscience Tactics

Continued from page 1

news is, as marketers, we can work with that! Because advances in the study of human behavior have revealed hundreds of decision defaults that people routinely rely on.

And as marketers, we can factor those into our strategies and creative executions in order to prompt the behavior we seek.

The interesting thing about these decision defaults is that some seem to squarely support marketing messages we've tested into—or instinctively believe they would work.

But others actually appear to run counter to approaches we've traditionally applied. It's these surprising ones that you should be aware of and think about incorporating into your tests. While they won't feel intuitive, they may deliver that lift that you've been looking for.

Here's one that's pretty counterintuitive: **Neuroscientists have found that people are twice as motivated to avoid pain as they are to achieve gain.**

Twice as motivated! Yet in marketing, we traditionally focus on the gains. We

avoid anything that could be perceived as negative and, instead, tout the wonderful things that will happen if people just do what we ask them to. We talk about the benefits of belonging to our association and the good work our charity accomplishes.

And I'm not suggesting that we shouldn't. However, avoiding the pain of loss is more motivating than achieving the pleasure of gain. So test peppering in some "loss" messages. For example, tell people about the pain they can avoid if they do what you're asking. Tell them about the pain they may experience if they don't.

One very effective place to use loss aversion (Figure 1) is in connection with a deadline. Maybe a generous donor has offered to match contributions—but only if they're made by a certain date. Maybe there's a gift that comes with membership—but only until supplies

run out. Alerting your target to the fact that they are about to miss out on something can be a powerful motivator, even if it's not the best news.

Research has also shown focusing on one beneficiary can raise more money than talking about the many people who are helped.

Again, this seems counterintuitive. Wouldn't people want to know that your organization helps many people? Wouldn't the strength of the numbers be more powerful than an individual story?

While it's easy to think that'd be the case, neuroscientists have confirmed it is not. As the old saying goes, "a single death is a tragedy; a million deaths is a statistic." The behavioral science principle at play here is identifiable victim effect (Figure 2).

Studies show that people will offer greater aid when they're told about a specific, identifi-



Figure 1: The "Don't miss" in this Alzheimer's Association subject line triggers loss aversion and may be more effective than saying, "Take advantage of" or "Get."

able person who needs help rather than a large, vaguely defined group in need. In fact, researchers found that people were more willing to donate to help a single child with cancer than to a group of eight kids with cancer.

So while you may wish to support your message with numbers, you should really test telling the story of one person who can or who has benefited from your organization's mission.

People make decisions, including some pretty important ones, based on emotion.

Here's one more fact that may surprise you: scientists have proven that people make decisions for emotional reasons; and then they later justify those decisions—to themselves and to others—with rational reasons. This means we need an emotional component (Figure 3) to our marketing messages. We can't be all business—all facts, figures and statistics, or all the

"reasons why" that appeal to someone who thinks things over and makes rational, considered choices about their money. Because the truth is, our targets are making their decisions emotionally.

Neuroscientist Antonio Damasio conducted research on people who had sustained injury to the part of their brain that controls emotion. And he found that these people were virtually incapable of making decisions—even for something as simple as what they wanted for lunch that day.

Without the emotional parts of their brain engaged, they just didn't care enough. So if you're not already employing emotion in your marketing, start testing it.

Perhaps there's a lot of emotion in the stories of the people you help—the victories they achieve or the difficult circumstances they leave behind.

Or maybe there's the good feeling that comes with joining a group that's accomplishing something important.

Inject some of this emotion into your messaging to trigger the actions you want. And, of course, continue to include the rational reasons that people can point to later to explain why they joined your association or donated to your cause.

Marketers have good instincts—and even better test results—to inform our campaigns. But that only takes us so far.

If you're not including some tests based on new neuroscience findings, you could be missing some nice optimization opportunities.

Because some things that seem counterintuitive, or just plain crazy, can actually be quite effective.

And for many marketers, success today involves a combination of traditional, proven approaches, along with the emerging science of human behavior.

Nancy Harhut is the chief creative officer of HBT Marketing. She is passionate about the impact of behavioral science on marketing. An Online Marketing Institute Top 40 Digital Strategist, Social Top 50 email marketing leader and the winner of numerous International ECHO awards for marketing effectiveness, she has spearheaded campaigns for clients such as AARP, AT&T, IBM, Dell, Nationwide, TripAdvisor, SOS Children's Villages, the Boys and Girls Club, and more. Follow her on twitter at @nharhut for topical insights or email her at nharhut@hbtmtkg.com.

