Is the economic slump forcing your nonprofit to cut costs? Before you make the mistake of eliminating your print newsletter, consider this:

At Gillette Children’s Specialty Healthcare, we recently transformed our 20-year-old donor newsletter into a moneymaker. And with the right strategies, you can do the same.

FACE THE FACTS

Don’t get us wrong. We sympathize with the impulse to cut and run. Print newsletters can be cumbersome. They’re expensive, they require a significant amount of staff time, and — worst of all — they can be hugely ineffective.

After reviewing results from the past 20 years, we discovered that our quarterly newsletter, Momentum, was producing an annual net loss of almost $40,000. A 2004 readership survey yielded only 91 responses. (We mail to 20,000 people.)

IDENTIFY THE PROBLEM
(IT’S ALWAYS THE SAME PROBLEM)

Despite these less-than-stellar results, we didn’t give up on newsletters entirely. A thorough review of Momentum quickly revealed a fundamental problem.

We were telling the stories that made our organization look important — not the stories that made our donors feel important. We helped children walk. We opened new clinics. We conducted successful fundraising programs. We did amazing things!

But all of our incredible accomplishments left the reader with a nagging question: “If you’re doing so great, why do you need me?”

How We Transformed Ours Into a Moneymaker

Angela Lindell, Publications Writer, Gillette Children’s Specialty Healthcare
Andrew Olsen, CFRE, Senior Annual Giving Officer, Gillette Children’s Specialty Healthcare
We set out to create a new publication that spoke to our audience in a way that makes them feel essential. *Connections*, our new donor publication, gives our readers the information they crave. With the right messages, your newsletter can do the same.

Donors want to hear a few simple — but incredibly, important — things from you. Effective newsletters must include the following messages to donors:

- **You matter.** Show your donors why they are essential to your mission. Speak directly to readers using a personal tone that relies heavily on the word “you.” Reframe your accomplishments as their accomplishments. (“Because of You, Douglas Can Visit an Imaging Center Without Crying!”)
- **You have invested wisely.** Prove that your organization is worthy of an investment. No one likes to back a loser. Be transparent, sharing facts about your organization’s financial health and future plans. Instill confidence in your readers that their investments will yield long-term gains. (“Your Gillette Investment Will Always Yield Returns.”)
- **We still need you!** Build long-term relationships by letting your donors know just how much they can still accomplish through your partnership. Share new needs, opportunities and goals. Even when telling an amazing success story, leave your donors craving another interaction with you. (“Help Us Change More Lives!”)

If you fail to communicate these things, you’ll lose your donor to a nonprofit that does.

**QUESTION YOUR ASSUMPTIONS**

Once you’ve hooked your readers, you want to make it as easy as possible for them to make a gift. It sounds simple, but many nonprofits get this wrong. The perception is that a cost-effective newsletter must be an unsegmented self-mailer that’s printed in one or two colors. Our former newsletter fit this description. *Momentum* was an 8-page, 11- by 17-inch self-mailer printed in black plus one color. A reply envelope was stapled into the publication, and the newsletter mailed at the nonprofit bulk rate. We spent approximately $15,000 per quarterly issue ($60,000 per year) to mail 20,000 pieces.

**COPY WHAT WORKS**

Improving performance required us to make significant changes to the format. But we also wanted to avoid increasing costs. Using the same expense budget of $15,000 per issue, we found we could make several smart and effective changes.

- **Newsletter Format:** We cut the format from eight 11- by 17-inch pages to four 8.5- by 11-inch pages. As a result, we slashed word counts by more than 50 percent. For example, our lead story went from more than 1,200 words to just 500. We replaced the long, comprehensive features with shorter, more compelling stories.
stories. Now, powerful headlines, captions and pull quotes facilitate easy skimming.

- Personalized Letter and Reply Device: Cutting the size and page count allowed us to spend more of our budget on personalization. We include a personalized cover letter and reply device (an 8.5- by 11-inch double buckslip) with language that corresponds to a donor’s past giving behavior. Now, we can segment our newsletter mailings for more effective delivery and measurement.

- Outer Envelope and Live Stamp: By reducing its size, we could still send our newsletter at the non-profit rate, even with the inclusion of a cover letter and reply device. Now it now fits in a standard no. 10 envelope. We went from using an indicia to using a nonprofit stamp, resulting in only a marginal increase in postage costs.

**TRACK YOUR RESULTS**

Without spending any more money on our newsletter program, we developed a smarter and more effective publication. *Momentum* generated a net loss of $39,549 in 2007. By comparison, the first four issues of *Connections* have generated a positive net return of $56,705.

For us, the results are clear. Our donor-focused newsletter is building lasting relationships with donors and inspiring them to invest more of their charitable gifts with Gillette. And that means we can provide care for even more kids at our hospital and clinics across Minnesota!

**About Gillette Children’s Specialty Healthcare:** Gillette, an independent, not-for-profit hospital and clinics, is internationally recognized for its work in the diagnosis and treatment of children and young adults who have disabilities or complex medical needs, such as cerebral palsy, complex orthopaedic conditions, craniofacial anomalies, neurological conditions, brain and spinal-cord injuries, spina bifida and juvenile arthritis.

Since 1897, Gillette has been at the forefront of medical treatment, technology, education and research for children with disabilities. Gillette’s mission is to help children, adults and their families improve their health, achieve greater well-being, and enjoy life. For more information, visit [www.gillettechildrens.org](http://www.gillettechildrens.org).