

# Acquisition Advisor

---

REPORTING ON 2020 – ACQUISITION DURING A PANDEMIC

Denise Hubbard/VP/Director of Analytics

Henry Most/VP Analytics

Mark Briggs/SAE/Analytics

NAMES IN THE NEWS | 180 GRAND AVENUE, SUITE 1365, OAKLAND, CA 94612

CREATED JUNE 2020

## **Names in the News Acquisition Advisor Bulletin**

### **New Bulletin Format**

This year we're continuing an abbreviated version of our Acquisition Advisor in a bulletin format. The aim is to provide you with a few key charts that crystallize **our latest observations** regarding the state of direct mail acquisition fundraising. The shorter format will allow us to produce a Bulletin every 6 months with more recent data which will allow us to update you more frequently on the **most recent trends**.

Our Analytics team has also come up with **a new chart** (see page 11) that we think will be very instructive for our clients and colleagues – it shows **key historical indicators and events** that will offer you some context to your fundraising.

We believe that nimble reporting and historical context is **even more critical now** as we navigate ever-shifting political, societal, economical and pandemic challenges unprecedented in our country. Adding a contentious and divisive Presidential election is only creating more uncertainty to the mix. We need to assess mailings and overall trends as quickly as possible because we want to give you the information you need so that you can quickly shift gears, add mailings or refine them depending upon what we are seeing.

We hope you find this bulletin helpful and are happy to answer any questions you might have, particularly as some of the charts are slightly different than the ones in past Acquisition Advisor issues. Also, if your organization is not currently in our data set and you'd like to be, we only require topline outside list campaign results to include you in our database. Please contact Denise Hubbard, VP/Director of Analytics ([dhubbard@nincal.com](mailto:dhubbard@nincal.com)) if you're interested in participating or have further questions.

### **Background**

After Donald Trump was elected, we saw the "Trump Bump" -- a new reality in terms of acquisition response. Even non-political/advocacy groups (cultural, humane, charitable) seemed to benefit to some degree. This was the case through Q1 of 2018. But from that point forward we saw notable drops in almost all mailer markets. Although performance for many progressive/advocacy mailers declined, they continued to remain well above pre-Trump levels during 2018. Most of these declines can be attributed to a waning Trump bump, the late 2017 tax code change, a fractious mid-term election, natural disasters (drawing donor attention), and the December 2018 stock market plunge and government shutdown.

2019, unfortunately, reflected declines in all but the environmental market, and often to *below* pre-Trump response (16% drop overall for our non-political data set). Most surprisingly, part of this overall decline stemmed from drops in many organizations' average gifts (12% overall). This was new and notable, and counter to trends towards **fewer donors giving higher gifts** - which seemed at the time more stable and likely to continue. (The people who can still afford to give likely can give at the same level, or higher, than they always have.)

Calendar year 2020 thus far has been **unlike any year in recent memory**. Reviewing client results thus far, **we are seeing interesting and some amazing results**. In general, the consensus is better than expected results starting in March for a wider variety of mailers than originally anticipated.

## Challenges on Several Fronts

Sometimes it's easy to glean what's driving trends in direct mail response. More often there are a variety of circumstances impacting results, creating certain synergies that nudge or clearly impel metrics in one direction or another. Since the beginning of 2020 we've had several key events which on their own could have impacted shifts in response but together are having a significant impact on our society and subsequently on donor engagement. As if you need to be reminded, we've had an impeachment, a pandemic, shelter in place, stock market shock, recession, and a large portion of the population without work. On top of that we are in the midst of the biggest civil rights call to action and public response in recent history. This economic, pandemic, and cultural upheaval coupled with serious threats to our democracy is unprecedented. And we can expect the rest of the year to get even bumpier as we get closer to a tumultuous Presidential election and as various states shift in and out (and perhaps even back in again) to Shelter in Place.

In our earlier e-blasts we sent out a call to action to our clients, saying that from our experience we were entering a phase where many organizations might want to pull back but should stay the course. We knew from past historical data that those organizations who stayed in the mail almost always came out ahead of other mailers who were forced or who chose to "rest their donors" or hold from spending acquisition dollars. We were pleased that most of our clients did follow our advice and we are happy to report that by and large we have more data that shows that this was the prudent course of action. Even we were surprised by the breadth of mailer markets that are seemingly doing quite well in the mail **during the second quarter**, with results continuing to stream in. We expected that political and progressive mailers would do well, but we are also seeing many mainstream mailers outside of this space doing well also. We are very happy that these organizations will reap the benefits of those investments as they add to their donor rolls and have more donors to cultivate and solicit moving forward. It will be important to calculate long term value on these newly acquired donors to see if they will convert or if they will behave as "emergency responders". At any rate having more donors to engage, cultivate and upgrade is a positive.

