

## Cooperative Models

Many mailers are using modeled files as an important component of their donor acquisition program. This has become even more important during the last few years when we have experienced an economic recession, during which the growth of organizations' donor files has been stagnant and, in some cases, has declined. We have, quite successfully, turned to modeling to identify, reach and persuade new, lapsed and warm prospect donors to help maintain file sizes and revitalize donor retention and commitment.

There are several main models we are currently working with and all of these are cooperatives, which simply means you have to put your names into the pool in order to use the names that the model identifies as your strongest donor.

It is important to note that the only names that go into these cooperatives are your non-unique donors, which are always protected and kept for your use only. The non-unique donors already exist within the cooperative; they are just flagged with transaction data that helps all users within the group. Organizations' transactional data on a specific donor or record level it is never shared or available to any other group. Your data is completely secure and all groups sign confidentiality agreements and adhere to best practice standards as set by the Direct Marketing Association and other industry leaders.

The modelers have access to nearly all of the names in the U.S. This data is arrived at through various providers and industries. They also have varying degrees of demographic, psychographic, purchasing and voting data that helps to make their models unique.

Some co-op models work better for some markets and others work better in other markets. There is much discussion in the industry on "how many co-ops are too many co-ops?" Our feeling is that, as long as the models are out-performing your outside lists, tests them all. And once your merge purge reports to make sure they are not cannibalizing your best lists or productive exchange lists.

In order to use the model, you will need to provide the modelers with a file of your donors and their giving history. Some models factor in historical prospect mail files. It generally takes about 10-15 days to create a model. There are contracts from all of the modelers with specific steps, costs and responsibilities outlined and designed to protect all parties. Most are willing to provide a test contract before a full commitment to participating in the co-op.

As mentioned earlier, we have had great success for mailers in every marketplace with a wide variety of models that have been created for both acquisition and lapsed/resolicitation programs.

Some models are designed to lift response rate, others to target higher giving levels, others for highest retention...all depending upon individual goals and strategies. CELCO will be happy to explore the best options for you and guide you through the data and legal requirements, the testing scheme and results analysis, and finally, with the proposed rollout strategies.

Please let us know if you would like to discuss this in more detail or if you have questions for us.