

SIGNED, SEALED AND DELIVERED

What the public think of charity direct mail



**FundRaising
Standards Board**

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Foreword

Since the early 1990s, fundraisers have developed direct mail as a key tool to raise money for their work. Its use has enabled charities not only to reach individuals who want to support their work but also to encourage these individuals into becoming regular and long term financial supporters. Its importance in establishing reliable income streams for charities over the past thirty years cannot be underestimated.

Direct mail can take many forms but at its core, it is effectively a way for charities to communicate in writing with people in order to encourage them to give donations. While many of the larger charities and voluntary sector organisations will have highly developed strategies and staff devoted solely to direct mail activities, it will also be used by much smaller voluntary sector organisations, even if this amounts to just an annual letter written by the Chief Executive to an identified group of individuals living in their community. It is in effect a universal fundraising method.

As direct mail involves a two way process with the general public, it is important for the fundraising sector to know their views on how it is currently being used. What people think of current practices in direct mail can usefully contribute to its future development. Moreover, because it is such a common fundraising method, its use and perceived misuse can have an impact on public trust and confidence in fundraising generally.

This is why the Fundraising Standards Board has conducted this research. Our overarching remit is to encourage best practice in fundraising in order to maintain and build public trust and confidence in how charities go about raising money. Moreover, if the self-regulatory scheme is to be a power for good in the long term, it is vital that the public is engaged in the development of standards of practice of particular fundraising methods.

The fact that the Institute of Fundraising is developing a Code of Practice on Direct Mail makes this research timely. It is appropriate that the public's views – who are a key stakeholder – inform the development process and indeed, the content of the Code. This research has taken soundings from both regular givers and the general population. It has raised some challenges and produced some key findings that the Fundraising Standards Board considers are important to the evolution of the practice of direct mail and to maintaining public trust and confidence in its use as a fundraising method.

Jon Scourse

A handwritten signature in black ink, appearing to be 'Jon Scourse', written in a cursive style.

Chief Executive

Executive Summary

Direct mail is a long established fundraising method whereby charities and voluntary organisations contact individuals in writing to encourage them to give a donation to the good cause they represent or the need they work to address. A Code of Practice to guide its use is currently being developed by the Institute of Fundraising and in recent years, a number of issues relating to the use of direct mail have attracted media attention. The Fundraising Standards Board (FRSB) has in its remit the commitment to conduct research into appropriate fundraising issues for the benefit of its members. It was therefore considered timely, topical and relevant that direct mail form the subject matter of the FRSB's first ever research project.

The research was conducted in two parts. The first involved asking the general public about their experiences of charity direct mail through nfpSynergy's Charity Awareness Monitor (CAM) which is a regular survey of the public's knowledge and awareness of charities and their activities. These respondents are referred to as CAM respondents throughout the report. The second involved eight of the FRSB's member organisations surveying donors (established and/or regular givers) on their experiences of and opinions on direct mail. These respondents are referred to as FRSB respondents throughout the report. Both parts of the research focused on the recipient of direct mail rather than the sender. In total, over 2000 people of different ages from all over the UK took part in this research project, providing a representative and credible sample study of people's experiences and views on direct mail and its use.

It is important to note that this is attitudinal research, focusing on people's perceived behaviour and reaction rather than their actual behaviour and reaction. Organisations that read the report might wish to analyse the findings alongside any information they have about how their supporters actually behaved or responded to direct mail appeals.

Key findings:

People's views of direct mail practices:

- People want charities to respect their wishes and to feel that they are in a mutually beneficial relationship
 - 88% of FRSB respondents and 85% of CAM respondents would stop giving if a charity kept contacting them after being asked not to
 - 77% of FRSB respondents and 63% of CAM respondents want some say in how often charities contact them
 - Nearly two thirds of both cohorts expect charities to respect their privacy and the rules applying to direct mail more than businesses do
 - Only 14% of FRSB respondents think it always or sometimes acceptable for charities to "sometimes swap lists of names and

addresses of donors with another charity in order to find more people who might want to help fund their work”

- The content of direct mail matters
 - 69% of CAM respondents and 75% of FRSB respondents think it is never or rarely acceptable for charities to exaggerate when trying to encourage giving¹
 - 73% of FRSB respondents and 47% of CAM respondents consider that it is sometimes or always acceptable that charities may use shocking or distressing images in their direct mail material (although 30% of CAM respondents found it rarely or never acceptable)
- People doubt the motivations for including gifts in direct mail appeals
 - 93% of FRSB respondents and 88% of CAM respondents think money spent on gifts might be better spent on the cause
 - 70% of FRSB respondents and 69% of CAM respondents think charities put gifts in to make people feel guilty about getting something for nothing
 - 16% of FRSB respondents and 29% of CAM respondents think putting gifts in direct mail as an incentive to give a donation is acceptable