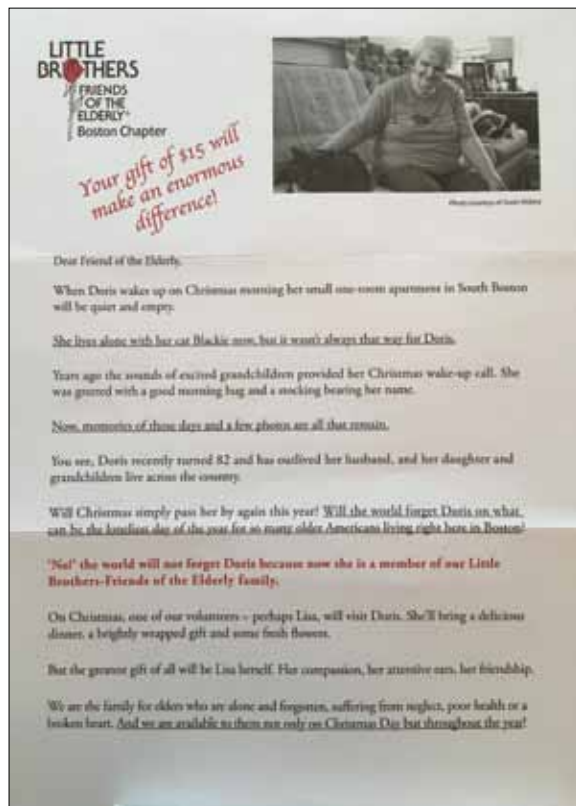


Figure 2: A nice example of the identifiable victim effect, this Little Brothers Friends of the Elderly letter focuses on one person, Doris, even though the organization helps many people.

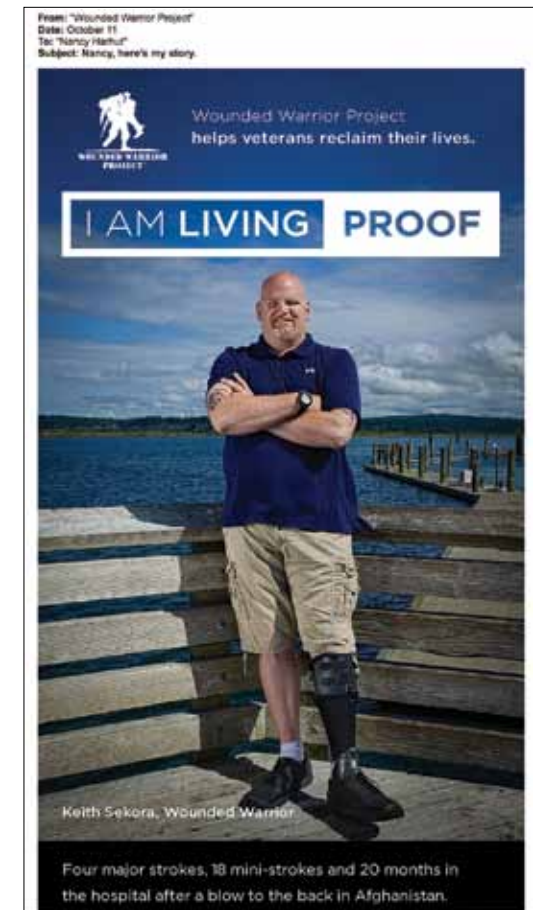


Figure 3: Telling the story of how one vet overcame his war wounds allows Wounded Warrior Project to inject real emotion into their email.



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GREATER ENGAGEMENT: WORDS OF WISDOM ON EVERYTHING AND ANYTHING THAT DRAWS IN YOUR SUPPORTERS AND DEEPENS RELATIONSHIPS

3 Direct Mail Tips From For-Profits

By Christopher Foster



As you manage more channels in your marketing—Instagram, YouTube, Facebook, email, retargeting, display—you and your team are naturally looking to emulate successful models used in the for-profit world.

That's a key part of any marketer's professional journey: learn from the blessed brands that are awash in cash. They hire the sharpest talent and have the budget to test new ideas and tactics...and all marketers learn from their efforts.

