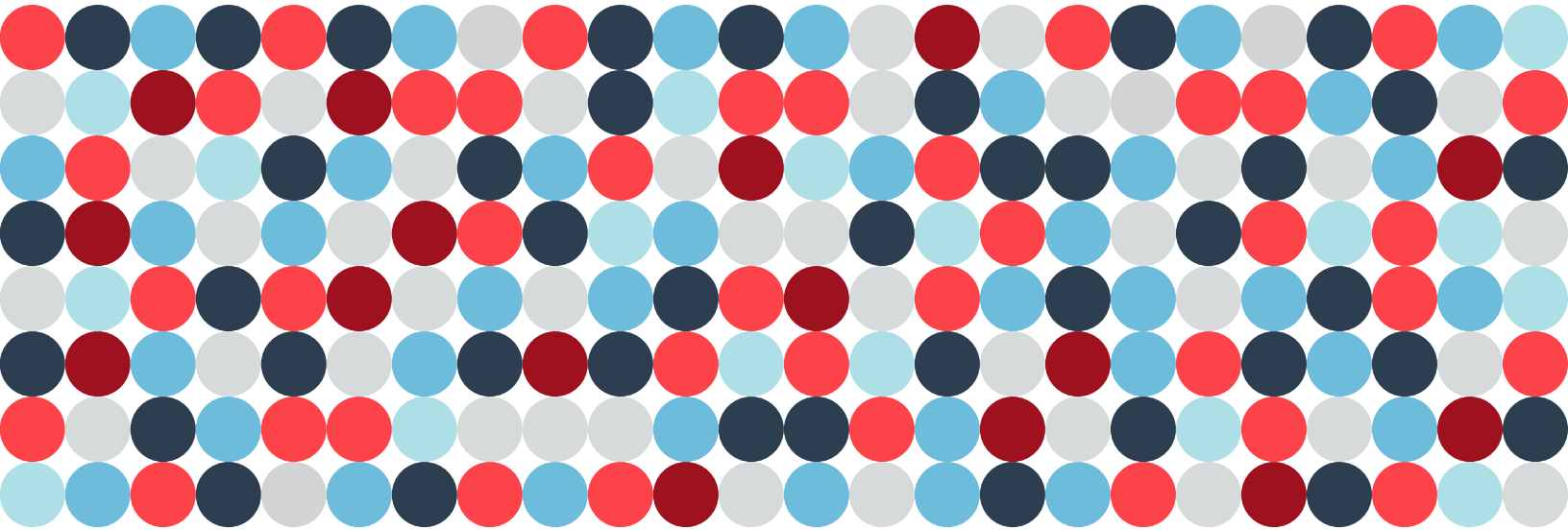


IMPACT REPORT

COVID-19:

How the Coronavirus Pandemic is Impacting Direct Mail Fundraising

Transactions through May 3, 2020



MERKLE RMG'S

COVID-19 IMPACT REPORT

This is the eighth installment of Merkle RMG's **Impact Report**. This updated report includes transactions from **February 3 through May 3, 2020**. Our report shares transactional data reflecting the mail processed at our facility during the stated reporting period. This report is updated every Monday evening and posted on our website (www.merkleresponse.com/covid-19reports). It shares the transactional data from the week prior.

REPORT METHODOLOGY

- The organizations included in this report are a subset of Merkle RMG's total business.
 - These organizations are those who were fully onboarded by January 1, 2019, and remain a client as of February 2, 2020.
 - The report includes 135 nonprofit organizations.
 - Political organizations, like party committees, campaigns, and PACs, are not included in this report.
- The industry sectors reported follow those traditionally used in Target Analytics' *donorCentrics® Index of Direct Marketing Fundraising Report*.
 - The sectors included are:
 - Animal Welfare (8 organizations)
 - Arts & Culture (24 organizations)
 - Environmental (11 organizations)
 - Health (25 organizations)
 - Human Services (16 organizations)
 - International Relief (15 organizations)
 - Societal Benefit (36 organizations)
- The 2020 weekly volumes may be impacted by processing delays caused by the Coronavirus pandemic that cannot be quantified.
- This report shares the transactions processed by Merkle RMG and does not account for changes to business rules, mail dates, mail volumes, or fundraising strategies.
- The trends reported are directional and not intended to serve as a sole source of information. Any opinions shared are solely our own and not the views of the organizations included in this report.

THE NONPROFIT INDUSTRY

APRIL 2020 RAISED MORE MONEY THAN APRIL 2019. A lot was thrown our way last month, from the ongoing challenges due to the global health crisis to Mother Nature taking our power in Hagerstown. But despite all this, April ended ahead of April 2019 in donation mail volume, donation revenue, and the average gift. Collectively, the nonprofit industry continues to *weather the storm*, but the **Animal Welfare, Arts & Culture**, and the **Societal Benefit** sectors have been hit the hardest. The **Environmental** sector has remained relatively stable compared to last year. The improvements in these year-over-year metrics were driven by the **Human Services** and **International Relief** sectors.

-12.6%
VOLUME OF
DONATIONS

YEAR-OVER-YEAR CHANGE

- From the first week of February through the first week of May, the donation mail volume decreased by -12.6% compared to the same period in 2019. The greatest year-over-year declines were between the fourth week of March through the third week of April. It was only the fourth week of April, where this trend turned around. Last week, the first week of May, there was a -3.6% drop in donation volume compared to that week last year.

