



# ADVANCED ANALYTICS TO SUPPORT MORE KIDS

HOW TO USE DATA AND PREDICTIVE  
ANALYTICS TO RAISE MORE MONEY  
AND HELP MORE CHILDREN.

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## INTRODUCTION

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# HOW DATA IS CHANGING THE NONPROFIT WORLD

**A** new expectation for the collection and sharing of information has been set, due to advances in technology and the digitization of information. Constant connectivity has transformed the nature of interactions, resulting in pressure for nonprofits to reach constituents in new ways and communicate impact. This evolution, coupled with emerging curiosity about artificial intelligence (AI), can paint an overwhelming picture on how to leverage data and analytics.

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**In an industry where one of the biggest concerns is decreasing revenue and budget cutbacks, finding ways to acquire donors for less is becoming increasingly more difficult.<sup>1</sup>**

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While it is easier than ever before for organizations to market, the channels are becoming saturated and the potential donors are developing an immunity to promotional messages. The increased volume of marketing messages, being distributed by companies makes it even more important for nonprofits to be smarter and begin to scale outreach through targeted and personalized marketing programs.

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[https://www.bdo.com/insights/industries/nonprofit/nonprofit-standards,-a-benchmarking-survey-\(1\)/strategic-planning](https://www.bdo.com/insights/industries/nonprofit/nonprofit-standards,-a-benchmarking-survey-(1)/strategic-planning)

The good news is, many nonprofits already have the power to use advanced analytics. The data nonprofits have about their supporters, volunteers, activists, members, and other constituent groups is arguably the most valuable asset they have and it's the clearest path to realizing a huge ROI. However, there is tons of data being produced and captured and insights are being generated, but the insights-to-action gap is widening. Analysts and marketers don't know what to do with the insights they derive. In order to answer the question, "So what?" and improve your performance, you must move from just generating insights to taking those insights to action, using advanced analytics.

*Data is often a nonprofit's most valuable untapped resource*

At this point, data analytics is vital for companies to include in their marketing stack to drive decisions—the barriers to using advanced analytics are gone. The world is seeing a shift to the democratization of advanced analytics and nonprofits are in an excellent position to take advantage of this.

## **What's the Holdup for Nonprofits?**

With tight budgets and pressure to counteract the "overhead" challenge in a reality where revenue-targets aren't being hit, nonprofits have a set of real barriers to moving their analytics capabilities forward.

But, to remain competitive, overcoming budget constraints is essential for nonprofits. Organizations are seeing great improvements and increased ROI through the use of advanced analytics.

## What You Might Be Missing

With increased competition in the nonprofit space, investing in advanced analytics is a clear way to start getting more out of your marketing efforts and hitting your donation targets.

### Before Advanced Analytics

- Marketing analytics and insights not driving decisions
- Spray-and-pray marketing approach with diminishing performance
- Plateauing EOY campaigns
- Decreasing retention
- Missed revenue targets

### After Advanced Analytics

- The ability to identify and target ideal donors
- Personalized marketing
- Yearly giving goals surpassed
- An ROI of 1:10
- Improved EOY campaign performance

Advanced analytics software, like [Lityx](#), can use data to create more targeted, personal and effective campaigns in less time with less money to increase ROI and supply evidence of mission impact.

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In this ebook we'll give an overview of how nonprofits can use advanced analytics to work smarter, not harder to improve efficiency and ROI. We'll share case studies from nonprofits using Lityx and review marketing tactics, like direct mail and shared mail. With predictive analytics, optimization and automation, it's possible to empower every level of your team.

*Today, the advanced analytics that were out of reach yesterday are now accessible to the companies and the team members that need them.*



## CHAPTER 1

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# HOW NONPROFITS CAN BENEFIT FROM THE EVOLUTION OF DATA DEMOCRATIZATION

## What is data democratization?

As technology advances provide data access to more people, the challenge of sifting through vast repositories of information to find actionable insights has expanded beyond the IT department. Marketers, finance experts, client support advocates, and virtually every constituent in an organization, have grown increasingly reliant on data to guide and support their decision-making processes.

This data democratization has made it easier than ever before for anyone to collect and analyze data. As a result, advanced analytics is no longer only accessible to large companies with large budgets, nor is it a responsibility reserved strictly for IT staff or data scientists. The rapid digitization of information is arming anyone who is interested, with the power of data and advanced analytics.

*Data democratization means that everybody has access to data and there are no gatekeepers that create a bottleneck at the gateway to the Data.*

~ Forbes

## What does more accessible data mean for nonprofits?

In today's evolving world of communication and marketing, nonprofits face new challenges. Marketers everywhere must be smarter about their marketing—identifying prospective donors, reaching them through their preferred channels, and delivering relevant, personalized messages.

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**Gone are the days of marketing to anyone and everyone. The foundation for more intelligent campaign strategy begins and ends with data.**

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## How to implement data-forward strategies

Budget cutbacks and missed revenue targets are reported as two of the top challenges for nonprofits. ([See this article.](#)) The use of advanced analytics is a solution to these problems, but you must commit and be ready to invest.



