

THE MID-LEVEL DONOR CRISIS

**What We Learned By Donating \$1000 or More
to 37 Different Organizations**



NextAfter

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EXECUTIVE SUMMARY

We had a hypothesis that mid-level donors were being forgotten. This hypothesis was driven largely by two main observations we made with many of the nonprofit organizations we have worked with over the years.

First, we observed that *many organizations were pulling donors out of their standard communication strategies* when they gave anywhere from \$1,000 to \$5,000. The reason for this being that these *midlevel donors* were too valuable to receive the typical “housefile” treatment.

Secondly, these same organizations had specific strategies to communicate with their major donors. But most *donors weren't being classified as a “major donor”* until they gave anywhere from \$5,000 to \$10,000. At this point, nonprofits would roll out the red carpet and give the major donor direct access to a personal representative from the organization.

The combination of these two observations meant that there was a communication gap. A large segment of donors – mid-level donors – were being abandoned.

But this was just a hypothesis, and we needed to know whether or not it was true. To do this, we made donations between \$1,000 and \$5,000 to 37 different nonprofit organizations across 12 different verticals. Afterwards, we monitored the communication we received from them via email, direct mail, and over the phone for 90 days.

After parsing the data and analyzing the communication from these 37 organizations, we drew our conclusion. **Many nonprofit organizations are indeed abandoning their mid-level donors, often ending communication with them after just 2 months.**

Although there were some shining star organizations that demonstrated consistent, relevant and appropriate communication with this donor segment, every organization we

surveyed had significant room to improve the tactics by which they talk to their donors.

For example, the vast majority of communication we received used the organization's name as the sender, rather than a real person. If fundraising is about people and relationships, shouldn't our communication be sent from a real person?

Also, only a few organizations ever called us to say, "Thank you for your gift." Yet, there is research to show that a donor's second gift may be up to 40% more if they received a thank you phone call.¹

There are a lot more observations and insights packed into this research study, and I'd encourage you to dig into each one. But if you only take away one lesson, let it be this:

People give to people – not organizations, fundraising programs, or email machines. Your fundraising is most effective when you stay focused on building personal relationships with your donors.

This may have been a difficult task 20 years ago, but tools exist today that enable us to automate conversations, and personally engage our donors in real-time without significant financial or technological investment.

Consider the results of this research with your teams, and examine the results of the case studies at the end. You'll see how time and time again, testing and experimentation proves that you can increase your fundraising performance by utilizing empathetic and personal communication with your donors.

¹ Penelope Burk, *Donor Centered Fundraising* (Burk & Associates Ltd, 2003).

PART I

Forensic Research

Part of our ongoing research at NextAfter is focused on observing the ongoing trends in nonprofit fundraising. To do this, we go undercover as “mystery donors,” donating to nonprofit organizations and **tracking all of the communication we receive** in our Aggregate Donor Inbox (ADI).

This forensic research allows us to identify new areas in which to focus our testing, or applied research, in order to determine what works to raise more money online.

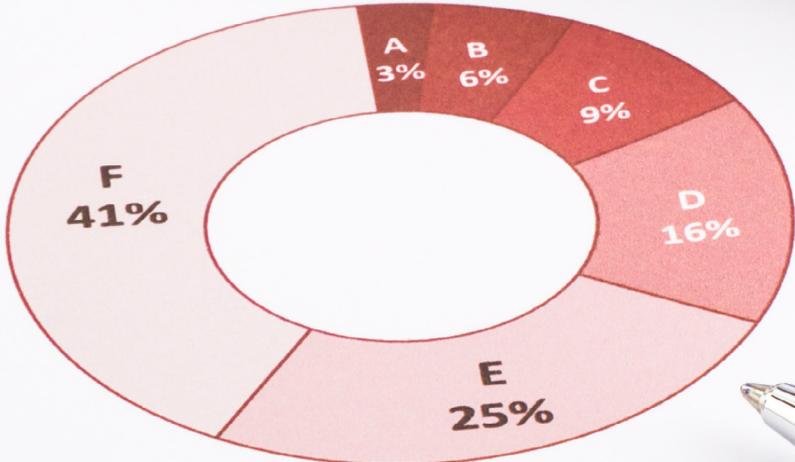
In Part I of this research study, we'll **examine the results of our “mystery donor” research** as it pertains to mid-level donor communication. And then, in Part II, we'll look at real case studies with nonprofit organizations exploring practical ways to improve fundraising performance.



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BACKGROUND

Why did we conduct this study?

Over the course of 2015, *we started to notice an alarming trend* in many of the nonprofit organizations that we interacted with. Most every nonprofit seemed to have some form of **ongoing online communication with their average donors**. This included email newsletters, occasional eBook offers, or free online course offers. And most seemed to be sending some form of email or direct mail donation appeal on a monthly basis.

These same organizations also had **specific communication strategies with their major donors**. Major donor communication typically involves a personal contact at the organization. These donors get invited to special events with the CEO, President, or founder. They're also the first to know about major news and developments surrounding the work of the organization.

But it seemed as if there was a gap. In between the average donor and the major donor was this segment of mid-level donors that no one seemed to know what to do with. And at many of the organizations we worked with, it didn't appear that there was a consistent or cohesive plan to develop these mid-level donors, or pursue a second gift.

This observation led us to develop a hypothesis:

Mid-level donors may be falling into a communication “black hole.”

Think about it – mid-level donors are giving at a **significantly higher level than the average donor**. A donor is typically classified as a mid-level donor when they give between \$1,000 and \$5,000. And a \$1,000 gift is 967% above the nonprofit benchmark average gift size of \$93.67.

When someone is giving at this level, it makes sense that an organization would want to pull them out of the average donor communication plan. We wouldn't want to harass and

annoy someone that gives such a significant amount to our cause.

At the same time, these **donors aren't valuable enough** to get the major donor treatment. A donor is typically labeled a "major donor" when they give anywhere from \$5,000 to \$10,000. Once they hit this mark, most organizations roll out the red carpet – giving these donors a very personal and hands-on relationship with the cause they so generously support.

So if you classify as a mid-level donor, it seems likely that you might not receive any communication from an organization. At least, you might not receive the kind of communication that will encourage you to keep on giving.

Again, this was our hypothesis. And since a hypothesis is an assumption based on an observation – ours needed to be tested to know whether or not it was true.

So at the end of 2015, we set out to discover whether our hypothesis was right or wrong. **Are mid-level donors really not getting the kind of communication necessary to cultivate a strong donor relationship?**

In the pages that follow, I'll break down exactly how we went about testing our hypothesis. We'll look at key insights and observations from the data we collected. And I'll also show you several case studies demonstrating practical ways that you can improve your communication with this donor segment.



THE METHODOLOGY

How did we conduct this study?

THE METHODOLOGY

At the end of 2015, we gave gifts between \$1,000-\$5,000 to 37 different organizations. Then we monitored every piece of correspondence we received for 90 days – email, direct mail, and phone calls. To make sure we had consistent and reliable data, we created a separate email address and phone number to track all communication from these organizations. Then we analyzed this data to see exactly how organizations are communicating with their mid-level donors.

There are a few specific parameters of this study to note. First, all the **donations were made online** through each organization's main donation form. Secondly, these donations were spread out across **12 different nonprofit verticals** in order to take a sample of the larger nonprofit sector.

Finally, this study analyzes 37 different organizations. Although we did our best to take an accurate sample of the nonprofit sector according to vertical and annual revenue, there is the potential for variance if we were to analyze a larger sample size. Nevertheless, *this research demonstrates ongoing trends in the nonprofit sector*, and also provides insights that are helpful to any organization regardless the effectiveness of their current mid-level communication.

OBSERVATIONS & INSIGHTS

In total, our inbox and mailbox received **224 total unique correspondences** in the first 90 days of our study. We are still receiving communications from many of these organizations, but only communications sent within this 90-day timeframe are included in this study.

For the sake of transparency, we've outlined every single piece of communication that we

received on the following two-pages. In the next section of the study, we'll break down the results of the data, answering questions including:

- What communication channels were used?
- How often did organizations communicate?
- What was the content of each correspondence?
- Who was sending the communication to these donors?

MID-LEVEL COMMUNICATION TIMELINE



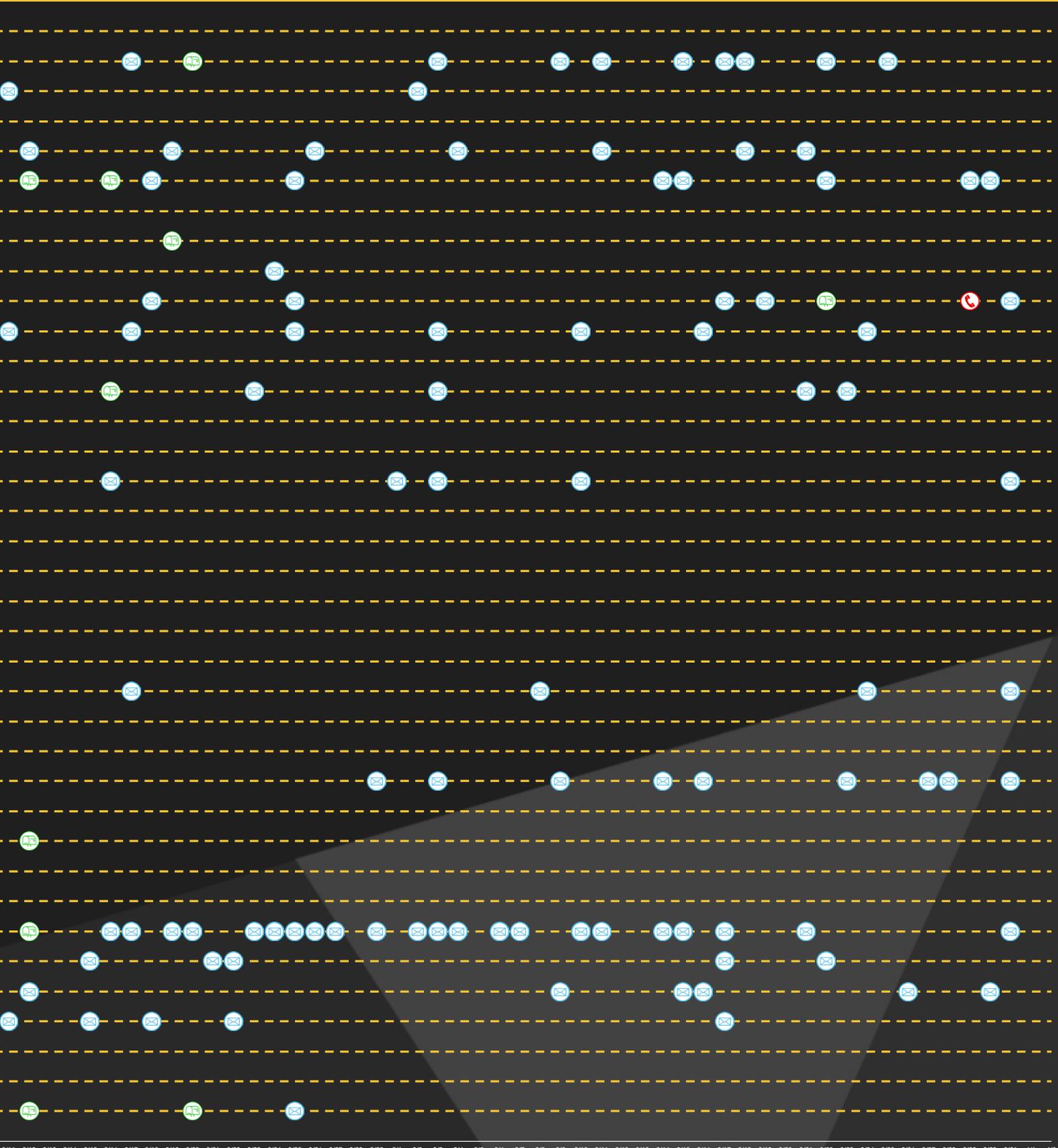
EMAIL



MAIL



PHONE



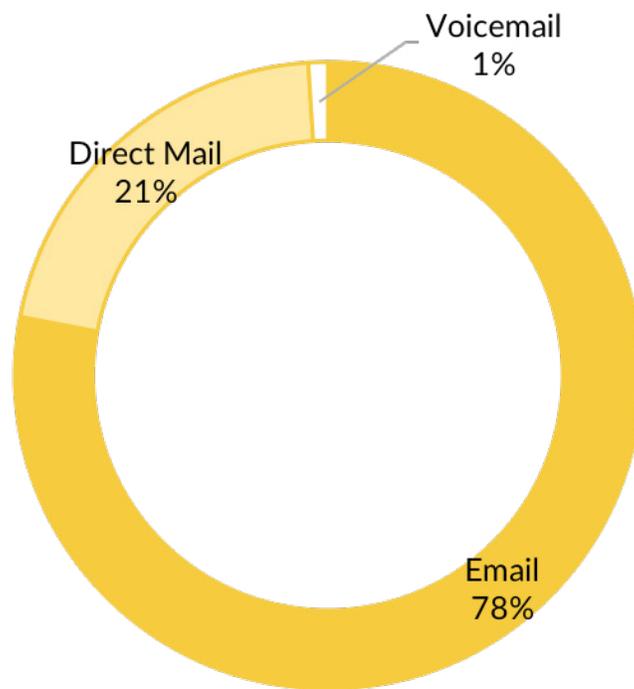


COMMUNICATION CHANNELS

What channels did organizations use to communicate?

Out of the 224 correspondences we received, 78% were sent through email and 21% were sent through direct mail. These two communication channels were expected because we made the donations online, and every donation form required our email and postal address.

Total Communication Types

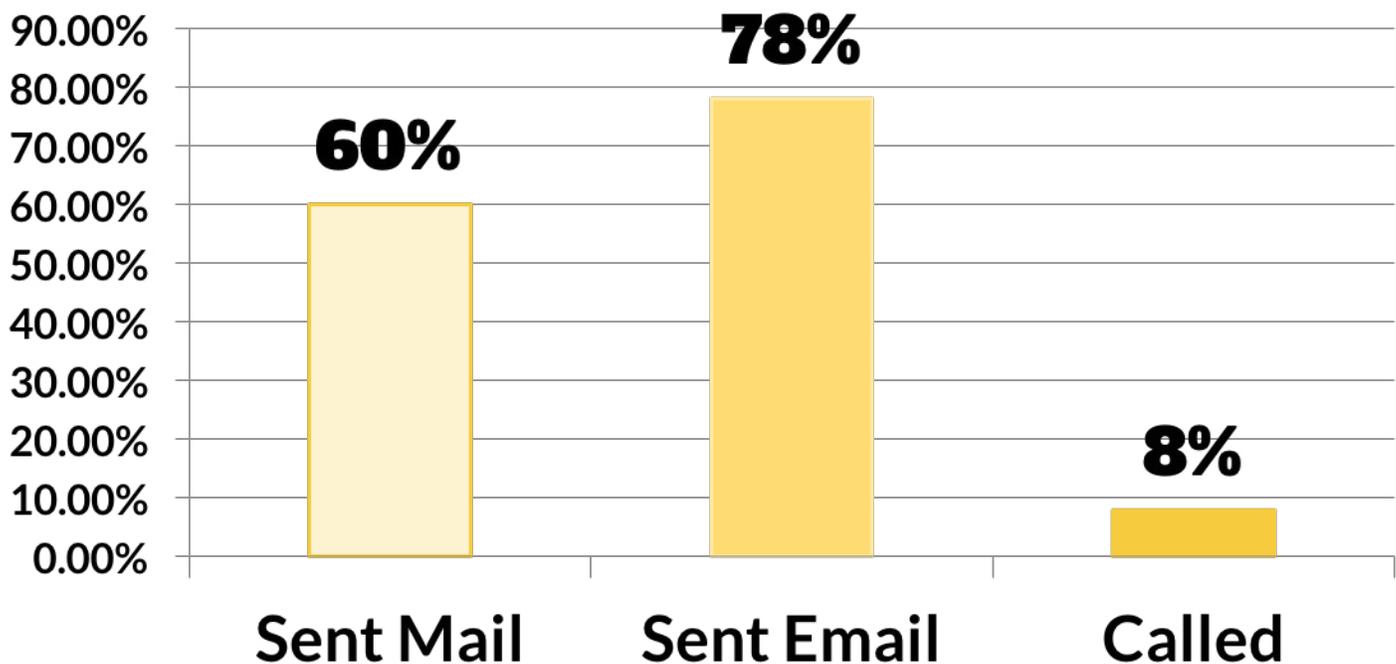


However, only 1% of the total communication came over the phone – through a voicemail. Before we drew any conclusions, we wanted to give these organizations the benefit of the doubt. It could be that many nonprofits were calling, but it was just a small portion of their total communication.

