



**DEVELOPMENT
FOR
CONSERVATION**

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Feasibility Study

Strategies for Collaborative Membership Recruitment

Prepared for

Pennsylvania Land Trust Association

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I. Executive Summary

In January of 2016, The Pennsylvania Land Trust Association hired Development for Conservation to research the question of how multiple land trusts might collaborate to build membership¹ support.

I started by asking the land trust community, through the Indiana list serve and the Land Trust Alliance's Learning Center, and the larger non-profit community, through the Association of Fundraising Professionals and several Linked-In based discussion groups, whether anyone was successfully doing this already. In a nutshell, the answer was no, except in the very narrow sense of forming a consortium to rent direct mail lists.

I explicitly looked for, and did not find, successful collaborative strategies not involving direct mail - events for example. I found very few examples of collaborative events, and the experience I did find wasn't always positive. That said, the goal of these collaborations was more often shared revenue than building membership.

In direct mail work, there are examples of similar organizations using a consortium approach for trading lists with each other and/or renting mailing lists. I found one in the arts community, and the practice is more common with public radio and public TV. I did not find any land trust consortiums.

Using a consortium to purchase mailing lists makes a great deal of sense for nonprofits with defined (and limited) geographies, because many lists are only available in minimum allotments of 5,000 or more, and some even use a 10,000 minimum. Many organizations find that available lists do not offer 5,000 names within their geography. Others find it cost prohibitive to test lists against each other when each list has a 5,000 minimum. In each case, a consortium approach can make more and better lists available and improve overall performance.

For a consortium approach to work, participating organizations would need to have very similar missions, completely distinct geographies, and identical mailing windows. This works well for public radio stations. I believe it could also work for land trusts.

I took the question to the land trust community in Pennsylvania first through a survey, then through telephone interviews, and finally through facilitated discussions at the PALTA Land Conservation Conference and later in Pittsburgh and Doylestown.

¹ The word "membership" has gotten entangled with a wide variety of rights and privileges over time. Such rights and responsibilities are neither necessary nor important to the substance of this report. I use the word "membership" only to imply a relationship with the organization that is built on an annual cycle of unrestricted giving to support the organizational mission. (See Section III.)

With help from PALTA's staff, I consolidated information from a survey I created with membership information gathered by the association for other purposes. I then interviewed representatives from eleven conservancies, focusing on those that claimed at least 250 members and ignoring the larger regional or national affiliates. The answers I got relative to numbers of members varied widely from those reported on the surveys – it seems that few organizations think about *how many people* give money each year or how the number might be changing over time. Instead, these organizations tended to think only in terms of *how much money* is raised.

The survey answers related to a possible direct mail consortium surprised me: A few of the larger conservancies, at least in terms of membership, were already engaged in significant direct mail recruitment and would find a consortium of limited value. The smaller conservancies – representing the great majority of conservancies in Pennsylvania – were not engaged in direct mail recruitment at all. In fact, I found very little awareness of where individual support came from, current renewal trends, performance over time, or even how many people currently supported the organization. These organizations associated recruiting new members with “outreach” activities, but brought very little definition and virtually no metrics to the term. Membership estimates were more often tied to communications (how many people got the newsletter, befriended the Facebook page, attended various events, or “used” the properties, and so on) than to revenue prediction or growth.

Several factors may be in play here: direct mail is expensive to get into and may take several years to bear significant fruit. Direct mail is also data-driven communications and is significantly counter-intuitive. In some ways, it is better thought of as technical writing than as letter-writing. Consequently, it is intimidating for those without experience. Pennsylvania communications and fundraising staff are predominantly young with no direct mail marketing experience whatsoever.

This finding changed the parameters of the study somewhat. When I conducted the workshops in Pittsburgh and Doylestown in September, I focused a lot more of the content on why direct mail is worth the investment than why a consortium approach might be advantageous.

I did get positive responses from most conservancies related to participating in a pilot project to increase membership. However, this positive response was predicated to no small degree on the prospect of grant funding for such participation.

I approached the project in the beginning feeling that a collaborative approach would prove worthwhile, and I still believe a consortium approach to building membership support has merit. More importantly, I also believe that building membership will be an important key to sustainability over time.

However, the Pennsylvania land trust community I found is not prepared to take advantage of such a program at this time. Prior to participating in a consortium-based list acquisition and membership-building program, these land trusts will need to spend considerable time – perhaps as many as two or three years – developing and understanding the *systems* related to acquiring new members, keeping them engaged and renewing over time, and even working with them more effectively to cultivate major and/or planned giving.

At least in the short term, assessing current programs to quantify defensible baseline information, guiding the adoption of standards and norms for renewal systems, and developing consistent metrics for measuring improvement will be much more helpful initial steps for funding assistance from PALTA. Improvement in these areas will also have significant value for participating conservancies regardless of the possibility of a future direct mail consortium.

II. Process and Stages

A. Search for Similar Efforts

In early February 2016, I posted the following message to the Association of Fundraising Professionals:

“I am launching a feasibility project to test whether several different organizations with similar missions and separate service territories can work together to increase membership for all. In other words, can they collaboratively negotiate list rental, design, and even mailhouse services to achieve an economy of scale not possible working independently? My question for the forum is whether you know of this being tried before. Are there examples of similar tests? Success stories? Disasters? I’d even be interested in attempts that were abandoned for any number of reasons. Many thanks for your assistance.”