### Step 1: Define Measurable Objectives

The most effective campaigns start with clearly defined, measurable objectives. Before you begin to push the accelerator on your campaign, it's crucial to ensure alignment and buy-in on your stated objectives among leadership and stakeholders.

### Step 2: Look for indicators and opportunities

Once you've identified your objective and established a baseline, you can start to look for indicators within your historical data that align with your objective. For example, perhaps there are relevant pieces of geo-demographic data that correspond to a higher propensity to give. Or it's possible that there are established seasonal trends in your supporter's giving patterns. When you have one or more indicators to work with, you can begin to parse that data alongside other internal and external data sources to identify opportunities and build predictive models.

### Step 3: Define Measurable Objectives

While the democratization of data is empowering more people to execute on data-driven strategies, there remains a wide gap in the capacity required to properly plan and scale these strategies. Partnering with an advanced analytics solution, like Lityx, empowers every level of your team to leverage predictive analytics, optimization, and automation.



## CHAPTER 2

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# NONPROFITS USING ADVANCED ANALYTICS SEE BETTER RESULTS

# ADVANCED ANALYTICS IS WITHIN REACH DESPITE CHALLENGES

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***Get more out of your marketing efforts and  
hit your donation targets.***

With increased competition in the nonprofit sector, investing in advanced analytics is a clear way to get more out of your marketing efforts and hit your donation targets. Furthermore, the democratization of data has eased the path to progress by making data and technologies more accessible to more stakeholders than ever before.

The challenge for nonprofits when it comes to harnessing the power of analytics is really a full-circle one. Not only are they responsible for identifying and reaching ideal donors, but this comes on the heels of being able to use data to demonstrate the effectiveness and advancement of their mission. When considering giving opportunities, potential donors want clear, evidence-based proof of the impact of their donation. Nonprofits who have been able to capitalize on this need for validation have consistently seen better results than their counterparts who have fallen behind the data curve.

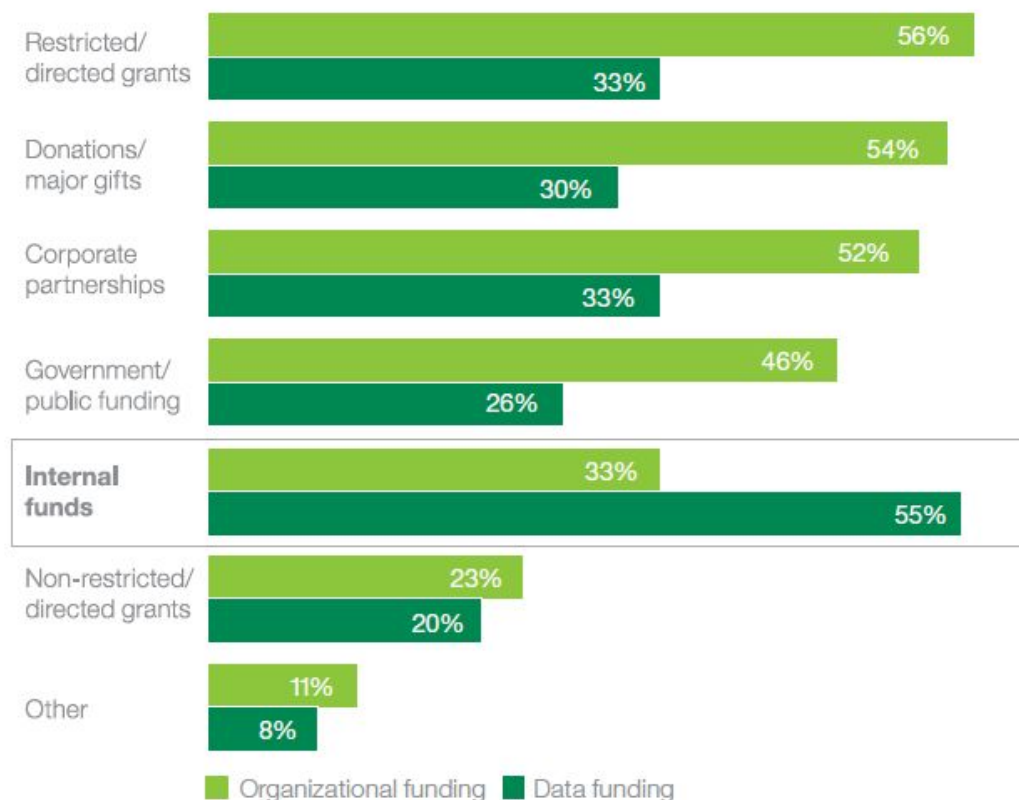
*Use analytics to show your donors concrete  
evidence of how their donations can create an  
impact.*

Funding is one of the primary reported challenges impeding the use of advanced analytics. Contrary to the private sector, nonprofits have the unique stress of justifying spend beyond programmatic expenses for activities that are often considered to be an overhead expense.

