

Year-to-Date Direct Mail Performance Analysis

2009 / 2010

Overview

The following is a study of the direct mail prospecting and house file results through October 31, 2010 for those Cornerstone Fundraising Clients for whom we do direct mail donation processing.

Cumulatively, our Clients significantly reduced their prospect and house file mailings in the 3rd quarter. As has been the case throughout 2009 and 2010 those of our Clients who made a decision to cut back their prospecting efforts may have left money on the table for two reasons. First, prospect response rates and revenue per mail piece were good in the 3rd quarter and trended upwards year over year. Second, less prospecting inevitably leads to smaller house files and therefore smaller house file mailings. The consequences of this may have been seen in the 3rd quarter. Some of our Clients certainly mailed fewer house file solicitations in the 3rd quarter, in many cases because they had fewer donors. The donors they did mail to, however, responded very well, with increased response rates, revenue per responder and revenue per mail piece. We have not analyzed whether our Clients moved a traditional 3rd quarter mailing to the 4th quarter. If this is the case, their forgone revenue may not be as high as it currently appears to be. However, it is clear that those of our Clients who continue to mail aggressively are reaping huge short term and long term benefits.

YTD Prospect and House Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	24,606,132	1,177,452	\$42,877,809	4.79%	\$36.42	\$1.74
2010	24,462,798	1,151,097	\$44,367,887	4.71%	\$38.54	\$1.81
% Change	-0.58%	-2.24%	3.48%	-1.67%	5.84%	4.08%

Prospect - Campaign Results

1st Quarter Prospect Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	3,743,874	77,960	\$2,097,065	2.08%	\$26.90	\$0.56
2010	3,858,009	86,128	\$2,374,987	2.23%	\$27.58	\$0.62
% Change	3.05%	10.48%	13.25%	7.21%	2.51%	9.90%

2nd Quarter Prospect Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	1,407,540	33,700	\$1,066,292	2.39%	\$31.64	0.76
2010	1,792,100	48,424	\$1,420,634	2.70%	\$29.34	\$0.79
% Change	27.32%	43.69%	33.23%	12.86%	-7.28%	4.64%

3rd Quarter Prospect Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	3,884,052	71,909	\$2,087,332	1.85%	\$29.03	\$0.54
2010	3,604,007	68,396	\$1,961,309	1.90%	\$28.68	\$0.54
% Change	-7.21%	-4.89%	-6.04%	2.51%	-1.21%	1.26%

YTD Prospect Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	9,035,466	183,569	\$5,250,689	2.03%	\$28.60	\$0.58
2010	9,254,116	202,948	\$5,756,929	2.19%	\$28.37	\$0.62
% Change	2.42%	10.56%	9.64%	7.94%	-0.83%	7.05%

House - Campaign Results

1st Quarter House Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	5,983,785	432,669	\$17,206,745	7.23%	\$39.77	\$2.88
2010	5,993,465	444,768	\$19,919,554	7.42%	\$44.79	\$3.32
% Change	0.16%	2.80%	15.77%	2.63%	12.62%	15.58%

2nd Quarter House Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	4,949,095	301,008	\$11,479,625	6.08%	\$38.14	\$2.32
2010	5,029,316	265,319	\$10,244,965	5.28%	\$38.61	\$2.04
% Change	1.62%	-11.86%	-10.76%	-13.26%	1.25%	-12.18%

3rd Quarter House Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	4,637,786	260,206	\$8,940,750	5.61%	\$34.36	\$1.93
2010	4,185,901	238,062	\$8,446,438	5.69%	\$35.48	\$2.02
% Change	-9.74%	-8.51%	-5.53%	1.37%	3.26%	4.67%

YTD House Mailings Through October 31st						
Year	Mailed	Responders	OTG Revenue	Response Rate	Revenue per Responder	Revenue Per Mail Piece
2009	15,570,666	993,883	\$37,627,120	6.38%	\$37.86	\$ 2.42
2010	15,208,682	948,149	\$38,610,957	6.23%	\$40.72	\$2.54
% Change	-2.32%	-4.60%	2.61%	-2.33%	7.56%	5.06%



Looking Forward

Cornerstone's final 2010 Analysis will be issued in early 2011.

About Cornerstone Group of Companies

The Cornerstone Group of Companies provides prospecting and database management products and services to some of the leading organizations in the world. Our [Fundraising Services](#) unit provides fundraisers with complete back-end donation processing and database management services, as well as a variety of industry-specific web-based tools, such as online donation processing and special event registration.