Having said that, each individual organization is different and has the closest touchpoints to their own history, data, and budgetary requirements. Each organization has its own unique challenges and objectives and too often we have heard fundraising pundits give sweeping assessments that don't always ring true for each individual nonprofit. There have been some industry articles on lackluster 2020 results and although we agree that 1<sup>st</sup> quarter 2020 looked weak for some markets, we are starting to see a different story as it relates to the second quarter particularly for those organizations that have a story to tell and a mission that offers a solution to the current societal and economic woes.

Our goal here is two-fold: to show you the data that we have seen over time and across mailers; and to convey why we think **initial 2020 second quarter results are pretty remarkable**. Of course, all of this should be reviewed in context with your own acquisition results and offer. If your current donors are showing that they are attentive and stepping up in big ways now, it should be the right time for your offer to go out to new prospects or to reactivate lapsed donors. Organizations should be looking at their acquisition investment now during this unique opportunity and at the very least be having critical discussions with consultants and broker partners to make sure they are gathering as many new donors as they can while attention to their offer is at the forefront of the public consciousness. If your

organization cannot make that correlation right now or if your current base isn't responding to ongoing appeals, then prudence, is of course recommended.

## Key Charts

The chart below shows gross revenue per thousand names mailed split out by quarter and market and compares calendar years 2018 through 2<sup>nd</sup> quarter (to date) of 2020. The last column shows the difference between 2020 and 2019. As you can see, most mailers have seen substantial increases, mostly due to 2<sup>nd</sup> quarter strength. The cultural arts market remains flat as does international relief and animal welfare. Animal welfare and cultural arts are beginning to see an uptick in the second quarter but it isn't enough yet to increase 2020 YTD over 2019.

### Market Comparison by Calendar Year and Quarter

By Quarter											By Calendar Year				
Market	Gross Revenue Per Thousand Names Mailed										Gross Revenue Per Thousand Names Mailed				
	2018				2019				2020		2018	2019	YTD 2020	19 ÷ 18	20 ÷ 19
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2					
Animal Welfare	\$163	\$141	\$145	\$152	\$141	\$126	\$119	\$116	\$118	\$131	\$152	\$127	\$119	-17%	-6%
Charitable	\$208	\$209	\$265	\$245	\$237	\$253	\$242	\$219	\$215	\$1,081	\$242	\$232	\$377	-4%	63%
Cultural	\$234	\$187	\$219	\$178	\$191	\$186	\$209	\$197	\$190	\$223	\$204	\$195	\$195	-4%	0%
Environ/Wildlife	\$247	\$207	\$227	\$230	\$222	\$251	\$239	\$224	\$246	\$284	\$230	\$232	\$257	1%	11%
International	\$148	\$129	\$179	\$201	\$158	\$152	\$163	\$188	\$163	\$154	\$173	\$170	\$162	-2%	-5%
Progressive	\$188	\$167	\$219	\$197	\$145	\$119	\$150	\$129	\$151	\$235	\$196	\$135	\$158	-31%	17%
Grand Total	\$207	\$175	\$212	\$199	\$176	\$173	\$190	\$177	\$172	\$296	\$200	\$179	\$193	-10%	8%
Political	\$747	\$576	\$681	\$447	\$392	\$538	\$543	\$431	\$713	\$743	\$826	\$573	\$722	-31%	26%

©1991-2020, Names in the News

Notes:

Results shown are based on use of outside lists only.

Years shown represent results by calendar year. Calendar year 2020 results are year to date amounts.

Calendar package results are not included in this analysis; all other premium packages are included.

Bright Green highlights represent greater than 5% increase over prior year in that market.

Sage green highlights indicate performance greater than the full year performance in that market.

Yellow highlights represent greater than 5% decrease over prior year in that market.

Political market has been set apart as it overly influences overall totals.

