

# The Death of Direct Mail Has Been Greatly Exaggerated!

Frank C. Dickerson, PhD | [HighTouchDirect@msn.com](mailto:HighTouchDirect@msn.com)

First, let me clearly state that person-to-person face-to-face interaction is the absolute best way to raise funds. But barring that superior channel, which medium is best for raising funds—direct mail, online channels, special events?

Blackbaud answered this question in a summary of its fifth year of research that measured which channels donors preferred to use when giving. Their 2011 annual survey measured donor preferences among three giving channels (online, direct mail, and other). Their study measured which of these three channels 15.6 million donors used to contribute \$1.6 billion to charities in 2010.

While **10 % preferred to give online**, a whopping **79 % gave through direct mail**, and **11 % gave via other channels** (like special events). And the report noted that of those who gave online, their giving had actually been prompted by a direct mail fund appeal. The takeaway—use multiple channels and don't ignore direct mail. Here's support for this view...

Since Blackbaud's 2010 report was issued, response rates have continued to plummet and social media (compared to standard modes of solicitation) have been found ineffectual. A biting *NonProfit Times* article by the late Herschell Gordon Lewis supported this view with data:

A report issued by ZD Net showed that although 90 percent of nonprofits have a Facebook presence, use and growth are slowing, and the other major social media – *Twitter*, *LinkedIn*, and *MySpace* – already are in decline. The numbers reinforce this negative conclusion: click-through rates for Facebook ads are an almost inconceivably small 1/20 of 1 percent. That's one response per 2,000 message-recipients. It doesn't begin to compete with even the weakest conventional medium. That's substantially worse than the industry average, and analysts such as Mathew Ingram (quoted in *Bloomberg BusinessWeek*) say it seems to be getting worse instead of better. (September 17, 2012)

One might tend to dismiss the above data as dated. But Blackbaud's current report on giving in 2015 (released February 9, 2016) shows that the downward slide in the position of online giving continues. Steve MacLaughlin, Blackbaud's director of analytics, writes:

Blackbaud has been closely monitoring the shift towards digital giving for many years now. The key metric for this transition is the percentage of total fundraising that comes from online giving. This metric can be used by nonprofit organizations to benchmark their online giving performance against peer organizations within each sector or of a similar size.

Blackbaud used data over the past year to examine the percentage of total fundraising that came from online giving. In 2015, 7.1% of total fundraising came from online giving. This was an increase from 6.7% in 2014 and marks the highest recorded level with the exception of online giving in 2010. This is based on an analysis of data from 3,786 organizations with \$14.5 billion in total fundraising in 2015.

In sum, Blackbaud's current report does more to reinforce the importance of direct mail than to coronate online giving as fund raising's messiah. The fact is, online giving plummeted from 10% in 2010 to 6.7% (a 33% decline) in 2015. Trends continue to show that digital channels are not as certain as direct mail as a source of income for nonprofits. Blackbaud's research confirms this larger point: those who raise money need to understand that online channels account for far less income than direct mail. So, the takeaway Blackbaud drew from their 2011 report is remains valid today . . .

**Five years in, it is clear that direct mail giving is still the overwhelming majority of fund-raising revenue, and organizations must find ways to optimize multichannel giving *versus hyper-focusing on Internet giving alone.***

The problem with the assumption that "everything is leaning digital" is that *that* just isn't so. Moreover, twenty- to thirty-year-olds come to fund raising without experience in the grandfather of direct response—direct mail, which remains the primary source of small- to middle-level gifts. And although the online space is important, direct mail is ignored to any nonprofit's peril. Thought leaders with bully pulpits who fail to keep this in perspective, jeopardize the nonprofit sector.