“One of our strategic goals is to diversify our revenue streams,” explained Senior Vice President David Howard of Covenant House, an organization focused on homeless children and youth. “Part of our strategy is to focus more on our impact, which can create a ‘Catch 22’: We need to demonstrate impact to get access to some of these funding streams, but we need funding to create the infrastructure and capacity to do that work well.”

**Figure 7**

*Funding sources are primarily earmarked for organization funding and not data-related projects, which places a burden on internal funds*



Source: IBM Institute for Business Value analysis.

Overcoming budget constraints is essential for nonprofits to remain competitive. Organizations are seeing great improvements through the use of advanced analytics. One such example comes from Maternity Foundation (MF), a Danish nonprofit working to reduce maternal and newborn mortality in developing countries. Continue on to read a quick summary of MF's findings. In order for others to follow suit, and further their competitiveness for donor-dollars, nonprofits must commit and invest in pursuit of a forward-thinking, data-driven strategy.<sup>2</sup>

### Maternity Foundation analyzes mobile data with SaaS tools

Maternity Foundation (MF) is a Danish development organization, aiming to reduce maternal and newborn mortality in developing countries. MF launched its Safe Delivery mobile application to improve maternal health worldwide. According to Ida Marie Boas, Program Manager for mHealth and Monitoring & Evaluation, "There is a constant need for innovation." This requirement pushed MF to scale efforts globally and leapfrog its data analytics maturity through an affordable technological platform.

The free smartphone app is designed to help birth attendants in developing countries improve evidence-based emergency obstetric care. It also enables MF to assess health workers' real-time progress. MF will use SaaS-based tools to continue to analyze application data, document impact, inform product development and share a credible narrative with stakeholders.

<sup>2</sup> <https://www-935.ibm.com/services/us/gbs/thoughtleadership/analyticsleap/>

# IBM Assesses the Current State of Nonprofits Who Utilize Advanced Analytics

To assess the current state of data and analytics use in the nonprofit sector, IBM Corporate Citizenship and Corporate Affairs (CC&CA), in collaboration with the IBM Institute for Business Value, conducted a [global study](#) through April 2017. The findings overwhelmingly reinforce the need for nonprofits to commit to data-driven strategies in order to advance their missions and attract donors.

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In an industry where one of the biggest concerns is decreasing revenue and budget cutbacks, finding ways to acquire donors for less is becoming increasingly more difficult.

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IBM found that the advancement of data and analytics in nonprofits matters. 78 percent of nonprofits using advanced analytics capabilities indicated higher effectiveness in performing their mission among other key metrics. Yet, 67 percent fall in the early stages of the analytics journey—with an overwhelming 74 percent of respondents indicating that budget was a primary barrier to advancement.

IBM describes the ‘Steps along the analytics journey’, pointing out that the majority of nonprofits remain in the early stages of data-driven strategy:

### Steps along the analytics journey

**Ad hoc** – Data collection and analysis on an as needed bases – not part of regular operations.

**Descriptive** – Review historical data to explain what happened in the past.

**Diagnostic** – Review historical data to discern trends that influence decisions.

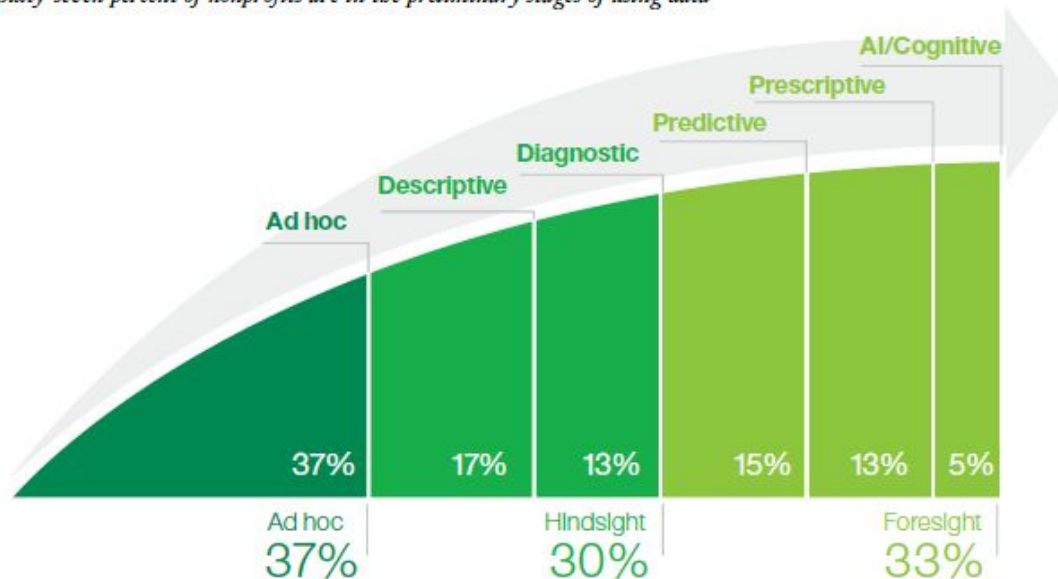
**Predictive** – Use historical data to create predictive models.