- Most people do not appear to respond to letters containing gifts

Apart from one age group (over 75s), which is already donating to good causes, most FRSB respondents stated that they will not give a donation to a charity that has sent them a gift

- People who give regularly appreciate why charities use direct mail
 - 74% of FRSB respondents said they were happy to be contacted by direct mail by charities that had their name and address
 - 53% think that direct mail is a good way for charities to raise money for their work
 - 50% do not mind charities contacting them on a regular basis as they know they have to raise money for their work (12% strongly disagreed with this statement)
- People who give regularly are receptive to innovation in fundraising
 - nearly two thirds of respondents from both cohorts (65%) agree strongly or slightly that charities are right to try different ways of encouraging people to give money to them

¹ Only 1% of FRSB respondents and 2% of CAM respondents thought it always acceptable that “charities may sometimes exaggerate when trying to encourage you to give to them

- a significant minority of both groups of participants – approximately a quarter – agree strongly or slightly that “anything which encourages people to give to good causes is justified

On receiving and responding to direct mail:

- Members of the public say they receive approximately 6 pieces of direct mail every 3 months
- Donors indicate that they receive on average nearly 3 letters a year from their chosen charity asking them to donate money
- Large amounts of direct mail ends up in the bin
A third of CAM respondents indicated that they do not read a third of the charity direct mail they receive
- People are concerned about the environmental impact of direct mail. The statement “charities that send lots of direct mail are not being environmentally friendly” elicited strong or slight approval from 81% of CAM respondents and 80% of FRSB respondents.
- Direct mail that is addressed to the recipient is more likely to be read
Two thirds of CAM respondents advised that they read all or some of the letters addressed to them
- Unaddressed mail is just as likely to elicit a donation of equivalent value
The average amount given by CAM respondents to either type of direct mail is approximately £11.00
- The content of direct mail encourages people to give only in a minority of cases
Over three quarters of CAM respondents gave because they usually supported the cause or because of personal or family experience; a third gave because of what was written in the letter
- There is potentially a balance to be struck when considering the number of times a year to contact donors
In considering how to attain best value and the best rate of response in terms of donations made, up to four mailings a year appear to provide that balance.
- Too many direct mail appeals may well result in very little return at all
Five or more letters a year to FRSB respondents appear more likely to result in no donations being made and in fewer people opting to give the maximum number of times

On donors:

- People who give to good causes regularly are more likely to be women and be over 65

In conclusion

There are perhaps a number of general conclusions to be drawn from this research. Firstly, direct mail is still a useful way of encouraging people to give to good causes. People are still receptive to it as a way of giving for the first time to an organisation or as a way of giving regularly to that organisation. Yet, for all that, the way it has evolved to date does not appear to find particular favour with the giving public. The findings suggest that there is a need for guidance on particular practices that ensure they are deployed in a way that promotes best practice and consequently engenders public confidence. Thirdly, there is an opportunity for change that would enable direct mail to continue to develop as a useful fundraising method. The potential reception for innovation amongst givers is heartening and points to direct mail having a potentially successful future.

Finally, one of the keys to the future and indeed, to improving direct mail's current effectiveness is supporter care, donor care, stewardship, relationship fundraising. Whatever name it is given, it amounts to the same thing: putting the person that gives money to support good causes at the heart of the giving relationship. It is clear – not only from the findings in this research but from the messaging from leading fundraisers and sector commentators – that this is a vital component for maintaining and building public trust and confidence in the deployment of direct mail as a fundraising tool. Indeed, it is a vital component in maintaining and building public trust and confidence in fundraising more generally: that is why principles such as openness, respect and accountability are at the heart of the Fundraising Standards Board's Fundraising Promise. Ensuring that people have the confidence to give is fundamental to all that charities and the fundraising sector do, now and in the future.

“Most fundraising today is stereotyped, aimed at the lowest common denominator, the victim of formulae and formats designed by marketing people for easy mass reproduction. This is clearly unwise. Nonprofits need to avoid stale, repetitive fundraising approaches that dismay and deter donors.

So fundraisers nowadays should all aspire to be mini Isaac Newtons, to spread light into every corner of their creativity and communications thereby to illuminate

that which is currently hidden but which, if we only have eyes to see it will show us how we will fundraise in the future.”²

Challenges for charity fundraisers:

Is there a tension between techniques that work in fundraising terms but that eat into the goodwill capital of donors in the longer term? How do we make fundraising in the future sustainable?

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Action Aid	The Donkey Sanctuary
FARM Africa	Hope and Homes for Children
Kidney Research UK	Sense Scotland
SSPCA	VSA (Voluntary Service Aberdeen)

Whilst these charities have commented on the content of the report, the conclusions reached are those of the FRSB and do not necessarily represent the opinions or experiences of any of the charities involved.

² Ken Burnett, Shaping Fundraising's Future Part 2, Contributions magazine, Jan/Feb 2006 and also on www.kenburnett.com