There was no response. I posted similar queries to the Land Trust Alliance Learning Center and to the Indiana listserve, and I heard back from three land trust colleagues (as well as others who simply expressed interest in the outcomes and results, see Appendix B).

Beth Hershenhart, a consultant based in upstate New York, ran a single experiment in wealth screening for planned giving prospects with a number of organizations including land trusts. In the experiment, different nonprofits made their mailing lists

available to a wealth screening broker who combined them into one large list and screened it for planned giving potential. The individual participants shared the cost of the screening and received their lists back annotated with the screening information. Hershenhart then worked with each organization to send well-targeted planned giving information to the most likely constituencies.

Rupert Friday, the Executive Director of the Rhode Island Land Trust Council, once suggested a program for consolidating services related to sustaining (renewal) membership programs. The program never got off the ground because, according to Friday, *“No one trusted everyone else enough not to use each other’s data.”*

Sharon Danosky, President and Founder of Danosky & Associates, worked with six land trusts in southeastern Connecticut to collaborate on the development of generic land trust case materials to be used in a coordinated outreach effort. The project was coordinated through the local community foundation and raised money generically for the group which was later divided evenly among the land trusts. Danosky reported that it was very successful.

“Some of the land trusts had only a meager membership list, while others were a bit more robust. For those with less outreach, it helped them to begin reaching more constituents and watching the ones with more members helped them understand the strength and benefits of building a constituent base.”

I did learn much later that Natural Lands Trust (NLT), which is active throughout eastern Pennsylvania and southern New Jersey, works with a cooperative of nonprofits from the arts community to trade mailing lists. The co-op does not buy or rent lists. **Bea Rider**, NLT’s Membership and Annual Giving Manager, came from one of the participating groups, and she has carried those relationships into her position with NLT. Rider commented:

“I am amazed at the difference in collaboration between the two. The arts organizations in our area are all part of a list sharing cooperative primarily for direct mail membership acquisition and ticket sales. The land trusts that I’ve spoken to have been very reluctant to trade lists. Maybe list trades are not in the cards for land trusts in PA, but I would be very interested to see how we might better collaborate around membership and raise the regional awareness of the need for individual conservation dollars.”

B. Survey

The point of the survey was to gather information about 2014 and 2015 individual contributors. However, rather than asking how many individual contributors each organization had, I asked “*how many individuals gave money in 2014,*” and “*how many of those people gave again in 2015.*” Apparently, the questions were confusing, because the data provided did not square with information I received later in the interviews or with information I knew to be true from prior work with clients in Pennsylvania.

The survey was completed by fourteen Pennsylvania-based conservancies, and I completed gathering information from another four during the interviews. I also supplemented this fresh information with that of PALTA’s census information, which had been gathered independently and included answers to a slightly different question: “*How many members or financial supporters does your land trust have in Pennsylvania?*”

From a qualitative perspective, the survey information served its purpose, helping to narrow the field of conservancy organizations most likely to participate in a collaborative program and to identify barriers to such collaboration. However, the membership data should not be quantitatively trusted and will need independent verification before use.

C. Interviews

In June 2016, I conducted telephone interviews with the following eleven individuals:

Chris Beichner, Allegheny Land Trust
Peggy Mogush, French Creek Valley Conservancy
Pam Geary and Genny McIntyre, Western Pennsylvania Conservancy
Deborah Nardone, ClearWater Conservancy
Sarah Walter, Centre County Farmland Trust
Anna Yelk, Central Pennsylvania Conservancy
Elizabeth Dugan, Wildlands Conservancy
Kristi Sullivan, Edward Rose Conservancy
Barb Romanansky, North Branch Land Trust
David Robertson, Pennypack Ecological Restoration Trust
Tami Shimp, Berks Nature

The interviews were conducted to quantify existing service territories, probe a bit more deeply into the experience the conservancies had with direct mail membership

recruitment, and quantify specific barriers the groups might have to collaborating with others.

D. Workshops

In May, I conducted a workshop in State College at the PA Land Conservation Conference, and in September, I conducted workshops in Pittsburgh and Doylestown to facilitate further discussion around the idea of collaborative membership recruitment. At the conference (and immediately thereafter in the interviews), I was surprised to learn that few organizations were engaged in direct mail recruitment at all. In fact, I found very little awareness of where individual support came from, current renewal trends, performance over time, or even how many people currently supported the organization.

This finding changed the parameters of the study somewhat. By the time I conducted the workshops in Pittsburgh and Doylestown in September, I focused much more of the content on why direct mail is worth the investment than why a consortium approach might be advantageous. In this respect, it was helpful to have **Pam Geary** from Western Pennsylvania Conservancy and **Bea Rider** from Natural Land Trust in attendance to provide firsthand testimonials.

III. The Case for Membership Programs

In a perfect world, non-profits would enjoy consistent and stable community support. Individual donors would make a first gift, a second gift (first renewal), multiple unrestricted gifts on some sort of predictable schedule, episodic major gifts restricted to support specific programs or projects, and a bequest gift at the end of their life. The person who enters this type of organizational relationship is engaged by and involved in the organizational mission inclusive of the various programs and projects. They are as supportive of “why” the organization exists as they are “what” the organization is doing.