11.3%
AMOUNT OF TOTAL
DONATIONS

YEAR-OVER-YEAR CHANGE

- Donation revenue throughout this reporting period was 11.3% higher than the same time frame in 2019. The **Human Services** and **International Relief** sectors were the drivers in the year-over-year increase. Compared to the first week in May last year, donation revenue was 30.2% higher, which was average gift-driven.

27.4%
AVERAGE GIFT

YEAR-OVER-YEAR CHANGE

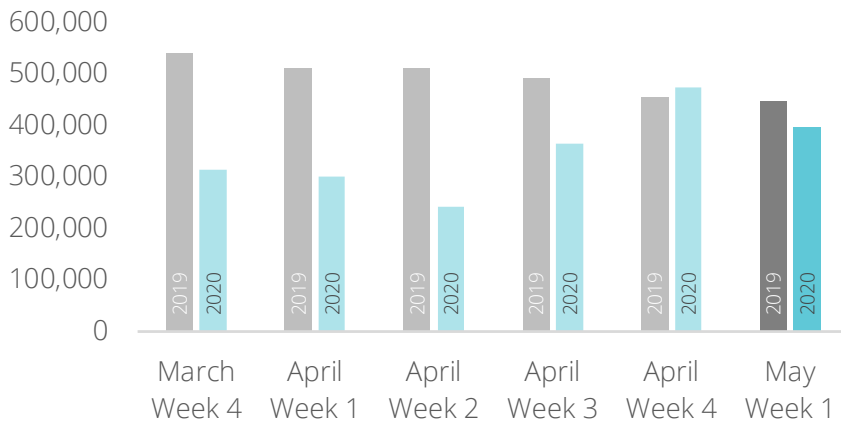
- The year-over-year increase in the average gift continued to soften the negative impact of the lower donation mail volume. For this reporting period, the average gift was 27.4% higher than this period in 2019. The average gift for all sectors remained higher this year compared to last.

NONPROFIT INDUSTRY

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-16.7%**

MAY WEEK 1: **-11.3%**

The year-over-year decline in the total mail volume was due to decreases in the donation and non-donation mail.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-15.9%**

YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-12.6%**

The industry, as a whole, continued to make up ground as this year-over-year variance for the reporting period improved from -13.3%, as reported in last week's report.

MAY WEEK 1: **3.6%**

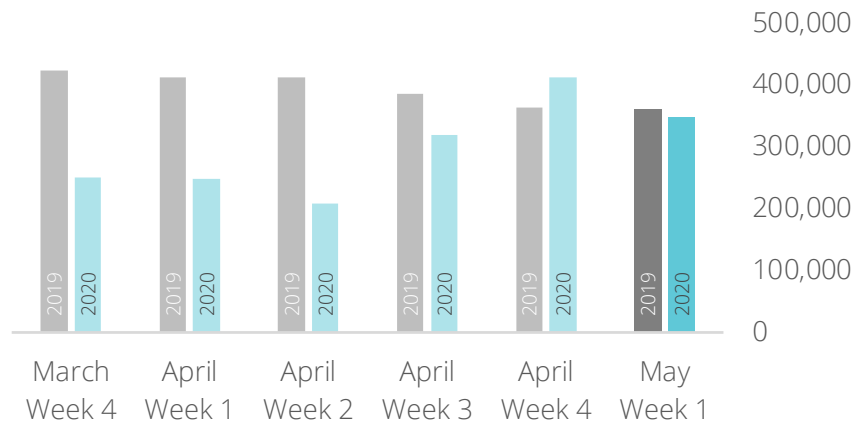
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-15.7%**

Donation mail volume for April ended 4.5% ahead of April last year.

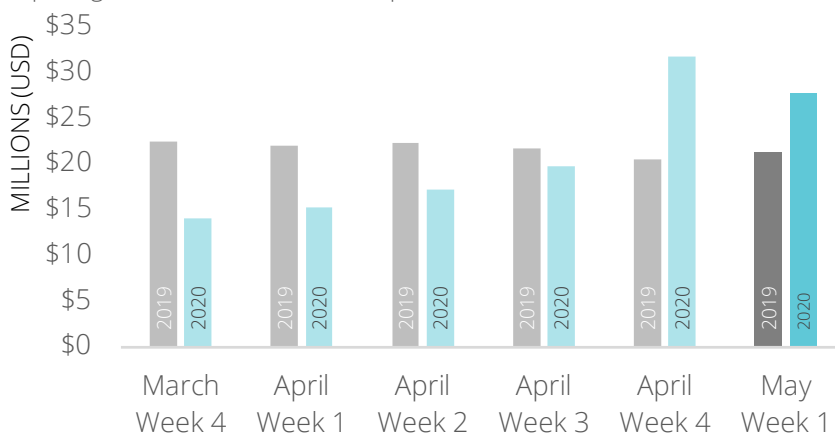
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **11.3%**

Year-over-year donation revenue improved from 9.8%, as reported last week.