So we looked at the data and asked “How many organizations utilized each of these three channels?” And as it turns out, not every organization utilized every channel. 60% of or-

organizations used direct mail to communicate with us. 78% of organizations utilized email. And, strikingly, only 8% of organizations actually called us and left a voice message.

Channels of Communication Used by Each Organization



This leads us to our first key insight:

KEY INSIGHT

Voicemail is an underutilized channel when it comes to communicating with mid-level donors.

At first glance, the amount of organizations sending direct mail and email seems just fine. But looking at the inverse of these numbers helps tell the story a little better.

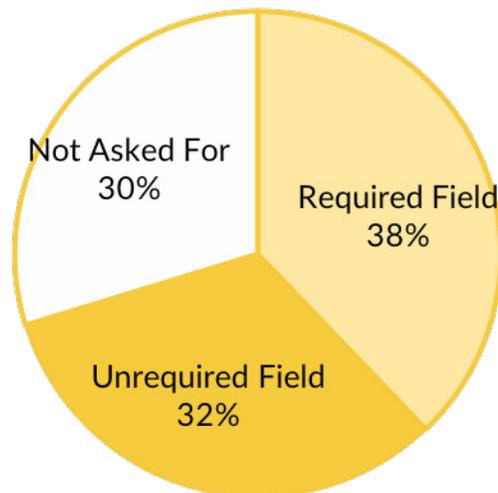
If 78% of organizations sent us email, this means that 22% of organizations DID NOT send us any email. And if 60% of organizations sent us direct mail, that means that 40% DID NOT send us any direct mail.

If someone gives a gift of significant value to your organization, and you have their email address and postal address, you should be sending them an email and direct mail.

And again, only 8% called us and left a voicemail. This means that 92% of organizations DID NOT call us. This was surprising!

Because of the high percentage of organizations who didn't call us, we went back and looked at every organization's donation form at the time we made the donation. We found that **the majority of organizations request a phone number** in some way. 38% of organizations made the phone number a required form field and 32% made it an optional form field. Only 30% didn't actually ask for a phone number at all.

Phone Number Field on Donation Form



All in all, that's 70% of organizations that had our phone number, yet only 8% of organizations called us to communicate after we gave. This observation is confounding, especially in light of current research on the effect of making a thank you call.

Penelope Burk is an author and researcher on fundraising practices. After researching the topic for over six years, she wrote and released a book called *Donor Centered Fundrais-*

ing. In this book, she shares one particular experiment that is very relevant here.

The organization she was working with decided to call every single one of their donors to say thank you within 24 hours of them giving a gift. The following year, they found that 40% of the donors that had received a thank you call the year before gave a second gift that was 40% more valuable to the organization.

So then, what can we learn from this observation?

KEY INSIGHT

Calling to thank your mid-level donors may be a way to differentiate your organization and to increase the donor's value.

We wanted to explore this idea more to see what the actual impact would be if more organizations started requiring a phone number on their donation forms. So we turned to our research library for answers.

Experiment 2112

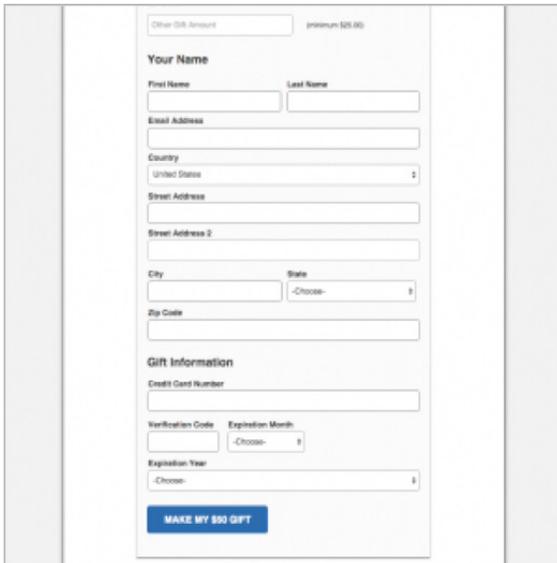
How adding a required field affects conversion

We conducted this experiment with our research partner, the Texas State Historical Association. We tested their member acquisition page for their Civil War eBook offer. This page copy and form layout was also used with previous eBook offers.

They wanted to add a required form field for a cell phone number, but our hypothesis was that it would add mental friction to the page because the field was required. This would make it costlier to the donor. So we put it to the test.

The only difference between the control and the treatment is the required cell phone field.

Control



A screenshot of a control form for a donation. It includes fields for 'Other Gift Amount' (with a maximum of \$25.00), 'Your Name' (First and Last Name), 'Email Address', 'Country' (United States), 'Street Address', 'Street Address 2', 'City', 'State' (dropdown), 'Zip Code', and 'Gift Information' (Credit Card Number, Verification Code, Expiration Month, and Expiration Year). A blue button at the bottom says 'MAKE MY \$50 GIFT'.

Treatment



A screenshot of a treatment form for a donation, identical to the control form but with an additional 'Cell Phone' field in the 'Gift Information' section.



42.6% decrease
in donor conversion

We conducted an A/B split test, and discovered that **the required phone field decreased conversion by 42.6%.**

KEY INSIGHT

Requiring a cell phone may add a certain amount of “cost” and make it less likely that someone would make a donation.

We know from this experiment that the required phone number field decreased conversion.

But we wondered – *does including an optional phone number field affect conversion rates?*

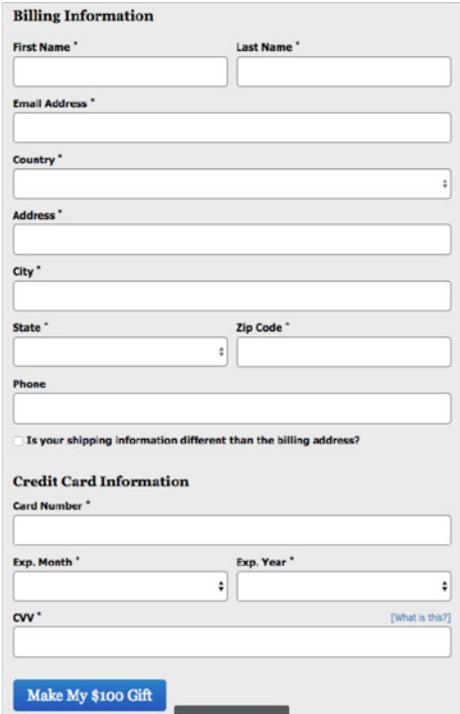
Experiment 6086

How an optional phone number affects conversion

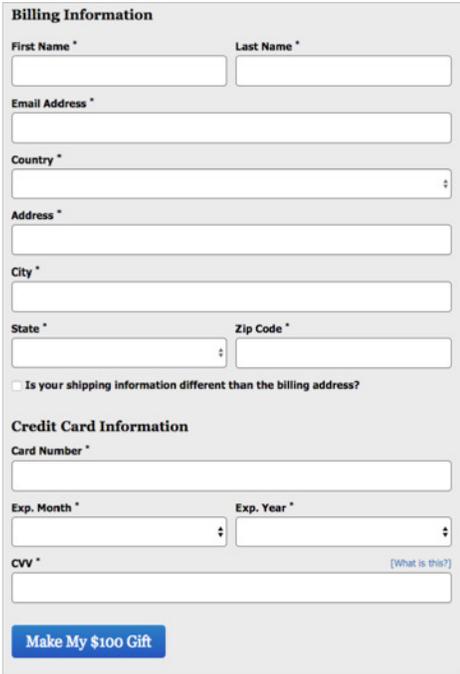
In this experiment with Hillsdale College, the control version of the donation form had an optional field to capture the phone number. We wondered if simply including the phone number field, even though it was optional, was actually hurting donation conversion. For the treatment, we removed the phone number field entirely.

Control: Phone Optional

Treatment: No Phone



The control form includes a 'Billing Information' section with fields for First Name, Last Name, Email Address, Country, Address, City, State, and Zip Code. It also has a 'Phone' field and a checkbox for 'Is your shipping information different than the billing address?'. Below this is the 'Credit Card Information' section with fields for Card Number, Exp. Month, Exp. Year, and CVV. A blue button labeled 'Make My \$100 Gift' is at the bottom.



The treatment form is identical to the control but lacks the 'Phone' field. It includes the same 'Billing Information' and 'Credit Card Information' sections, with a checkbox for shipping information and a blue button labeled 'Make My \$100 Gift' at the bottom.

After splitting the traffic and running this experiment for a period of three weeks, we drew our conclusion. **An optional phone field had no significant impact on donation conversion.** This means that Hillsdale College can confidently capture the phone number of their donors with no effect on donations.

Now, just because Hillsdale College had this result does not mean that it will be the same for every organization. It is likely that your donation form will perform similarly, but every donor file is different. So it is worth testing this on your own form to determine the impact of asking for a phone number.



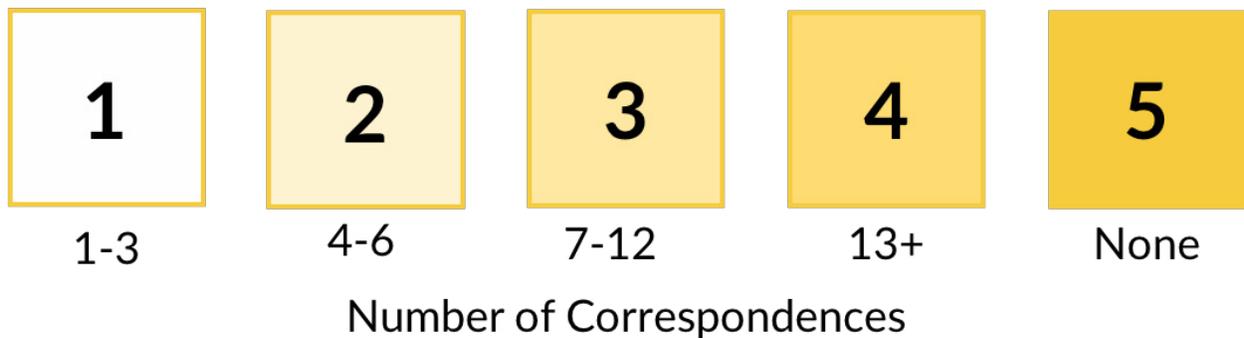
FREQUENCY OF COMMUNICATION

How often are organizations communicating?

Am I sending my donors too much or not enough? How do I know what's right?

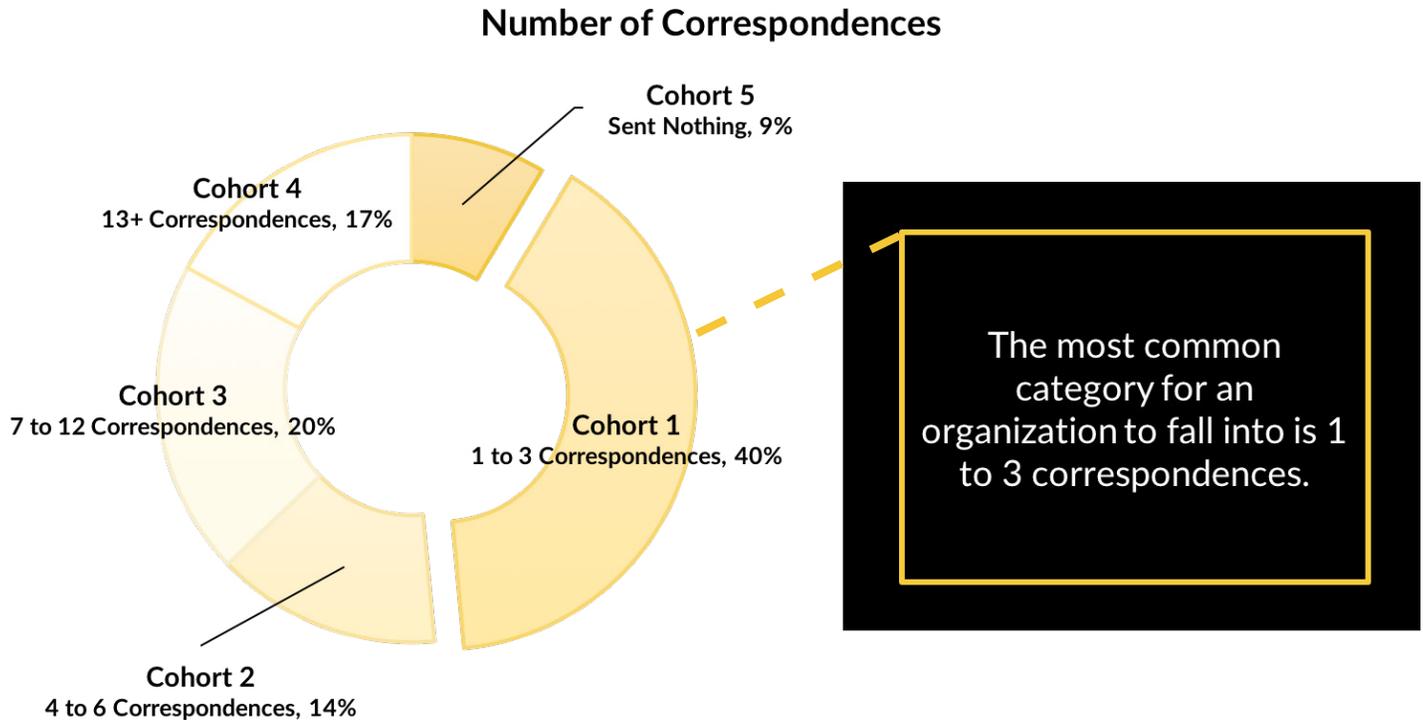
We get asked these questions constantly, and we asked them of the mid-level communication data. We looked at all the communication we received in the first 90 days, and based on the amount of correspondence each organization sent, we created five cohort groups:

Cohort Groups



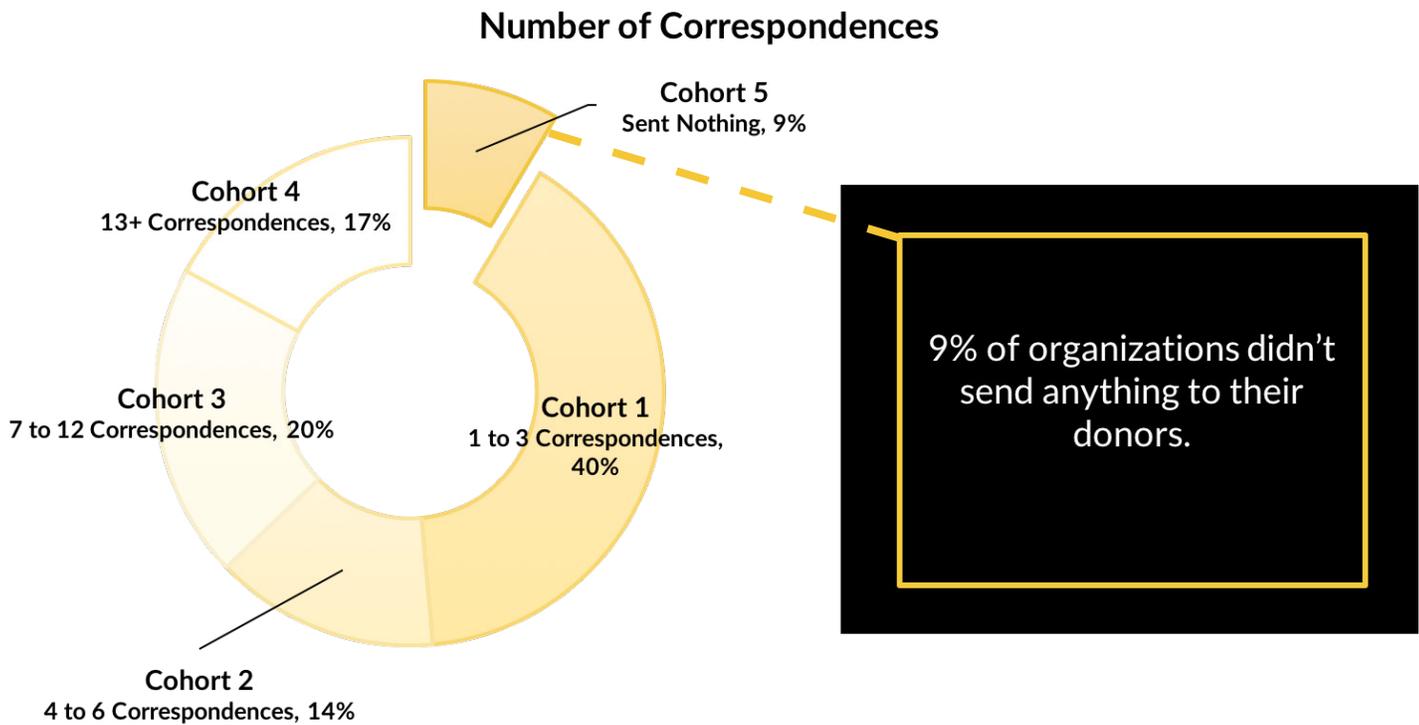
We found that the majority of organizations fell into our first cohort, sending 1-3 correspondences. Since we're looking at a 90-day window, we naturally figured that these 3 correspondences occurred once per month, establishing a consistent rhythm of communication. But to our surprise, 85% of these correspondences were sent in the first 30 days.