As one can imagine, many organizations have tried and tested many strategies for engendering this type of donor loyalty. The strategy that has consistently outperformed everything else is one that works on an annual cycle, similar to other annually renewable “systems” such as magazine subscriptions and birthdays. When individual donors receive regular communications from the nonprofit, periodic invitations to attend events such as field trips, recognition dinners, and media celebrations, and invitations to “renew” about a year following their gift, they are more likely to give again. Many organizations use the word “membership” to describe this annual cycle, and most donors understand what this word implies.

The word “membership” has gotten entangled with a variety of rights and privileges over time. Some organizations allow members to elect the board and approve annual plans and budgets. Others partner with local businesses to provide discounts for goods and services. And still others provide “premiums” directly such as logo merchandise and/or access to privileged experiences.

Regardless, such rights and responsibilities are neither necessary nor important to the substance of this report. I will therefore be using the word “membership” only to imply a relationship with the organization that is built on an annual cycle of unrestricted giving to support the organizational mission.

As such, membership giving is often referred to as the cornerstone of strong fundraising programs. Whereas acquiring new members rarely results in positive revenue the first year, a relatively high ratio of individual members will renew their giving every year for years. Many members will also *increase* their giving over time, giving between \$25 and \$25,000 on a regular basis. The essential argument for a renewal is, “*It’s been another year. Please renew your commitment to _____.*” This argument is easy to make and hard to spoil. And it works regardless of the ask amount.

Membership is also an important starting point for all major gift cultivation, and sustained membership over a long period of time creates fertile ground for planned giving. As members’ relationships with the organization deepen over time, their emotional stakes in program and project outcomes grow, making it more likely that they will be open to major gift opportunities. For conservancies, this certainly includes making gifts of land. For all organizations, it includes board service.

Most experts point to *years of giving* as the most important variable in finding planned giving prospects; more important by far than the size of the gifts. Estate gifts are frequently given by loyal donors who do not make significant gifts during their lifetime. Prospecting therefore focuses on how often donors give, over how many years, and how they have been engaged during that time.

IV. Proposing a New Metric – Cost per First Renewal

For most annual giving programs, the cost of recruiting new members exceeds the immediate return on that investment. Most, if not all of the loss can be recovered with the first renewal, assuming both a healthy first renewal rate and an effective strategy for upgrading members. Donors who make third and fourth gifts represent real revenue for the nonprofit.

A common metric used to measure recruitment success is how much it costs to recruit each member. However, tracking the costs associated with recruiting first renewals might be an even more helpful metric because it helps compare different recruitment strategies. For example, email recruitment of new members costs very little outside of staff time, so the cost of recruiting new members might be low compared with other strategies such as printing and distributing newsletters or brochures, or especially direct mail. But if the members thus recruited fail to renew, the organization has not necessarily moved forward.

The costs associated with recruiting first renewals would include the costs of recruiting them, sending them information through the first year (or perhaps several years), and eventually collecting their first renewal.

The problem with this metric is that few organizations actually track cost information in a manner that would allow for any analysis. The costs of printing brochures and renewal notices, for example are often lumped into the general fundraising budget, or even the general operating budget. I have asked several land trust colleagues, including Peggy Mogush from French Creek Valley Conservancy, to help me gather such information for 2017 independent of whether a consortium project moves forward.

Regardless, I would propose that these costs be carefully tracked by all conservancies participating in a consortium to better facilitate learning across the sector.

V. The Case for Direct Mail Recruitment

Among the conservancies I interviewed, the most common recruitment strategy for new donors related to events. Donors were granted membership as part of an admission price or participation fee, invited to join when they attended a free event, solicited immediately following an event, and so on. Other common strategies included tabling at large public events and fairs, brochure and/or newsletter distribution, preserve and trail signage, and fundraising connected to a special program or project. A notable few were using direct mail strategies, and a few others were connecting to an iconic destination (Western Pennsylvania Conservancy for example, and Fallingwater) with enough foot traffic to attract significant numbers of new members.

There are two challenges common to nearly all of these strategies. The first relates to scale, and the second relates to using mail to secure the first renewal. Organizations dependent on events to attract new members are typically recruiting 80-200 new members each year. Setting goals of doubling or tripling this result by doubling or

tripling the number of events they host would be very difficult, even assuming that the strategies themselves are scalable.

The second challenge relates to the concept of “conversion rate.” People disconnected from the organization who join because doing so is part of a golf package, a bike/run event, or even a field trip often feel that their transaction is “complete” afterward. There is no particular loyalty implied and a second gift is somewhat dependent on their interest in a second such experience. Put simply, they joined not because they wanted to support the organization, but rather because they wanted to participate in that event. Attempts to “convert” their interest through the mail are often met with disappointing results; conversion rates of 20 percent and less are fairly common.

This is true even for the larger organizations fortunate to be proximate to a Fallingwater or similar destination that draws significant foot traffic. The conversion rate for members who join primarily because they had a good experience at the attraction is notoriously low. In response, Western Pennsylvania Conservancy now has a parallel membership program just for Fallingwater.

Direct mail recruitment addresses both of these challenges. Direct mail is scalable to a point limited by immediate geography. And the conversion rate from first gift to first renewal can be close to 45 percent.