**Prescriptive** – Use historical data to create predictive models and assess the probability of each potential outcome.

**AI/Cognitive** – Leverage self-learning systems to discern patterns from unstructured data.

**Figure 2**

*Sixty-seven percent of nonprofits are in the preliminary stages of using data*



*Source: IBM Institute for Business Value analysis.*

Read more about IBM's study [here](#).



## CHAPTER 3

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# YOUR DATA IS YOUR MOST VALUABLE ASSET

# GET NOTICED IN A SEA OF DONORS

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***Make your fundraising and advocacy campaigns stand out from the crowd.***

It's no secret that individual donor contributions make up the bulk of revenue for many nonprofits. In 2016, individuals gave \$281.86 billion and accounted for 72 percent of all giving, according to [Charity Navigator](#). This at a time when total giving to charitable organizations reached a record high of \$390.05 billion. Now more than ever, people are in a giving mood. That's good news for nonprofits.

However, convincing these generous individuals to choose a cause from the estimated 1.5 million charitable organizations in the U.S. is only becoming more competitive. And while nonprofits already have oceans of information about their supporters, volunteers, activists, members, and other constituent groups, far too few of them are leveraging their data to make their fundraising and advocacy campaigns stand out from the crowd.

*While there are plenty of individuals looking to make donations, it's necessary to put in the extra effort just to be heard and beat out the competition. That's where advanced analytics come in.*

In his book, *Data Driven Nonprofits*, Steve MacLaughlin explains that nonprofits often get overwhelmed by managing the steady stream of data they store across multiple structures and systems. With their data siloed, nonprofits have difficulty realizing how extremely valuable data is to their return on investment (ROI).

At the same time, when nonprofits do generate insights from the data they are producing, analysts and marketers often don't know what to do with their observations as seen in the IBM Study. The insight-to-action gap remains far too high.

## Let Your Nonprofit Live Up to Its Potential

According to [Target Analytics](#), the average nonprofit is missing out on **\$3,781,461** in untapped giving potential. The research firm's analysis revealed that nonprofits have the potential to increase annual donors' contributions by an average of \$52 and increase major donors' gifts by \$1,197. That's a lot of money left on the table.

The truth is that if nonprofits listed data on their balance sheets, it would be worth more than just about anything else. The reason? The raw information holds insights that lead to more successful campaigns. To make their fundraising efforts generate more revenue, nonprofits should consider using advanced analytics to answer questions like:

- Which supporters are most loyal?
- Which email or direct-mail campaigns generate the most donations?
- Which programs need to improve the most?



## CHAPTER 4

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# USING PREDICTIVE ANALYTICS TO MAXIMIZE FUNDRAISING CAMPAIGN ROI

# GET AHEAD BY PREDICTING THE FUTURE

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***Predictive analytics is a game changer for organizations of all sizes.***

Understanding what worked and why it worked in a fundraising campaign has become easily available to nonprofits with the use of analytics and BI tools. But we are now in a space where answering these questions isn't enough. It may sound bold, but nonprofits need to be able predict the future of funding for their organization. And it's not only possible, it's accessible using advanced analytics.

Predictive analytics is a game changer for organizations of all sizes not only informing timely, targeted communications and campaigns but actually driving overall strategy and vision. Leveraging predictive analytics empowers marketers and nonprofits to predict what will happen. As a result, they make better decisions, improve targeting, and maximize fundraising campaign ROI.

*"Predictive analytics" might sound complicated, but, it doesn't have to be.*

How can your organization also reap the rewards of advanced technologies and access to data? We'll show you. For some, "predictive analytics" might sound complicated, but, it doesn't have to be. When you understand the basics and have the systems to support models, using predictive analytics becomes easy and accessible.

## What is Predictive Analytics?

Predictive analytics is built on predictive modeling. Predictive models attempt to describe a relationship between two variables—a dependent and an independent variable. The dependent variable is the response variable and is usually, in the case of nonprofits, a donor behavior that you would like to predict such as response rate, likelihood to donate, etc. The independent variable is the predictor and is useful in making predictions of the response. Typical attributes that are used as predictors are:

- Donor giving history:** Previous giving, cadence of giving, amount
- Donor demographics:** Age, income, zip code, gender
- Appended data:** Donor psychographics, lifestyles, attitudes
- Marketing data:** Product behavior, historical campaign data
- Additional:** Donation, donor, or household-level data

All of this data is used to understand the relationship between the two variables. Finding the model and determining its accuracy are what the predictive modeling process is all about. This process often requires several iterations and the quality of the model requires an understanding of the organization problem and the data, modeling algorithms and parameters, software, and implementation practices.