## Observations

- 2018 saw declines across most markets, attributable to: a waning Trump bump, the late 2017 tax code change, a fractious mid-term election, natural disasters (drawing donor attention), and the December 2018 stock market plunge and government shutdown
- 2019 continued to see declines across all mailer markets.
- 2020 YTD is seeing **market increases in several categories**, for organizations focused on current events and issues and, we suspect, a result of a more captive audience during Shelter-in-Place. This despite the fact that 1<sup>st</sup> quarter of 2020 started off weak in many of the market categories.

- **Charitable mailers** serving **humanitarian** needs (i.e. food, shelter, health/human services and social justice related charitable offers) are seeing a large increase in revenue during Q2, due to COVID-19, a dramatic increase in unemployment and food/medical insecurity, and the related increased media coverage around poverty and social justice issues as a result of the pandemic and joblessness.
- **Progressive mailers** of many stripes are seeing upticks in revenue in Q2, due to the politicized issues around COVID-19 and, more recently, with the death of George Floyd and subsequent social justice groundswell
- **Environmental / Wildlife mailers** are seeing increases over CY19 as well, with Q2 driving that amount, which may relate to parks offering natural physical distancing options during COVID-19.

### QUARTERLY VARIANCE CHART AND OBSERVATIONS

When we pull out the 2<sup>nd</sup> quarter data and compare the 2<sup>nd</sup> quarter revenue per thousand across 3 years we see a **marked improvement across all of the markets**. Five out of six mailer categories had their highest revenue per thousand in that 3 year period in 2<sup>nd</sup> quarter of 2020.

We see that the charitable and progressive markets are showing huge spikes and driving the 71% overall improvement.

Gross Revenue Per Thousand Names Mailed					
Market	2018 Q2	2019 Q2	2020 Q2	19 ÷ 18	20 ÷ 19
Animal Welfare	\$141	\$126	\$131	-11.1%	4.0%
Charitable	\$209	\$253	\$1,081	21.2%	326.5%
Cultural	\$187	\$186	\$223	-0.6%	20.0%
Environ/Wildlife	\$207	\$251	\$284	21.3%	13.2%
International	\$129	\$152	\$154	18.0%	1.1%
Progressive	\$167	\$119	\$235	-28.5%	97.1%
<b>Grand Total</b>	<b>\$175</b>	<b>\$173</b>	<b>\$296</b>	<b>-1.3%</b>	<b>71.0%</b>
Political	\$576	\$538	\$743	-6.6%	38.0%

## Recommendations

Given performance we are seeing thus far here's some thoughts on what to do now.

- **Health and Human Service organizations in particular should be assessing if it is the time to invest more in their acquisition annual plans.** COVID-19 is beginning to spike in several new states, or even re-spiking in some states that reopened. Health and Human Service organizations will still have a perceived need throughout this year even continuing post election as we are predicted to hit a second and stronger wave. Unemployment rates continue to be higher than ever (13.3% as of May). Charities that provide food, shelter or medical assistance will continue to be in demand. Considering the bump that typically happens at year end for these types of organizations, getting out in the mail now would be highly beneficial, to make sure you are acquiring new donors who can then be targeted in your year-end appeals. If you are seeing a bump now you may want to consider increasing your acquisition volume for the second half of the year presuming the typical lift of seasonality for this type of offer.
- **Organizations whose mission is to further civil/human rights absolutely should be active in their quest for new donors now.** With the killing of George Floyd in late May this topic is front of mind in media and social media outlets and the majority of Americans are enraged and engaged and looking for ways to support this type of critical work. There is a rare confluence of issue, societal recognition, need and publicity that is setting all the ripe conditions for mailing success.
- **Progressive mailers seeking a social change and social justice are highly relevant right now and these types of organizations should be reviewing potential scenarios of increased investment.** We've noted the issues illustrated by the pandemic and race, but there remain broader social issues to be addressed. With the coming presidential election, those organizations seeking to turn the tide of policy decisions made since 2017 need supporters to further those missions. In this market category we would put government or corporate watchdogs, those who have issues related to preserving our democracy and rights. Again, many of our citizens are looking for ways to make change and if your organization has particular relevance now you may be missing a critical opportunity if you're not out in the mail or mailing your full universe potential.
- **Relevance drives response more than any other factor and this is true now more than ever.** This is a key opportunity for many organizational market groups who are highly relevant at this particular point in time during this pandemic and while there is a call for social reform. Don't get stuck in the same patterns of mailing the same time and volume as every other year. There is a unique opportunity here that could very well impact your traditional seasonality.
- **Organizations need to be nimble and be prepared to move quickly as the dynamics of everyday life change.** Please do not rely on old mail patterns that were established in a very different mailing climate. History has shown that those organizations that are able to engage with prospects during challenging times are rewarded with new donors and more subsequent revenue to support their causes. Those new donors will help to sustain the organization down the road.
- **Stay steady.** All webinars early on in the pandemic referenced the need to continue to stay the course in terms of donor acquisition and if possible (and true), tie your organizations work to current events. Even if your results remain relatively flat you need to stay in the mail in order to fight attrition and to keep your house file numbers strong.