VI. Findings

A. Very few Pennsylvania conservancies use membership metrics to guide their strategic approach to raising money.

In both the survey and the interviews, very few respondents were aware of how many people gave money in 2014 or 2015. (Several even found the questions confusing.) To a limited extent, rounded numbers were used to determine how many newsletters to print, but not necessarily to predict revenue for 2016. The same goes for renewal rate and average gift information. Most sent very similar letters to everyone regardless of the response rates or what the members might have previously given. The number and timing of the renewal letters was based much more on what had been done in past years rather than on what might achieve a particular desired result or even best practices.

B. Very few Pennsylvania conservancies are using direct mail to recruit members at this time.

Though mail was the most common medium for securing renewal gifts, very few organizations were using the mail to recruit new members. Consistent with what I have found in other states, organizations with more than a 1,500-2,000 members are using some form of direct mail recruitment while those with fewer are not. The great majority of conservancies in Pennsylvania are supported by fewer than 1,500 members.

C. There are cultural barriers to using direct mail to recruit members.

Many people consider “junk” mail irritating at best, and conservancies have tended in recent years to declare to their supporters that they will not trade or sell their contact information. This is done proactively as opposed to simply suppressing certain names from traded or sold lists. There is no evidence that such declarations affect giving either way, but they do suppress the conservancy’s ability to find and solicit like-minded individuals from other organizations.

There is also a widely-held belief that direct mail is no longer effective compared with social media and email. Again, there is little evidence to support this belief. Many younger people do prefer giving electronically, and e-giving grows substantially every year, but this preference is independent of how the gifts might have been solicited. In other words, young people giving electronically may still have made *the decision to give* based on something they saw or read in the mail.

Another cultural barrier is the sense that environmental/conservation organizations should not be printing and mailing paper communications at all. Whereas this is a strong and compelling argument, nothing has emerged that is remotely as effective. Decisions to avoid paper therefore often equate to decisions to accept lesser fundraising potential.

D. There are large differences between organizations with 200 and fewer members, those with 201-800 members, and those with more than 800 members.

Thirty-eight conservancy organizations in Pennsylvania report fewer than 200 members. They tend to be all-volunteer conservancies and many have very small service territories. They are small enough that many members know each other. Recruitment is happenstance and renewal is accomplished with a single letter, postcard, email or combination with very little follow-up.

Twenty-eight conservancy organizations in Pennsylvania report 201-800 members. They tend to have small staff without a specific person devoted solely to fundraising. Recruitment may be thoughtful and intentional, but they are not using direct mail as a specific strategy. Most have a renewal system involving letters and specific follow-

up. A few use multiple appeal letters spaced three-four months apart without using the word “membership.”

Notably, 20 of these 28 have 201-500 members and feel “stuck.” One interviewee told me that “*We have the same 400 people giving every year, and they’re all getting older!*” In fact, that is very unlikely. More likely is that their event-based recruitment systems are bringing 80-100 new members in every year – just enough to balance the annual attrition.

Fourteen conservancy organizations report more than 800 members. These tend to have much more sophisticated membership programs with specific recruitment and renewal systems. Several (Brandywine, Western PA Conservancy) benefit from their proximity to an iconic destination point that draws large numbers of new people to them every year. Western PA Conservancy and Natural Lands Trust are engaged in direct mail recruitment, but they are among the very few.

VII. Conclusions

A. There is significant potential for a consortium approach to renting direct mail lists.

Direct mail is a science. To work well, it must be technically sound and carry a compelling message. This is certainly within the control of the sender. The mail must also be sent to qualified prospects. Qualified means that the prospects *have demonstrated interest* in similar projects and programs and *have given recently* to similar projects and programs.

The easiest and least expensive way to find and use lists of qualified prospects is to trade for them, usually on a name for name basis, with local like-minded organizations. If such trading is not possible, lists can be built internally, and/or rented from other sources. These rental transactions are commonly handled through a broker who also serves to control the use of the lists.

The problem many small, local organizations face is that the brokered lists are only available in lots of 5,000 names and some even 10,000 names. Small organizations renting such lists may be limited to just one due to cost constraints, and may not be able to test and compare lists against each other. The better lists may not even include 5,000 names within a small organization’s service territory, or may do so only by including names that are not as current.

A consortium approach addresses most of these concerns. The combined purchase power of the consortium to make larger mailings possible while cumulatively

representing a larger service territory helps make more productive lists available to everyone.

B. There is limited value in pursuing collaborative recruitment strategies that do not involve direct mail.

Statewide or regional public relations campaigns involving different organizations using similar messaging to run parallel events can have a cumulative effect that is larger than the sum of their individual efforts. (For example, see especially Land Trust Days in Rhode Island.) However, collaborative efforts to more specifically cultivate new interest for conservancy work have the potential to engender distrust among the participating organizations, confusion among the donors, or both.

Similarly, there will be very little value in collaborating on a letter, package, designer, or printer for direct mail. Participating conservancies will have their own branding, messaging, and stories that will not lend themselves to a generic package².

C. Pennsylvania conservancies are not prepared to take advantage of consortium-based list acquisition at this time.

Direct mail as an acquisition strategy is a technical skill that can be learned and developed, but outside of a very few conservancies in Pennsylvania, I found very little experience with or even commitment to direct mail. In fact, few organizations are systematically using membership data to track fundraising potential and predict revenue at all. Moreover, there is significant confusion about tracking these data.

For example, three organizations reported renewing more members than they actually had the previous year. Several reported renewal rates in excess of 95 percent (which I consider only slightly less suspect). One organization for which I had recently completed a comprehensive Development Audit reported having 1,500 members who made gifts in 2014. The Audit documented just 303.

