

It's *Not* Either/Or

How Paid Media and Direct
Mail Work Better Together



INTRODUCTION

The Problem

Direct mail *still* works – it's often a lever that prompts giving.

But on its own, it's not working the way it used to.

- ▶ **Response rates are declining**
- ▶ **Acquisition is getting harder**
- ▶ **Donor files are shrinking**

Across the sector, organizations are seeing:

- ▶ **Fewer new donors entering the file**
- ▶ **Lower participation from small-dollar donors**
- ▶ **Increased reliance on a smaller group of loyal supporters**

The Result

Acquisition pressure is rising, while the cost of replacing lost donors continues to increase.

What the Data Is Telling Us

Across organizations, we're seeing a consistent pattern:

- ▶ **New donor acquisition is declining significantly**
- ▶ **Retention is holding, but concentrated among fewer donors**
- ▶ **Sustainers and higher-value donors are carrying more of the revenue**

For example:

- ▶ One organization saw **new donor acquisition decline by over 25% year-over-year**
- ▶ At the same time, **revenue per donor increased**, driven by stronger retained segments
- ▶ Digital now accounts for **over 50% of new donors**, while direct mail can still drive stronger, long-term retention

Takeaway

“No single channel is solving the acquisition challenge on its own. However, donors who come through paid media donate across multiple channels,” according to Laura Hinrichsen, SVP, Integrated Media Solutions.

“And they become repeat donors. They are sticky, even more so than single-channel donors.”



*No single channel is solving today's acquisition challenges on its own. If your strategy is still siloed, **let's talk about how a more integrated approach can improve donor communications and results.***



The Reality

DONORS DON'T THINK IN CHANNELS, EVEN IF YOU DO.

There is no “typical” donor journey. Donors don’t see they are being targeted through a variety of channels – like paid media, a direct mail piece, and email, according to Liz Lowe, Vice President, Client Relationships.

Donors:

- ▶ **See an ad**
- ▶ **Get a letter**
- ▶ **Google your name**
- ▶ **Click an email**
- ▶ **Give**

“They see it as getting information, period. So, we must think like that, too,” she says, adding those donors who receive multiple touch points are more likely to give – and more touch points are likely to prompt more giving.”

The donor journey is connected even if your campaigns aren't.



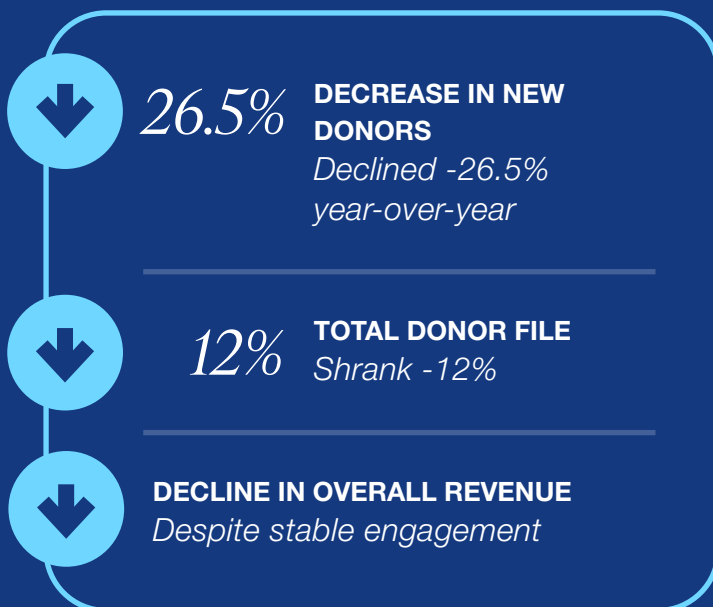
SECTION 1

Acquisition Reality Check (A Food Bank Case Study)

The Challenge

New donor acquisition was declining sharply, putting pressure on long-term revenue growth.