MAY WEEK 1: **30.2%**

The year-over-year increase was driven by the higher donation mail volume and the 35.1% jump in the average gift.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-12.9%**

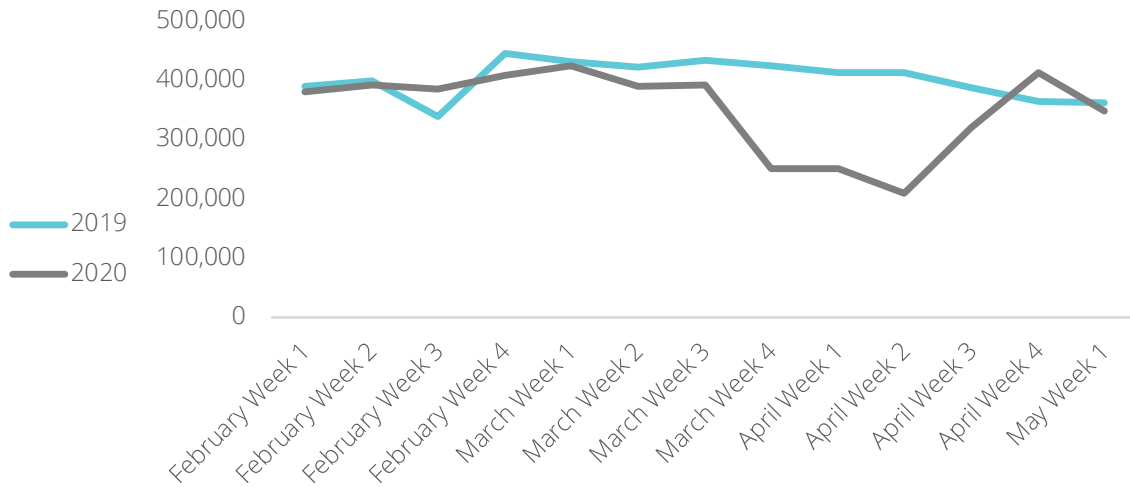
April's donation revenue was 42.7% higher than last April. The average gift was 36.5% this year compared to April 2019.

NONPROFIT INDUSTRY

WEEKLY YEAR-OVER-YEAR COMPARISON

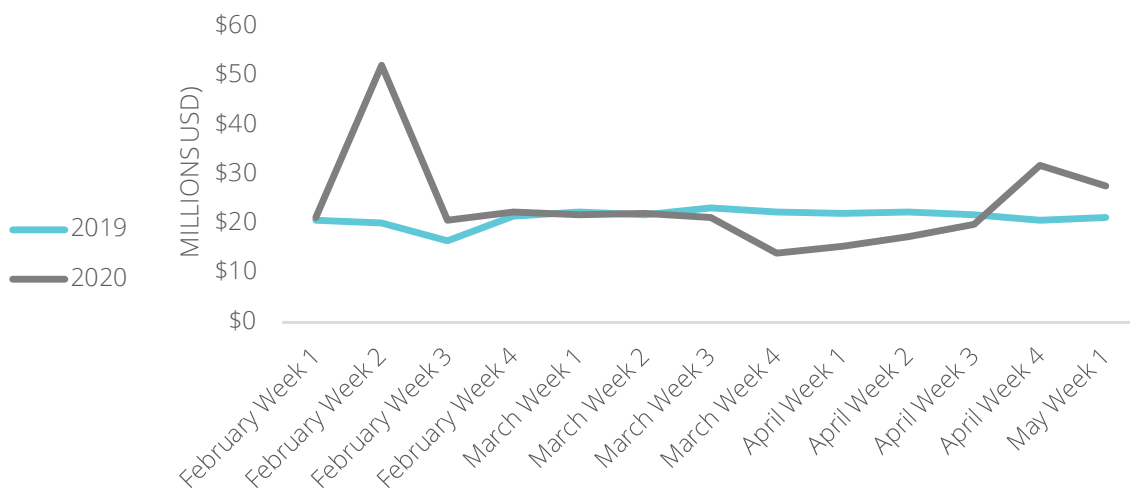
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

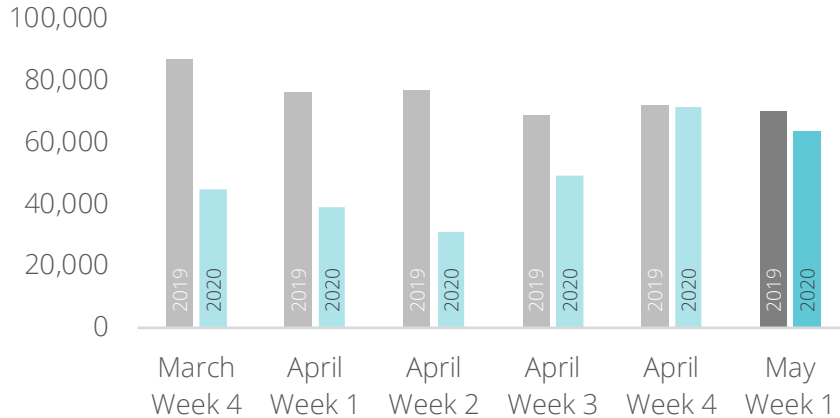


ANIMAL WELFARE

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-19.6%**

MAY WEEK 1: **-9.5%**

The year-over-year decline for the first week of May was driven by non-donation mail volume, which decreased by -37.9%.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-11.5%**

Total mail volume declined from the fourth week of April to the first week of May due to donation mail volume. Non-donation mail volume decreased by -9.0% week-over-week.

OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week

YEAR-OVER-YEAR VARIANCES

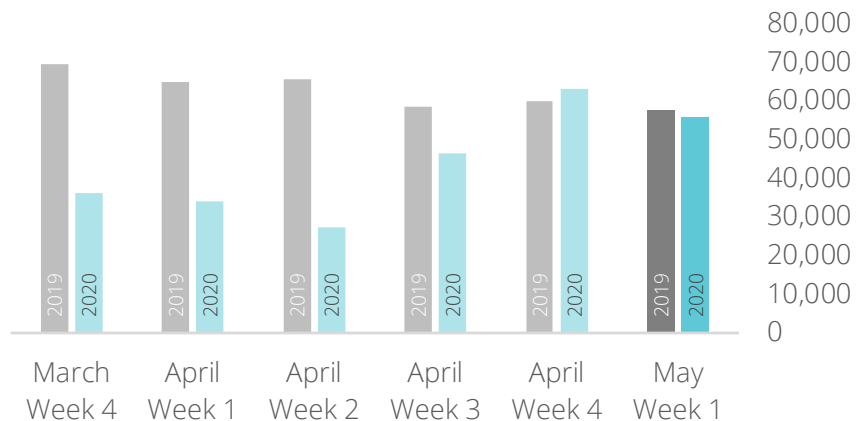
REPORTING PERIOD: **-19.2%**

MAY WEEK 1: **-3.4%**

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-11.8%**

Donation volume slowed from the fourth week of April to the first week of May. This year, April's donation mail volume ended -1.8% behind last April.



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-12.9%**

In last week's report, this was reported as a year-over-year variance of -14.3% for the reporting time frame. The week prior, it was -16.7%.

MAY WEEK 1: **7.2%**

The higher year-over-year donation revenue for the first week of May was driven by an 11.0% increase in the average gift.

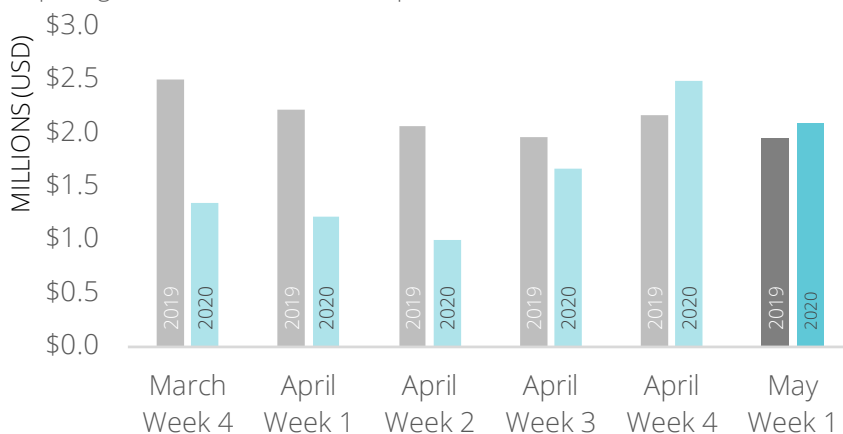
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-16.3%**

Donation revenue week-over-week declined -16.3% due to the decrease in donation volume and the -5.2% drop in the average gift. Still, April ended 6.4% ahead of April 2019 with an 8.4% higher average gift.

TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

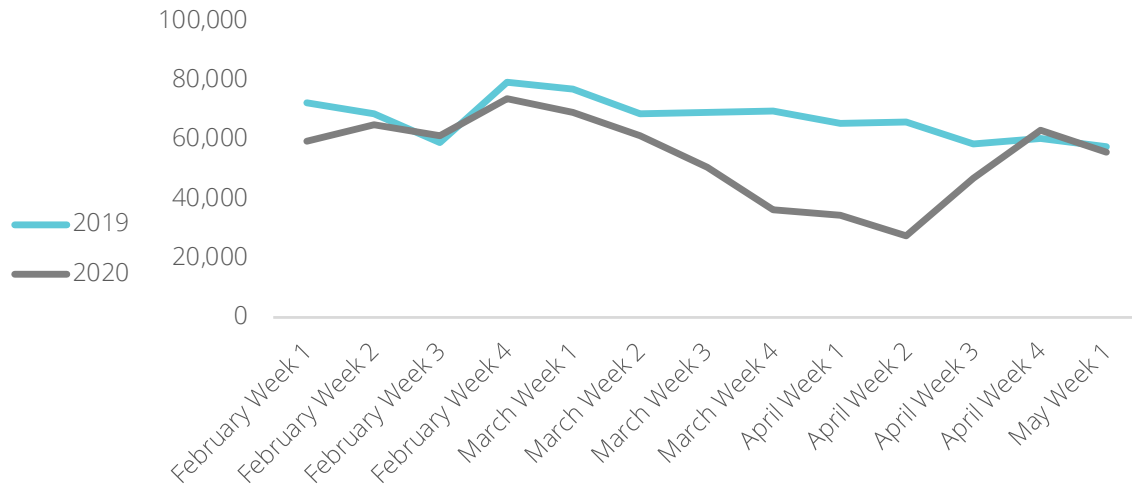


ANIMAL WELFARE

WEEKLY YEAR-OVER-YEAR COMPARISON

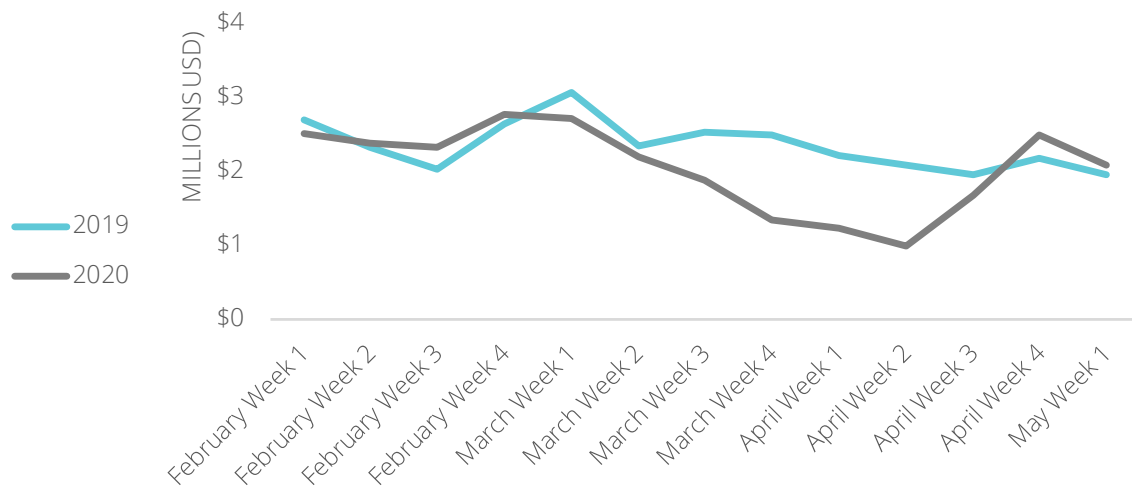
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

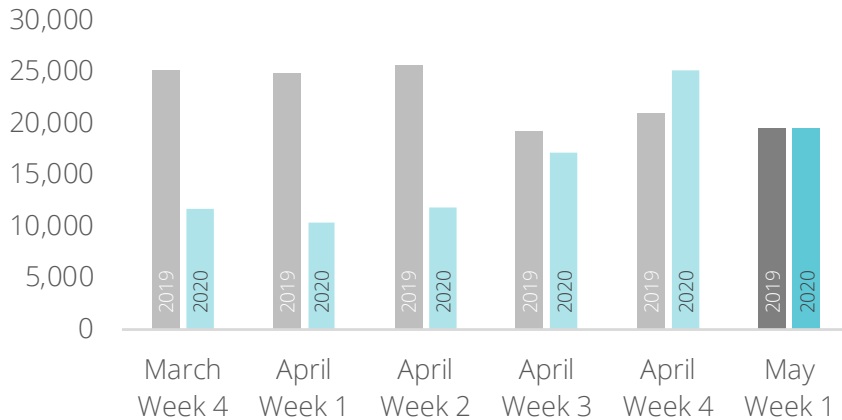


ARTS & CULTURE

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -21.1%

Still moving in the right direction—last week, the year-over-year total mail volume variance was -21.1%.

MAY WEEK 1: -0.1%

Total mail volume for the first week of May was virtually flat compared to this same week last year.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: -22.0%

The week-over-week decline was driven by the -35.6% drop in non-donation mail volume.

YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -20.3%

Donation mail volume continued to have positive gains; in last week's report, year-over-year donation mail volume was down -22.4% for the reporting period.

MAY WEEK 1: 0.6%

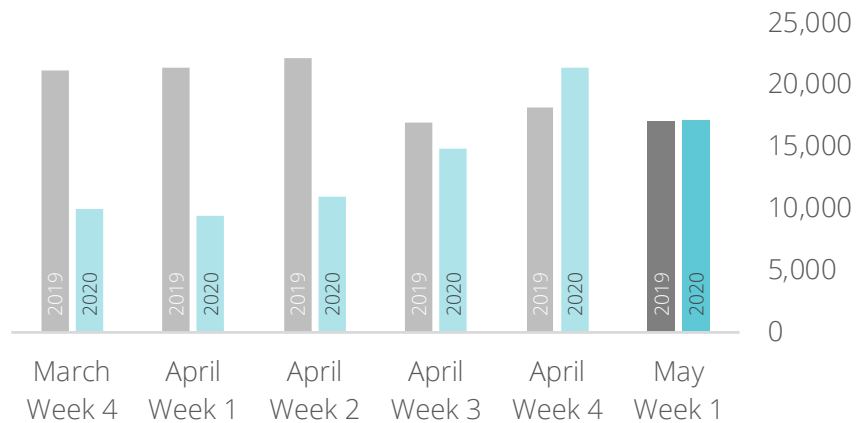
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: -19.6%

This year, April's donation mail volume ended -12.5% behind compared to April 2019.

OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -10.8%

Donation revenue remained -10.8% lower this year compared to last for this reporting period. This was volume-driven, as the average gift was 11.9% higher this year.

MAY WEEK 1: -9.8%

The year-over-year decline in donation revenue for the first week of May was due to the average gift, which was -10.3% less than in 2019.

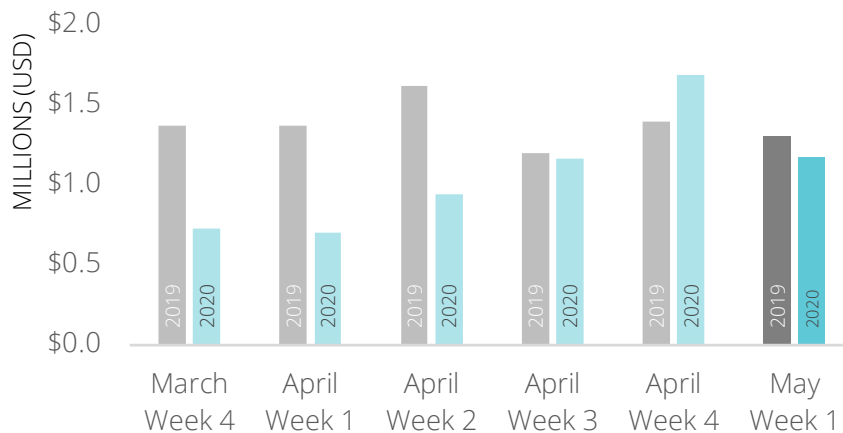
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: -30.5%

The week-over-week decrease in donation revenue was due to both volume and the average gift. Despite this, donation revenue for April ended only -5.3% down compared to last April—a 8.1% higher average gift drove this.

TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

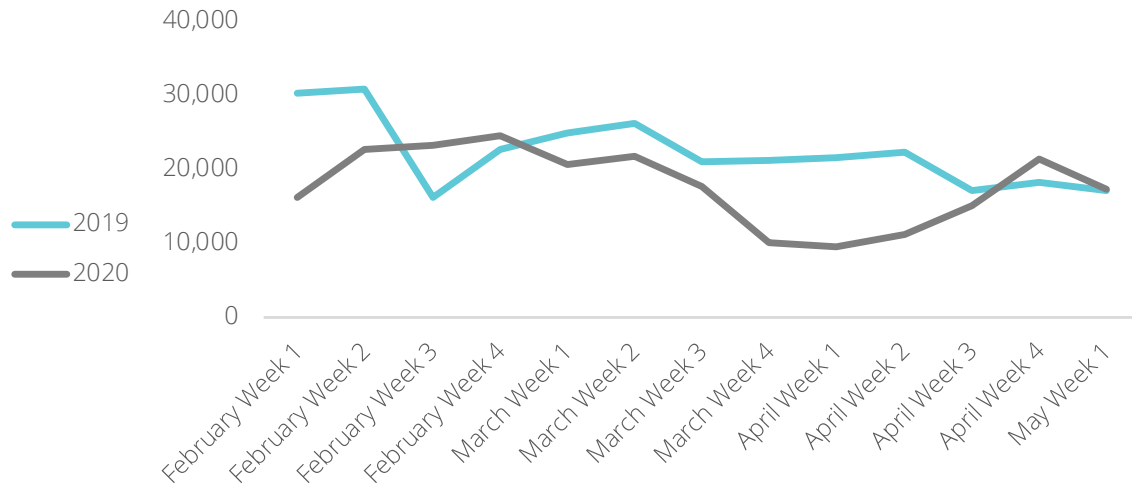


ARTS & CULTURE

REPORT PERIOD YEAR-OVER-YEAR COMPARISON

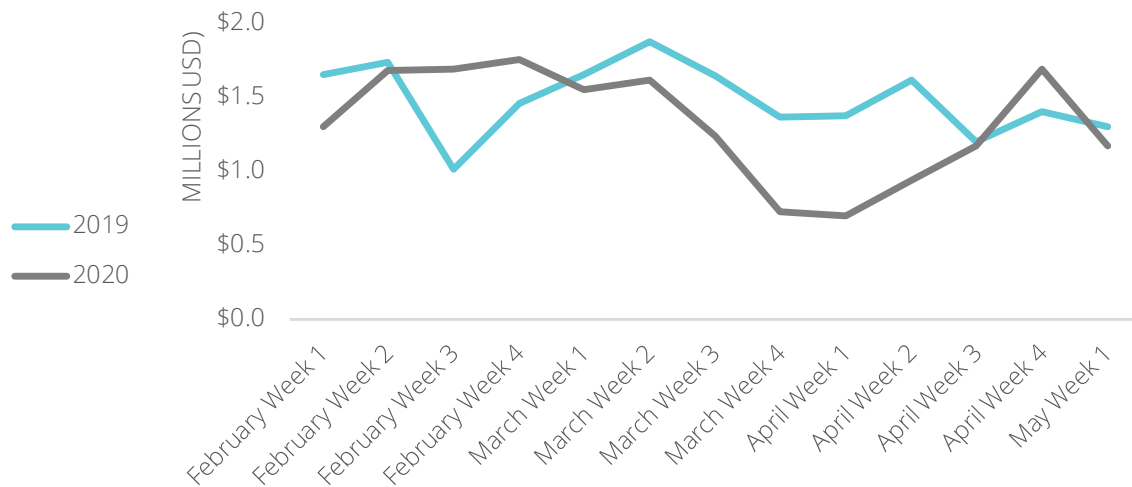
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

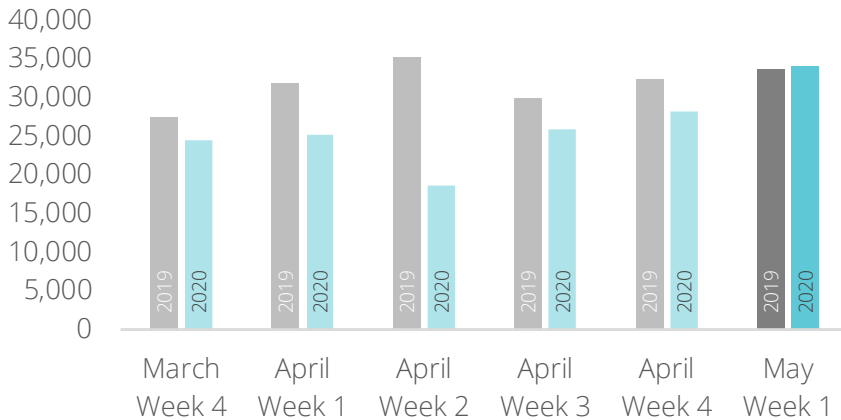


ENVIRONMENTAL

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -5.7%

Last week, this was reported as a -6.2% year-over-year change for that reporting period. This bounced back to the year-over-year variance reported through the third week of April.

