



Canada Post: Centraide of Greater Montreal Case Study

**Centraide of Greater Montreal uses the
Addressed Admail™ service from Canada Post
to recruit donors**

Test campaign demonstrates the value of targeting



The results of this test campaign will certainly inform future campaigns.

“Addressed Admail service and targeting is a winning combination for us.”

*Ann Courte, Manager,
Direct Marketing Centraide of
Greater Montreal*

In the Greater Montreal area, which is home to almost half the people of Quebec, many are hard hit by poverty. Centraide of Greater Montreal helps some 500,000 people in need or in difficulty by conducting fundraising campaigns annually, relying on the generosity and involvement of tens of thousands of donors and volunteers, and financing a network of community agencies and projects. The charity regularly uses the services of Canada Post to meet the challenges shared by most non-profit organizations when it comes to attracting potential donors.

“Finding new donors is an ongoing concern,” says Ann Courte, direct marketing manager for Centraide of Greater Montreal. “Although we have a large number of regular donors, for a variety of reasons, we lose many each year. As a not-for-profit, we don’t have a great deal of money to spend on searching for prospective donors.”

Strategic, high-profile campaigns

Thanks to donated advertising space, the charity’s annual fundraising campaign is widely promoted in Canadians’ workplaces and in general public spaces. The campaign includes television, radio, newspaper and magazine advertisements as well as



outdoor and in-office signage. The charity also uses direct mail to connect with former donors and to reach out to potential new donors; however, results have declined in recent years.

“We’ve used both the Addressed Admail and Unaddressed Admail™ services from Canada Post in prospecting campaigns over the years,” says Courte. “A few years ago, we used demographic information to develop mailing lists of prospective donors. This targeting definitely boosted results. Lately though, it was felt that the number of names available for acquisition using this technique was limited.

Targeting for better results

For the charity’s 2008 campaign, Canada Post offered to run a test to demonstrate the advantages of the Addressed Admail service in combination

with modern targeting methods. The charity agreed to partner with Manifold Data Mining—a company that specializes in customer and market intelligence—on a campaign in the Greater Montreal area.

Manifold analyzes research published by groups, such as Statistics Canada and the Bureau of Broadcast Measurement, to identify commonalities among Canadians in each six-digit Postal Code^{OM} across the country. The commonalities include demographics, household-spending patterns and lifestyles. Using this data, Manifold can not only provide a company with an accurate description of its current customers, but also identify qualified prospects—people who share attributes with a company’s current customers. For many non-profit agencies, Manifold develops lists of Postal Codes whose residents are most like existing donors.

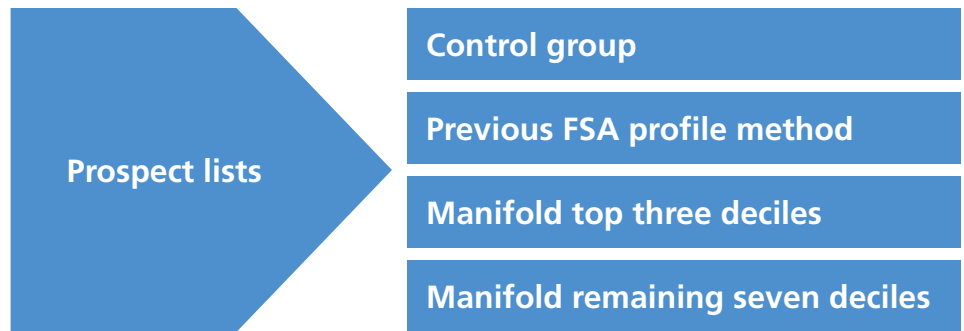
Proving the value of targeting

Manifold compared the Postal Codes associated with Centraide of Greater Montreal's regular donors with those in the company's database and pinpointed commonalities. The analysis enabled the company to develop a profile that would help the charity identify prospective new donors.

Then, the charity rented a series of mailing lists from the brokers it normally uses. The addresses on several lists were compared to the profile developed by Manifold and ranked according to how well they matched. To determine the effectiveness of profiling, several test groups were established; the charity then mailed copies of the same appeal to prospects in each group.

Working from its rented lists, the charity assigned several thousand prospects to a control group after eliminating the names of prior donors and people who had registered to have their names removed from direct-mail lists. To form the second group, the charity used its previous targeting method to select a small test quantity of prospects. The Manifold profile was then applied to more than 100,000 additional addresses to form two more

groups: the first included the top three deciles (those that most strongly matched the profile) while the second featured the remaining seven deciles (those with the medium to weakest matches).



The charity then sent copies of its 2008 solicitation letter to the prospects in each group and closely monitored the results. The test clearly demonstrated the power of targeting with solicitations sent to the group with the first three deciles (those prospects most like existing customers) yielding almost 23 per cent more donos than the control group and the group with the lowest seven deciles.



Test results

Group	Response rate compared with that of control group
Montreal FSA profile method	+ 17.5 per cent
Top three Manifold deciles	+ 22.5 per cent
Bottom seven Manifold deciles	- 17.5 per cent

“There’s no doubt that we were happy with the results generated by the top deciles,” says Courte. “If we applied the same approach across the whole group of list rentals, I’d expect that we’d attract a larger number of new donors.”

Test yields valuable lessons

The test results demonstrated that the charity should update and analyze its donor databases and targeting strategies on a regular basis—at least every two or three years.

“The Manifold profile gives us a much clearer picture of our best donors,” says Courte. “This information will help us improve the way we communicate with current and prospective donors.”

The charity recognizes that updating its direct-mail strategy will help boost results; in effect, it will generate greater returns from fewer mailings. The charity has begun an in-depth study of the campaign results to see if it can gain any additional insights. In any event, the test clearly demonstrated the value of targeting.

“The results of this test campaign will certainly inform our future campaigns,” says Courte.

“The test campaign proved that targeting and the Addressed Admail service is a cost-effective way to identify and connect with prospective donors.”

*Ann Courte, Manager,
Direct Marketing*

About Canada Post

Canada Post is a leading provider of direct mail and other targeted-marketing solutions. Businesses, charities and other groups use Addressed Admail service to promote their products and services to leading customers and prospects on a targeted and personalized basis. For more information, please visit canadapost.ca or call 1-866-747-3871.