As I have documented throughout this report, the accuracy of the self-reported data provided by the conservancies is dubious at best. A standard methodology for establishing baseline information and reporting on progress would need to be established and maintained before investing in a new direct mail recruitment strategy.

² Note especially the Danosky experiment referenced in Appendix B. This collaborative approach to common materials resulted in money raised for land trusts generally and was divided equally among the six participating organizations. Donors to that effort were not giving to a specific organization as much as they were giving to a generic land trust message. It is much too early to tell, but they may not convert to first renewals, give annually over time, or become promising major gift or planned gift candidates.

- D. Before considering participation in a consortium, Pennsylvania conservancies should adopt standards for membership renewal and retention, as well as acknowledgement protocols.

It won't help to recruit new members if consortium conservancies are not adept at converting first givers into first renewals and holding onto them for years afterward. Standards such as 45% conversion rate for first givers and 75% renewal rate for everyone else should be considered minimal baseline performance. Conservancies wishing to participate and not performing at this level may need to bolster their renewal systems before recruiting new members.

- E. Pennsylvania conservancies participating in a consortium will need to have or establish clear service territory boundaries for their participation.

Many Pennsylvania conservancies have overlapping service territories. The most obvious solution will be to require that all participating conservancies do not overlap, but that wouldn't be strictly necessary as long as two overlapping conservancies agree beforehand how they will divide the direct mail territory. The impulse will be to use county line boundaries to differentiate, but using zip codes will be easier, given the nature of the media.

- F. Will they commit to a collaborative approach? Maybe.

A central question behind this Feasibility Study was *“If PALTA secures funding for a collaborative membership development program, can PALTA count on your conservancy participating?”*

I believe that enough conservancies will participate in a pilot program and will commit to at least three years if there is seed money provided to help it launch. Several conservancies told me in the interviews that their boards were “results-driven.” If the program proves itself, they will keep going even after the seed funding is exhausted.

That said, I have documented throughout this report that Pennsylvania conservancies have virtually no experience with direct mail marketing at all. Their responses to my questions about participating were commensurately circumspect. *“We’d certainly look at it.”*

A “Pre-Condition” phase is therefore advisable and strongly recommended. Such a phase might last for two-to-three years and include a thorough assessment of current fundraising activities, including membership acquisition and renewal systems; appropriate training for engaged staff and board members; and even ongoing

coaching and new and unfamiliar systems and processes are put in place. To prepare the groups for a possible consortium program, these activities should at least be coordinated by a qualified consultant.

VIII. Pilot Project – Pre-Conditions

Section IX details recommendations for a pilot consortium project. However, as I have detailed in this report, Pennsylvania conservancies are not ready to take appropriate advantage of a consortium approach to building membership. If PALTA considers funding or partially funding a collaborative approach to building membership, it should consider funding or partially funding several preconditions first.

A. Have each participating conservancy’s development program assessed as a condition of participation.

Before accepting an organization into a pilot program, PALTA will want to be reasonably confident in the conservancy’s baseline metrics and that the organization has good systems in place to communicate with and retain the members it has. Having this information assessed in a standardized manner by a qualified third party is therefore recommended.

In my consulting practice, I have used five years of giving data to determine baseline membership counts (the names can be obscured to protect confidentiality). I also measure numbers of new members, numbers of first renewals and first renewal rates, and overall renewal rates. Beginning with five years of data allows me to establish trend lines as well as provide current “snapshot” analysis, and the methodology I use is consistent from organization to organization making comparative data possible.

Providing the more comprehensive Development Audits for participating organizations is also worth considering. The Development Audit takes a more comprehensive look at how membership giving feeds other fundraising activities such as major gift development, corporate and foundation work, and even planned giving. The Development Audit includes a site visit and interviews with board members and staff. The report is delivered in person to a board audience and includes detailed recommendations and a blueprint for improvement. In the specific case of vetting participants for a pilot project, Development Audits would not only establish uniform baseline information, but also iron out any lingering barriers to full participation and help each conservancy get the most benefit from a future collaboration.

A standardized baseline validation would cost about \$650 per organization. Development Audits can run between \$4,000 and \$6,000 (plus travel) per organization depending on the size of the current fundraising program. Many fundraising consultants offer Development Audits and they are commonly included in Capital Campaign Feasibility Studies.

B. Work with participating organizations to raise their levels of membership performance to some common standards.

To some extent minimum performance standards will be arbitrary, but I recommend using at least a 45% minimum first renewal rate and a 75% minimum renewal rate for all other members. If an organization is not consistently meeting these standards, they are not likely to be able to hold onto members recruited through direct mail activity, and will not grow through participation in a consortium.

Therefore, in addition to receiving the results from either the database analysis or the Development Audit, each participating land trust will benefit from on-going help using the results, understanding the systems and metrics that will help them grow, and getting ready for a potential consortium. This help might take the form of training at first, but on-going coaching using a combination of circuit riding and telephone will have a larger long-term benefit as new systems, materials, metrics, and protocols are developed and adopted.

Again, using a qualified fundraising consultant will be important, and may cost \$1,000 to \$3,000 per organization depending on the level of help needed.