MAY WEEK 1: 1.3%

Compared to this week in 2019, total mail volume increased due to a slight increase in donation mail volume and a 3.2% increase in non-donation mail volume.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: 21.0%

YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -5.5%

The year-over-year donation mail volume variance increased from -6.0%, as reported in last week's report.

MAY WEEK 1: 0.7%

Donation mail volume had an ever so slight increase compared to this week in 2019.

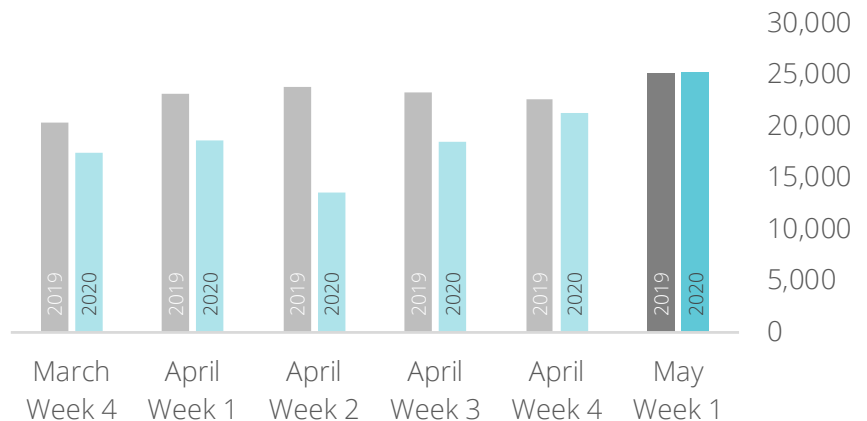
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: 18.8%

April ended with nearly the same volume of donations as last April—0.1% ahead of April 2019.

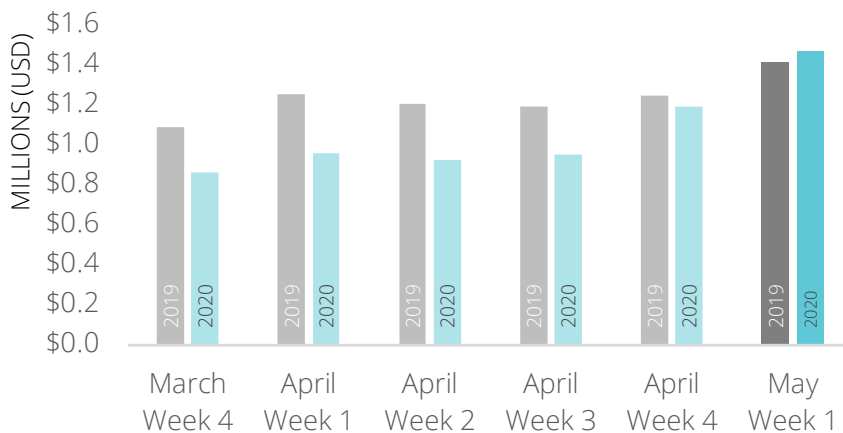
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -4.7%

In last week's report, this year-over-year variance was -5.5% for the reporting period.

MAY WEEK 1: 4.2%

This increase was driven by a 3.5% jump in the average gift this year compared to the same week in 2019.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: 23.0%

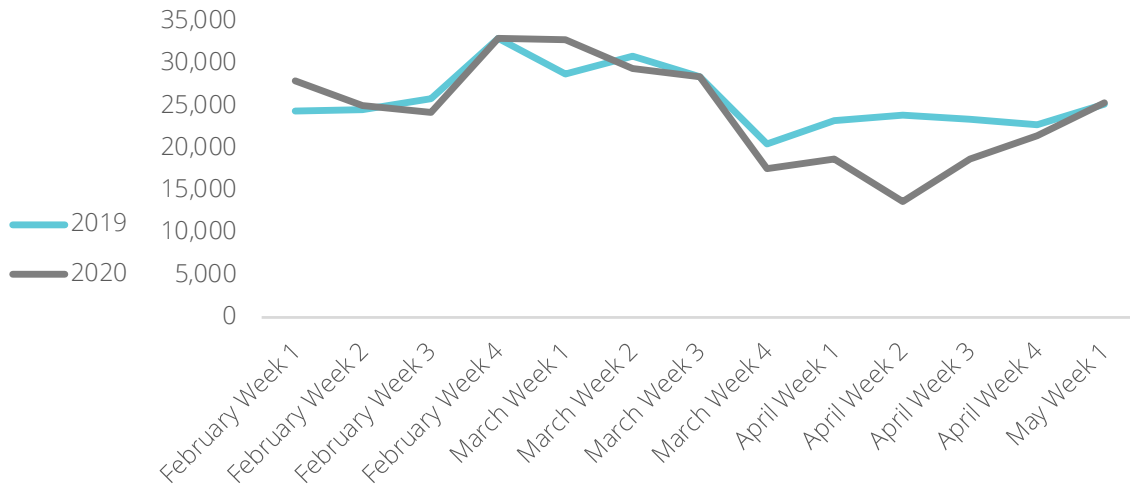
The week-over-week gain was primarily volume-driven as the average gift had only a modest 3.6% increase. For this month, donation revenue ended 6.7% ahead of April last year.