## Best Practices for Using Predictive Analytics

Before getting started with predictive analytics it's important to understand the pieces that must come together to ensure success. We've defined these below:

- Define a Clear Objective:** Decide what your objective is. Do you want to activate prospects? Increase donor value? Be clear on this before diving into any data.
- Validate Existing Data Sets:** It may sound obvious but make sure you are working with datasets that are reliable and will offer meaningful results. Inaccurate data leads to inaccurate outcomes.

- **Upskill Your Team:** Ensure your team is trained on how predictive analytics works and fundamental concepts such as A/B testing, data cleaning methods, etc. Or, work with outsourced experts like Lityx.
- **Invest in Technology and Expertise:** Onboarding a full-service advanced analytics solution, like Lityx, empowers every level of your team with the capacity for predictive analytics, optimization, and automation.
- **Add the Right Tools:** Ensure that your database, CRM, BI tools, marketing automation systems, and email systems are optimized and integrate with the predictive analytics platform.
- **Get Team Buy-In:** Make sure your entire team, especially senior management, is committed to a data-driven culture and marketing approach.
- **Benchmark & Measure:** Define key metrics, such as donor lifetime value, conversion rates, etc. Measure these regularly to begin to understand the actionable data that comes from predictive analytics.



## CHAPTER 5

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# HOW TO REACH MORE INDIVIDUAL DONORS WITH DIRECT MAIL

# DIRECT MAIL IS NOT DEAD

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***One of the most popular — and effective — marketing channels for nonprofits is direct mail.***

These days, marketing channels like social media, email, and direct mail are becoming saturated. Potential donors are bombarded with a high volume of marketing messages. To be heard—and to increase your chances of individual donors choosing your organization—you have to be smarter about your data. Savvy nonprofits are using advanced analytics to scale their outreach efforts through targeted and personalized marketing programs.

One of the most popular—and effective—marketing channels for nonprofits is direct mail. Direct mail delivers an average response rate of 5.1 percent. It far outperforms email (.6 percent), paid search (.6 percent), online display (.2 percent), and social media (.4 percent), according to the Data and Marketing Association (DMA).

What's more, direct mail generally delivers "[between 60 and 80 percent of total revenue,](#)" while email yields "[between 5 and 15 percent.](#)"

*Nonprofits that use their data and analytics to make smart marketing decisions have a great advantage.*

When you consider that donations from individual donors account for \$264.5 billion—more than double the amount of foundations, charitable bequests, and corporations combined—direct mail makes even more sense. Individual donors need to be directly targeted, and mail, especially oversized mail, has a big impact because of the more personal, tangible experience it provides.

## Make it Personal and Narrow Down Your Target

It's also important to note that personalization boosts direct-mail response rates even further, according to [Compu-Mail](#).

- Adding a person's name and full color can increase response by 135 percent.
- Adding a person's name, full color, and more sophisticated database information can increase the response rate by up to 500 percent.
- Targeting customers on a 1:1 level increases response rates up to 50 percent or more.

Naturally, nonprofits dedicate a large portion of their budgets to targeting individual donors with direct mail. But the costs for design, printing, postage, and paper can diminish the return on investment for many organizations. Thankfully, predictive advanced analytics can improve the efficiency and cost-effectiveness of direct mail campaigns.

## Super Charge Your Campaign with Streamlined Costs, Better Targeting and Segmentation

While direct mail is a highly effective channel, all direct mail isn't created equal. The secret to results? Segmentation, or splitting your subscriber list, so you can target your donor messaging more effectively. After all, you need to get the right message in front of the right audience for maximum results.

Today's advanced analytics approaches allow you to use models to segment your list quickly and easily. Some of these approaches are better than others. It's possible that your organization is using in-house manual methods right now, which can be inaccurate and time-consuming. Or, you might be using an outsourced company who takes months to build models and by the time they are built, they are irrelevant. The advanced analytics approaches that work best are those that work to solve your organization's specific needs, quickly, and flexibly.

*The advanced analytics approaches that work best are those that work to solve your organization's specific needs, quickly, and flexibly.*

Now, it's a matter of looking at your own donor data to see how your organization can leverage demographic and behavior information to improve your direct mail outcomes. As we've said, your donor data is your most powerful asset as a nonprofit.

[Lityx](#) was recently asked to improve the time-to-market and reduce modeling costs for a client's direct mail program. Check out the case study below for an example of how nonprofits who embrace advanced analytics can build more efficient, profitable relationships with donors in today's competitive environment.