IX. Pilot Project – Description

A consortium approach to membership building has great potential and would benefit from being tested through a pilot project. If successful, the concept has potential to be applicable elsewhere in the larger land trust community. In fact, it should be noted that land trust organizations participating in a consortium need not be located in the same state. There may even be advantages from a service territory standpoint to not being from the same state.

If PALTA engages in such a pilot project, I would make the following recommendations:

A. Start with an initial roster of conservancy participants that have a cumulative membership of at least 5,000, and set a goal of doubling that membership within five years.

One key growth assumption is that each of these groups has a current membership that is relatively stable – which is true now (for the most part) across the board – and that they will keep doing at least what they are doing now, so that the base remains the same. A second key assumption is that consortium members can convert 45% of first givers into first renewals and renew everyone else at a rate of at least 75%. (This performance could be documented and bolstered by pre-condition work described in Section VIII.)

With those assumptions, a simplified model of the first five years of growth might look like this:

	Base	First Givers	First Renewals	Other Renewals	Total
Year 1	5,000	2,500			7,500
Year 2	5,000	2,500	1,000		8,500
Year 3	5,000	2,500	1,000	750	9,250
Year 4	5,000	2,500	1,000	1,312	9,812
Year 5	5,000	2,500	1,000	1,734	10,234

The budget for the direct mail effort will be on the order of \$220,000 per year, or about \$80 per member recruited. (This is consistent with the experience at Western Pennsylvania Conservancy, an organization that uses direct mail to build and maintain a membership of 10,000.) This expense includes the purchase price of the lists, writing of the solicitation letter, design and production (printing) of the direct mail package, mailhouse fees, postage, and so on. Because each organization would be preparing their own direct mail package, these costs will vary between organizations.

Note that the expense estimate above does not include consulting, which might add as much as \$10,000 to the first year’s expenses as the consortium gets off the ground. It also does not include the costs of serving members once they are recruited: sending them newsletters, renewal notices, and so on. These costs may add as much as 30 percent in the first year (as new materials are created and produced) and 10-12 percent each year thereafter.

B. Work with a single list broker and a single mailhouse.

It will be in the consortium's best interest for both the list broker and the mailhouse to get to know the participating groups. This will help with everything from list selection to testing protocols to post office logistics.

C. Consortium participants will need to commit to mailing within the same mailing window as a condition of participating.

This may seem obvious, but the consortium will be renting a single list and it will need to be entirely used within the same mailing window.

D. Base each conservancy's cost share on the percentage of names they get from the resulting list selection.

Mailing lists are not distributed evenly across the landscape. One of the barriers voiced in the interviews was a concern that the program would unevenly benefit the participants. This is almost certainly true but will be mitigated to some extent of the costs are also borne unevenly.

E. Require a 3-year commitment.

Direct mail programs should not be evaluated mailing by mailing. Instead the program should be considered in constant learning mode. Testing messages, packages, letter styles, and even paper color is an important and necessary part of any program. Many lists perform better the second and third time they are solicited. Members recruited, conversion rates, average giving, program costs, breakeven timing, and average gift should all be part of a formal evaluation and many of these derivative metrics will not be available right away. Consortium members will learn from each other as results are compared across the geography.

Note that this process will also benefit from the guiding hand of a qualified consultant – someone hired by the consortium to help participating members with initial mailing package development, initial testing, metrics, and analysis.

For all these reasons and more, any consortium approach to membership recruitment should be allowed to run for at least three years before a comprehensive evaluation is performed.

F. If the Pilot is partially underwritten, use a step-down grant over three years.

Step-down grants are multi-year grants in which half or more of the funding is granted in the first year with second and third-year funding “stepping down” from there. I suggest 60-25-15 or 50-30-20.

With assumptions of a \$40 average first gift and a \$80 average first renewal, a *conservative estimate* of revenue from the Pilot (not including major or planned gift potential) might look like this:

	First Givers	First Renewals	Other Renewals	Total	Potential Costs
Year 1	\$100,000			\$100,000	\$250,000
Year 2	100,000	\$80,000		180,000	270,000
Year 3	100,000	80,000	\$150,000	330,000	285,000
Year 4	100,000	80,000	262,000	442,000	296,000
Year 5	100,000	80,000	346,000	526,000	305,000

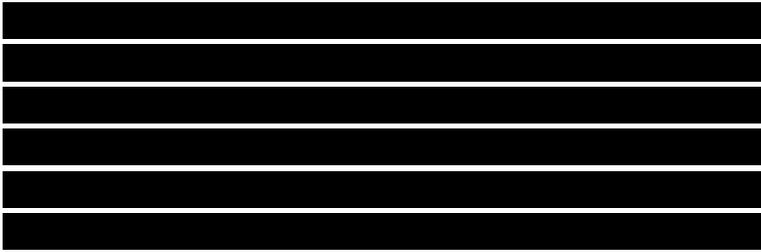
G. As other conservancies express interest in joining the consortium consider starting a new consortium before adding new groups to this one.

The potential issue is overlapping service territories. It may be easier to ask new groups to form their own consortia than to keep adding them into this one.