## CONSIDERATIONS FOR BUDGETING FY 2021

As we look to budgeting for the coming year, we know that we will have even more unknowns than normal. Here are some of the *questions we're pondering*:

- How long will the pandemic last? Will there be a vaccine available in early 2021 that will allow most American's to resume normal life mask free and within 6 feet of their neighbors?
- When will America be able to go back to work more fully and bring down the unemployment rates?
- Will those businesses that struggled and filed for bankruptcy due to shelter in place recover?
- Who will be president? Will there be another 4 years of President Trump or will the Democrats take back the White House? Even if the Democrats do take over the White House, it will take years to repair the damage that has been done. In this case how long will the American people be actively engaged?
- What will be the economic fallout from the Pandemic and how long will it last? What will be the impact or fallout from our deficit under Trump? Will there be a new focus on wealth inequality under a Democratic president?
- Will remote work continue post pandemic and will that impact the ways people give? If people are home will they be reading their mail or answering their phone more? If in isolation, will they be looking for ways to "connect" to their communities and be more likely to take action or donate? Will membership offers become more relevant as isolated donors seek more virtual communities of like-minded thinkers?
- How will the stock market react to political change and unrest? Will it continue to rebound or will a second wave impact year end economics?

Not knowing the outcome, there are *some learnings* we can look to aid us as we budget for 2021.

- **Be prepared to be nimble.** When you create your fiscal year budget have a **below the line "opportunity fund"** should events dictate an acquisition mailing during a more pivotal time. Those organizations caught flat-footed or falling into a fundraising rut this year may pay the price for years via a lack of donors to convert in coming months/years. You may want to use this line item in the case where you initially thought you might reduce your number of acquisition mailings. (A side cautionary note: Although cutting acquisition helps the bottom line of your annual plan in the short term, the second year after cutting acquisition is particularly challenging. In year two you will need to offset increasing costs by creating a scenario where you are raising more revenue from fewer donors. Having a below the line "opportunity fund" ensures that you can get back on track quickly should there be an atmosphere for fundraising improvement.)
- **Consider a new mindset towards acquisition fundraising.** This may be a radical concept, but we wonder if perhaps our community needs to view acquisition in a new way as serving a dual purpose, as both a means to generate new donors and revenue, and as a general communication platform to inform and cultivate prospects as well as broaden your reach. Getting potential donors familiar with your brand and why you are so important during this critical time in history is paramount. We've seen some big nonprofit progressive "brands" from the 70's- 90's come back in a big way in recent years as the need for their particular solutions became more apparent to new generations. It's been said that the current younger generation is not going to do as well as the generation before them, which hasn't happened in

decades. This generation is becoming more politically active and looking for collaborations and resources to help them make change, even if they don't yet have the disposable income to support in a monetary way. In a nutshell we're wondering if looking at acquisition with more of a long term view may be something to consider.

- **Fully engage your List Broker.** It's surprising to us that few organizations and consultants engage their broker in annual plan strategy meetings, and we believe it is a big missed opportunity. Your broker can help you create your budget based on actual list performance and universe/volume potential, brainstorm on ways to think outside the box, determine how the acquisition cycle best fits in with your annual calendar, explore new technologies and methods to acquire donors, and come up with an "emergency or urgent mailing" scenario to take advantage of hot button issues that directly relate to your organization. More importantly your list broker works with many (in our case hundreds) of nonprofits and can see patterns and mail creative across a variety of mailers and offers over time. This free and invaluable strategic help is an important tool in your toolkit that you should be accessing, particularly during this unusual fundraising climate.

## **PRESIDENTIAL ELECTION IMPACT**

Historically, post-presidential election campaigns tend to be strong. Historical performance tells us that regardless of the party of the President elect, there is an uptick in performance in terms of gross revenue per thousand names mailed during Q4 as compared to Q3 of the election year.