This means that our largest cohort was communicating with their mid-level donors right after the donation was made, but then **communication dropped off within a month's time.**



Cohorts 2, 3, and 4 were fairly even in size and they represent a large variety of communication strategies. Cohort 2 typically corresponded every 2-3 weeks, so we received something every month. Cohort 3 corresponded every 1-2 weeks, so we received something about twice per month. Cohort 4 corresponded at least once per week.

This brings us to cohort 5 – organizations that sent nothing. Even though we had donated at least \$1,000, **9% of organizations did not send us any sort of correspondence.**



Why would someone not communicate with their \$1,000 donors? This question was gravely concerning, and led us to a series of hypotheses. These organizations might have:

- Broken communication tools
- A lack of CRM system to properly identify their donors
- No marketing automation tools
- No communications strategy

These are all viable reasons, and there are surely dozens more that we could add to this list. But all of these reasons are inexcusable and reflect an organizational-centric point of view. They aren't focused on the needs of the donor.

So regardless of the reason why these donors weren't communicated with, the simple

fact remains that people giving at least \$1000 aren't hearing from the organizations that they support. **They have no ongoing connection to the organization, so why should they ever donate again?**

Now, let's add that 9% of organizations who don't communicate at all to the 40% that only communicate for one month. Together, that equals 49% of organizations that are not communicating in any ongoing way with their mid-level donors.

KEY INSIGHT

You may not be sending enough communication to your new mid-level donors.



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TYPES OF COMMUNICATION

What kinds of communication are organizations sending?

We've answered the question of how often nonprofits are communicating to mid-level donors. And the natural next question is "What kinds of communication are these nonprofits sending?"

We analyzed the kinds of messages that these organizations are sending, looking for commonalities by which to classify them. Although the specific wording and value propositions differentiate from organization to organization, we were able to break these communications down into three main types.

3 Main Types of Communication



Donation Follow Ups



Donation Appeals



Content

DONATION FOLLOW UPS

These types of correspondences include anything that was sent in direct follow-up to the initial donation. Examples of this type include thank you emails and letters, thank you calls, donation receipts, and tax statements.

To make sure our emails reach your inbox, please add [redacted] to your address book

Gift Receipt

Tim Kachuriak:

Thank you for your generous gift of [redacted]. Your donation makes [redacted] available to the millions who need the strength of their community during a health journey.

Every hour, 800 messages of love, hope and compassion are posted on a loved one's [redacted] website. Each day, more than 300,000 people trust [redacted] to provide strength, support and healing during a loved one's health journey. You made that possible.

As a nonprofit organization, we are driven by mission, not profit. Nearly 90 percent of our funding comes from people like you who have experienced the power of [redacted]. What sets us apart is our commitment to be cost- and advertisement-free, placing our trust in donors like you for financial support.

On behalf of the people who rely on us each and every day, thank you. Together, we are amplifying the love, hope and compassion in the world.

With deepest appreciation,
Sona Mehring, Founder and CEO

In accordance with IRS regulations, this serves as your gift receipt and confirms you received no goods or services in return for your contribution.

TRANSACTION SUMMARY:

Tim Kachuriak

DESCRIPTION	CHARGED
Donation Amount	[redacted]
	[redacted]

Confirmation Code [redacted]

Transaction Date **December 27, 2015**

Card Type [redacted]

Card Expires [redacted]

Card Number [redacted]

Amount [redacted]

Your information:

QUESTION	ANSWER
Donation Amount	[redacted]
First Name	Tim
Last Name	Kachuriak
Email Address	[redacted]
Yes! Keep me posted on the latest CaringBridge news and happenings	Yes
Preferred Phone	[redacted]
Mailing Address	[redacted]

In times of need, the greatest source of hope and healing is the love of family and friends.

DONATION APPEALS

This type of correspondence is fairly self-explanatory. It includes any correspondence whose primary focus was to solicit a donation. Examples include monthly appeals via email and direct mail, money bombs, high urgency campaigns, and special incentives.

Help save lives | [Donate Now](#)
View this message on the web

[Help Now](#)
Show your support

Save the lives of abused pets



It's hard to imagine how Emily's story could have ended. This sweet 3-year-old Labrador Retriever mix was rescued from inhumane conditions by an [Animal Cruelty Investigator](#). Her future was grim until we found her.

Because of the support of compassionate friends like you, the [Animal Cruelty Investigator](#) could intervene, giving Emily a chance at a new life with an adoring family.

[Your generous contribution](#) will provide animals like Emily the critical care they need – including shelter, spay/neuter services, adoption services, raising community awareness, and much more.

[Give Now](#)

Whether sick, injured, abandoned or neglected, your generosity can transform shattered lives into healthy, adoptable, furry family members. Thank you for your commitment to animals in need, and for your [ongoing support of the Animal Cruelty Investigator](#).

With sincere gratitude!



James Bias
President, [Animal Cruelty Investigator](#)

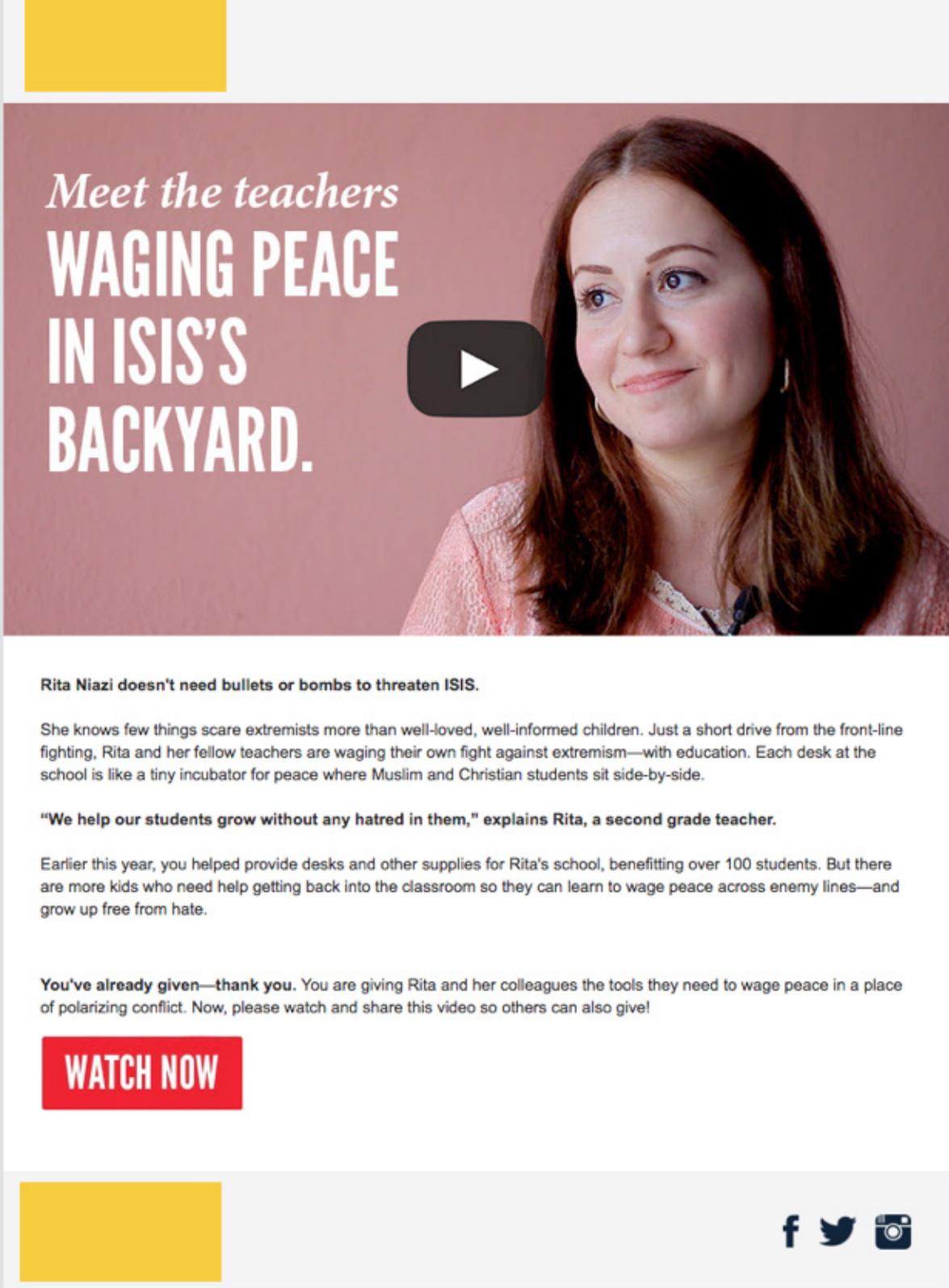
P.S. Emily and dozens of other animals are waiting to find their forever families. I hope you'll [make a gift](#) and find time to come see Emily and the other animals available for adoption.

[Help Save Lives Today](#)

[Give Now](#)

CONTENT

The third type of correspondence is any type of communication which focuses primarily on providing nurturing content to the donor. This includes communication pieces like video updates, newsletters, eBook offers, and free courses.



Meet the teachers
**WAGING PEACE
IN ISIS'S
BACKYARD.**

Rita Niazi doesn't need bullets or bombs to threaten ISIS.

She knows few things scare extremists more than well-loved, well-informed children. Just a short drive from the front-line fighting, Rita and her fellow teachers are waging their own fight against extremism—with education. Each desk at the school is like a tiny incubator for peace where Muslim and Christian students sit side-by-side.

"We help our students grow without any hatred in them," explains Rita, a second grade teacher.

Earlier this year, you helped provide desks and other supplies for Rita's school, benefitting over 100 students. But there are more kids who need help getting back into the classroom so they can learn to wage peace across enemy lines—and grow up free from hate.

You've already given—thank you. You are giving Rita and her colleagues the tools they need to wage peace in a place of polarizing conflict. Now, please watch and share this video so others can also give!

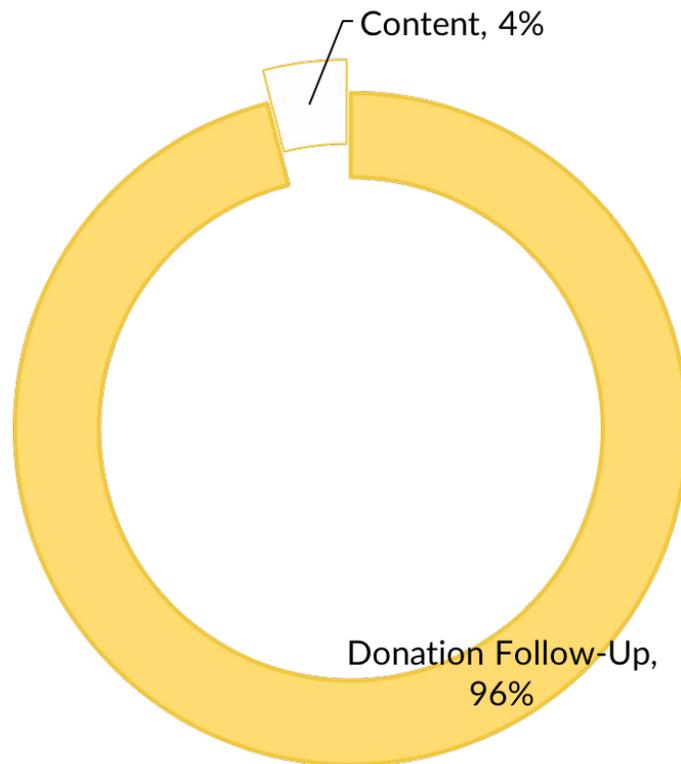
WATCH NOW

f t i

We started our analysis of communication types with the correspondences from Cohort 1 (40% of organizations who sent 1-3 correspondences).

Within this group, 96% of the communication was a donation follow-up. These included thank you calls, thank you emails, receipts, and tax statements. At no point did any organization in this cohort ask for an additional donation. And only 4% of communication (1 in 25 pieces) was strictly content focused.

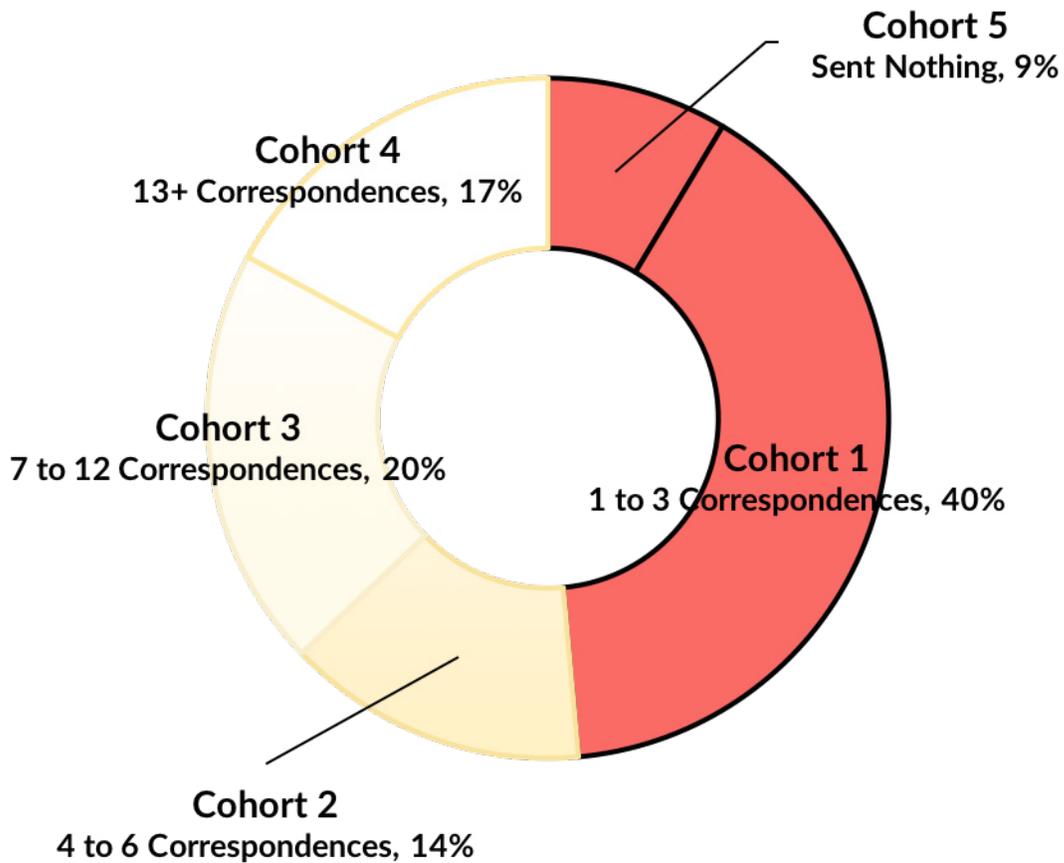
Cohort 1: Communication Types



Those numbers might be hard to make sense of on their own, so let's zoom out to the larger picture.

If 9% of organizations sent us nothing, and 40% of organizations sent only thank yous, gift receipts, and tax statements – this means that **49% of organizations didn't ask their mid-level donors for a second gift**. It also shows that 49% of organizations don't have a content plan to develop relationships with their mid-level donors that could influence a second gift down the road.