# LITYX CASE STUDY:

## Improving Direct Mail

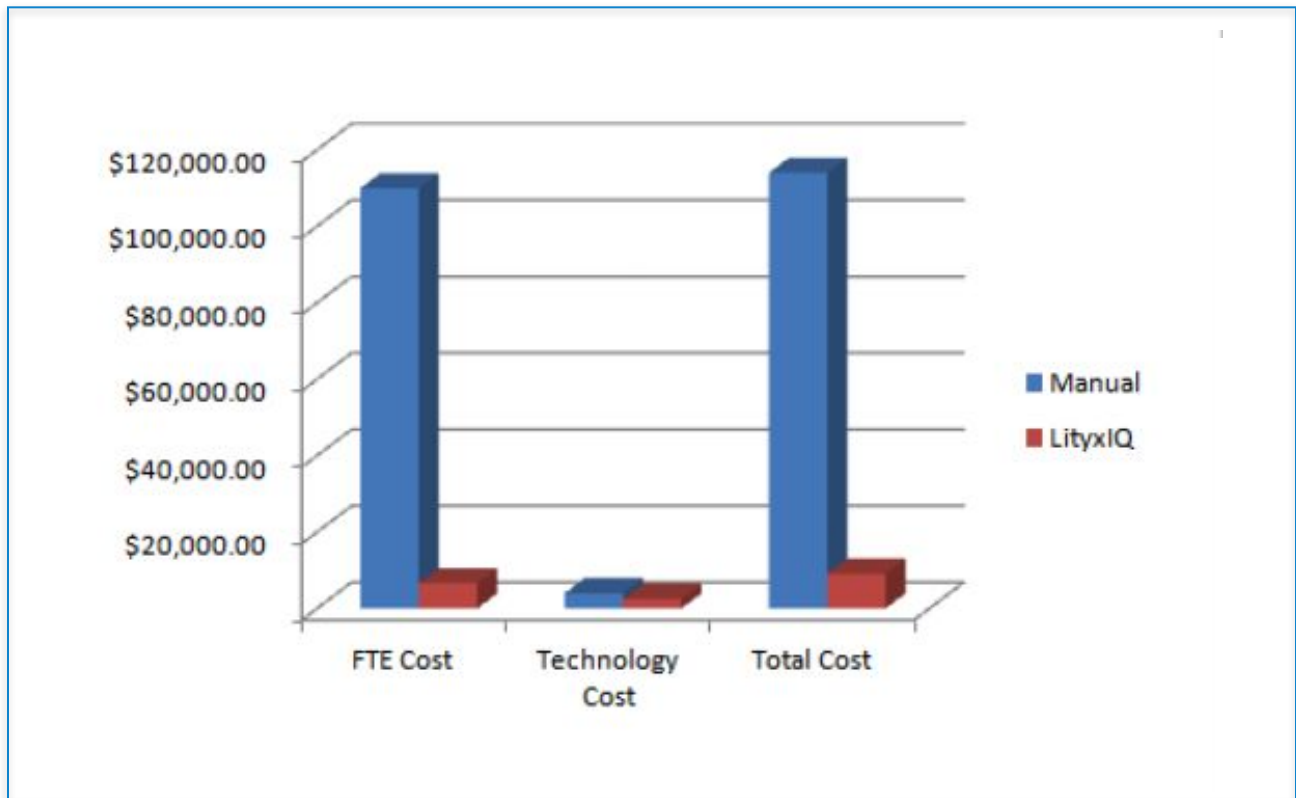
### The Challenge

This particular client executes marketing campaigns to approximately 5,000,000 individuals about 24 times a year. Random mailings across the database performed at a 1.25 percent response rate with an average value of about \$13.50 per responder, and a fully burdened mailing cost of \$0.40 per piece. With this volume and overall cost of the direct-mail program, there is quite a bit of room to improve efficiency through analytics.

Previously, the client had to hire an outside vendor and spent 40 hours on each of the 25 models used for the direct mail campaigns, for a total of 1000 hours. The performance showed a top decile lift of 202 and a lift of 170 over the top two deciles. This breaks down to a cost per lift point of \$1,118 in the top decile and \$1,629 in the top two deciles (based on an outsourced cost of \$110/hr).

### The Solution and Results

Lityx automated the client's modeling process to speed up the amount of time it took to deploy the campaigns, while making them more effective. The 25 models which previously took 1000 hours to build was cut down to just 60 hour total for data preparation, model review and automated modeling and process time. The performance estimates had a top decile lift of 207 and a top two deciles lift of 175. Cost per lift was just \$85 and \$121, respectively. The Lityx models provided a higher average lift than the original models for the top deciles, as well as across the entire file.



The advanced analytics from Lityx helped the client achieve:

- 90 percent savings in development costs for a series of 25 predictive models
- Improved model lift, in less than 10 percent of the time
- Projected incremental 76,000 responses and \$1.72 million customer value

**90%**  
**SAVINGS**

↑  
**IMPROVED  
 MODEL LIFT, IN  
 LESS THAN 10%  
 OF THE TIME**

**\$1.72M**  
**INCREMENTAL  
 CUSTOMER  
 VALUE**



## CHAPTER 6

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# IMPROVING NEWSPAPER & SHARED MAIL MEDIA ADVERTISING TO INCREASE DONOR GIVING

# SMARTER ADVERTISING BEGINS WITH ADVANCED ANALYTICS

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***When paired with advanced analytics, newspaper and shared-mail-media advertising can support nonprofit growth targets.***

As part of a healthy marketing mix, advertising, through mediums like newspaper and shared mail media can support a nonprofit's growth targets. But, if done poorly, these channels can be expensive while driving no results. If you want to see an impact from newspaper advertising and shared mail, your approach needs to be strategic and targeted. In this chapter we look at the state of newspaper advertising and shared mail media for nonprofits, and how one nonprofit increased their member acquisition rate by 90 percent using these mediums supported by advanced analytics.