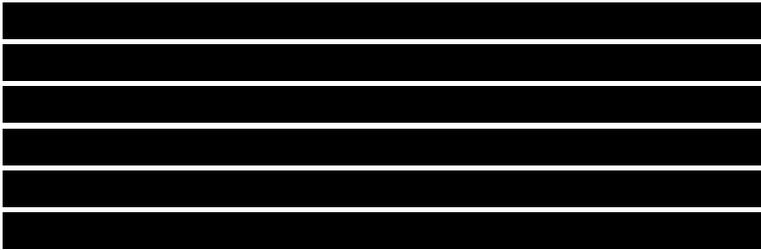
X. Possible Candidates for Pilot Project

The following Pennsylvania conservancies collectively represent approximately 3,500 current members (based on self-reported data). Five are located west of Harrisburg. Each participated in the survey and at least one of the workshops, and five of the six were interviewed. Each has at least one person who could serve as a local champion of the program, and they have each represented an interest in participating in a collaborative effort if one were organized. There is some overlap in the service territories that would need to be worked out, but they are otherwise fairly spread out.

Current
Membership



Other possibilities include the following conservancies (two are west of Harrisburg). I did not include them in the first group for various reasons including non-participation in the workshops, overlapping service territories, and/or the lack of board/staff understanding of essential fundraising strategies.



XI. Recommended Implementation Steps

Preconditions

(Note that each of these preconditions will have significant value for each conservancy regardless of whether a consortium gets started later.)

- A. Determine an initial roster of participating conservancies.
- B. Draft a Memorandum of Understanding related to participation. Provide it to the chosen conservancies and ask that it be read and affirmed at a board meeting before being signed.
- C. Conduct an assessment (or possibly a full Development Audit) for each of the participating conservancies to establish baseline information about current annual giving (membership) activities.
- D. Provide renewal systems assistance and implementation coaching to each conservancy whose current conversion and renewal rates are not at standard.

- E. Guide each conservancy in developing appropriate budgets, collecting data from standard metrics, and creating direct mail letter/package content.

Pilot Consortium

- F. Identify a champion from each conservancy to serve on a steering committee for the consortium.
- G. Determine a timeline for the first mailing. Determine a mailhouse everyone can live with, and contact the mailhouse.
- H. Contact a broker and get initial information about available lists, distribution within the service territories, and costs.
- I. Conduct the first mailing, tracking carefully the overall experience for each participating conservancy.
- J. Evaluate.
- K. Plan the next several mailings.

XII. Conclusion

Getting involved in a Consortium will involve a paradigm shift for many of the conservancies working in Pennsylvania who may see membership now as something that happens to them but is essentially out of their direct control. They tend to see membership as a result of outreach activities – the more visible they are, the more people will find them and join. I call this the “*if we build it they will come*” paradigm.

The truth is that people need to be asked to give. They need to be asked to join. Simply being more visible, while arguably supportive, is extremely limited as a stand-alone strategy. Direct mail is still the most effective vehicle available for making those asks, and it is a skill we can teach and develop inside the conservancies we care about.

It may take two or three years to get a consortium pilot off the ground, but the results will be worthwhile. More importantly, what we learn in the process will be replicable in other areas of Pennsylvania and across the nation.

APPENDIX A: Vendors

List Brokers

Cheryl Piry
Belardi-Ostroy
Cherylp@belardiostroy.com
415-729-9150
3030 Bridgeway, Suite 222
Sausalito, CA 94965

Cheryl is the list broker that Western Pennsylvania Conservancy uses and loves. Belardi-Ostroy is a large(r) firm, and Cheryl has a number of people around her who could step in to provide consistent service.

Shirley Shoevaars
InfoGroup
Shirley.Schoevaars@infogroup.com
402-836-5537
1378 Cornwall Ct.
Walnut Creek, CA 94597

Shirley is the list broker of choice for Iowa Natural Heritage Foundation. She affiliates with InfoGroup but works essentially independently.

APPENDIX B: Query Responses

David,

I have been working with a coalition of 6 land trusts. While they did not do a joint membership drive, they did collaborate on a community foundation online giving campaign. Each non-profit had to register individually; however, we developed a consistent message, graphics, newsletter, photos (2 golden retrievers – on leashes - looking for each other throughout land trust properties) and had one person orchestrate the outreach leading up to and during the day of the event. It included social media posts, as well. It was relatively successful. Some of the land trusts had only a meager membership list, while others were a bit more robust. For those with less outreach, it helped them to begin reaching more constituents and watching the ones with more members helped them understand the strength and benefits of building a constituent base.

The funds raised went to the coalition funds where they were split equally among the 6 land trusts. The funds went toward hiring a land management expert to do management plans, troubleshoot problems, etc.

Hope this is useful.

Sharon Danosky
President & Founder, Danosky & Associates

David,

I have had success with this and would be happy to discuss with you. We are also looking into some ideas that have more impact on potential support than list acquisition --including legacy giving and understanding philanthropic inclination in donor screening services.

Beth Hershenhart, Innovative Resources Group

David,

Great project. No organization comes to mind. If I learn of groups doing this I'll pass the information along to you.

Sara Wilson, Mayes Wilson & Associates

David,

I don't know of any groups like this, from a fundraising/mailing angle.

There are some land trusts currently working on a collective case statement in Connecticut. Amy Paterson is coordinating that effort with Tom Curren.

I believe there have been examples of land trusts who share people who implement database/mailing work—but not in the way you have framed it.

I'll be interested to see if you drum up examples.

Thanks,

Judy Anderson, Community Consultants

David,

Judy's referring to our CT Land Trust Advancement Initiative. We've discussed the project, David, but not in detail and only in the context of CLCC's strategic planning. Here is a description.