Number of Correspondences



KEY INSIGHT

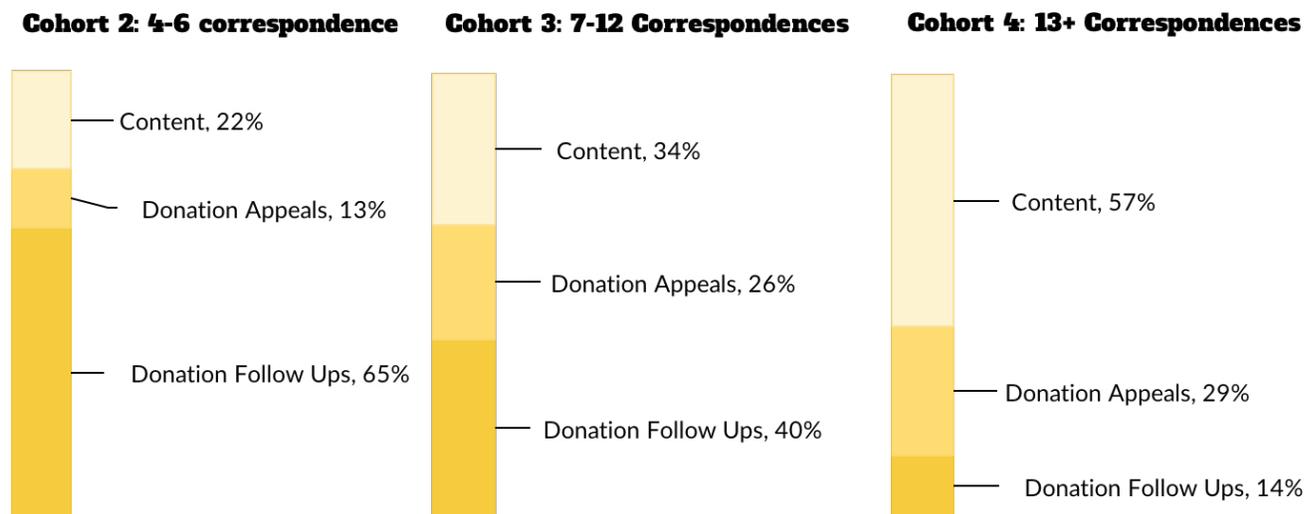
Nearly half of organizations we surveyed never asked their mid-level donors to give a second gift in the first 90 days.

Now, maybe their campaign strategy is to stay silent for the first three months after a donor gives a significant gift. And only testing will prove over time whether or not that's effective. But Wayne Gretzky says it well: "You miss 100% of the shots you don't take."

If we don't ask these donors to continue to give, we should at least be communicating with them to reinforce the value of the initial gift they gave. We may be missing a significant opportunity to build a relationship with someone who can continue to financially support the work we're doing.

But what about the other 51% of organizations?

Next we looked at what types of content the other 51% of organizations sent (Cohort groups 2-4).



In Cohorts 2, 3, and 4, we see that **the more an organization communicates with their mid-level donors, the proportion of content and donation appeals increases.**

When we noticed this trend, we wondered if there was any relationship between the types of communication we received and the organization's annual revenue. Since most nonprofits are required to file a 990 with their annual financial information,

we were able to take a look at each organization's annual revenue compared to their communication strategy.

After comparing the two, we found that there is **no direct correlation between an organization's annual revenue and how they communicated with their donors.**

We saw large organizations sending only 4-6 correspondences, and small organizations sending 13+ pieces. The size of the organization doesn't seem to impact their ability to communicate.

KEY INSIGHT

Organizations that communicate more frequently with their mid-level donors send more content and more appeals.



THE SENDER

Who is sending the communication to mid-level donors?

Some of you might be reading this and be wondering, “Why does the sender matter?” And this is a fair question. We encounter many nonprofit organizations that have been sending everything from their CEO, President, or founder since the start of their organization. Or in other cases, they’ve always just sent everything from the name of their organization, rather than from an actual person.

But over the course of our research with nonprofits, one important discovery we’ve made is that **people give to people**. And the person, people, or entity that sends your communication has a dramatic effect on the success of your fundraising.

This matters because many of your donors are wondering if your communication is real, or if they are simply the subject of your marketing. **People don’t want to be marketed to; they want to be communicated with.** This means you need to form your communication to be as personable as possible.

To illustrate this point, I want to point you to an example you’re more than likely familiar with: online retailers.

One of our optimization experts brought this example to my attention as we were preparing this study. And I think it shows the dramatic difference between personal communication and organizational marketing.

Nathan Hill, Optimization Evangelist for NextAfter, is a musician. He bought music gear from an online music retailer, and afterwards, he was assigned a personal sales representative named Anthony. Now, Nathan tells me that buying music gear is a very personal experience. You want to get something that fits your style and your sound. And is there any better way to accomplish that than talking with an expert who knows your needs?

Part I - Forensic Research

One week, Nathan received two different kinds of communication from this retailer. First, he got an email from Anthony with a special coupon, telling him about some deals coming up that he might be interested in. The next day, he received an email sent from the name of the company offering a rewards program during the holiday season.

A big coupon to welcome you back



Anthony Hall <anthonyh098752@[redacted]>
Tue 11/1/2016, 11:32 AM
You ↕

Earn rewards this holiday season



[redacted]
Wed 11/2/2016, 7:05 AM
You ↕

Now, **most people come to their inbox on a search and destroy mission**. When you see these two emails, which would you be more likely to open, and which would you be more likely to delete?

If you are like Nathan, you might be more likely to open the email from Anthony – the human being interested in helping you – and delete the one from the company that just wants your money. One is personable and has a chance of helping you find what you need. The other is just marketing, and we don't have time to be marketed to.

People that are investing in your organization approach their email in a similar manner: search and destroy. They're trying to find out as quickly as possible what's important information they need to know now, and what can be deleted or saved until later. And on top of that, giving your money away to support a life-changing cause is even more personal than buying a new guitar.

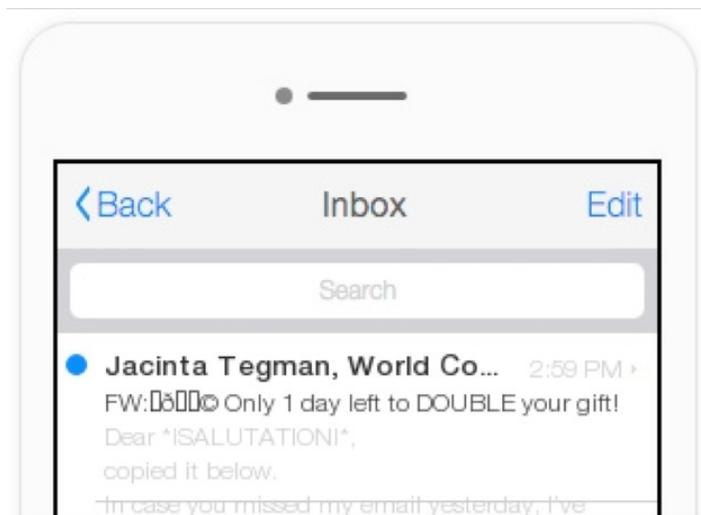
To demonstrate this, let's look at a few experiments that show how similar tactics affect someone's likelihood of donating.

Experiment 5930

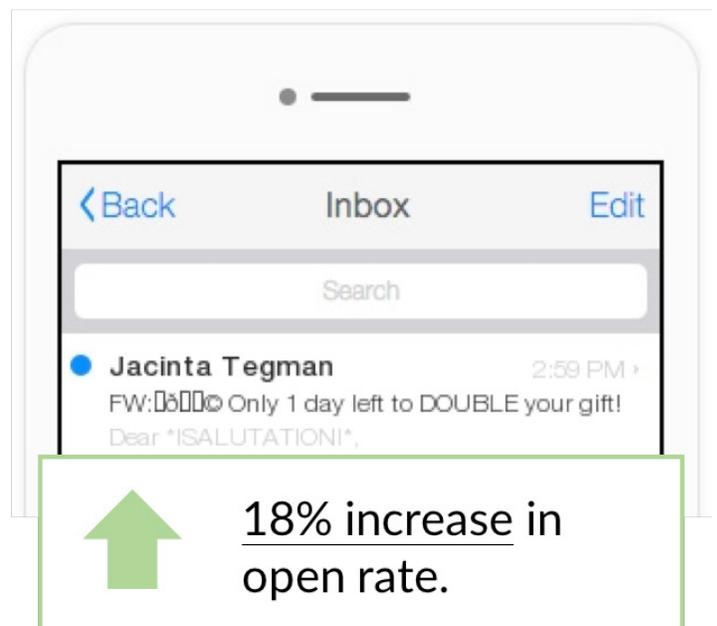
How sender name affects open rate

In the control version of this experiment, the sender name includes the name of the organization. We created a treatment by removing the name of the organization, but we kept the name of the individual. Everything else is identical. And an A/B split test showed an 18% increase in open rate.

Control



Treatment



KEY INSIGHT

If the recipient doesn't believe that the email is from a real person, they may be less likely to open.

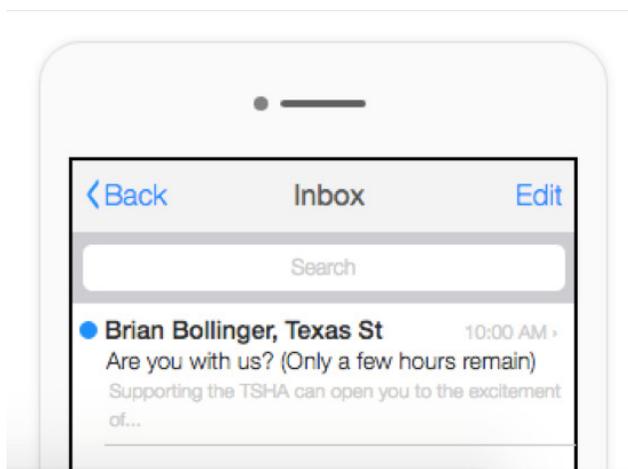
Experiment 2932

How sender name and subject line affect click-through rate

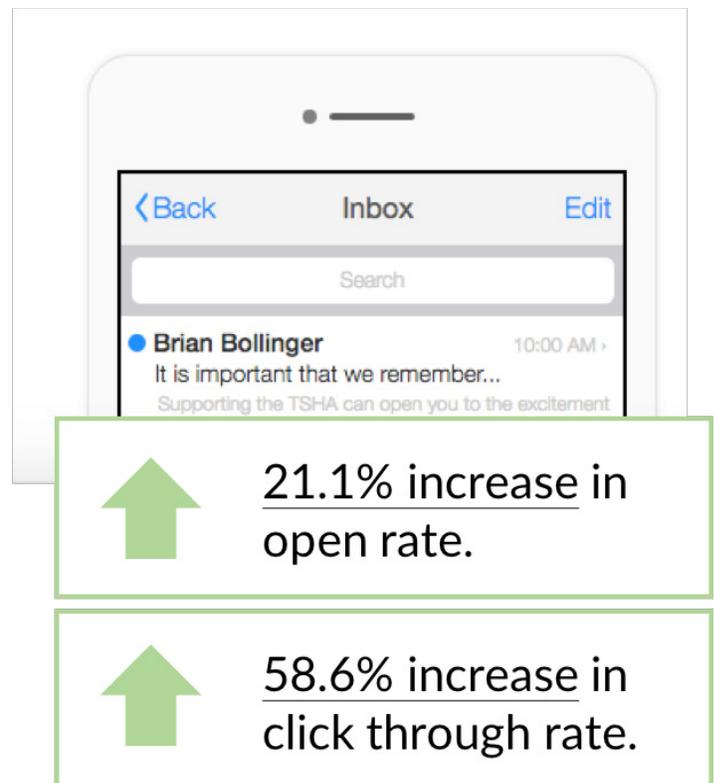
In the control version of this experiment, the sender is the CEO of the organization, followed by the name of the organization itself. Additionally, the subject line has two conflicting goals that create cognitive friction.

The treatment version identifies only the CEO as the sender, and the subject line demands an answer to the question posed in the mind of the recipient. And this treatment saw a 21% increase in opens and a 58% increase in clicks.

Control



Treatment



KEY INSIGHT

If the recipient doesn't believe that the email is from a real person, they may be less likely to open and click.

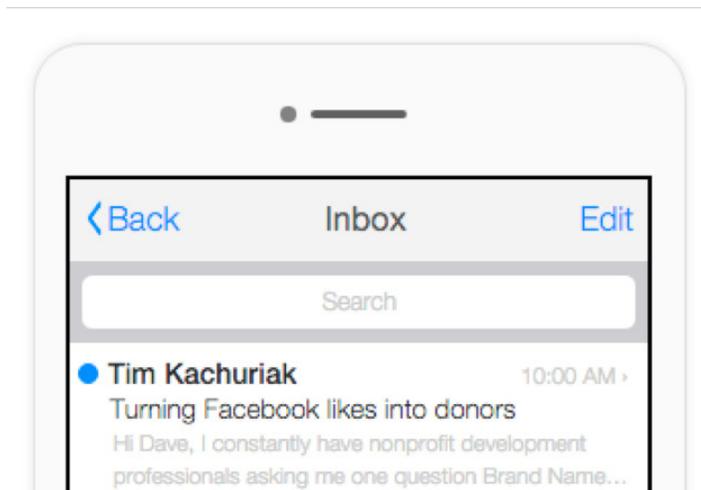
Experiment 3334

How an organization name in the sender line affects click through rate

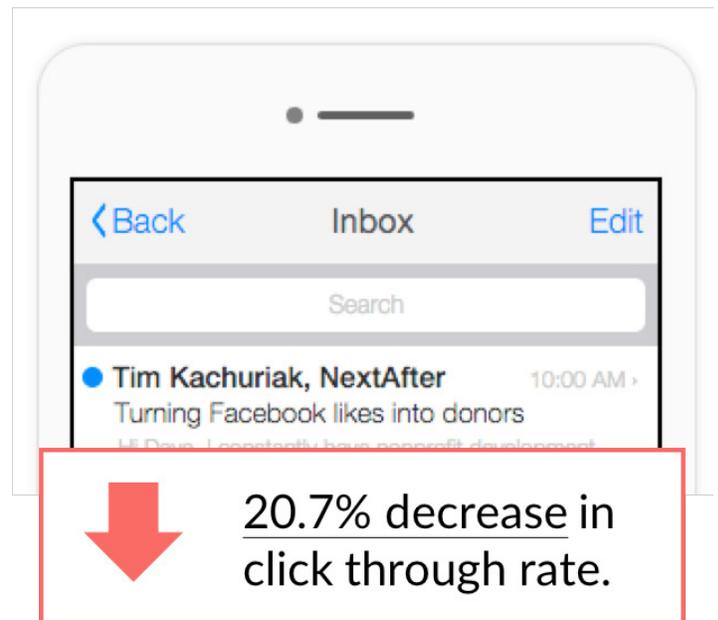
We tested this same principle in our own marketing. We compared an email sent only from me to an email sent from me and our company. Our thought was that adding the company name could help create more familiarity.

But contrary to our hypothesis, we discovered that adding the organization's name to the sender name produced less clicks in our email.

Control



Treatment



It turns out that adding the organization name did not create familiarity – it did the opposite. Adding the sender name was a dead giveaway that the sender was unfamiliar and that this was a marketing email.

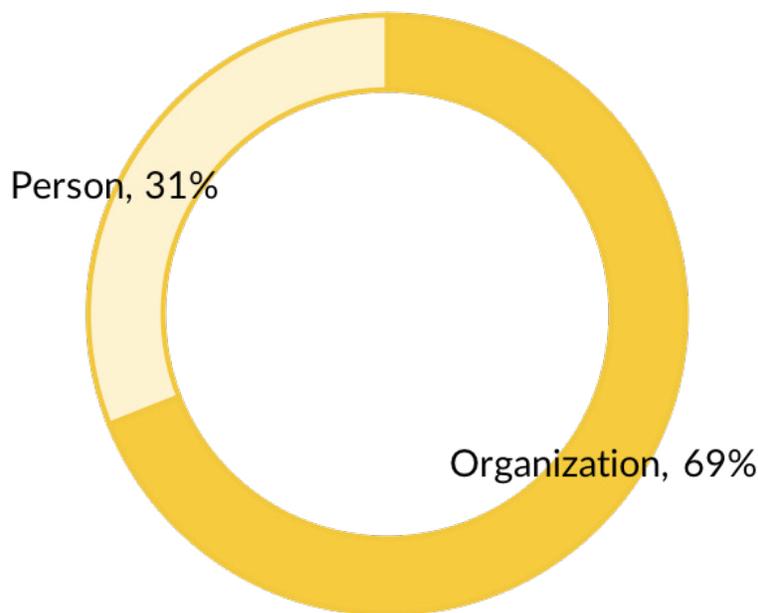
People give to people, and people do business with people. As a result, we need to make sure our communication is sent from real and believable people.