What We Saw



What Mattered Most

- ▶ Retained donors gave more
- ▶ Sustainers continued to grow
- ▶ Value concentrated among fewer donors

The Takeaway

ACQUISITION ALONE WON'T DRIVE GROWTH.

Organizations must balance acquisition with retention, reactivation, and long-term value strategies.

SECTION 2

Digital vs. Direct Mail, Not Either/Or (A Food Bank Case Study)

The Insight

Each channel plays a different role in acquisition.

What We Saw



DIGITAL DROVE 50% OF
NEW DONORS



DIRECT MAIL DELIVERED STRONGER
SECOND-YEAR RETENTION
(35% vs. 26%)



DIGITAL DONORS WERE MORE
LIKELY TO LAPSE WITHOUT
FOLLOW-UP

What This Means

Digital + Direct Mail = **scale and reach + long-term value and retention**

The Takeaway

THE STRONGEST PROGRAMS DON'T CHOOSE—THEY COMBINE.

What Happens When Channels Work Together

When paid media and direct mail are aligned:

- ▶ **Response rates improve**
- ▶ **Campaign visibility increases**
- ▶ **Donor journeys feel more cohesive**
- ▶ **Conversion opportunities expand**

When they aren't:

- ▶ **You lose reinforcement**
- ▶ **You miss intent signals (site visits, search spikes, landing page engagement)**
- ▶ **You underperform what your investment could deliver**

The Bottom Line

Each has a role to play in your campaigns, say Hinrichsen and Lowe, and they work **better together**.

To have the right balance of short-term return and long-term value, you need a combination of paid media and direct mail.

“But don’t forget, organizations must have an **easy-to-use donation form** to reduce any areas of giving friction. Not having a donor-friendly donation form will absolutely inhibit people from converting easily,” Lowe says.



SECTION 3

Acquisition Alone Isn't Enough – Look to Renewals

Growth is coming from *both* acquisition AND reactivation, not just net-new donors.

Hinrichsen says every sector **targeting reactivation audiences through paid media** continues to be more successful than any other channel.

Lowe agrees, “Lapsed donors that may have given through direct mail, when they come back, they’re converting online because it is the most frictionless way to give.”



The Hidden Opportunity — Reactivation (A Food Bank Case Study)

The Challenge

New donor growth slowed, but lapsed donors remained a large, underutilized audience.

What We Saw



REACTIVATED DONORS
Held relatively steady year-over-year



LAPSED FILE
Remained sizable and recoverable



WIN BACK DONORS SHOWED STRONG GIVING POTENTIAL

What This Means

- ▶ Not all growth needs to come from net-new acquisition
- ▶ Reactivation is often more efficient and predictable

The Takeaway

YOUR NEXT BEST DONOR MAY ALREADY KNOW YOU.

SECTION 4

Sustainers Are Stabilizing the File (A Food Bank Case Study)

The Insight

Recurring giving is becoming a core driver of revenue stability.

What We Saw



What This Means

- ▶ Sustainers create predictable, long-term value
- ▶ Growth is increasingly tied to recurring donors

The Takeaway

**ACQUISITION SHOULD LEAD TO SUSTAINER CONVERSION –
NOT STOP AT THE FIRST GIFT.**

What's Driving This Performance

High-performing programs are not leaving sustainer conversion to chance – they are building intentional, multi-channel pathways:

- ▶ **Timed conversion windows:** Many see strong results with sustainer asks 60–90 days after the first gift
- ▶ **Channel orchestration:** Digital leads the conversion effort, with direct mail reinforcing the message
- ▶ **Consistent messaging:** Coordinated creative and timing across channels improves response
- ▶ **Targeted segmentation:** Advanced modeling (e.g., giving propensity) identifies donors most likely to convert

Implication

Sustainer acquisition strategy should connect directly to **long-term value pathways**.



SECTION 5

How Paid Media Lifts Direct Mail Performance

Reinforces Your Message

Donors see your campaign multiple times – but it must be the same message. This leads to increased **recall and trust**.