The relatively recent explosion of new digital channels and response research has dramatically changed how for-profits use direct mail. The United States Postal Service and the Association of National

Advertisers have done some conclusive studies that show physical media leaves a more impressionable footprint in the brain. In the last year or so, new brain and generational data suggest Millennials and Generation Z are actually responding more to physical direct mail.

With our youngest generations primarily exposed to ephemeral digital media, for-profit brands recognize that the strengths of direct mail—physical storytelling, precise target-



Photo: iStock/Getty Images

ability, easy integration with other channels—attract and engage these younger consumers.

It's why direct mail is making a new kind of comeback, and why it's a great time for nonprofits to learn how the for-profit space is using direct mail in 2019.

TIP NO. 1: GIVE YOUR DIRECT MAIL A SPECIFIC JOB TO DO

In the ever-increasing complexity of the marketing and sales funnels, all channels have claim to a user's response and a strength in the funnel. The job of digital is to create an immediate impression and to drive the fateful click to a landing page or other digital payoff. Its strength is the speed of fulfilling on users' actions and its consistent coverage across devices.

But digital's weakness comes from the nature of its delivery. From a pre-roll ad you skip before watching the new "Captain Marvel" trailer, a video ad on Facebook that's below a great Saturday photo, a retargeting ad that's sidelining compelling articles on the NPR website or an email in a crowded inbox, digital messages are delivered in the midst of distractions.

Direct mail's strength is different. It's a physical, handheld piece that can engage the user's concentration. The job of direct mail must follow suit. It must engage the

user enough to read it and keep it, so they consider the business more fully.

For B2C retail, it might be a more convenient way to redeem an offer than combing through emails, but mostly it's to reinforce and remind the user that they got the email with the offer or that there actually is an offer.

For B2B, direct mail creates credibility in the awareness stage and encourages more consideration when users are thinking of other options. Nonprofits should make sure a direct mail piece does the job of reinforcing credibility and story. Physical mail gives users the chance to actually read something in their hands and take the time to consider why they should choose you.

The response device is secondary...users know where to find your website. Your story can be told—free of distractions that plague digital media—in a way that's personal and more in-depth.

Focus on content that walks a recipient through the story arc of the mission. Why should they care? What is the risk of not acting? How will they, and the community at large, transform when they engage with your nonprofit?

TIP NO. 2: FOCUS ON REFINING YOUR DATA MODEL

For-profit brands are relentlessly refining their data modeling. That's because the right data model leverages another of direct mail's strengths: precise targetability. Having the right data set has long been noted as crucial to the success of a direct mail campaign, and B2C and B2B brands know it. They continually study their house list and test new prospecting models.

Most nonprofits have a client list. The key is to do what B2C brands do. Use that valuable list as a basis for a prospect profile report. Most data companies, and plenty of direct mail service providers, are able to take that house list and apply intelligent demographic analysis.

This means you not only get a better understanding of your own customers, but you can also use that analysis to find non-customers who match that profile. Essentially, it's purchasing a prospect list of potential donors who demographically match your current donors. Now, instead of casting mailers into the void, you can

target customers who are more likely to engage and respond to your story.

If you have limited internal staff resources, then ask some local data analysts and providers. They might be able to offer the services as an in-kind donation for an invite to your gala.

TIP NO. 3: INTEGRATE YOUR DIRECT MAIL WITH DIGITAL CHANNELS

The best for-profit brands tie in their mailing campaign with current digital marketing. Where direct mail was once thought of as a stand-alone channel, now it's being knitted together with email and online promotions. My own mailboxes (physical and digital) get coordinated treatment by Old Navy. I scan and pass over the emails, but the mailing stays on our kitchen table to remind us of sale dates. Then we use the email on our phone for the actual coupon, or just show up and they look us up.

Nonprofits should also integrate their mailing. New technology enables better

and less expensive email-matching to prospect lists, targetability with display ads to devices in the households that receive mailers and postcard retargeting when users visit your website. The channels have begun to be more tightly connected than ever. This helps to boost overall response.

Ask your own direct mail provider if they integrate with digital channels, and don't settle for no. There are many providers who can help you transform a one-off direct mailing to an integrated, cross-channel, cross-device campaign that increases engagement and response.

Limited resources and staff shouldn't block how learning the best for-profits are using direct mail. Putting these ideas into practice with your nonprofit can make a positive difference in how you connect with your base.

Christopher Foster is the VP of business development at Modern Postcard. He can be reached at cfoster@modernpostcard.com.