So then, let's get back to our original question:

Who did these 37 organizations designate as their communication sender to their mid-level donors?

We found that 69% of organizations put their organization's name in the sender line, and only 31% used the name of a real person.

Sender Name



In effect, this means that 69% of the time, our mid-level donors are being communicated to by some sort of email or direct mail machine. Only 31% of the time are our donors being communicated with by a real person.

KEY INSIGHT

People give to people, not email machines. Your job as a fundraiser is to not let your marketing instincts get in the way of your humanity.

DEAR FRIEND,



PERSONALIZATION

Are organizations calling their donors by name?

We've looked at how important it is to have a personal sender, and how many organizations are failing to provide this personal level of communication to their mid-level donors. And next, we wanted to see how organizations personalize the content they send to mid-level donors.

We could spend hours and even days analyzing all of the different elements that go into personalizing the content of our communication. Personal communication involves everything from templates and imagery, to the tone of our sentences. But for this study, we honed in on one specific question:

Are organizations calling their mid-level donors by name?

First, let's look at a few experiments to see just how important this one element of personalization can be in your fundraising.

Experiment 5707

How first name personalization affects email engagement

In this experiment with the National Breast Cancer Foundation, the control version of the email does not include a salutation. Rather, it launches right into the body of the email. The treatment includes a personal greeting that called the recipient by name. Besides the greeting, these emails are identical.

When we tested these side by side, the difference was a 270% increase in click-through rate from the email to the landing page.

Control

At the beginning of October, our goal was to reach as many women as possible with our new eBook, *What Every Woman Needs to Know*.

Now that Breast Cancer Awareness Month has come to an end, we just wanted to let you know that we exceeded our expectations.

Thanks to the generosity of donors around the country, the campaign was a massive success!

But that doesn't mean we can stop working hard to educate and empower women to take control of their own breast health.

You can help us do this at any time—[every dollar you give](#) means that more women can be proactive about their health.

We'd also love it if you shared *What Every Woman Needs to Know* on Facebook...just [click here](#) and share it with your friends!

Thanks for joining us!

Candice Boeck
Donor Relations Manager
National Breast Cancer Foundation

Treatment

Hi Jeff,

At the beginning of October, our goal was to reach as many women as possible with our new eBook, *What Every Woman Needs to Know*.

Now that Breast Cancer Awareness Month has come to an end, we just wanted to let you know that we exceeded our expectations.

Thanks to the generosity of donors around the country, the campaign was a massive success!

But that doesn't mean we can stop working hard to educate and empower women to take control of their own breast health.

You can help us do this at any time—[every dollar you give](#) means that more women can be proactive about their health.

We'd a
Facebo

Thanks

Candice
Donor Relations Manager
National Breast Cancer Foundation



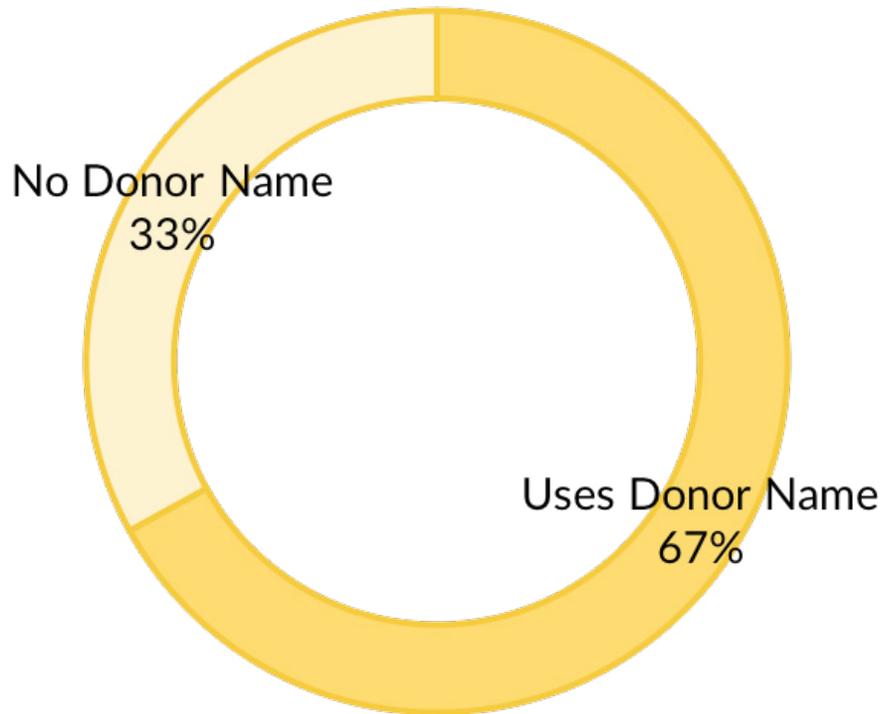
**270.1% increase in
click through rate.**

KEY INSIGHT

Using first-name personalization can increase familiarity and trust, causing higher email engagement. Personalization shows that we know who our donors are and that we care about them.

In our analysis of the mid-level correspondence data, we found that 67% of organizations use the donor's first name. This number might sound positive initially, but think about it in the inverse.

Personalization



33% – or one-third – of organizations do not call their mid-level donors by name even though they just donated \$1000. If someone came up to you, introduced themselves, and gave you \$1000 to use where most needed – would you ever forget that person's name?

This discovery is unfortunate on it's own, but we didn't stop digging. We wanted to see if organizations that do call their donors by their first name do so on a consistent basis.

Of those organizations that do call their mid-level donors by name, they only use their donors' names in 46% of their communications. Again, keep in mind that we had just given these organizations all our information when we donated, including first and last name.

Which leaves us wondering, if these organizations only call their donors by name 46% of the time, what do they call them the other 54% of the time?

The majority of the time, these donors are called names such as:

Reader

Friend

Nothing at all

Partner

Fellow Conservative

Fellow Animal Lover

KEY INSIGHT

One simple way to increase the relevance of your communication is to address your donors by name.



Thank you!



A CONTINUUM OF THANKS

After considering the results of this study and pouring over each organization's communication plans, we found a shining example of how an organization can utilize all three of these channels to effectively communicate with mid-level donors.

So if you find yourself to be in cohort 1 – sending very little or no communication to your mid-level donors – **consider the example below**. And if you're already sending a similar stream of communication, let this example be an encouragement to you to continue to pursue personal communication and to develop strong relationships with your mid-level donors.

I'll point out some highlights, and then let the timeline and examples on the next page speak for themselves.

1. This organization used email, phone calls, and direct mail to keep in touch with us.
2. They sent us three pieces of communication with the primary and sole purpose of thanking us for our donation. Again, they used multiple channels to do so.
3. We received a handwritten note from a representative of this organization, giving us a personal contact that we can reach out to at any time.
4. They asked us for a second gift.

For the sake of anonymity, we've redacted the organization name from the examples.

EXAMPLE TIMELINE

#1: Gift Confirmation email December 24

Thank you for your gift
1 message

To: Timothy Kachuriak <timkachuriak@gmail.com>

Dear Timothy,

Thank you for your generous gift to [redacted] Your prayers and financial support are vital to the defense of religious liberty, the sanctity of life, and marriage and family. This is an automated email to confirm that we have received your donation information.

Your Gift Provides Hope

Today, we face incredible opposition from those who are hostile toward the Gospel. But [redacted] and our allies are leading the fight to protect your religious freedom and, by God's grace, we're winning **nearly 80% of the time**. These victories would not be possible without the financial support of Allied Ministry Friends like you.

When you stand with us, you help protect the right of Christians to freely live out their faith. Thank you for your sacrificial gifts which enable us to fight effectively for you, for faith, and for justice.

Donation Confirmation

Allied Ministry Friend: Timothy Kachuriak
Gift Amount: \$1,000.00
Cardholder: Timothy Kachuriak

[redacted] is recognized by the IRS as a 501(C)(3) nonprofit organization. All donations are **tax deductible** to the fullest extent allowed by law.

If you'd prefer not to receive an official gift receipt in the mail, or would like to update your communication preferences, please contact us at [redacted]

#4: Thank you & tax receipt January 7



#2: Phone Call December 31

"Hey Tim, this is Ian with _____. We did receive your year-end gift, and I just wanted to give you a call and let you know that we do appreciate it, and that we are thankful for you. So thanks again. Hope you're doing well and feel free to give me a call anytime phone number here is _____. Have a great New year. Talk to you soon, Bye."

#3: Thank you/Second year-end appeal December 31

Timothy, thank you!
1 message

To: Timothy Kachuriak <timkachuriak@gmail.com>

Dear Timothy,

Thank you for your year-end gift to defend religious freedom!

I am grateful for your support because it is critical. And because it will make a significant difference as we fight to defend Christians who will be attacked for their faith next year.

But with the stakes so high for you, your children, and your grandchildren, I hope you will prayerfully consider giving again during these final hours of 2015.

This is your final opportunity to give, and to get a tax deduction for a 2015 gift to [redacted] And whatever you give today will also be doubled dollar for dollar by the \$1.5 million year-end matching grant.

Please do everything you can to help. All signs indicate that even more people of faith will be targeted next year. You and I need to take that seriously. But God has not left His people without a defense.

With His grace and your help, we can overcome the attacks.

Apart from Christ, we can do nothing (John 15:5). But God has enabled us to win nearly 80% of our cases. And I'm confident He wants to ensure religious freedom for all Christians and ministries in the year ahead.

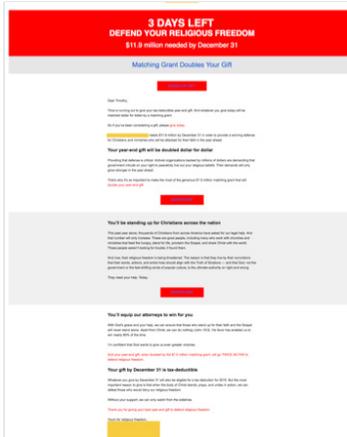
I say much more in the email I sent you a few days ago. In case you missed it, it's attached below.

I wanted you to have another chance to see it. What I've written is very important. Please take a few moments to read it now.

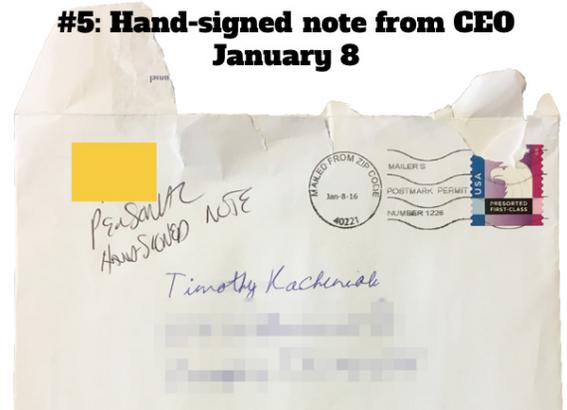
Then give as the Lord leads you. Because, for a few more hours, your gift will qualify for a 2015 tax deduction. And your gift will be doubled.

Thank you for standing with us and for all you make possible through your giving. I am grateful for your prayers and humbled by your faithful support.

Yours for religious freedom,
[redacted]

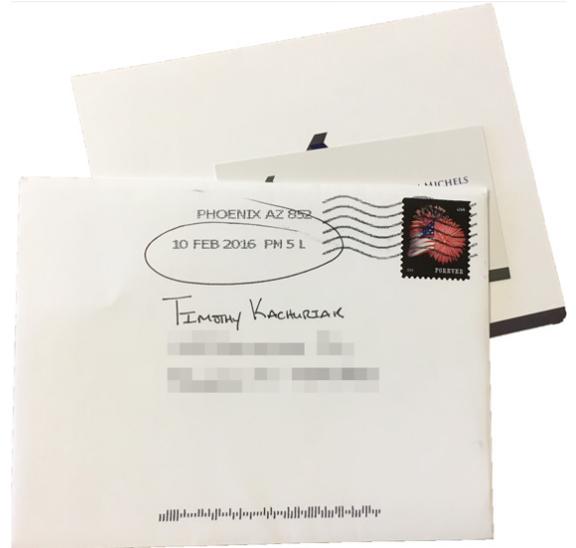


#5: Hand-signed note from CEO January 8

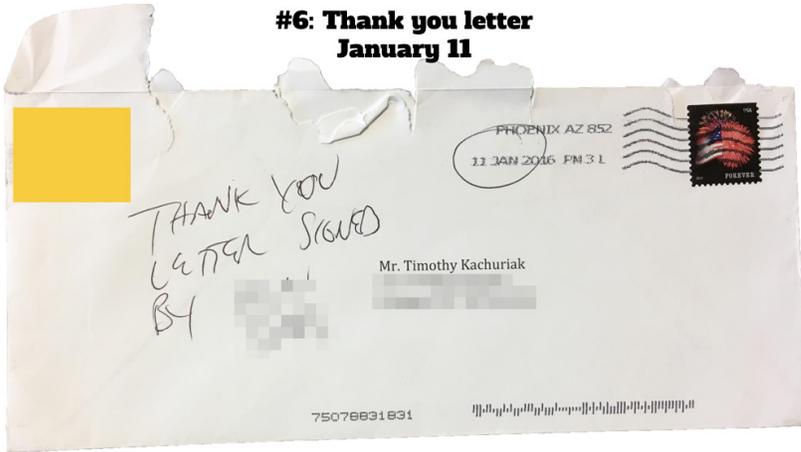


EXAMPLE TIMELINE

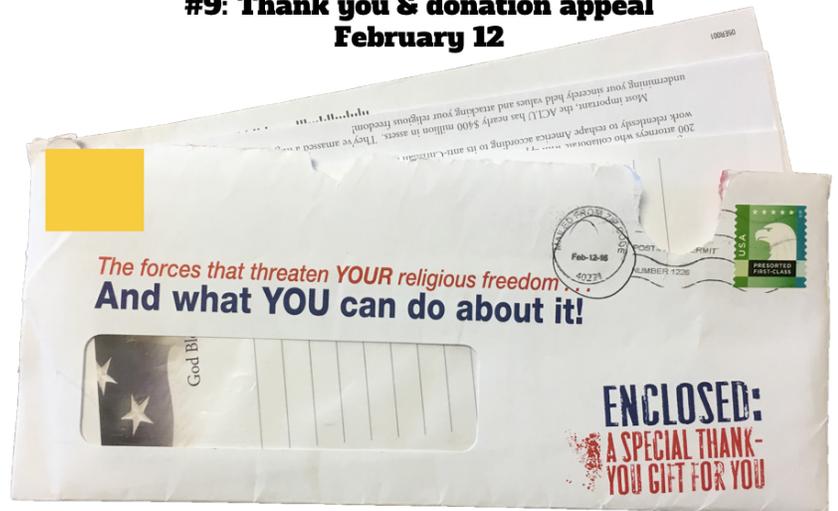
**#8: Handwritten post card
February 10**



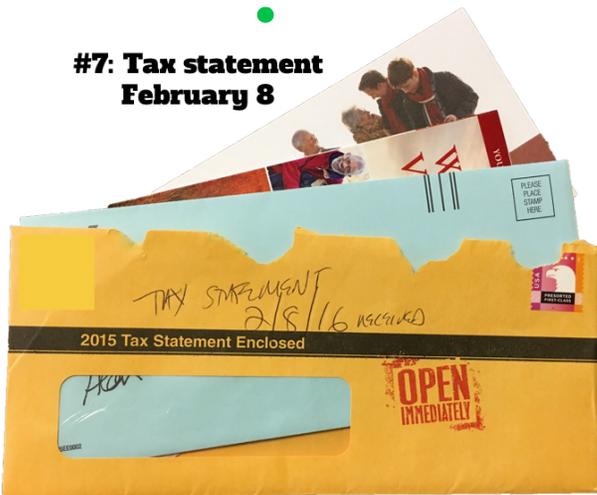
**#6: Thank you letter
January 11**



**#9: Thank you & donation appeal
February 12**



**#7: Tax statement
February 8**



This organization did an amazing job of ensuring that the donor knows just how thankful they are for the gift they received. There were three pieces of communication with the primary purpose of thanking the donor, but the theme of gratitude was also woven throughout each and every correspondence.

