

PHIL HARDWICK: Characteristics of a good year-end fundraising letter

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Another December day; another solicitation letter.

The end of the calendar year is approaching, and that means that fundraising letters compete with catalogues and holiday cards for space in the mailbox. Some fundraising letters are compelling. They make one want to immediately write a check, volunteer for community service or pledge some exceptional amount. And then there are those that get opened, quickly scanned and thrown in the trash. What we're talking about here is the year-end solicitation letter, not the general fundraising letter. It is the letter that seeks to take advantage of the time of year when tax deduction just might be on the mind of the recipients.

Presented are some of the characteristics of exceptional fundraising letters as viewed by this writer. The last one on the list is based on some new research about the effectiveness of fundraising solicitation letters.

First, the envelope should look as if it was the only one sent. By that, it is meant that it is either hand addressed or appears to have the address typed on the envelope. Mailing labels are convenient and timesaving, but they scream mass mailing. Today I received six solicitation letters. Four had nonprofit postage paid stamps and two had regular stamps. None had address labels, so that was a good sign. All were from organizations that I had contributed to or signed up to receive mailings. Three of the letters had addresses that were identical to your scribe's name on a credit card. Two were addressed to Mr. and Mrs. Hardwick and one was addressed to my wife and me by first names. All of the envelopes got opened.

Next, a salutation that the recipient views as personal is desirable. When first names are used, they should be names that are usually the ones used by the recipient. In my case, when someone addresses me as Phillip or Mr. Hardwick I assume that the person sending the letter does not really know me. Occasionally, I receive a solicitation letter with my first and middle name after the "Dear." Each of these is not really a negative item. It's just that it tells me that the person who signed the letter does not really know me. A nice variation of this theme is the case where the salutation reads, "Dear Mr. Hardwick," but is struck through and replaced in ink with my first name. That lets me know that the sender personally handled the letter. It also makes me want to respond.

Inside the envelope should be the solicitation letter and a smaller return envelope so that the recipient can simply write a check and put it back in the mailbox. The return envelope should of course be self-addressed. Double points if the return envelope is also stamped. Slick newsletters that contain a clip-out coupon should be avoided.

The letter should contain a personal story about someone that the organization serves. A variation would be a paragraph in italics that is a testimonial. There should also be a list of accomplishments during the past year so that the recipient knows that his or her contribution was well spent. Letters that contain only a response card and self-addressed envelope are inviting a toss to the waste basket.

The letter should also contain a response form for updating information, etc. and useful comments. There should be a telephone number, a name and the website address. It should also be mentioned that the gift is tax deductible. After all, that is why these type of letters are being sent at this time of year.

Finally, there is some new research about what gets people to give to charities. Mentioning – no, even advertising – that a well-known person made a contribution will have a greater impact on the probability of the recipient of the letter making a gift. In an article in the December 15, 2014 Wall Street Journal by Anna Prior, entitled “How Charities Can Get More Out of Donors,” it was reported that “trumpeting the fact” that a big name donor also made a contribution can be surprisingly effective. The article discussed an experiment by John List, principal investigator at the Science of Philanthropy Initiative at the University of Chicago, and Dean Karlan of Yale University. They teamed up with TechnoServe, a charity that focuses on poverty reduction and international development. They sent direct-mail fundraising requests to people who had not previously donated to the organization. A portion of the mailings named the Bill and Melinda Gates Foundation as a matching donor, while other mailings noted only that the charity had an anonymous matching donor. Naming the foundation as the source of matching funds increased the probability of an individual donating by about 22%—rising to 1.1% from 0.9%. Not only that, the effect continued after the matching period, meaning people continued to contribute more if they remembered that the Gates Foundation had once donated. Experts say that one of the reasons to mention well-known donors is that people do not have time to do research or evaluate charities. Thus, when they see that a big name made a donation they assume that the charity has been checked out.

In a similar vein, when prospective donors see a local name that they are familiar with they are more likely to contribute. Judging from the above-mentioned experiment it would be better to mention such a person as a contributor rather than having a letterhead listing an advisory board. One charity known to this writer even lists contributors by categories.

In this season of giving it is hoped that all worthy charities receive sufficient gifts to continue and expand their work.

Happy Holidays.

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