We're having some debate within our office as how the election will play out in terms of acquisition fundraising. There's one argument that if Trump is defeated progressives will breathe a sigh of relief and be complacent or that the stock market and economy could be volatile as the pandemic accelerates which could in turn stifle giving. A counter thought is that a Trump defeat will bring a new progressive momentum, coupled with a new social consciousness that has donors energized, engaged and ready to give. That same argument adds that if we are in a second wave of the pandemic, there may be an even greater societal need for services during a premium time for philanthropy. Who knows how new legislation might impact or erase a particular need? Or help level out wealth inequality? What particular policies will be changed immediately? Or if there will be new tax laws that apply to charitable giving with a new administration?

If Trump gets reelected, there will be many reasons for concern beyond fundraising; nonetheless, in our world, we might see some despair and deflation that hinders giving briefly. Of course, it is also possible that progressives will double-down and fight back even harder.

***Knowing that a new administration may have an impact on your fundraising, now would be a good time to have discussions related to how you could easily ramp up or refine down your acquisition volume. There are many ways to use cooperative models or other techniques to respond quickly to a turn of events related to the election, and your broker can certainly help you with some proactive ideas prior to that turn of events.***

## **2008 ELECTION – REPUBLICAN TO DEMOCRATIC ADMINISTRATION**

The last time there was an election transitioning from a Republican President to a Democratic President (in 2008 with the Election of President Obama), we saw performance metrics change in this fashion:

	Response Rate			Average Gift			Gross Revenue/Thousand		
	2007	2008	Variance	2007	2008	Variance	2007	2008	Variance
Broad Market	1.02%	1.14%	11.6%	\$17	\$17	-1.3%	\$171	\$188	10.1%
Animal Welfare	0.51%	0.51%	0.7%	\$31	\$29	-6.4%	\$155	\$146	-5.7%
Charitable	0.55%	0.52%	-5.2%	\$60	\$54	-9.9%	\$333	\$285	-14.5%
Cultural	0.94%	0.94%	-0.9%	\$27	\$26	-1.9%	\$252	\$245	-2.8%
Environ/Wildlife	0.49%	0.56%	14.9%	\$53	\$44	-17.1%	\$258	\$246	-4.8%
International	0.43%	0.41%	-5.5%	\$37	\$47	27.0%	\$160	\$192	20.0%
Political	0.58%	0.58%	-0.8%	\$27	\$26	-3.8%	\$158	\$151	-4.6%
Progressive									

Please bear in mind however, that the financial crisis which started during 2007 and continued into 2008 was an influence in these numbers. The uncertainty and decline of the stock market and loss of home ownership negatively affected giving during this specific time. This is different then what we are facing now in terms of the current economy.

So when we are comparing presidential turnover to a new party, you need to look at that in context with the economic situation at that particular period of time. We may not experience the same decline in 2020 giving as seen in 2008. Although we are having economic challenges with more unemployed, and many businesses struggling there is some hope that a vaccine and a resolution to the pandemic will bring back a swift economic recovery. This is counter to the longer tail on economic recovery that happened during the 2007/2008 period and beyond. The other differentiation to consider is the current polarization of the country and no matter who is chosen there is going to be some type of critical response which will certainly effect giving in ways that will be more dramatic than during the 2008 election switch.