Now, I stated at the very beginning of this study that every organization has room to improve their communication with their donors. So you may look at this timeline and wonder *“Why didn’t they send more emails?” “Why didn’t they communicate at all during March?”*

These are good and fair questions, and they’re questions we all should be asking of our own communication. But what this example does is capture the spirit of consistent and personal communication to give the donor an ongoing connection to the organization.

And more than any other organization we analyzed, this example demonstrates what it can look like to **effectively thank your donors** for the contribution to your cause.



Rebecca

Olivia

Luke

Philip

Sophia

KEY TAKEAWAYS

What We Learned from Donating \$1,000 to 37 Organizations

There are lots of lessons and insights that we can take away from this research. And truth be told, Part I of this study only skims the surface of the learnings that could be pulled from the data we collected during this analysis.

But before we move on to Part II and examine case studies, let's recap the most important lessons we've learned from our observations of how organizations are communicating with mid-level donors.

1. Very few organizations are calling their \$1,000+ donors. Be better than 92% of these organizations and start calling your donors today. As an incentive for doing so, remember that based on Penelope Burk's research, a donor's second gift could be 40% higher if they receive a thank you phone call from you!

2. The majority of organizations are sending communication from the name of their organization, rather than from a real person. This potentially undermines the personal nature of your communication and may make the donor feel as if they are just the target of another marketing campaign. Instead, send your communication from a personal sender in order to engage your mid-level donors on a more personal level.

3. One-third of organizations aren't calling their donors by name. And even the organizations that do – they don't call them by name every time. Build stronger relationships with your mid-level donors by taking the first step towards more personal communication. Call your donors by their name.

4. Most organizations don't say "thank you" nearly enough. Start implementing the "Thank You, Thank You, Thank You" rule. This entails thanking your donor at least three times for every gift they give to you. If you can, try to thank them in three different ways.

Give them a call, send them an email, and send them a letter.

5. The size of your organization does not determine your ability to communicate effectively with donors. With the availability and affordability of communication tools today, any size of organization can craft an effective communication strategy for their mid-level donors.

PART II

Applied Research

In Part I of this research study, we discovered that every organization has room to improve their mid-level donor communication. And the primary guiding principle that can inform your communication approach can be summed up in a simple maxim – **people give to people.**

Part II of this study will tap into real experiments that we've conducted with nonprofit organizations. We'll examine, in more depth, how empathetic communication can help us connect to our donors in a more personal way – and help lift your online fundraising revenue.

FEATURED CASE STUDY

EXPERIMENT 616

How a more empathetic messaging approach affects donation conversion

USING EMPATHY IN COMMUNICATION

Humanizing our communication is key to fundraising, and one way to achieve this is to use empathy. **Empathy is the fundraiser's most valuable tool.** And your ability to think from the perspective of your donor will make you an incredible fundraiser.

What matters most is the reason why a donor decides to give. We need to enter the donor's mind to understand what motivates and inspires them.

Why are they captivated by our cause? What pushes them to continue to give faithfully?

Knowing this will enable us to enhance the way we communicate. Instead of being focused on our organizational goals, our communication will be focused on the needs and desires of the donor.

We'll take an in-depth look at a fundraising experiment we conducted with a nonprofit research partner, and examine the role that empathetic marketing played in lifting conversions. Following this case study, we'll take a look at 4 other experiments that demonstrate the impact that a personal and empathetic communication approach can have on your fundraising performance.

RESEARCH PARTNER: THE HERITAGE FOUNDATION

EXPERIMENT SUMMARY:

At the time of this experiment, The Heritage Foundation was soliciting year-end donations to meet an annual fundraising goal. The email we sent was part of a series sent during their year-end campaign, and was sent in the last weeks of December.

RESEARCH QUESTION:

How does a softer, more empathetic tone from a more believable email sender affect email response rate?

CONTROL (VERSION A)

From: Jim DeMint <info@heritage.org>
Reply-to: info@heritage.org
To:
Subject: Make this bold statement



Copy utilizes a professional and polished tone

Dear Fellow Conservative,

With only a few days until the new Congress swears in, now is the time to make a bold statement by standing with The Heritage Foundation.

[Stand with The Heritage Foundation today >>](#)

When you stand with Heritage, lawmakers know exactly what you believe. It means you stand up for your principles . . . it means you do not back down in the face of adversity, or when you're in the minority . . . it means you are well-informed . . . it means you are not one to be swayed from your convictions.

Heritage is successful because of patriots like you. Thanks to you, we've become a leader of the conservative movement, with more than 600,000 members across the country. Lawmakers, the media, and the American people turn to Heritage because they trust our policy research – and because they know you and your fellow Heritage supporters are the most informed, most influential, and most conservative constituency out there.

And all of our work over the past 41 years is meant to make you and your family safer, happier, and more prosperous by fighting for the principles our founding fathers espoused: **free enterprise, limited government, individual freedom, traditional American values, and a strong national defense.**

Help make these principles a reality. Help make America a better place. Help make America the one you want your children's children to be proud of.

[Please, stand with Heritage today and make your year-end gift to support your conservative principles.](#)

Thank you for your support as we defend freedom for future generations.

Sincerely,

Jim DeMint
President

Leverages continuity with a familiar sender

The Heritage Foundation | 214 Massachusetts Avenue, NE | Washington, D.C.

TREATMENT (VERSION B)

From: Christie Fogarty <info@heritage.org>
Reply-to: info@heritage.org
To:
Subject: Checking in

Hey there,

I wanted to check in to see if you'll be able to contribute towards Heritage's million dollar goal by the December 31 deadline.

Your gift will go straight to supporting your conservative principles in 2015. We're going to arm and equip the new Congress with the intellectual ammunition they need to win conservative victories. And we're going to work to move more and more Americans to our side.

[You can make your year-end contribution here.](#)

I hope you'll be able to stand with us by the end of the year. Thanks for your support, and have a very happy new year.

All my best,

Christie Fogarty
Director of Membership
The Heritage Foundation

P.S. The Heritage Foundation is a 501(c)(3) non-profit, so [your gift by December 31 is tax-deductible.](#)

The Heritage Foundation | 214 Massachusetts Avenue, NE | Washington, D.C. 20002 | (800) 546-2843

**Sent from a
more believable
sender**

**More personal
tone, shorter
copy length**

In the control version (Version A), the email was sent by Jim DeMint, a former senator and the current president of The Heritage Foundation. He asked recipients for their support with a year-end gift.

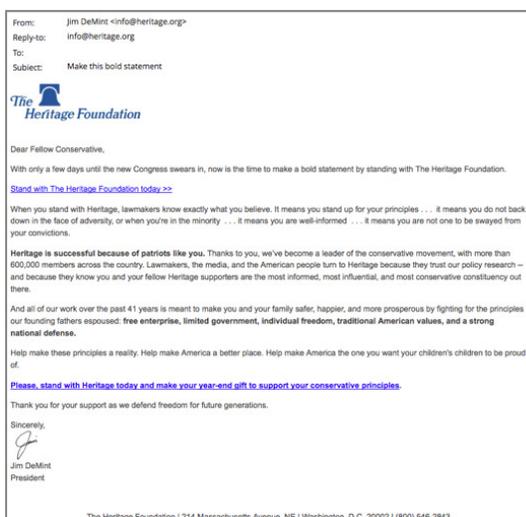
Version A leverages continuity; all support requests throughout that year came from DeMint. The tone of the email is formal and professional, and matches the tone of their normal fundraising message. It's what you might expect from an organization like The Heritage Foundation, a think-tank in Washington D.C.

We created a treatment (Version B) based on our hypothesis that we should send the email from a more believable person. That is, someone who would be more likely to reach out to these donors.

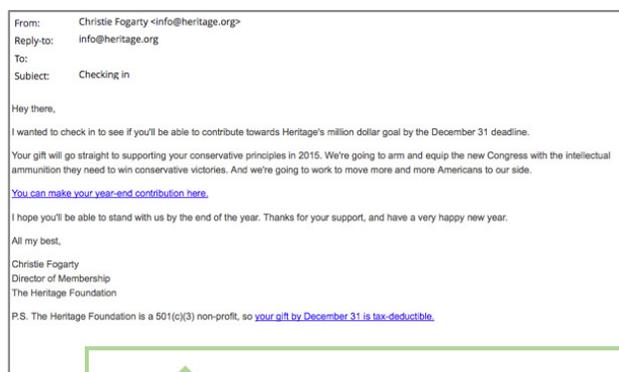
Version B was sent by Christie Fogarty, the Foundation's lesser-known Director of Membership. This version broke continuity from the rest of their support requests that year. We changed the copy to match this new sender, and used a much friendlier, informal, and empathetic tone. As you can see – the email is shorter in length, casual in nature, and straightforward in the ask.

RESULTS:

Version A



Version B



136.2% increase in conv. rate
103.5% increase in average gift
380.7% increase in revenue

From our A/B Split test, we discovered that Version B had a 136.2% increase in conversion rate and a 103% increase in average gift size. The combination of these two metrics produced a 380.7% increase in revenue.

KEY LEARNING:

People give to people, not email machines. The more that a solicitation can “feel” like a genuine one-to-one communication, the greater the potential for increased response.

Why did Version B outperform Version A?

The treatment outperformed the control because of three key principles of applied empathetic marketing:

- 1. Believability**
- 2. Readability**
- 3. Clarity**

Let’s walk through each of these principles referencing the example above.

PRINCIPLE #1 - ENSURE THAT YOUR MESSAGE IS BELIEVABLE.

Using a well-known, high-ranking sender with a long-form letter implies that the communication is a mass, impersonal email sent to a list of people. Looking at the email below, do you think it’s believable that Jim DeMint – the president of The Heritage Foundation – actually sent this personal email to me? If so, would he really sign it with a pen, which is impossible to do?

Receiving an email from Jim DeMint, with his pen signature at the end, leads me to believe it's not a genuine email. It's a marketing piece. When people feel like they're being marketed to, they revert to a defensive posture and their anti-marketing shields go up. **Remember, people don't want to be marketed to. They want to be communicated with.**

Version A

From: Jim DeMint <info@heritage.org>
Reply-to: info@heritage.org
To:
Subject: Make this bold statement

Dear Fellow Conservative,

With only a few days until the new Congress swears in, now is the time to make a bold statement by standing with The Heritage Foundation.

[Stand with The Heritage Foundation today >>](#)

When you stand with Heritage, lawmakers know exactly what you believe. It means you stand up for your principles . . . it means you do not back down in the face of adversity, or when you're in the minority . . . it means you are well-informed . . . it means you are not one to be swayed from your convictions.

Heritage is successful because of patriots like you. Thanks to you, we've become a leader of the conservative movement, with more than 600,000 members across the country. Lawmakers, the media, and the American people turn to Heritage because they trust our policy research -- and because they know you and your fellow Heritage supporters are the most informed, most influential, and most conservative constituency out there.

And all of our work over the years has been to help our founding fathers especially our national defense.

Help make these principles of.

[Please, stand with Heritage](#)

Thank you for your support.

Sincerely,

Jim DeMint
President

The

family safer, happier, and more prosperous by fighting for the principles of **individual freedom, traditional American values, and a strong national defense.**

to help make America the one you want your children's children to be proud of.

[Support your conservative principles.](#)

Sincerely,

Jim DeMint
President

Heritage Foundation
1616 P Street, N.E. | Washington, D.C. 20002 | (800) 546-2843

The winning email, Version B, is sent from Christie Fogarty. The subject line says, “Checking in” and the signature line says, “All my best.”

Version B

From: Christie Fogarty <info@heritage.org>
Reply-to: info@heritage.org
To:
Subject: Checking in

Hey there,

I wanted to check in to see if you'll be able to contribute towards Heritage's million dollar goal by the December 31 deadline.

Your gift will go straight to supporting your conservative principles in 2015. We're going to arm and equip the new Congress with the intellectual ammunition they need to win conservative victories. And we're going to work to move more and more Americans to our side.

[You can make your year-end contribution here.](#)

I hope you'll be able to stand with us by the end of the year. Thanks for your support, and have a very happy new year.

All my best,

Christie Fogarty
Director of Membership
The Heritage Foundation

P.S. The Heritage Foundation is a 501(c)(3) non-profit, so [your gift by December 31 is](#)

The Heritage Foundation | 214 Massachusetts Avenue, NE | W

All my best,
Christie Fogarty
Director of Membership
The Heritage Foundation

Our hypothesis was confirmed: a lesser-known sender with a shorter, briefer message implies a more believable, personal email send.

PRINCIPLE #2 - ENSURE THAT YOUR MESSAGE IS READABLE.

When I say your message should be readable, I'm not talking about using nice handwriting. I'm talking about ensuring that your message is something your donors and potential donors are likely to read. **People don't want to hear a sales pitch, but they are likely to listen if you engage them in a conversation.**

Version A

From: Jim DeMint <info@heritage.org>
Reply-to: info@heritage.org
To:
Subject: Make this bold statement



Dear Fellow Conservative,

With only a few days until the new Congress swears in, now is the time to make a bold statement by standing with The Heritage Foundation.

[Stand with The Heritage Foundation today >>](#)

When you stand with Heritage, lawmakers know exactly what you believe. It means you stand up for your principles . . . it means you do not back down in the face of adversity, or when you're in the minority . . . it means you are well-informed . . . it means you are not one to be swayed from your convictions.

Heritage is successful because of patriots like you. Thanks to you, we've become a leader of the conservative movement, with more than 600,000 members across the country. Lawmakers, the media, and the American people turn to Heritage because they trust our policy research – and because they know you and your fellow Heritage supporters are the most informed, most influential, and most conservative constituency out there.

And all of our work over the past 41 years is meant to make you and your family safer, happier, and more prosperous by fighting for the principles our founding fathers espoused: **free enterprise, limited government, individual freedom, traditional American values, and a strong national defense.**

Help make these principles a reality. Help make America a better place. Help make America the one you want your children's children to be proud

When you stand with Heritage, lawmakers know exactly what you believe. It means you stand up for your principles . . . it means you do not back down in the face of adversity, or when you're in the minority . . . it means you are well informed . . . it means you are not one to be swayed from your convictions.

Jim DeMint
President

[Stand with The Heritage Foundation today >>](#)

This email sounds very formal, like we need to roll out a red carpet and blow trumpets while we read it. No one in this century talks like this. Even more-so, no one sends emails like this. You would never email your friend using these words and phrases. It sounds like a formal lecture. This tone might make sense in other marketing materials, but it's out of place in a personal email.

For some reason, we often think that by sounding official, authoritative, and wordy, people will be more motivated to give. But our donors are smart. They are receiving hundreds, maybe even thousands, of messages every day/week/month, and consequently they've developed a sensor that can detect anything that is trying to convince them to do something they don't want to do.

Version B sounds very different.

Version B

From: Christie Fogarty <info@heritage.org>
Reply-to: info@heritage.org
To:
Subject: Checking in

Hey there,

I wanted to check in to see if you'll be able to contribute towards Heritage's million dollar goal by the December 31 deadline.

Your gift will go straight to supporting your conservative principles in 2015. We're going to arm and equip the new Congress with the intellectual ammunition they need to win conservative victories. And we're going to work to move more and more Americans to our side.

[You can make your year-end contribution here.](#)

I hope you'll be able to stand with us by the end of the year. Thanks for your support, and have a very happy new year.

Your gift will go straight to supporting your conservative principles in 2015. We're going to arm and equip the new Congress with the intellectual ammunition they need to win conservative victories. And we're going to work to move more and more Americans to our side.