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Not Exactly Dickens

By Barry Cox



There are direct response copywriters who dream of writing the next great novel. Some have actually written pretty good novels, short stories, poetry, plays and other works that aren't constantly at risk of being thrown in the trash or deleted with a heartless tap or click.

Good for those copywriters. I have nothing but respect for them. Well, respect and envy, but mostly respect. Due to various factors—talent and time shortages chief among them—I stay in my lane by writing letters and emails far more likely to win a MAXI than a Peabody or Pulitzer.

Make no mistake: I write with care and pride. It takes a rather loose definition of "classic," however, to apply that title to my work product. Happily for my ego, I subscribe to just such a definition. It would be even more gratifying to claim to have actually "written" any of the direct response classics below. "Typed" is more accurate, with no assertion of original authorship. But there's no shame in ripping off—er, emulating—others who conceived and honed these gems.

I encourage you to do the same. Although you won't find a "best of times, worst of times" in the bunch, you may well find a letter opening, killer P.S., subject line or preview panel that makes your next fundraising appeal an instant classic.

"I am writing to you because..." Not clever, not one little bit. But being clever isn't your mission. Whether or not this ends up in your final product, it compels you to focus, so your reader does, too.

"Someone told me this was a bad idea (or crazy, foolish, etc.)" Generally found in front-end premium mailings. As in, "They said you would take this calendar/notepad/tote bag/whatever, and I

would never hear from you again—that you wouldn't read my puppet (or help hungry children/homeless puppies/brave missionaries/whatever)."

But it can also be used in other contexts to grab reader attention with the thought that a nameless "someone" felt it was a bad idea to write to her because she has no compassion/foresight/empathy/whatever. "Why in the world would someone think that about me, and how can I prove them wrong?"

"If you remember only one thing..." Of course your fundraising message will have more than one memorable thought



in it. But this forces you to decide which is the most important thing and assures the reader he or she only needs to focus on that one thing. Your one thing might be a matching-gift deadline, a reduced membership rate, a rapidly vanishing endangered species or whatever you want to hammer home.

"You don't have to take my word for it." As trustworthy as you may be, the reader views you skeptically due to charity malfeasance horror stories—true or otherwise. So acknowledge that skepticism, and do away with it by sharing a testimonial

quote, transparency award or other third-party endorsement.

"Before you say no..." Another way to acknowledge and address reader skepticism. What will happen if the reader—as some 95 percent or more will do—says no to your carefully constructed offer? Oceans will rise, disease will spread, dogs and cats living together, mass hysteria? OK, you don't need to channel Dr. Venkman, but you should put a quick spotlight on the sad consequences of inaction to better prompt, well, action.

Here's what makes you so special. Everyone likes to think they are special

and loves to hear others confirm it. What makes your reader special? It could be a long history of donating to your cause, a particularly generous recent gift, signing a petition or simply caring enough to read your message.

Knowing how special you are, I'm sure writing this wasn't a bad idea and that you won't say no to stealing one or more of these classics.

Barry Cox is a freelance copywriter with 29 years of experience but not a single Pulitzer. He can be reached at (703) 892-2577 or bcoxwriter@aol.com.

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News Notes



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● **HSP Direct**, a full-service direct mail fundraising agency, has acquired ClearWord Communications Group, a Virginia-based, high-dollar direct mail agency, according to a press release. Under this new acquisition, Dave Bufkin, founding partner and president of ClearWord, will continue his role in overseeing day-to-day operations, while back-office functions will be shifted over to HSP. "ClearWord will be able to offer more services to our clients, while continuing our unique in-the-industry ability to build high-value donor relationships through direct mail," Bufkin said in the release.

● **The United States Postal Service** commercial spending was reported at \$15.9 billion for fiscal year 2018, according to Bloomberg Government's USPS Contracts Dashboard. That's nearly a \$1 billion increase since fiscal year 2016. Looking ahead, USPS will face financial challenges including heavy pension burden, declining first-class revenue and steady market inroads from some of its largest vendors; but an article from Bloomberg Government says those challenges don't seem to halt USPS' continued investment in its infrastructure and tens of thousands of vendors that support it. Additionally, on Feb. 22, USPS requested information from companies that could help integrate Autonomous Delivery Vehicle technology to its current delivery fleet. "[This technology] has been linked to the USPS'

planned \$6.3 billion acquisition of a Next Generation Delivery Vehicle to replace its aging fleet," the article said.