Extends Your Reach

Both mail and paid media can target your file, but digital expands beyond it through:

- ▶ Lookalike audiences
- ▶ Prospecting

Improves Timing

Mail hits once, while digital surrounds the moment – **before, during, and after**

Captures Intent

Donors respond by:

- ▶ Searching
- ▶ Visiting your site

Digital may lead but direct mail supports – especially with sustainers.

“For example,” says Hinrichsen, “a sustainer campaign isn’t just that you’re on file or have been to the website – organizations need to be intentional with segmenting and use tools like GivingDNA to identify the right type of people likely to upgrade.”



SECTION 6

What This Looks Like in Practice

Look at the *entirety* of a program.

Instead of running:

- ▶ A mail campaign

- ▶ A separate digital effort

Shift to a holistic approach:

- ▶ One campaign

- ▶ Multiple coordinated touchpoints

Lowe says what can inhibit organizations from making good decisions is looking at campaigns specifically channel by channel and thinking that something is not performing because it's not performing in the channel that they wanted it to – not necessarily taking in the whole approach of what was done.

Reminder: Donors don't think in channels, even if you do. It's time we rethink this misconception.

A Simple Way to Get Started

Plan your storyline out as far in advance as you can – **using each channel** – so everything that will go in front of a donor doesn't seem disjointed. Think omni-channel planning from the start.

Sometimes direct mail will lead first, sometimes digital will lead first, but it's taking that integrated approach as to which one will lead first – and build the assets later.

Step 1: Anchor in Direct Mail

- ▶ Define audience
- ▶ Lock messaging
- ▶ Establish drop timing

Step 2: Layer Digital Around It

Before mail drops

- ▶ Awareness + audience building

During

- ▶ Retargeting
- ▶ Paid search
- ▶ Reinforcement

After

- ▶ Follow-up messaging
- ▶ Conversion optimization

Step 3: Measure the Full Picture

- ▶ Not channel-by-channel
- ▶ But campaign-level performance



Common Pitfalls to Avoid

1. Starting digital *too late*
2. Treating channels as *separate* strategies
3. Measuring in silos instead of *holistically*
4. *Overcomplicating* execution

Too many campaigns aren't as strategic because they were focused on something like how long direct mail takes and not getting started with digital early enough.

Many campaigns fail to reach their full potential because they prioritize logistical concerns — such as the lead time required for direct mail — over strategic coordination. As a result, they delay the launch of digital components, missing critical opportunities to build awareness and engage audiences before the mail arrives. This lack of integrated planning diminishes the effectiveness of both channels, making it harder to create a seamless donor experience and maximize campaign outcomes. Think of it from the donor's perspective. What do you want donors to see first so they can understand the next piece?

“Organizations are often not looking at it from beginning to end, but rather in silos,” Lowe says. “Instead, plan all the channels at the same time – or at least one quarter at a time.”

The Bottom Line

Direct mail still works. Digital still works.

But the real opportunity is in how they work better together.

Organizations that integrate channels:

- ▶ Acquire more effectively
- ▶ Retain more donors
- ▶ Build stronger long-term value

“Organizations can't continue to do the same thing and expect a different result. It's like tripping over the same rock and not moving it,” says Lowe. “It really is time to make that mind shift. Donors already have, so there's a need to catch up.”



SECTION 8

The Bigger Picture

What's Happening Across Programs

- ▶ Fewer donors
- ▶ Higher value per donor
- ▶ Increased reliance on loyal segments
- ▶ Rising acquisition pressure

What Winning Organizations Are Doing

- ▶ Integrating digital + direct mail
- ▶ Investing in reactivation
- ▶ Building sustainer pathways
- ▶ Focusing on long-term donor value

The Takeaway

THIS ISN'T A CHANNEL PROBLEM. IT'S A STRATEGY SHIFT.

Take the Next Step

If you're planning your next campaign, the biggest opportunity isn't choosing a channel—it's understanding how your investments work together.

Let's connect!

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