P.S. The Heritage Foundation is a 501(c)(3) non-profit, so [your gift by December 31 is tax-deductible.](#)

[You can make your year-end contribution here.](#)

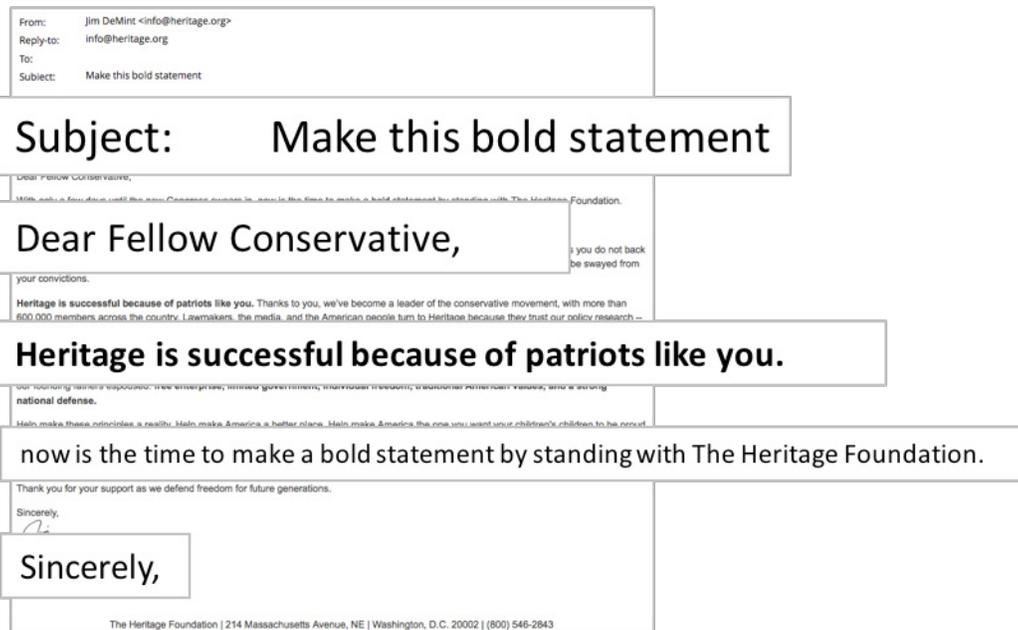
This email takes a tone that more closely matches the expectation of the medium being used. This email was designed to read like a conversation, and it's true to the style of the actual sender. This sounds like something Christie Fogarty might actually write. It sounds like an email from a friend.

If we show genuine interest in people we care about – and we should care about our donors – we should stop talking to them as if they're people we're trying to manipulate.

PRINCIPLE #3 - ENSURE THAT YOUR MESSAGE IS CLEAR.

Clarity trumps persuasion. In fact, **clarity is the ultimate form of persuasion.** When you clearly communicate the impact people can have by giving to your organization, they will be able to see how giving connects with their passions. It motivates them to give more generously.

Version A



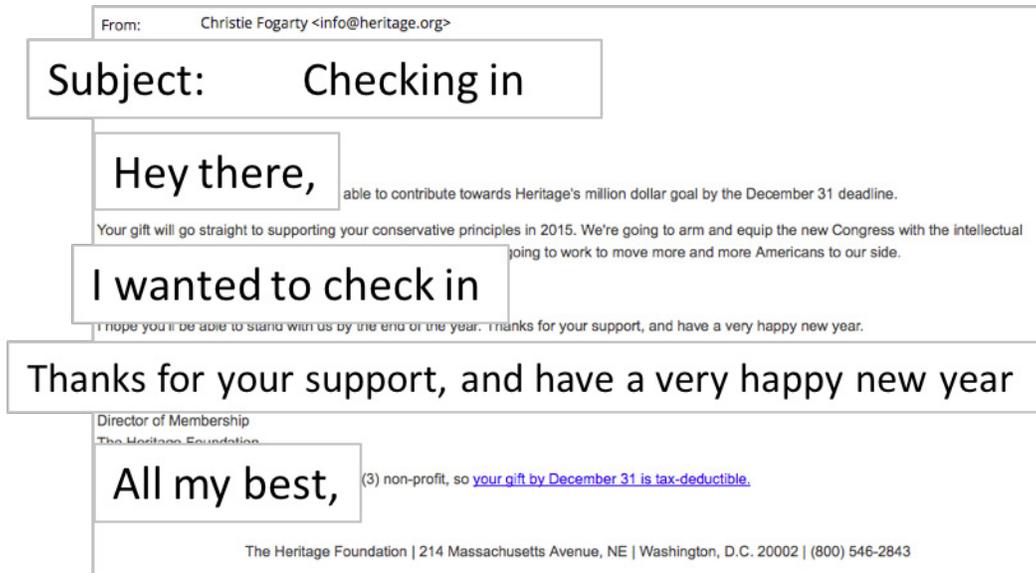
Version A of the email asks donors to give without establishing how their donations will be used. In addition, the calls-to-action either omit the desired action or make it easily missed by placing it in the middle of a long sentence.

In the last paragraph, they list what standing with Heritage means. But it's still unclear to me. Am I the only one who reads that and thinks, "Do you want me to stand with you literally? Do you want me to sign a petition, or am I supposed to give a gift, or volunteer? Is there some other special action that I can do by standing with Heritage?"

By adding this kind of language out of fear that the reader will miss the point, we actually dilute the potency of the message because it's not clear what we're asking of the donor.

When it's not clear what we're asking donors to do, they usually choose to leave.

Version B



In version B, there's a clear ask of the donor and a clear explanation of where the gift goes. This makes it easier for the donor to interpret the message, and in this way we show them love and empathy. We don't have to sell them on our message, we just need to say it with clarity and allow them to be able to understand why they should give.

Now that we have a grasp on the aspects of empathetic marketing, let's look at a few more fundraising experiments. These experiments will show how the principles of **empathetic marketing can be applied and tested at any organization** in order to see dramatic lifts in fundraising performance.

EXPERIMENT 4307

How a personalized subject line and sender affects open rate

RESEARCH PARTNER: CARINGBRIDGE

EXPERIMENT SUMMARY:

In this experiment we conducted with CaringBridge, the control email is sent from the organization's CEO. The subject line includes an emoticon.

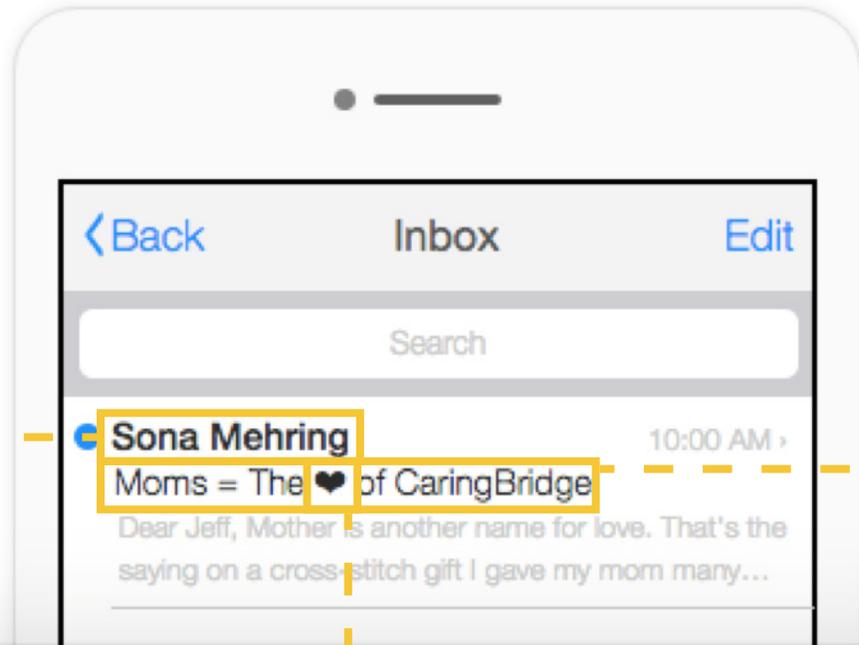
The first time I saw this subject line, my brain had to decode it because I was confused at the meaning. It might be cute, but the problem is that people don't spend time trying to decode messages in emails. They're on a search and destroy mission when they go through their email inbox.

The treatment is completely different. It has a different sender, and it has a much clearer message. You can see from the preview that it's personalized for Jeff.

RESEARCH QUESTION:

Will a personalized subject line increase open rate?

CONTROL

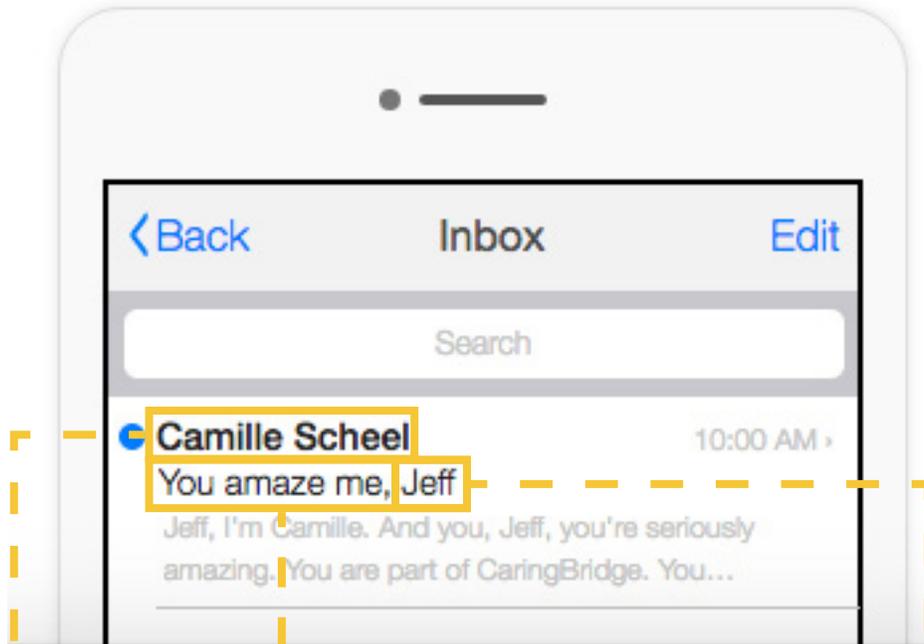


Sent from
the CEO

Uses an
emoticon in the
subject line

Subject line has
to be "decoded"

TREATMENT



Sent from a
more believable
sender

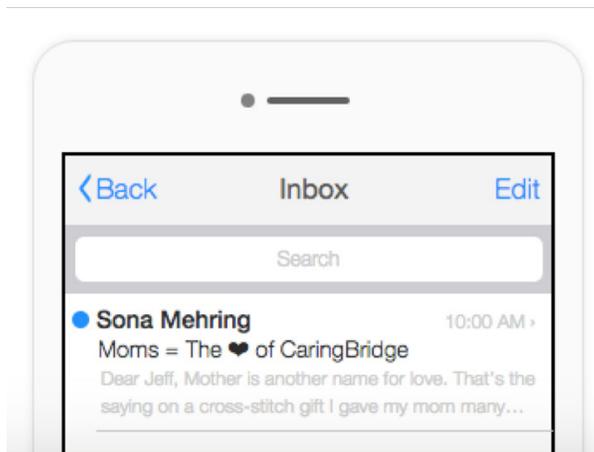
Subject line is
clear

Subject line and
preview uses
personalization

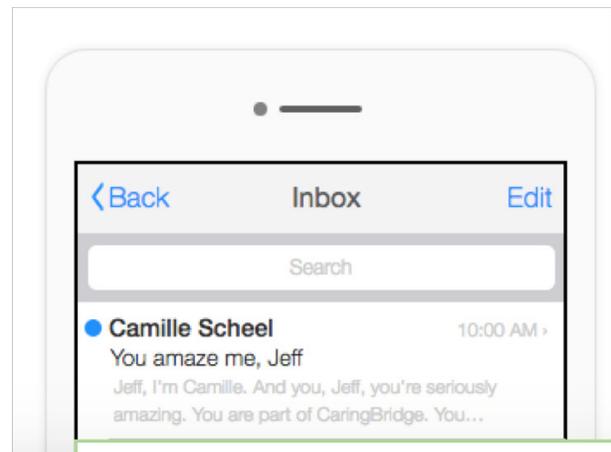
RESULTS:

In an A/B split test, we discovered the treatment produced a 137.2% increase in open rate.

Control



Treatment



137.2% increase in
open rate.

KEY LEARNING:

This increase in open rate implies that personalization in the subject line is a powerful trigger that can effectively bridge a gap between an unknown sender and a recipient.

Today, I receive lots of emails with emoticons in them. Maybe this is just a fad, or maybe it's becoming a marketing best practice. Whatever the case, we have to test these ideas to make sure they're working for us and not against us! Every test teaches us something about our donors. Show empathy to your recipients by making your subject lines clear.

EXPERIMENT 4116

How clarity in a subject line affects open rate

RESEARCH PARTNER: AMERICANS FOR PROSPERITY

EXPERIMENT SUMMARY:

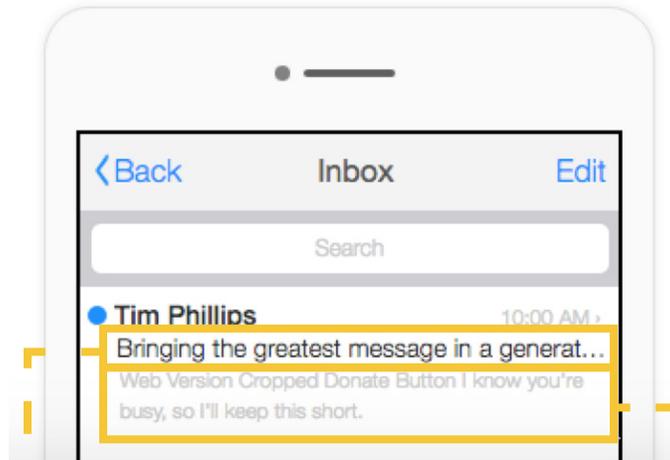
In this experiment, the control email was sent from Tim Phillips, the head of the organization. The purpose of the email was to invite people to attend an event. The control version has a long subject line that gets cut off on a mobile device, so the overall message is initially obscure. The preview text is also unclear, and is an initial giveaway that this is some kind of marketing email.

The treatment has the same sender, and a new subject line. The preview clearly indicates that the organization is extending an invitation. The message is clear.

RESEARCH QUESTION:

Will a more personal subject line result in a higher open rate?

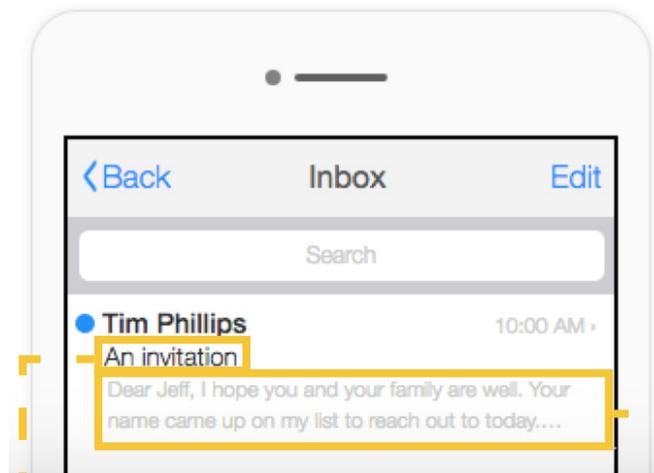
CONTROL



Long subject line,
gets cut off
on mobile

Preview text is
unclear

TREATMENT

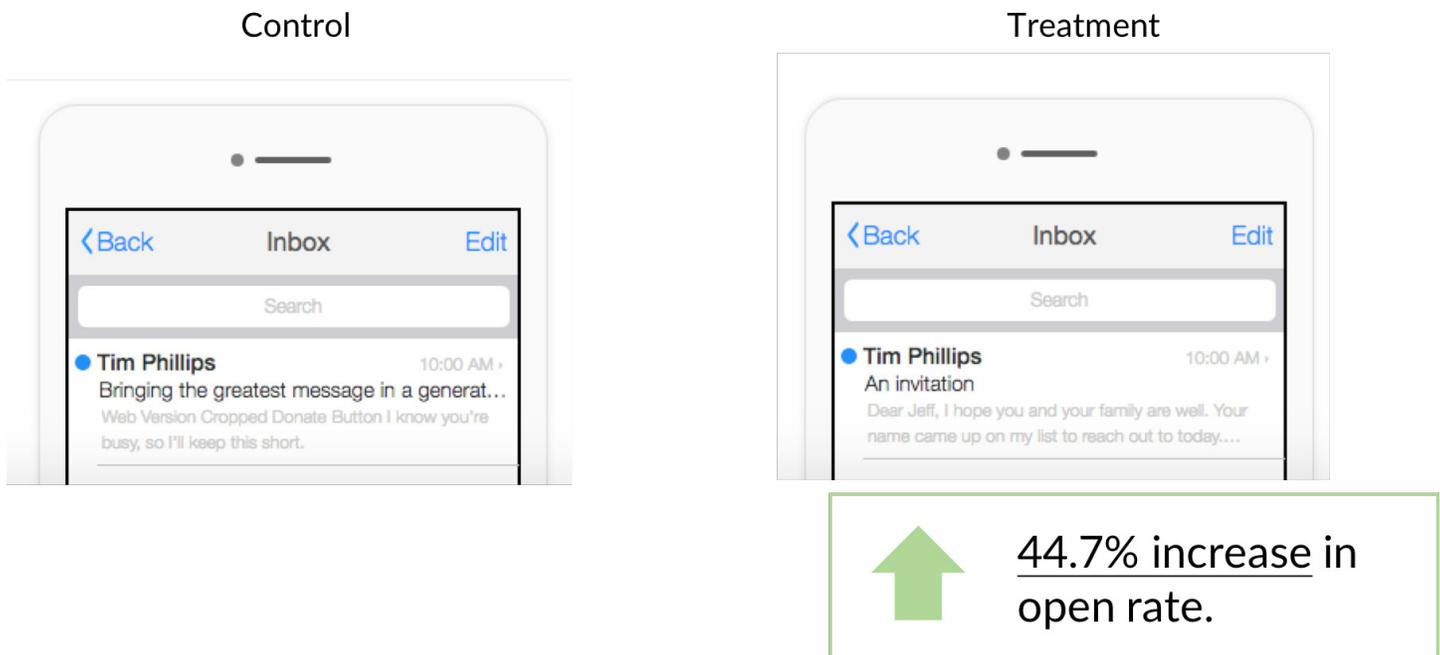


Subject line is
short and clear

Preview text is
clear and
personalized

RESULTS:

In an A/B split test, the treatment produced a 44.7% increase in open rate.