## 2016 ELECTION – DEMOCRATIC TO REPUBLICAN ADMINISTRATION

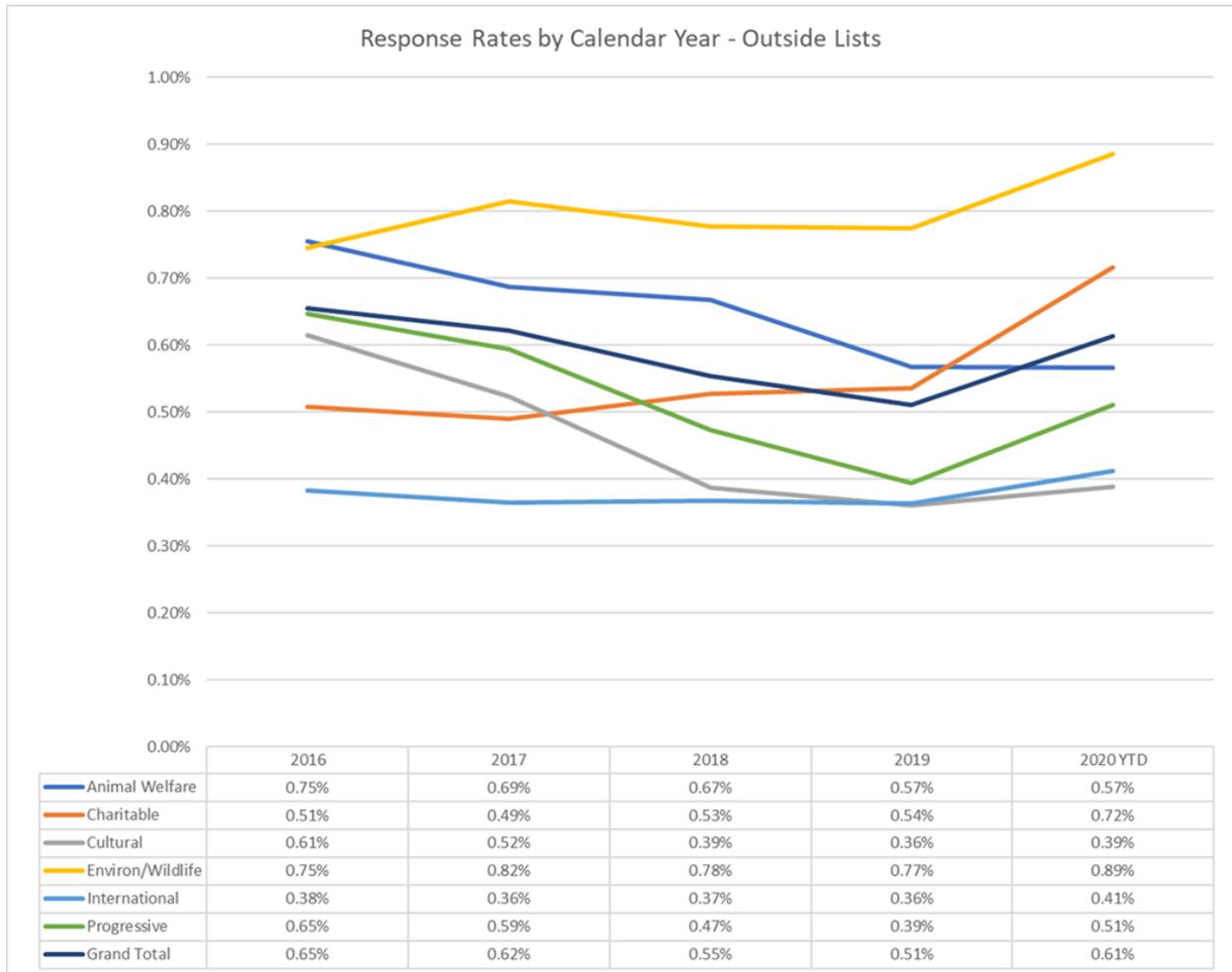
Contrasting the above Bush to Obama President Elect, here is the same chart showing Obama to Trump President Elect in 2016:

	Response Rate			Average Gift			Gross Revenue/Thousand		
	2015	2016	Variance	2015	2016	Variance	2015	2016	Variance
Broad Market	0.77%	0.75%	-1.5%	\$22	\$23	3.7%	\$169	\$173	2.1%
Animal Welfare	0.52%	0.51%	-1.4%	\$37	\$47	28.8%	\$188	\$239	27.0%
Charitable	0.43%	0.44%	1.8%	\$49	\$48	-2.2%	\$212	\$212	-0.4%
Cultural	0.70%	0.75%	7.1%	\$30	\$30	0.7%	\$207	\$224	7.8%
Environ/Wildlife	0.36%	0.38%	5.4%	\$40	\$43	5.9%	\$146	\$163	11.6%
International	0.66%	0.81%	23.0%	\$37	\$45	20.1%	\$245	\$362	47.7%
Political	0.50%	0.65%	28.3%	\$33	\$42	29.3%	\$166	\$275	65.9%
Progressive									

