

Direct Response Glossary of Terms

Acquisition, External: Rental lists from accredited list brokers.

Active Donor: A donor who has gift history in the previous calendar year (this would include the group types of New, Recovered and Repeat).

Admail or Bulk Mail: A category of third-class mail that refers to a quantity of identical pieces, but addressed to different names. A term used in reference to postal standards.

Appeal Code: Sometimes also referred to as a Key Code or Mail Code, this is usually an Alpha Numeric code that appears on the reply form that indicates the source of the name, list segment and package they received. This is an essential piece of information for direct response testing, tracking and overall measurement.

Attrition Rate: The percentage of donors who were not renewed in the current calendar year.

Average Gift: The average gift is expressed in dollars and it is the total gross revenue divided by the total number of gifts. In a Direct Response Program and under normal circumstances, the average gift should increase over time.

Back-end: The entire process related to Caging and Gift Processing.

Bounce Back: An insert or request made in the receipt package for an additional donation.

BRE: Business Reply Envelope. A pre-addressed postage paid return envelope.

Buckslip: An insert, typically 8.5 x 3.5 that is used as an enclosure in either the outgoing solicitation package or the receipt package.

CMA Do Not Mail/Do Not Call: A service provided by the Canadian Marketing Association which allows individuals or companies to remove their names and addresses from all Canadian lists.

CPG: Cost per Gift. This measure is obtained by dividing total cost by total number of gifts.

CPP: Cost per Piece, which encompasses production costs including rental lists, data manipulation, printing, lasering, lettershop and postage out. This is obtained by dividing the total production costs by the total number of pieces mailed. Back-end and creative costs are usually excluded in this measure.



CTRAD: Cost to raise a dollar. Obtained by dividing the total direct costs by the gross revenue. This is another way of measuring the return on investment.

Caging: The opening of mail, depositing and batch reconciliation.

Demographics: Socio-economic characteristics pertaining to a geographic unit. Can include country, city, postal code, group of households, education, ethnicity, and income level.

Direct Response Marketing: An information-driven marketing process managed by database technology, that enables marketers and fundraisers to develop, test, implement, measure, and appropriately modify customized marketing or fundraising programs and strategies.

Dupe: Two or more name and address records that are found to be equal under the list user's basis of comparison (match code, mathematical formula, etc.).

Duplicate Elimination: A specific kind of controlled duplication, which no matter how many times a name and address appears on a list, and/or how many different lists, it will only be accepted once. Also referred to as dupe-elimination.

Exchange: A mutual agreement by mailers to trade lists rather than renting for a fixed price.

Gift Array: The suggested donation amount listed on the reply form.

Gift Processing: The activity involved in entering the gift information into the database, issuing the receipt and mailing of the receipt package.

Gift Ramping: Use of a formula based on the donor's previous gift history to determine the suggested gift amounts on the reply form.

Honorific: This is a prefix of a name that more accurately identifies an individual such as Mr., Mrs., Dr., etc.

House File: The organization's own donor base.

Incentive: An item that is promised to donors if they behave in a certain way such as respond by a particular date or give a defined amount.

Indicia: A mark representing a postal permit. There are several types of postal indicia typically used including a postage-paid indicia, Admail indicia and Lettermail indicia. The indicia artwork must be provided by Canada Post.

Internal Prospects: Donors to the organization who are not current direct response donors. They have made gifts through other sources such as special events, tribute gifts or unsolicited.



Johnson Box: Wording that appears at the top of a direct mail letter highlighting a key message for the package.

Lapsed: A donor who has given in previous years but lapsed his or her donation during the previous calendar year.

Laser Personalization: Letters and/or reply forms that are personalized by high-speed computerized imaging equipment.

Lettermail: First class mail that requires first class postage.

Lettershop: Refers to a supplier that handles the lasering and insertion of mailing components and prepares them for delivery to the post office. Can also be referred to as a mailing house or mail house.

Lift Letter/memo: A separate piece added to the mailing package that is intended to convince the reader to act.

List Broker: The supplier that facilitates your rental request with the list owner.

List Owner: The company that owns the mailing list you want to rent.

List Segment: Smaller sub-groups within a list, defined by recency, frequency, monetary, geographic, and/or other characteristics.

List Test: A portion of a list selected to determine the effectiveness of the entire list or universe.

Merge/purge (dupe elimination): Combining two or more lists for the purpose of eliminating duplicate names. Reports are issued indicating, by list, the number of unique names, inter-file duplicates, assigned multi-donors, and other pertinent information.

Name Value: An allowance for the future value of a name based on potential donations as part of the house file or from contribution to list rental income.

Net Name Agreement: Usually used when making arrangements for list rental. This is an adjusted list price to reflect a percentage of names shipped, or for a percentage of names mailed, whichever is greater.

New Responder: A person who donated for the first time during the previous calendar year.

Nth Name Selection: A fractional unit that is repeated in sampling a list.

Overlay: The process by which external data is added to a file for the purpose of either enhancement of the existing information or to allow for more specialized selection.



Package: An all inclusive term used to define the assembled enclosures of a mailing effort.

Premium: Usually takes the form of an up-front premium and is an additional item that is included in the outgoing solicitation package as a way of inducing a higher response rate (personalized address labels, seals, fridge magnets, etc.).

Psychographics: Any characteristics or qualities used to denote the lifestyle(s) or attitude(s) of your donors or prospective donors.

RE: Reply envelope. A pre-addressed return envelope that is not postage paid.

Recovered: A donor who made a gift in the previous calendar year but had lapsed prior to that.

Repeat: A donor who made a gift in the previous calendar year and also in the year prior to that.

Response Rate: Percentage of the number of gifts received in relation to the number of pieces mailed. In other words, the response rate is the total number of gifts divided by total number of pieces mailed times 100. This measure is used for each of the list segments as well as for the total mailing file. The response rate is used to compare tests such as different creative, rental lists, list segments and timing.

Seeding: Deliberately placing dummy names on your mailing list to track usage.

Self-mailer: A direct mail piece, self-contained, that does not require an outer envelope for mailing.

Teaser: Information on the outer envelope designed to entice the reader into opening the envelope to find out more about the contents.

Universe: The total number of available names that fit into a pre-determined selection.

Variable Text: A cost effective way to customize direct mail letter copy specific to different audiences by lasering the variations as opposed to pre-printing at the printers.

White Mail: Refers to donations that come back in envelopes other than the one you've provided.