

SOFII Top Tips

Five lessons learned from higher education fundraising

by David Hazeltine



My agency, Yellowfin Direct Marketing, works mainly with fundraising professionals in development, alumni relations, and marketing. Though classed together as a single group, the differences between these institutions – from small, private colleges to large, public universities – can be vast. This, along with the differences between the various constituents of these institutions – alumni versus parents versus faculty and staff versus community – creates many challenges and opportunities for which we have provided and tested solutions. Fundraising to the alumni of a college or university, however, has one big advantage over fundraising in other arenas: alumni have a close affinity to the institution that they called home for four or more years of their lives. So you don't have the obstacle of educating them as to who you are. What you do need to do, however, is to educate them on the mission of an annual fund, and why it is important for them to give something back. The majority of alumni feel that they 'owe the school nothing' – as they paid (and may still be paying for) their tuition. So, whilst creating and producing direct mail and online campaigns for this market over the past several years, and overseeing numerous testing strategies, **we have learned five important lessons**, (and, of course, you should test, test, test, before you run with any of these).

1. People love to 'get free stuff' in the mail; **front-end freemiums and back-end premiums**¹ work – period. Offering low-cost items, and asking for moderate gifts, result in increased response in acquisition, higher levels of returning former donors (or lapsed donor re-capture, if you will) and increased retention of active donors. And yes, 'premium-acquired' donors often require to be 'premium-renewed' – but so what? Send or offer them another goody (with *your* logo/brand on it) next year, too – and ask them for their renewed support *and* an upgrade – and it's likely you'll get both!
2. Direct mail fundraising is more successful with **multi-part campaigns**, rather than single 'one-drop' mailings. One, or even two, follow-ups or reminders – mailed from 30 to 45 days after your initial appeal – will often bring in 50 per cent of the response of your initial mailing. And if you want to

¹ A freemium is a low-value gift included with the mailing, whereas a premium is a gift that will be given once the prospective donor has agreed to donate. Front-end and back-end refer to the timing of the incentive gift.

make an impression, do *invest* your money in that first appeal, then use economical formats for your follow-ups/reminders. The initial package makes the vital first impression, though the reminders are often what do the work.

3. Direct mail should *drive* online giving. It's no secret that online giving nets a higher average gift (often 30 per cent higher). But so many direct mail pieces only mention online giving as an option – rather than encouraging it. Time and again, direct mail packages that fully highlight the online giving option – and how the organisation benefits from it – combined with a dedicated, easy-to-use website, result in 15-25 per cent of your overall mail responses. And who wouldn't want that portion of your respondents giving 30 per cent more money? Additional tip: offer them a back-end premium as an incentive for giving online.

4. People *will* give **multiple gifts** within a calendar or fiscal year – but you have to ask. While there are numerous organisations out there using this strategy, we meet so many higher education and other nonprofit professionals who are leery about asking for even a second gift, if the donor has made a gift within the past 12 months. 'Asking twice' doesn't just work for the \$5 and \$10 donor groups – it works with higher dollar gifts too. So, make sure your good stewardship practices are in place and then go ahead and test it.

5. A four-colour envelope with a two-colour letter pulls better than a two-colour envelope with a four-colour letter. Well – not necessarily, but the envelope is your recipients' first impression – the one thing that catches their attention in that three seconds that they spend deciding whether or not to add your piece to this week's recycling pile. Test odd-size, multi-window, full-colour envelopes and watch your responses climb – it will get the recipient *to open* your mail package, and find all those other great components that you've carefully created. These and many other lessons learned in creating and producing direct mail, online, and integrated fundraising campaigns – for numerous organisations in the USA – all point to the responsibility that we take to deliver what our tagline promises – *Better Net Results*.

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