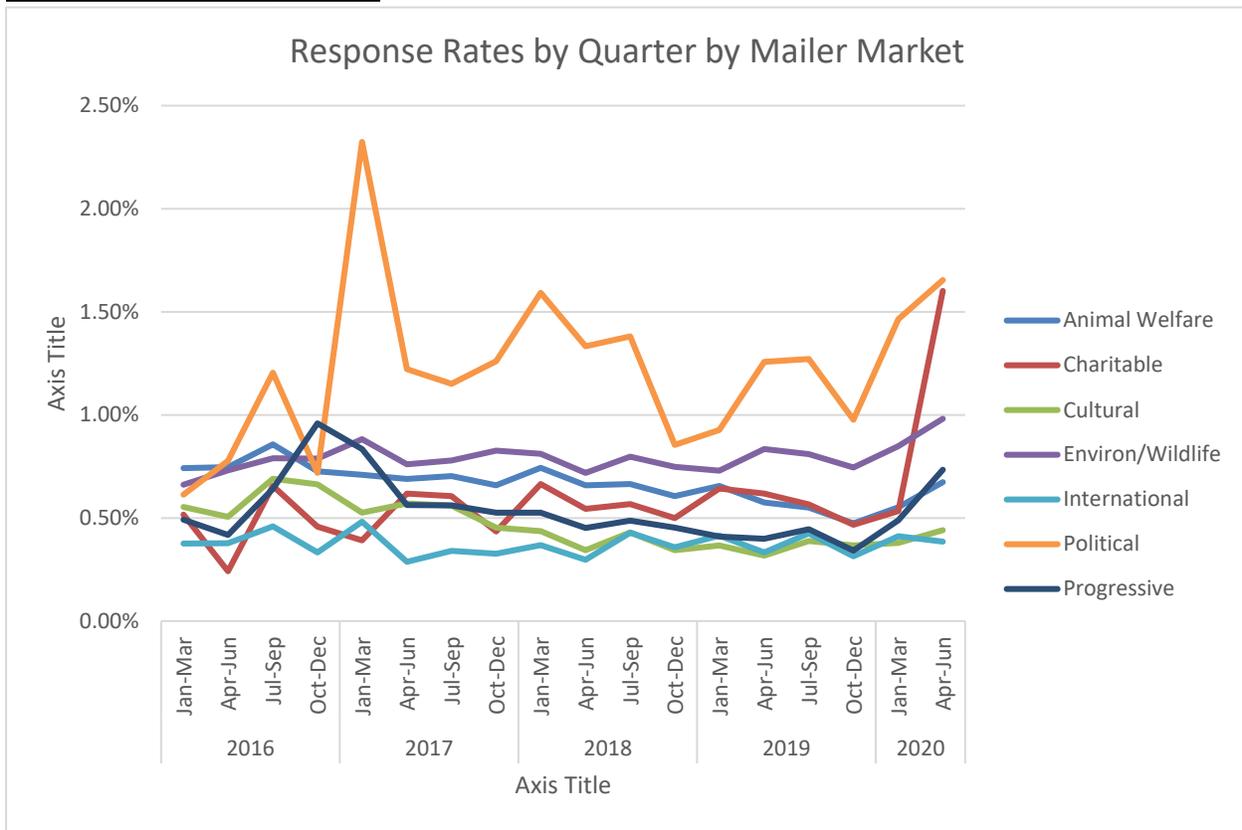
We see the beginning of what became known as the “Trump bump” following the election of President Trump. It remains unknown if we will see a similar second bump in response if he is reelected. Will there be a new sense of urgency as his policies become further entrenched or will a weary populace throw up their hands? Time will tell.

**RESPONSE RATES BY CALENDAR YEAR**

The current situation is unlike any we have ever seen which makes projecting performance for the year all the more difficult. Consider this chart of response rates. With the exception of the Animal Welfare mailer market which is currently even with 2019, **all markets are seeing a lift in response rates thus far in 2020**. However, we’re not sure we can bank on this for next year, given all that we’re facing and that we’ve detailed above. Even with the lift there are concerns about the length and depth of the recession. And regardless of donor engagement and nonprofit needs, to have many without jobs and/or decreased paychecks could very well lead to softer returns similar to the 2019 level. Perhaps, at this point, it makes sense to peg somewhere between 2019 and 2020 response rate levels.



## RESPONSE RATES BY QUARTER



In late 2016 and early 2017 newly elected President Trump energized the Political and Progressive markets as well as others that shared similar sensibilities such as Environmental / Wildlife and International mailers. All saw increases in response rates as a result.

