



Lapsed Target Tags™ Go Beyond Typical Segmentation

Smart Fundraising

For nearly two decades, **Lapsed Target Tags**, have been an essential part of direct marketing strategies for thousands of nonprofit organizations. Annual giving rates are shown to be 12 times higher on average after using enhanced modeling services. Smart fundraisers know that incorporating Lapsed Target Tags across the donor spectrum improves program ROI.

Segmenting campaigns based on historical giving recency, frequency, and amounts (RFM) only goes so far. When a donor is deeply lapsed, greater insights are needed to understand if they will reactivate and should be included in subsequent appeals. Nonprofits simply do not have the budgets available to contact all constituents throughout the year. Even if all individuals could be mailed all the time, donor experience and campaign metrics will quickly start to decline!

Scientific Data Modeling

With Lapsed Target Tags, advanced scientific modeling is applied to expand the insights and improve campaign performance even more. The Lapsed Target Tag process reviews current donor attributes to build a model unique to each organization and campaign type every time the scoring is applied. Each model can be comprised of up to 10,000 variables to identify the best prospects for a specific campaign.

ROI Simplified:

Target Tags make it easy to identify responsive donors and optimize lapsed program performance.



Review

Scoring patterns to gain strategic insights



Organize

Donors based on propensity to give



Improve

Campaign and program return on investment

Continued

Leverage Insights to Drive Results

Lapsed Target Tags help fundraisers focus investment in the donor segments that are most likely to be engaged with an organization and to respond to fundraising solicitations. By mailing only the most responsive segments, fundraisers reduce wasted mail to lower-performing groups—thus, increasing campaign response rates, campaign net, and campaign ROI.

Giving insights are powered by the expansive **Target Analytics Cooperative Database**, the largest and most robust cooperative of philanthropic giving history built exclusively for nonprofit organizations. Comprising of nearly **four billion financial gifts** from over **1,400 organizations**, the Target Coop Database uncovers hidden donor propensity gained by reviewing gift history from across a myriad of organizations.

Sample Mail Plan: Increase campaign performance by focusing on responsive segments

	Tag Score	Lapsed Population	Total Mailed	Total Returns	Response Rates	Revenue per Thousand	Cost to Raise a Dollar
Without Lapsed Target Tags	None	200,000	100,000	2,000	2.00%	\$600	\$0.70
With Lapsed Target Tags	A	20,000	20,000	800	4.00%	\$1,800	\$0.23
	B	20,000	20,000	750	3.75%	\$1,500	\$0.28
	C	20,000	20,000	500	2.50%	\$875	\$0.48
	D	20,000	20,000	400	2.00%	\$600	\$0.70
	E	20,000	20,000	290	1.45%	\$363	\$1.16
	F	20,000					
	G	20,000					
	H	20,000					
	I	20,000					
	J	20,000					
Rest Less-Responsive Segments							
New Total Using Tags		200,000	100,000	2,740	2.74%	\$1,028	\$0.41

Sample steps for using Lapsed Target Tags

1. Score full lapsed population
2. Mail number of pieces per mail plan - focusing on top Tag scores
3. Higher-scored donors give larger and more gifts
4. Campaign response rate increases with more returns
5. Larger number of gifts raises campaign gross revenue
6. ROI improves with better results while maintaining campaign costs

For more information on Target Tags, contact your account executive or email TAolutions@blackbaud.com today. ➤