



KAP

SERVICE | SOLUTIONS | SUCCESS

A Head to Head Comparison of Brokers

**A Case Study of List Brokerage
Options**



Wouldn't it be nice to know in advance the difference between a sales pitch and actual results? Anyone can claim to be the best option but at the end of the day, the performance of *your* program is the most important measure of success.

This case study reveals the outcome of a head to head comparison of four well-respected list brokers.

It is admittedly difficult and time-consuming to conduct a direct comparison test but one committed agency was able to do so and the results follow.

Methodology

- **Four list companies were asked to recommend test lists for a national domestic relief mailer.**
 - KAP
 - Paradysz Matera
 - Lake Group Media
 - Specialized Fundraising (incumbent)
- **Each company submitted its recommendations and tiered them based on likelihood of success.**
- **Any lists that were suggested by multiple brokers were mailed but not credited to any broker. Unique lists recommendations were the sole basis of measurement.**
- **Brokers were asked to submit recommendations across two consecutive campaigns.**

This client had three primary objectives:

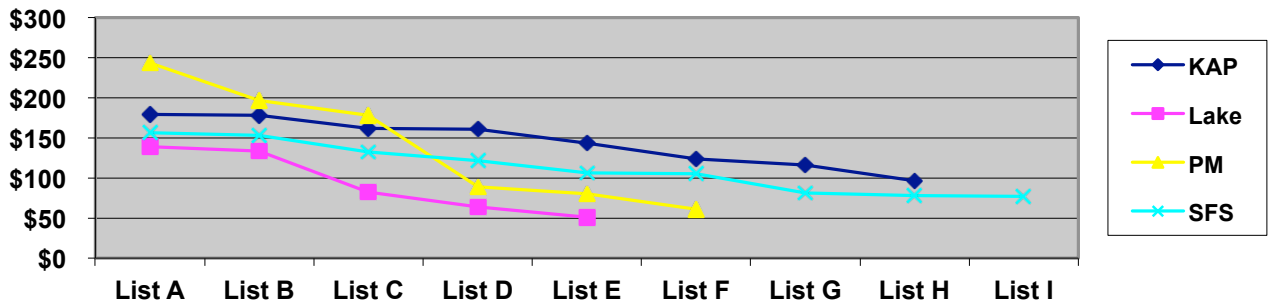
- 1) Expand mailable universe
- 2) Increase response rates
- 3) Minimize costs

Key Outcomes

- **In the first campaign, KAP and Paradysz Matera had the best gross performance across all recommended lists.**
- **KAP expanded universe by 298,000 from successful lists* versus 147,000 for Paradysz.**
- **KAP's response rates were 22% higher than Paradysz's across all lists – and 9.5% higher across successful lists*.**
- **KAP's net per donor acquired was 32% better than Paradysz's.**

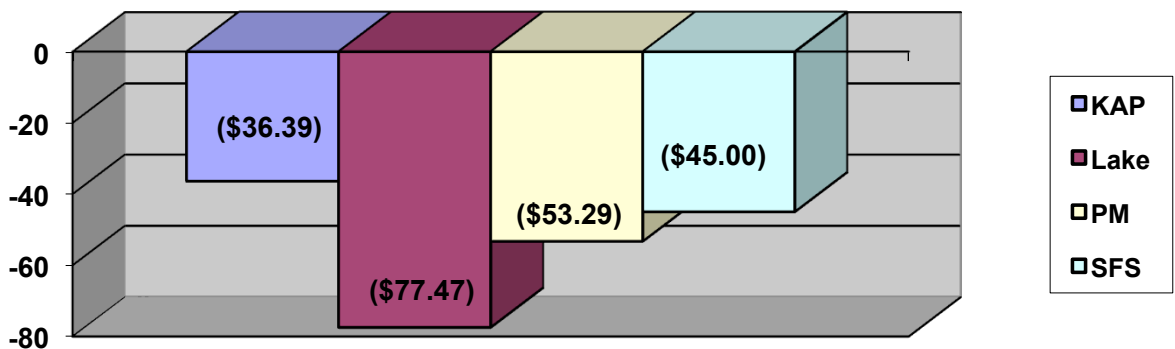
* "Successful lists" were those that met client-defined performance thresholds.

