

DONOR

Development for Hospitals

Building a Donor Base is Part Science and Part Art

Plucking purse strings and heartstrings is important part of creative process

Michelangelo once said to do what he did, he had to be part mechanic and part artist. He had to be mechanical enough to get the scaffolding in place, be sure the surface was solid, his brushes were clean and his paints the right color. And he had to be artist enough to create scenes that would live for centuries.

You may not think building and maintaining a solid base of donors for your hospital through direct mail requires such diversity, but it does. Part of the assignment is pure science—knowing precisely how and when to make your appeal, assembling a productive mailing list, properly packaging the appeal, meeting exacting postal requirements and then professionally sending it on its way. And while that is pure science, equally important is the art of having the skills necessary to reach out to prospective donors with a strong, effective and emotional message that plucks heartstrings and purse strings alike.

THE SCIENCE OF SUCCESS

The Jay Reardon Healthcare Direct Mail Program gives each participating hospital access to exclusive donor lists, complete list

management services, high quality printing, complete mailing services, all followed by post mailing reports and personal analysis of each mailing. A donor acquisition appeal and a donor renewal appeal are conducted each spring and each fall.

THE ART OF PERSUASION

A seasoned, highly experienced Creative Director is assigned to each hospital client.

Part researcher, writer, editor and marketing expert, they have exceptional credentials in not merely writing but in searching out the right copy concept and tailoring each hospital's message to the institution's specific need.

And they are extraordinarily skilled in the time-proven strategies of successful direct mail marketing. ■



inside

Funding Facts

New Donors—An Investment No Hospital Should Pass Up!

Donor Development is a Tool That Keeps On Working!

Funding Facts

Effective fund raising is based more on impact or results of the contribution rather than the institution's mere "need" for funds. It's important to give the donor a clear picture of what the hospital does, and this is best accomplished with a dramatic portrayal of an actual patient's victory over sickness or injury. ■

About six in ten U.S. households contribute to charity routinely, according to findings released by the Center on Philanthropy at Indiana University. It was also revealed that a majority of U.S. households give an average of \$2,045 each year to charity. The right direct mail program at the right time with the right list with the right message can help ensure that you are receiving your share of the market. ■

Donating stock that has gone up in value over the years can be a smart way to make gifts. And donors don't have to worry about documenting what they paid for the stock. What matters is the fair market value on the date the gift was made, according to an April 2008 Wall St. Journal article on the rules for giving. ■

"People don't decide to give because of a tax break, but they'll give more because of a tax break," says Bill McGinly, president and CEO of the Association for Healthcare Philanthropy (AHP). ■

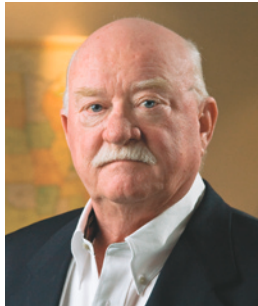
Total charitable giving by Americans in 2005 is estimated to have been \$260.28 billion, an increase of 2.7 percent (when adjusted for inflation) over 2004. However, of that only \$22.54 billion was to health care organizations, a decline of 0.7 percent. ■

Mail gets your message into waiting hands. Every day, people throughout the country look forward to receiving their mail. A United States Postal Service study shows mail recipients can't wait to see what's in their mailbox. 98% bring it in the same day it's delivered and 77% sort through their mail immediately. As the USPS says, "Not only does your marketing piece get immediately into the hands of consumers – it immediately gets into the hands of consumers who are eager to see what's in their mail. No other media channel can provide such a remarkable opportunity to get your message noticed." ■

The revolution in technology poses incredible opportunities in medicine and healthcare... as we mentioned in our June/July issue of Donor, but it also brings financial challenges of draconian dimensions. If a healthcare institution or medical practice is going to stay at the cutting edge of technology and continue providing the very latest in diagnostic techniques and curing innovations, they must face the realities of new financial burdens. Nanotechnology is one of the latest. Nanotech is defined as the creation of particles, fibers, films, coatings and other materials between 1 and 100 nanometers in size. Now medical researchers are looking at a nanoparticle that would attach only to tumor cells to stop them from functioning or growing. Before it was targeted drugs. Now it is targeted structures. Development planning for this bright and expensive new world is going to be important. We're here to help. ■

The three most frequently cited capital projects hospitals plan to fund are all technological: Digital radiology systems. Computerized physician order entry (CPOE) systems. And major information technology systems. ■

New Donors—An Investment No Hospital Should Pass Up!