*Advanced analytics take targeted campaigns to the next level while saving time and money.*

## The State of Newspaper Advertising

Newspaper advertising can include both digital and print ads in reputable local and national news agencies. In a digital format, these can be banner ads, pop-ups, and other digital placement throughout a website or article. Newspapers in print offer advertising in pages as well in the form of insert cards and booklets that stand out from the paper and grab the reader's attention.

Newspaper readers are deeply loyal, in both digital and print formats. Nearly half the U.S. population reads newspaper media each week—60 percent of young adults 18-34 and 70 percent of adults over 35.<sup>3</sup> Digital news and ads tend to reach a younger demographic while print leans towards an older demographic. Newspapers and their integrated products reach an educated and affluent audience—74 percent of households with income above \$100K are newspaper readers.

With newspaper loyalty comes trust and action in the advertising presented to readers.

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Nine out of ten newspaper readers report that they take action after reading or looking at advertising inserts.

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## The Benefits of Newspaper Advertising for Nonprofits

- **Build Trust:** Nonprofits can build trust in their cause by tapping into the loyalty and positive sentiment that exists in the particular newspaper.

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<sup>3</sup> <http://www.mansimedia.com/our-expertise/newspaper-data>

- **Connect With Your Audience:** As mentioned above, nine out of ten newspaper readers are highly likely to take action on advertising. This makes it a great way for nonprofits to connect with new donors.
- **Target by Geography:** The use of local newspapers can allow nonprofits to specifically target locations to match prospective donor locations.
- **Run Timely Advertising:** Nonprofits can use the time sensitivity of newspapers to advertise on a flexible schedule that works for their campaigns. Newspaper advertising also allows nonprofits to manage the frequency of ad reach depending on the circulation of the newspaper.

## Newspaper Advertising Costs

Newspaper advertising costs range based upon circulation size. Below are estimated prices for Sunday advertising in black and white. The cost to advertise in color varies greatly between newspapers, but you can expect to pay up to 50 percent more for a full-color ad.<sup>4</sup> Rates per ad can vary based on size, location, color, and circulation of the paper, giving nonprofits a variety of options depending on budget.

### Newspaper Advertising Costs – Examples

Newspaper	Circulation	Price for full page ad	Price for ¼ page ad	Price for ⅛ page ad
Washington Post	551,360	\$163,422	\$40,855	\$20,428
Milwaukee Journal Sentinel	153,207	\$23,688	\$5,922	\$2,961
Bozeman Daily Chronicle (Bozeman, MT)	14,069	\$2,772	\$693	\$347

<sup>4</sup> <https://fitsmallbusiness.com/newspaper-advertising-costs/>

## The State of Shared Mail Media

Shared mail, a form of direct mail, is a print media program that allows retail store owners to package their promotional efforts with other top advertisers in their areas in a package aimed directly at targeted customers—delivered straight to the mailbox and sharing costs. Shared mail has the potential to reach a broad range of ages. Gallup reported that 36 percent of young people under 30 look forward to checking their mailbox daily and [87 percent like receiving direct mail](#).

Advertising placement within shared mail can be on the mail wrapper, flyers, inserts, and postcards. While shared mail is a substantial investment in time and resources if done strategically it has the opportunity to drive substantial return on investment.

## The Benefits of Shared Mail Media for Nonprofits

- **Expanded Reach:** Shared mail media has the capacity to reach every household in a specific geographic location. No other media reaches every house better.
- **More Personalization:** Messages can be personalized by household based on lifestyle, demographic, and economic data.
- **Reduced Costs:** By sharing the cost of the mailing, the cost of such targeted advertising is greatly reduced. Shared mail media can cost anywhere from 10 cents to \$10 per person. Costs involved in shared media include design, copy, mailing lists, printing, and distribution.