● The two giants of nonprofit data and information, GuideStar and the Foundation Center, have joined forces to create a new nonprofit: **Candid**. With the experience and knowledge of GuideStar and the Foundation to back it up, Candid will bring knowledge and expertise of data, technology, research and training to serve the social sector and to promote more giving and smart giving. "[The nonprofit sector is] one single social change community, whether nonprofit, foundation, individual donor or volunteer. Eventually, we need to have an information system that matches that unified character—that collected purpose. And that's what [Candid] is all about," Jacob Harold, EVP of Candid, said in an interview with NonProfit PRO.

● **CabinetM**, a management and discovery platform for marketing operations teams, has released the Direct Mail Technology Stack, according to a press release. This is the second in a series of interactive stacks to help track direct mail campaigns. "Direct mail technology has [enabled] the coordination of messages to the same prospect across channels, making the creative process more efficient and enabling the impact of each channel to be measured," Gary Reblin, VP of product innovation at USPS, said in the release.

Is something exciting happening in your company or organization?

Tell us about it!

Email the editor, Nhu Te, at dmawadvents@dmaw.org



DMAW Educational Foundation

An Inside Look at the Collegiate MAXI Competition



In the fall, Salisbury University students won Gold and Silver Awards at the Collegiate MAXI Competition.

As the team at Salisbury prepares for the competition in April, we asked two students, Taylor Garner and Ryan McGuire, and their coach, Paula Morris, a few questions about the Collegiate MAXI.

What makes participating in the Collegiate MAXI valuable to you?

Taylor: This competition is the perfect opportunity to apply everything I've learned about marketing. The Collegiate MAXI Competition also provides the opportunity to grow your professional network and build meaningful relationships with your peers.

Ryan: The hands-on experience of creat-

ing a multifaceted marketing strategy for a real company, facing real problems, is an incredibly valuable experience. It has taught me a significant amount about real-world marketing. It has allowed me to meet incredible people along the way.

What did you learn?

Taylor: I learned to never shoot down an idea, no matter how off-topic it may seem at first. Some of the most compelling concepts will appear at the strangest times. It is important to always remain open-minded and never discourage another's creativity.

Ryan: I learned that coordinating the efforts of a full-blown marketing campaign are not as easy as one might think. Strategy, timing and brains all must come together at the perfect time in order for a campaign to launch and fulfill the goals of an organization.

Paula: Over the years, I've learned to expect absolutely anything during the last week of preparation. Murphy's Law is alive and kicking in the run-up to the case competition. As a coach, I have to stay flexible.

What was your favorite part of the Collegiate MAXI?

Ryan: The overall process of watching a campaign come together is incredibly invigorating. It's kind of like watching a child grow up and become independent. All you can do is hope everything has been planned accordingly and your campaign will be able to stand on its own two feet.

Paula: It's wonderful to see them at the top of their game! Many of my students step from MAXI into entry-level positions with DMAW member organizations.

What was your MAXI Competition low point?

Taylor: The lowest point came the night before the competition. Thinking back, we must have looked ridiculous. My team and I paced our hotel room, dressed in our PJs, feverishly reciting our presentation. We had worked hard. We wanted our presentation to reflect that.

Ryan: Personal conflicts are often the most challenging part of the endeavor. Although disappointing, they provide a real-world example of just how imperfect the workplace can be. It offers a great opportunity to see just how you might react within a workplace conflict.

What advice would you give to future competitors?

Paula: Start early. Ask a gazillion questions. Research thoroughly before proposing ideas. Get creative. Practice. Practice. Practice. Oh, and sleep!

Taylor: Get to know your team on a personal level. Knowing each other's strengths, weaknesses and insecurities can go a long way in building group synergy. Plus, you'll know exactly what to say during your pre-competition pep talk.

Paula T. Morris is professor of the practice in marketing at Salisbury University's Perdue School of Business. As a past recipient of the O'Hara Leadership Award, she consistently encourages her students to join the direct marketing world.

Taylor Garner is a junior at Salisbury University studying marketing through the Perdue School of Business. As the president of Women in Leadership, Taylor strives to empower women to achieve their fullest professional potential.

Ryan McGuire is a marketing major at Salisbury University. Ryan concentrates in the digital marketing and analytic areas of marketing. He also helps organizations create web pages and improves their social and digital footprint.