By Jay Reardon

A dozen years ago, I co-authored an article in the Journal for the Association for Health Philanthropy which was titled “The Cost of Acquiring New Donors.” Someone once said that time is a dressmaker, specializing in alterations. With that in mind and after another decade of successful work in direct mail, I’d like to alter the article’s headline and change it to “The Cost of NOT Acquiring New Donors.” Simply, discovering new philanthropy is really an investment whereas not expanding your donor list can be very costly.

My 1996 article focused on donor acquisition by direct mail, the gateway through which most donors will enter the world of charitable giving. It was pointed out that the investment of direct mail in behalf of donor acquisition should be charged to a hospital’s entire development enterprise because new donors fuel all such activity. When analyzing the “cost” of direct mail as a medium for acquiring new donors, it is important to consider the long-term value of such donors to the entire program.

“Donor acquisition,” the article reported, “is not a fund-raising program. Rather, it is an investment that enables fund-raising programs to grow by providing the necessary new donors. Without a continuous stream of new donors, the donor base—and the development enterprise itself—will become undernourished and unable to find the individuals who may one day make major gifts or leave sizeable estate gifts to the organization.

“We should think of donor acquisition in business terms; that is, we should recognize it not as a direct financial benefit but as an investment that we measure by the annual growth of the donor base.”

After 30 years in the business, I have found that most new donors will remain in the direct mail donor pool. Typically, 40 percent renew their gifts within the next year and up to 60 percent will continue to contribute to not-for-profit organizations, though not to each and every appeal.

For a great many years, my motto has been and continues to be, “To get donations, you must first get donors.” ■

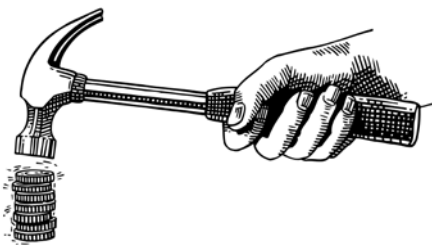
Donor acquisition is an investment that enables fund-raising programs to grow by providing the necessary new donors.



Donor Development is a Tool That Keeps On Working!

And raising money is only part of the payoff

Time and time again we've seen the donor who makes his or her first modest contribution today end up making a major gift at a later date. Certainly, raising money is the pot at the end of the rainbow, but it's not the only benefit of donor development.



Obviously, you can't receive contributions without contributors, but when you scratch a bit below the surface, you'll find some interesting collateral benefits to the on-going assembly of a donor list. By building public trust which is reflected in the depth of your donor populace, you answer critics, not the least of which is the IRS, that you are performing a community service. Simply, the extent of your service, the degree of your outreach and the depth of your dedication can often be measured by the number of folks who endorse you with their cash.

An industry spokesman recently said, "It is important that government officials, the media, community leaders and the public understand all the reasons why an organization qualifies for tax-exemption."

The purpose of the Jay Reardon Healthcare Direct Mail Program is to assist your hospital build a donor base of community residents through semi-annual mailings. Subsequently, the institution raises funds from these donors through "Donor Renewal" mailings and other fund-raising activities. ■

Without the support of donors, many hospitals struggle under unremitting financial pressure. The good news is you can open the door to new and greater donor relationships and connect much more effectively with your current donors! The *Jay Reardon Healthcare Direct Mail Program*, teamed with the premier services of United Printing & Mailing, Inc., provides an effective, efficient and affordable method to promote fund development using direct mail as the medium. Plus our services are turnkey and all under one roof: Strategy and planning, list development, creative, printing, mailing and post-campaign evaluation that is customized and professional.

If you would like to learn more about how we can bring new donors to your development efforts, call, email, fax or write us today!

UNITED PRINTING & MAILING
4833 South 38th Street
Phoenix, AZ 85040
1-800-645-6659
www.ugotmail.com/jayreardon

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