Gross Revenue per M



When selecting lists, consistency is critical. One or two winners cannot offset the negative impact of having an equivalent (or greater) number of losers – especially in a sustained effort where lists must be selected for each campaign.

Net \$ Invested per Donor Acquired



Net metrics of course take expense into account as an important variable. Whether during testing or rollout, KAP prioritizes exchanges and negotiates strongly for pricing discounts on those lists that must be rented.

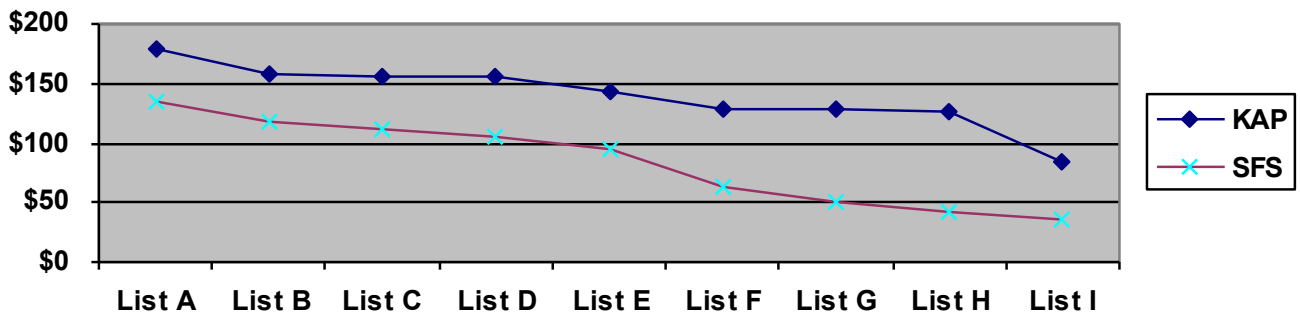


Key Outcomes

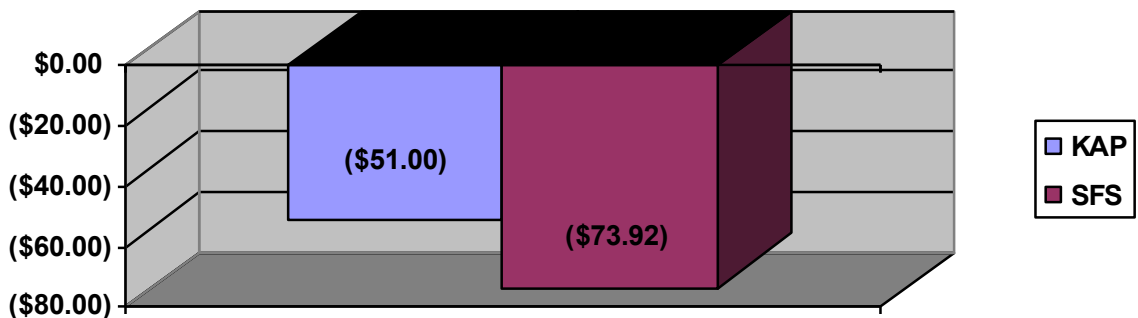
For the second campaign of the test, Lake Group Media was not asked to participate and Paradysz Matera declined to participate.

- KAP continued to significantly outperform Specialized Fundraising across every list recommended showing that our list selection advantage is sustainable.

Gross Revenue per M



Net \$ Invested per Donor Acquired





Key Observations

- KAP combines superior gross performance metrics with extremely diligent cost-reduction measures to deliver a high-impact, low-risk result.
- The current method of evaluating list brokers rewards those with the best sales pitches but there is no way to know that the best choice is being made without an ability to evaluate performance head to head. This case study offers you the benefit of learning from others experience.
- Promises of significant cost savings presume that rentals will be a major part of the list plans. KAP focuses keenly on exchanges to minimize costs in a more significant way than cutting costs on rentals ever could.
- In a head to head challenge, KAP succeeds for clients and exceeds the competition.

About KAP

KAP aims to be the premier **acquisition partner** for our clients in the non-profit industry. By leveraging our core competencies of direct response list brokerage and list management as well as our extensive industry experience and our culture of innovation and discovery, we are positioned to deliver the most appropriate and rewarding donor acquisition opportunities to non-profits.