By the time this newsletter is published 2016 will be in the rearview mirror and we will all be looking forward to what 2017 holds in store for us. Before we leave 2016 behind I do want to reflect for a moment on what a great year it was for us. In my 15 year career with Merkle I feel that by every measure 2016 was the best year ever! We saw over 20 new clients join the Merkle RMG family, which is an amazing 83% win rate. We set records for revenue - with an 11.3% increase over 2015. Our quality and execution were outstanding with an overall reduction in reported processing issues and record service levels for on-time deposit (98.9%) and on-time data (99.4%).

I am so thankful for the 175 amazing clients that we work for. Many of you expanded your relationship with us in 2016 by adding our Call Center, Acknowledgment and Exception Services capabilities. A number of you also served as client references for us throughout the year!

As I look ahead to 2017 I see even more opportunities for Merkle RMG to grow. In February we will be hosting a Web-Ex for our existing clients to demonstrate our new Aeon sustainer management solution. Aeon was developed by our internal Programming team and will offer our clients a fully integrated solution for more effective management of their monthly giving programs. Also in early 2017 I will be adding a new executive position to the team – Vice President of Strategy. This new position will work with the RMG leadership team to create new solutions and services that we can offer the non-profit market to help them improve donor retention and improve overall results. This will create a new revenue stream for Merkle RMG and continue to differentiate us from our competition.

Thank you all for making 2016 such a success and thank you for your business. I look forward to bigger and better things for all of us in 2017!
Did you know that RMG tracks the deliverability of our USPS pick up locations by placing seeds in the mail for your organizations? Each month, my team selects clients and we mail from different drop off locations and then track the time it takes to receive the envelopes back at RMG. We not only track first class mail but BRE mail as well. We are compiling months’ worth of data on average deliverability time so we can help our clients make informed decisions about the postal facilities they should be working with. We believe as many of you do that the average length of deliverability absolutely has an effect on the donor experience. We want to get the acknowledgment in the mail as quickly as possible and having this type of data at your fingertips can allow us all to make USPS location decisions much easier and less time consuming than testing different locations. After collecting seventeen months of data, the average deliverability time from mail date to receipt date at RMG for the following USPS locations is below:

- **Baltimore MD** – 5.2 days
- **Brentwood (DC)** – 6.3 days
- **Merrifield VA** – 5.9 days
- **Hagerstown MD** – 4.2 days
- **Greencastle PA** – 4.1 days

**Net Promoter Survey Results**

Dear Valued Client,

I am excited to announce the results of our Net Promoter Survey to all of you. As you can see by the pie chart below, we had an outstanding survey and I am very proud of the results. Not only did we have the highest Net Promoter Score to date at 88.7%, we also had a 53% participation rate which is also a record.

I want to personally thank all of you who responded and those of you who took the time to provide me with great comments as well as great ideas for 2017. As you know, we value your opinion and listen to your feedback. I am excited to implement many of the ideas you provided me. As you know, we asked one question: “How likely is it that you would refer Merkle Response to a colleague or friend”. With such a great Net Promoter Score, I am excited to have the opportunity for you to mention our name to your colleagues and friends. It will help us continue to grow our business and I think you in advance.

Kent

---

**Merkle RMG Holidays**

**President’s Day** -
Monday, February 20th

---

**USPS News**

Did you know that RMG tracks the deliverability of our USPS pick up locations by placing seeds in the mail for your organizations? Each month, my team selects clients and we mail from different drop off locations and then track the time it takes to receive the envelopes back at RMG. We not only track first class mail but BRE mail as well. We are compiling months’ worth of data on average deliverability time so we can help our clients make informed decisions about the postal facilities they should be working with. We believe as many of you do that the average length of deliverability absolutely has an effect on the donor experience. We want to get the acknowledgment in the mail as quickly as possible and having this type of data at your fingertips can allow us all to make USPS location decisions much easier and less time consuming than testing different locations. After collecting seventeen months of data, the average deliverability time from mail date to receipt date at RMG for the following USPS locations is below:

- **Baltimore MD** – 5.2 days
- **Brentwood (DC)** – 6.3 days
- **Merrifield VA** – 5.9 days
- **Hagerstown MD** – 4.2 days
- **Greencastle PA** – 4.1 days
Service Spotlight - Autopen

The Autopen machine provides high quality signature replication with any pen, pencil or marker. Merkle RMG’s Exception Service team utilizes the Autopen for multiple clients to add a personal touch to high donor acknowledgements and/or letters, envelopes, seasonal cards, books and more.

With the autopen there are 24 pre-existing font styles that you can choose from or we can also program an individual’s handwriting simply by providing RMG with a document that has been signed several times for a more authentic look for your donors.

Utilizing these services guarantees that high dollar donors are acknowledged timely and they still receive that personal touch and feel connected to your organization that they are passionate about.

Merkle continues to look for ways for our clients to improve their relationships with their donors. This is only one of our options we provide our clients with for a high tech, high touch approach.

Best Practice - Technology

Technology Isn’t Always the Best Option… (actually said by our VP of Technology)

The types of devices, the media platforms, the near-instant connectivity to people and organizations around the world… truly great and amazing advances are happening. Technology is becoming more and more embedded in everything we do, and specifically in our industry it has improved quality & efficiency for us and for our clients. But sometimes the “old way” is still the best.

Sometimes the non-technology solution is a choice, something based on preference, emotion or personality. Some people use reading a novel as the way of describing it – I can more easily & more cheaply read the newest from my favorite author on my tablet, but I just like to hold a book sometimes.

Sometimes the non-technology solution is just good business sense. A great example is remote scanning of a donation that came into your front office. Yes, it would be simple to have a scanner at your desk, drop the documents in and send it off to your lockbox to process immediately. In reality we’ve found that, while this is great for some organizations, for many other it’s not. Why wouldn’t this be the best solution – fast, low effort, clean...? But, you have to buy the scanner, and pay for a maintenance contract, and buy a back-up scanner for when the primary goes down (or still keep a manual option in place anyway, “just in case”), and replace the scanner every few years. You also have to pay for the software to process the transaction, pay for the lockbox to handle and close the transaction, and deal with the potential of a bank reject still requiring you to physically ship the document somewhere. You’ve added a lot of cost to get faster access to your funds - if you are getting a large number of donations, or a small number of high$ donations, or have a large campus, the cost for this efficiency may make sense, but in a significant number of cases the volume and dollar amounts involved don’t justify the expense, and you can make a case for holding onto those items and shipping them physically to your lockbox for an overall better return on the donation.

We’ve “run the numbers” for many of our clients, and there is no hard-and-fast rule, other than “just because you can doesn’t mean you always should” when it comes to remote scanning technology. Merkle doesn’t push one solution over the other. We can handle either scenario, and know that our place is to help you to analyze your business and determine the best choice for you.

Please contact us to find out how we can help you analyze this, or any other aspect of your internal front-office or back-office processes.