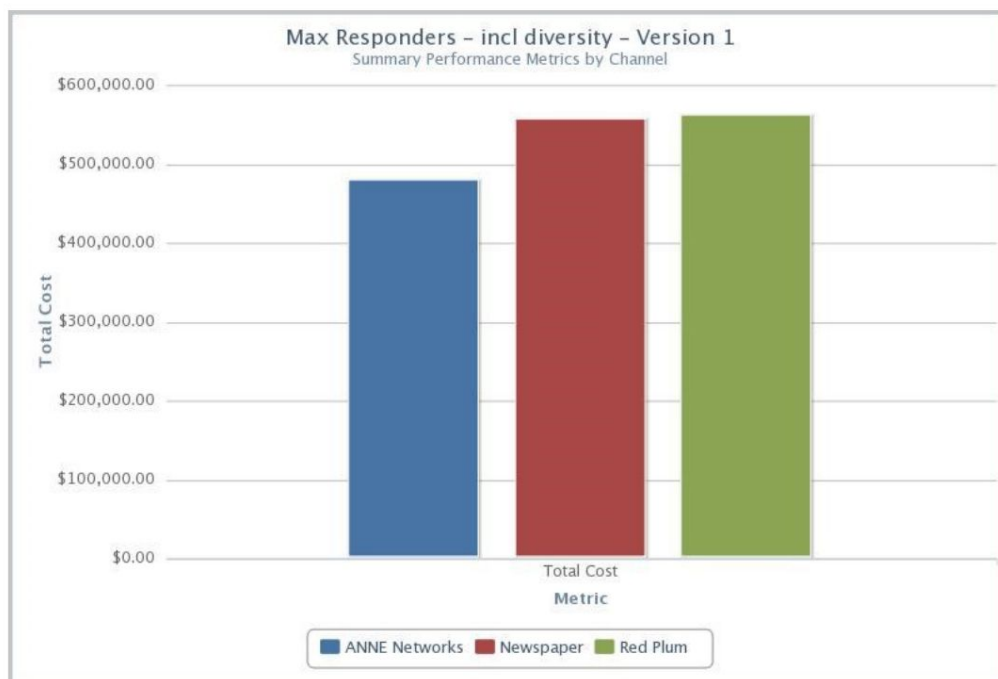
For nonprofits, using newspaper and shared media advertising in a strategic and targeted way, provides the opportunity to cut through the noise and connect in a trusted way with donors. The use of advanced analytics to optimize media can allow nonprofits to strategically use these channels. Continue on to read about a nonprofit that used Lityx to transform their efforts in recruiting new members.

# LITYX CASE STUDY:

## How a National Nonprofit Uses Advanced Analytics

### The Challenge

Recently a nationwide nonprofit asked Lityx to help them create a better analytic solution for improving the efficiency and optimization of their new member recruitment program in newspaper inserts and shared mail advertisements. The program director understood the need for a more rigorous analytic solution for improving the efficiency of the program and optimizing acquisition. In addition, the requirement for maintaining fast time-to-market and improved decision making required a solution that automated much of this complex process.



## The Solution

Lityx created predictive models of expected zip code and zone-level response rates. All potential delivery zones in the client's print media network were scored by each campaign since dynamic factors such as cadence and past performance are always changing. In order to [optimize buying decisions](#) we identified placement zones with the best return for budget and objectives while allowing for business constraints such as organizational diversity objectives, budget allocation across sub-channels, and newspaper minimum inserts requirements.

## The Results

The results our client saw were tremendous. They realized a 90 percent improvement in acquisition rates and reduced cost per acquisition. Additionally, the model was used to sort or rank order recipients and the top performed five times that of the bottom. Lastly, the modeling and optimization acquisition processes are now automated and integrated, so they can be reused in the future to see similar results.

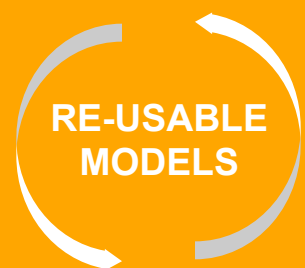
If you're interested in or currently investing in newspaper and shared media, it's worth looking into how advanced analytics could support your campaigns and improve your outcomes. [Read the entire case study](#) to see the potential impact of an optimized media approach.

90%

BOOST IN  
ACQUISITION  
RATES

5X

TOP-RANKED  
OUTPERFORMED  
THE BOTTOM





CONCLUSION

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GET STARTED WITH  
ADVANCED ANALYTICS

Like all businesses, nonprofits need to innovate to keep up with their changing environment. Now it's easier than ever to use advanced analytics to realize full their potential, become more efficient and provide hard evidence towards mission goals. Budgetary restraints are no longer an excuse as advanced analytics lead to increased ROI, ultimately saving the nonprofit money.

## How to Get Started

Ultimately nonprofits must align leadership and advocate for a data-driven culture in order to make meaningful progress in the future. So where to start?

- **Commit to Being Data-driven**—make sure your entire team is onboard for this transition to a new culture.
- **Set Clear Goals** with defined returns and design a strategic plan.
- **Define Actionable Metrics** approved throughout the organization.
- **Seek Internal and External Commitment to Data**—upskill your team, leverage your board and volunteers, and outsource external experts.
- **Invest in the Requisite Technology and Expertise**—onboarding a full-service advanced analytics solution, like [Lityx](#), empowers every level of your team with the capacity for predictive analytics, optimization, and automation.

Today, the advanced analytics that was out of reach yesterday are now accessible to the nonprofit organizations and team members that need them.

# READY TO GET STARTED?

Lityx is the ideal partner for nonprofit organizations. We provide robust and affordable advanced analytics tools and services for both the non-statisticians and the more advanced users.

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