In Q2 of 2020 we see marked increases in response rates across most markets with the largest growth coming from the Charitable mailer group. Given this illustration, it becomes important to carefully review the prior year(s) results to aid in projecting for the coming year as we have seen emergency giving (aka Trump Bump or Rage Donors) fall off as times become more “normal”. This creates new opportunities to engage with those new donors to keep them for the long haul.

## POTENTIAL IMPACTS TO FUNDRAISING

We often find ourselves trying to remember key dates of events that we suspect have impacted fundraising. Mark Briggs, our newest Analytic team member, created a great new tool for us to use as a reference for when we are reviewing response data. We think a calendar showing economic, major societal and political events will be helpful to use side by side with your results. We know this will be a great resource for you and are eager to hear feedback on helpful indicators and if you'd like to have us consider adding other aspects that might be instructive.

# 2016-2020 Potential Impacts on Fundraising Results

**2021**

George Floyd dies 5/25 - police charged, massive BLM protests & calls for police reform

100,000 COVID-19 fatalities - 5/27

Markets Rebound (COVID Treatments?) - Oil prices crash

COVID-19 shelter at home restrictions relaxed, businesses re-open, infections rise in many states

Shelter at home orders issued in most states, schools start to close

50,000 COVID-19 fatalities - 4/20

Biden clinches Democratic Presidential Nomination - 3/12

Unemployed/Underemployed combined rate exceeds 20% - US Bureau of Labor

COVID-19 Emerges as Major Pandemic

Stock markets Drop 30% - 3/4-3/23

**2020**

Trump Impeached - 12/18

Unemployment rate 3.6%

2019 Data: 4.7% increase Ind. Giving, Env/Animals up 11.3%, Religious up 2.3%, Int Causes (-.4%), Arts up 12.6% - Giving USA

US/China Trade War Escalates - Increased Tariffs

Multiple mass shooting incidents 7/28-8/31

Central American Migrant Exodus Grows

Mueller report released - 4/18

Government Shutdown Ends - 1/25

Unemployment rate 4.0%

2018 Data: (-1.1%) decrease Ind. Giving, Env/Animals up 3.6%, Religious (-1.5%), Int Causes up 9.6%, Arts up 0.3% - Giving USA

35 Day Government Shutdown Begins - 12/22

Democrats Win Back House, A Record 125 Women Are Elected

California Wildfires, Global Warming Concerns Grow

Facebook Data Exposure Scandal

Parkland HS Florida mass shooting

Major Tax Law Changes - Only 18% of taxpayers itemize vs. 45% in 2017

Unemployment rate 4.1%

2017 Data: 3% increase Ind. Giving, Env/Animals up 7.2%, Arts up 8.7%, Religious up 2.9%, Int Causes (-4.4%) - Giving USA

**2018**

Major Hurricanes Affect TX and FL

Las Vegas mass shooting

Opioid Epidemic Explodes

Trump Signals Exit of Paris Climate Accords

Unemployment rate 4.7%

2016 Data: 3.9% increase Ind. Giving, Env/Animals up 7.2%, Arts up 6.4%, Religious up 3%, Int Causes up 5.8 - Giving USA

**2017**

Trump Elected - Republicans Control House and Senate

Pulse nightclub mass shooting

Brexit Passed

Trump Clinches Republican Presidential Nomination

Unemployment rate 4.9%

2015 Data: 3.7% increase Ind. Giving, Env/Animals up 6.2%, Arts up 7%, Religious up 2.7%, Int Causes up 17.5% - Giving USA

**2016**

## THE ROAD AHEAD

It's clear from the above charts that we face some challenges and opportunities right now in direct mail fundraising, and given the various factors we laid out, we don't know yet if "not normal" *is* the "new normal". Get ready for an even bumpier and curvier road in the months ahead! But always know you have our support and our diligence in finding new ways to provide you more information so you can make the critical ***and nimble*** decisions to move forward. And don't forget some of our ongoing recommendations to do web match backs (particularly critical now) and try to develop co-controls if you haven't already done so. This will help with list and package rotation and to get the best out of your list universe. Hopefully, Q4 of 2020 will be back to its typical post-election strength (or maybe even better?)

By acting proactively and collaborating creatively with agencies, brokers, and merge houses, we can weather this challenging period and find innovative paths to increase response and organizational success. And please remember to include us as your broker in your annual plan development or as your plans shift. We're here to help you in any way we can to accomplish the very important work that you are doing.