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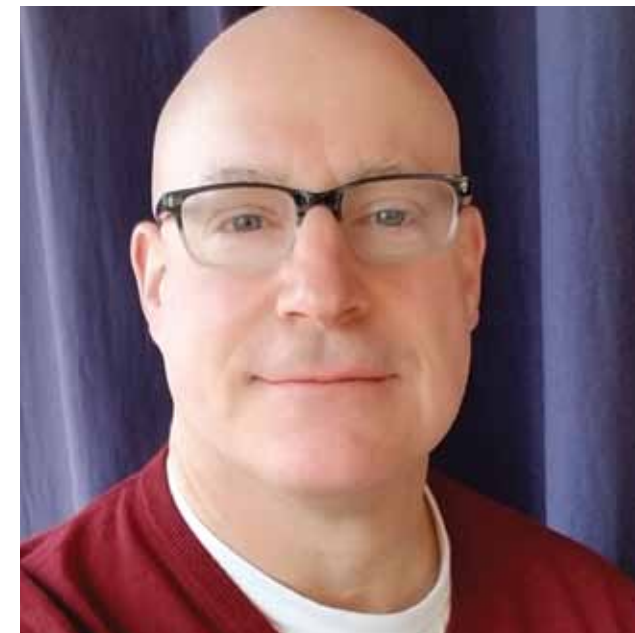
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Member Spotlight



ALAN RICH
President
Nova Label Co.
alan@novalabel.com

Alan Rich stumbled into direct mail. In 1982, Alan's father-in-law founded Nova Label, where Alan worked summers in production. Once he graduated college, his father-in-law wanted him work in sales. Before graduating, Alan began working full time but continued his studies to finish his college education.

Although Alan didn't know much about mailshops or fulfillment, he saw the opportunity and need for piggyback labels and continuous form labels, both stock and custom-printed. Eventually, someone introduced him to DMAW. He then joined and exhibited during the 40th anniversary of DMAW. Soon after, Nova Label began growing, and to this day, the majority of its work is direct mail related. What made him fall in love with the sector was the people, the hugs and the cocktails.

When it comes to marketing, Alan pretends he knows what he's talking about. He learns a lot about marketing from the experts and believes that without marketing, none of us would have a job.

Location: Silver Spring, Md.

Education: I attended the University of Maryland for a short time before transferring to the University of Maryland University College (UMUC) once I started working full time. I graduated from UMUC with a Bachelor of Arts in business management.

DMAW Member Since: Mid 1990s

Who do you consider your mentors?

My father-in-law, DMAW and bourbon.

What advice would you offer a novice who wants to move up in direct marketing?

Listen, learn and communicate. Do the best you can and make yourself indispensable. Be the "Know-It-All," communicate with vendors. Pick their brain for knowledge. Product knowledge is the key to success.

What is the most helpful step you took to advance your direct marketing career?

I can't be everything to everyone, but I have learned to know many things (enough to be dangerous) and many people. I have become an Answer Man. Have been referred to by my wife as "Alan knows a guy." Knowledge is power. Everyone should have that. Plus, I am a nice guy, and people like me (at least that's what I hear in my head).

Tell us about your volunteer experiences with DMAW.

Apparently, the word "no" is not in my vocabulary. I have been (and currently still am) a DMAW board member since 2005, have been on the Bridge Conference committee since 2006 and am liaison to DMAW/EF. I was also DMAW president from 2007 to 2008, served as Bridge Conference co-chair part of 2007 and all of 2008, started the Mentor-for-a-Day program in 2008 for DMAW/EF and do whatever else is asked of me.

Describe yourself in three words.

One. Heckofa. Guy.

Describe your life in six words.

Alive. Loved. Fulfilling. Colorful. Creative. Hectic.

Alan's Favorites

Restaurant La Malinche, Urban BBQ, Stingray.

Films "Tommy Boy," most Netflix originals, "Life Is Rich" (look it up—it's a fabulous documentary).

Books Art-related, as long as there are pictures. I will admit, I don't read books.

Music Rock, jazz, blues. Anything from the 60s and 70s.

Leisure Interests I am an artist, so I paint. You will or have seen my work on LinkedIn, Facebook, Instagram and the DMAW/EF Silent Auction at the Bridge Conference. Or if you are a lucky one, you have received original art from me.

Quote "Put a bird on it." — "Portlandia"

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