Connecticut Land Trust Advancement Initiative: Growing Conservation & Stewardship Capacity by Building Stronger Land Trusts

A new CLCC program commenced in October 2014, CLCC's Connecticut Land Trust Advancement Initiative is an organizational advancement program for land trusts working together as part of one of Connecticut's Regional Conservation Partnerships or otherwise seeking opportunities for regional collaboration. This is first project of its kind in the country funded by the USDA-Natural Resources Conservation Service for the purpose of building land trust capacity. For the 2014 Initiative, CLCC will work with its project partners, the Land Trust Alliance and the CT-Environmental Review Team to provide 15 land trusts within the Lower CT River and Coastal Region Land Trust Exchange region with technical assistance to collaborate on 3 projects focused on communications & community engagement, long term stewardship, and a feasibility study on shared services.

Henri Jordan is leading the Shared Services Feasibility Study project. I can flesh out more with you next time we talk. She's working on a report which we'll share later in the winter/early spring upon the conclusion of the project. The group of land trusts had ideas on shared services in many contexts, including communications, database management, accounting services, etc. But they are only ideas at this point. I encourage you to reach out to Henri.

As alluded to by Judy, the case statement is a group effort. There are 6 land trusts participating in the Communications project, but all of the land trusts in the regional conservation partnership have been invited to help with the development of the case statement.

All deliverables will be available on our website and likely the subject matter of future workshops and roundtables.

Outside of our project, Sharon Danosky put together the Northern Fairfield County Land Trust Coalition, a group of 6 land trusts working together on shared stewardship, an education partnership with a magnet school and other projects. Two of the land trusts are planning to merge. Really good stuff - although I don't think they are sharing the types of services you're interested in -- at least not yet.

Best,

Amy Paterson, Connecticut Land Conservation Council

David,

Reach out to Sharon Danosky in CT. She is a fund raising consultant and, more importantly, ED of the Danbury LT and spearheads a 6 LT partnership, including 2 orgs that are about to merge. She might help you out.

Good luck—sounds like a great model or pilot project.

Sharon Danosky sharon@danosky.com 860-799-6330

PAUL ELCONIN, Director of Land Conservation
Weantinoge Heritage Land Trust, Inc.

2016 Pennsylvania Land Conservation Conference.

Membership Programs

Presenters: David Allen

5 meaning excellent and 1 meaning poor

Overall impression:	4.91
Extent content met expectations:	4.91
Relevance to your work:	4.55
Organization of course:	4.91
Ability of instructors to present material:	5.00
Effectiveness of the course materials:	4.60
Total responses:	11

Comments from Evaluation Forms:

Strengths:

- Clear & organized presentation, great experience
- Engaged, real examples
- Engaging, relevant material
- Practical
- David is great! The information followed by real-life examples is helpful. I appreciated the disclaimer at the beginning to not be overwhelmed.

Weaknesses:

- Would appreciate more tailoring to small organizations
- Could have been all day!

Suggested Changes:

- Some exercises to bring home a basic plan for membership development.

Other Comments:

- David was well worth it!

Direct Mail for Non-Profits

September 7th, Western Pennsylvania Conservancy, Pittsburgh

Presenter: David Allen

5 meaning excellent and 1 meaning poor

Overall impressions: 4.8

Ability of Instructor to present material: 4.8

Comments from Evaluation Form:

Strengths:

- Well organized, well-presented, engaging & interactive and highly relevant
- A great deal of useful information, very well presented
- David is super entertaining, thorough, and highly knowledgeable – always a pleasure to learn with him
- Use of tangible examples of best ways to communicate directly with existing and potential supporters
- Good location, good topic – land trusts need help in this area
- Relevance; collaborative environment among participants; space for participant input; approaches presented clearly considered potential barriers, organizational capacity, limited funds, etc.
- Details provided, descriptive examples of points made, supporting paperwork also helpful

Weaknesses:

- Presenter is 16 years removed from practical work, and some of the suggestions were not current, or I felt were inaccurate.
- It would have been better to have the participation of more area land trusts so that smaller working groups of similar sized orgs could meet and discuss their shared challenges, and how to overcome them, including possible collaborations, etc.
- A big subject to cover fully in one seminar.

Recommended Changes:

- Give participants the chance to draft an opening paragraph of an appeal letter and a general direct mail piece
- More about the topic of fundraising in general (not just direct mail) and use a different presenter.

Direct Mail for Non-Profits

September 8th, Heritage Conservancy, Doylestown

Presenter: David Allen

5 meaning excellent and 1 meaning poor

Overall impressions: 4.8

Ability of Instructor to present material: 5.0

Comments from Evaluation Form:

Strengths:

- Very easy to follow and able to adjust to any question asked of him
- The trainer's openness to questions, discussion and a willingness to share his opinions and experience
- Excellent overview on how to get started on direct mail
- Learning the ins and outs of direct mail, and getting great ideas for better solicitation letters

Weaknesses:

- There could have been a little more focus on the content of solicitation letters—examples to look at together
- I would have preferred to have fairly large copies of the slides in front of me during the seminar, my notes would make much more sense, especially since I have to present my findings to other staff

Recommended Changes:

- Hold a session closer to Philadelphia
- Large copies of slides: maximum of 2 per page, double sided would be a help. More regional seminars on fundraising topics!