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# Pursuing Optimal Prospecting Performance

**A Case Study of Performance Gains  
Achieved by Strategic List Planning  
and Offer Allocation**



The wrong lists? Or mostly the right lists but lackluster strategy and execution?

A large national social services mailer approached KAP to evaluate their prospecting strategy. We found they weren't mailing the wrong lists – they were simply not employing strategies that maximized those lists to the fullest potential.

The non-profit had a complex offer rotation that had become unwieldy due to a lack of discipline and valid testing protocol across the list mix.

Combined, these factors were resulting in a higher than desired cost to acquire and lower than optimal performance.

### Strategy Synopsis

- We had several 'control' packages at our disposal but we had to develop the contact cadence strategy at the individual and list level.
- In some cases we elected to use the most expensive package to a greater degree which forced us to reduce overall volumes.
- Co-ops only comprised 35% of data sourcing but we utilized their data optimization tools heavily.
- In year 2, we were able to further leverage our learnings and reduce list sourcing costs by another 17%.



This client had three primary objectives:

- 1) Improve the net per donor acquired
- 2) Increase response rates
- 3) Maintain or reduce costs

### Key Outcomes

- In their first year with KAP, the charity realized a 62% improvement in net per new donor
- While mailing 11% fewer pieces, they acquired 10% more donors than prior year—a five year high
- Simultaneously, response rate improved 25% and average gift increased 13%
- The cost per dollar raised (CPDR) was 22% better than any prior year on record. Total cost was reduced by 7%.

These results were achieved by using analytics to re-imagine list/offer alignment and new approaches to segmentation, source testing, and goal-driven data optimization. We tracked LTV by offer and list, and used that to orchestrate better offer rotation and data alignment while staying within the assigned cost parameters.



### Key Observations

- KAP uses experience and advanced analytics to hit the ground running and make immediate and impactful improvements in the pursuit of optimal performance. In this case, time constraints required us to ‘build the plane while flying’.
- Cost over-run was simply not an option and we chose to sacrifice volume because it was in the client’s best interest. We always do what’s right for the client.
- Due to KAP’s insistent focus on LTV, the payback period (ROI) was reduced to less than 50% of prior years. This presented a previously unthinkable opportunity to significantly grow the program in future years.
- We accomplish these outcomes by understanding the full context of the program, and to some extent, reshaping short-term client goals in an effort to achieve the longer-term strategic objectives.
- This is undoubtedly the most complex program KAP has handled but that didn’t worry us. Through diligence, modeling expertise, and analytical rigor, we achieved results that we know most non-profits would like to replicate.

### 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.