KEY LEARNING:

This increase in open rate can be attributed to two main factors. First, the treatment has a much clearer message. Secondly, the new preview text makes the treatment look like it came from a real person rather than an email machine.

Again, people want to interact with people. They don't want to be marketed to. Your sender, subject line, and preview text will set the tone for the rest of the email. Is it believable, or does it look like it came from a fundraising robot?

EXPERIMENT 4647

How sending a plain-text email affects conversion rate

RESEARCH PARTNER: HARVEST CHRISTIAN FELLOWSHIP

EXPERIMENT SUMMARY:

This experiment was conducted with Harvest Christian Fellowship. The purpose of the email is to ask people to give a gift of any amount in order to receive a DVD and a book.

In the control version, the design is a typical HTML template. It has background colors, branding, graphics, and a call-to-action. Treatment 1 used exactly the same template, but the copy was updated to add sense of urgency.

Treatment 2 was radically different. We removed all the images and elements that gave away that we were marketing, and we focused on trying to have a genuine conversation with the recipient. We created what we call our Outlook version email. It's basically plain text. The language is completely different, and is much more informal.

RESEARCH QUESTION:

What motivates donors to give a donation?

CONTROL

Templated
design

Uses images

Includes
background
colors

<< Test First Name >>,

God has primarily chosen to reach people through people. The Bible says in Romans, "How can they hear about Him unless someone tells them?" You and I are called and commissioned to tell them.

But here's what I want people to understand: **sharing the gospel is not a duty to be dreaded—it is a privilege to be enjoyed.** In fact, leading someone to Jesus is about the greatest joy there is, this side of heaven.

Let me help you get excited about sharing your faith. My book *Tell Someone* will be sent to you in thanks for a [donation of any amount](#) to Harvest Ministries this month. If you already have a copy, I challenge you to give one to a friend.

Included with *Tell Someone* is a bonus DVD of a message I recently gave called "Evangelism, Jesus Style." Let's experience the [joy of sharing Jesus](#) with others!

Greg



TREATMENT 1

<< Test First Name >>,

God has primarily chosen to reach people through people. The Bible says in Romans, "How can they hear about Him unless someone tells them?" You and I are called and commissioned to tell them.

But here's what I want people to understand: **sharing the gospel is not a duty to be dreaded—it is a privilege to be enjoyed.** In fact, leading someone to Jesus is about the greatest joy there is, this side of heaven.

Let me help you get excited about sharing your faith. My book *Tell Someone* will be sent to you in thanks for a donation of any amount to Harvest Ministries this month. If you already have a copy, I challenge you to give one to a friend.

But, I wanted to be sure you took advantage of this offer before we no longer offer it. This offer is only available through the end of the month.

Included with *Tell Someone* is a bonus DVD of a message I recently gave called "Evangelism, Jesus Style." Let's experience the joy of sharing Jesus with others!



Time is running out, [get this resource now](#) before it's too late.

Greg

Additional copy adds urgency

Call to action conveys urgency

TREATMENT 2

Hi courtney,

I hope this finds you well.

I'm sure you have come to realize this by now, but one of my biggest passions in life is to see people come to know Jesus Christ as their Lord and Savior.

I love how God has primarily chosen to reach people through people to do this work. The Bible says in Romans, "How can they hear about Him unless someone tells them?" You and I are called and commissioned to tell people about Christ.

But here's what I want you to understand: **sharing the gospel is not a duty to be dreaded—it is a privilege to be enjoyed.** In fact, leading someone to Jesus is about the greatest joy there is, this side of heaven.

Have you ever experienced this?

I want to help you get excited about sharing your faith. My book *Tell Someone* will be sent to you in thanks for a donation of any amount to Harvest Ministries this month. If you already have a copy, I challenge you to give one to a friend.

Included with *Tell Someone* is a bonus DVD of a message I recently gave called "Evangelism, Jesus Style." Let's experience the joy of sharing Jesus with others!

Here's a link to get your book now:
<http://www.harvest.org/tell-someone-book>

Have a great rest of your week,

Greg

Looks like a plain-text email

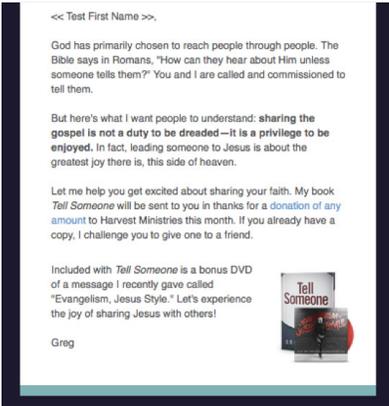
Call to action uses a raw URL

Copy uses a personal tone

RESULTS:

After conducting an A/B/C split test, we discovered that Treatment 1 produced a 36.3% increase in conversion rate. However, it didn't reach the statistical level of confidence we wanted. We validate tests when they reach a 95% level of confidence, but this test only received a 90% level of confidence.

Treatment 2, on the other hand, produced a 116.3% increase in conversion rate, and it reached a reliable statistical level of confidence.

Control	Treatment 1 – “Urgency”	Treatment 2 – “Outlook”
		

KEY LEARNING:

This result tells us that urgency is a powerful motivator, but the more influential factor is the believability of the email. By pairing urgency with an email that looked like it came from a real person, we were able to see a significant lift in donations.

The most interesting aspect of this experiment is that Treatment 2 was much easier to create. It doesn't require rounds of testing to make sure every color and image displays properly in 100 different email clients. It's simple, easy, and powerful.

EXPERIMENT 4117

How personal tone affects open rate

RESEARCH PARTNER: AMERICANS FOR PROSPERITY

EXPERIMENT SUMMARY:

In this experiment with Americans for Prosperity, the control email included a big, green button in the header. Before you even read the email, you know they want your money. And if you're not in the mood to donate that day, you won't continue reading.

Next, the first paragraph talks about the greatness of Americans for Prosperity. If one of my friends received an email from me bragging about how much I'm winning at my job, my friend would be annoyed. The same applies here!

By the end of first paragraph, I'm already disinterested in this email.

Additionally, this email asks potential donors to become "torchbearer." Most people, myself included, will have no idea what this means. Lastly, there is a large donate button at the bottom that is covered in flames.

The treatment looks radically different. The tone is personal and empathetic. We added copy to explain what the program is about, and used a raw link instead of a big, fiery button because this is how people send emails to friends.

RESEARCH QUESTION:

Will removing marketing elements from the email and increasing the personal tone of the copy increase clickthrough rate?

CONTROL

Web Version



DONATE

Donate button included in the header

Dear %%First Name%%,

I know you're busy, so I'll keep this short.

Americans for Prosperity is reforming America and loving it. *Quite frankly, AFP is like no other group.* State by state we are winning grassroots policy battles. From stopping gas tax hikes to stopping the government from taxing small, internet-based businesses.

How does Americans for Prosperity rack up victories like these? Not without you and 2.8 million other freedom loving Americans.

With a grassroots army like this, you can't help but have impressive numbers:

5.8 million calls made already in 2016
2.8 million activists ready to make a difference
765,000 doors knocked already in 2016
35 state chapters

It's stats like these that give Americans for Prosperity the credibility to say we have the strongest grassroots army in the country and reach to change the hearts and minds of local, state and federal law makers.

It's hard to deny that we are bringing the greatest message of opportunity and responsibility in a generation. *AFP is here for the long haul, not just the election cycle.*

We are *Torchbearers*, lighting the brushfire of economic freedom for all. Fighting to create a better, more prosperous society for generations to come.

%%First Name%%, your fight and your trusted donation is what keeps AFP going and winning!

Your grit and determination to help us keep battling for the future of our country is truly humbling.

I hope that you will continue your commitment to Americans for Prosperity and to the fight, by becoming a [Torchbearer](#) TODAY!



Copy focuses on AFP's accomplishments

Includes large, flaming donate button

Forever grateful,

TIM PHILLIPS

Tim Phillips
President & Grassroots Activist
Americans for Prosperity

P.S. Don't forget, in order to keep the state and federal policy victories coming, we must continue to reach and educate citizens all across the country. **Become an Americans for Prosperity [Torchbearer](#) today.**

This email was sent to: %%emailaddr%%

We respect your right to privacy - [view our policy](#)
Americans For Prosperity 1310 N. Courthouse Road, Suite 700
Arlington, VA 22201

[Update Profile and Subscription Preferences](#) | [One-Click Unsubscribe](#)

TREATMENT



Donate button
was removed

Dear %%First Name%%,

I hope you and your family are well.

Your name came up on my list to reach out to today. You're one of our most principled supporters-I know I can count on you to help fight important policy battles against gas tax hikes, internet taxes, and much more.

We've been working hard for you. So far, our activists have made 5.8 million calls on your behalf. Our activists have also knocked on 765,000 doors to make sure that *your principles* are represented.

We won't stop working to promote economic freedom and free-market principles, even in an election cycle where many candidates outright ignore them. This is a long game, not a short battle.

I know you feel the same way. And I'd like to invite you into an elite, principled group: the *Torchbearers*.

With the monthly support of these *Torchbearers*, we ensure that your Congressman feels your support of opportunity and economic freedom every single day. And *Torchbearers* stand as the protectors of the free market, teaching the principles to young people wooed by the impossible promises of socialism.

%%First Name%%, I've included a link below for you to become a *Torchbearer* today. I hope you'll strongly consider it.

<https://americansforprosperity.org/torchbearers/>

Please let me know if you have any questions about this program. I'd be honored if you joined us.

Forever grateful,

TIM PHILLIPS

Tim Phillips
President & Grassroots Activist
Americans for Prosperity

Copy is focused
on the donor

Call to action
uses a raw URL

This email was sent to: %%emailaddr%%
We respect your right to privacy - [view our policy](#)
Americans For Prosperity 1310 N. Courthouse Road, Suite 700
Arlington, VA 22201
[Update Profile and Subscription Preferences](#) | [One-Click Unsubscribe](#)

RESULTS:

An A/B test showed that the treatment produced a 91.3% increase in click-through rate.

Control

Treatment

The control email layout features a green 'DONATE' button at the top. Below it, the text reads: 'Dear %First Name%, I know you're busy, so I'll keep this short. Americans for Prosperity is reforming America and loving it. Quite frankly, AFP is like no other group. State by state we are winning grassroots policy battles. From stopping gas tax hikes to stopping the government from taking small, internet-based businesses. I hope that you will continue your commitment to Americans for Prosperity and to the fight, by becoming a Torchbearer TODAY!' A second, smaller 'DONATE' button is located at the bottom of the email.

The treatment email layout features a personal message: 'Your name came up on my list to reach out today. You're one of our most principled supporters—I know I can count on you to help fight important policy battles against gas tax-hikes, internet taxes, and much more. I know you feel the same way. And I'd like to invite you into an elite, principled group: the Torchbearers. With the monthly support of these Torchbearers, we ensure that your Please let me know if you have any questions about this program. I'd be honored if you joined us.' A link is provided: 'https://americansforprosperity.org/torchbearers/'

 **91.3% increase in clickthrough rate.**

KEY LEARNING:

People do business with people, and people give to people. The more we simulate genuine one-to-one communication, the more people will take interest in us.

CONCLUSION

We started this study with the intent of determining whether or not our hypothesis was true. **Are mid-level donors falling into a communication gap** – or “black hole” – and being forgotten by the organizations which they faithfully support?

This was indeed true for many nonprofits. And even though there are organizations that are doing a good job of consistently communicating with this valuable donor segment, no organization is immune from the problems and pitfalls outlined in this study.

Every organization can benefit from a continual focus on personalized, humanized, empathetic communication. Empathetic communication isn't limited to how you write emails, direct mail letters, and talk on the phone. Once you start humanizing your fundraising, you'll quickly realize that you get more responses and replies from your donors.

You may read that and think, “I don't have time to reply to more emails.” But if you're serious about wanting to grow your fundraising, you must look past organizational-centric constraints, and empathize with the needs of your donors.

You may need to bring on a few extra hands to make thank you calls after someone gives a gift. You might need someone dedicated to replying to emails from your donors. But this is a worthy investment. The more replies you receive, the more **you'll be able to get inside the mind of your donor** and understand why they support your cause.

And with this influx of new learnings about your donors, you'll be equipped with insights to test in your fundraising in order to perpetually optimize your emails, advertising, donation pages, phone calls, direct mail and more. At the end of the day, **optimizing your fundraising means that you can multiply your impact as a fundraiser, and ultimately, the impact of your organization. And who doesn't want to do that?**

Onward!



WHAT MAKES DONORS GIVE?

ABOUT NEXTAFTER

NextAfter is a fundraising research lab and consultancy that works with cause-driven businesses and nonprofit organizations to help them better understand their customers and inspire their donors to give generously. Over the past four years, we have documented over 600 online experiments spanning a total sample of over 66 million individual touchpoints with organizations such as Stanford University, iDonate, The Heritage Foundation, Kimbia, CaringBridge, Alliance Defending Freedom, Hillsdale College, Dallas Theological Seminary, Jews for Jesus and others.

The impact of these experiments has produced a cumulative net increase in response of over 25,410% for our clients (as of February 23, 2017). The goal of our experimentation and research is to understand what makes people give so that we can unleash the most generous generation in the history of the world. [Learn more about NextAfter and our research here.](#)

BECOME A PARTNER WITH NEXTAFTER

Would you like to understand your donors better and learn what inspires them to give? Do you want to adopt optimization techniques and increase revenue? You can gain understandings of your donors and achieve significant lifts in your fundraising through a [NextAfter Research Partnership.](#)



ABOUT THE AUTHOR

Tim Kachuriak is the founder and Chief Innovation and Optimization Officer for NextAfter, a research and consulting firm that works with businesses, nonprofits and NGOs to help them grow their resource capacity.

Prior to founding NextAfter, Tim served as Senior Vice President of Innovation and Optimization for The Pursuant Group, and Vice President of Digital for KMA Direct Communications.

During his career, Tim has consulted with a number of national and international nonprofits including The Heritage Foundation, Prison Fellowship International, Doctors Without Borders, Wycliffe Bible Translators, The George W. Bush Presidential Center, Moody Bible Institute, The Chuck Colson Center for Christian Worldview, as well as others.

Tim has trained organizations around the world as far away as Bangalore, India and Oslo, Norway and is a frequent speaker at national nonprofit conferences including Social Media for Nonprofits, Association of Fundraising Professionals, the Direct Marketing Association Non Profit Federation, the National Religious Broadcasters association, Misio-Nexus, and the Christian Leadership Alliance.

Tim is also the co-founder of Human Coalition where he currently serves as Vice Chairman, the co-founder and managing partner of Flux Analytics and Donor ID, and is on the MECLABS Advisory Board for Optimization.



A Western Pennsylvania native, Tim and his wife Rebecca currently live in Prosper, TX with their four children Max, Charlie, Gracie, and Joey.



NextAfter

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