ENVIRONMENTAL

REPORT PERIOD YEAR-OVER-YEAR COMPARISON

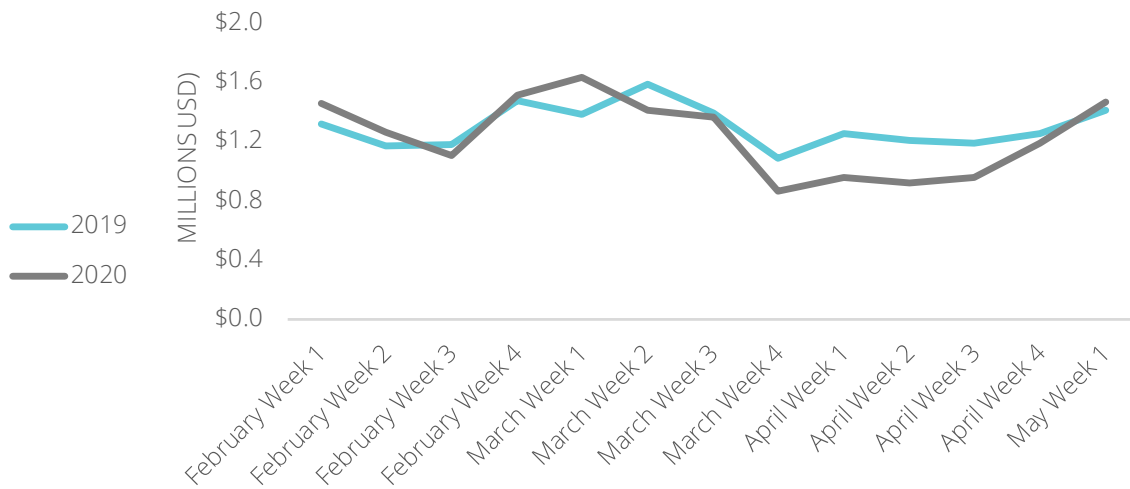
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

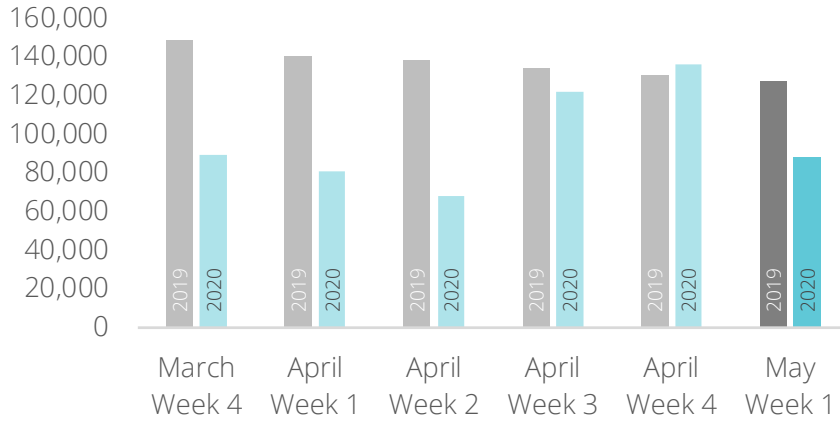


HEALTH

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-9.9%**

Year-over-year total mail volume declined since last week's report. A drop in donation mail volume drove this decline.

MAY WEEK 1: **-30.9%**

The decrease in total mail volume the first week of compared to the same week last year was due to donation mail. Non-donation mail volume declined -37.0%, but it only accounted for 8.5% of the total mail volume for the week.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-35.3%**

This week-over-week increase was also driven by donation mail volume.

OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week

YEAR-OVER-YEAR VARIANCES

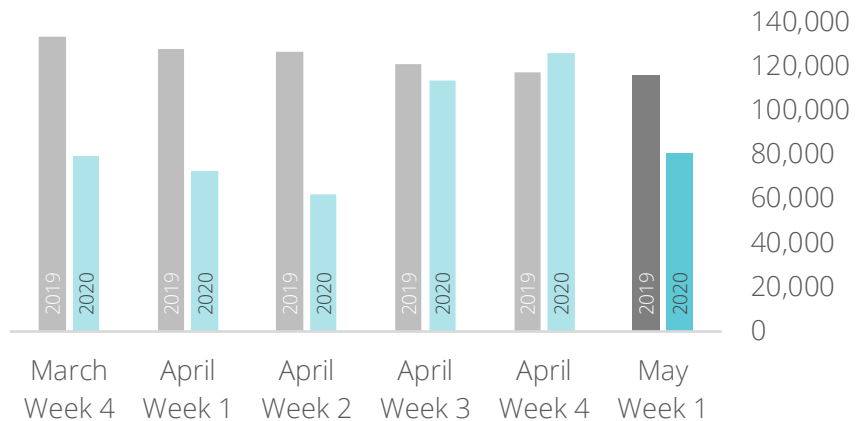
REPORTING PERIOD: **-10.6%**

MAY WEEK 1: **-30.3%**

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-35.8%**

Despite the declines reported this week, donation mail volume for April ended 1.2% ahead of last this month in 2019.



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-8.1%**

The year-over-year drop in donation revenue was due to the decline in donation mail volume for the reporting period this year, as the average gift was 2.9% higher this year than last.

MAY WEEK 1: **-20.7%**

In the first week of May, the 13.8% year-over-year average gift increase helped soften the impact of the lower donation mail volume on donation revenue.

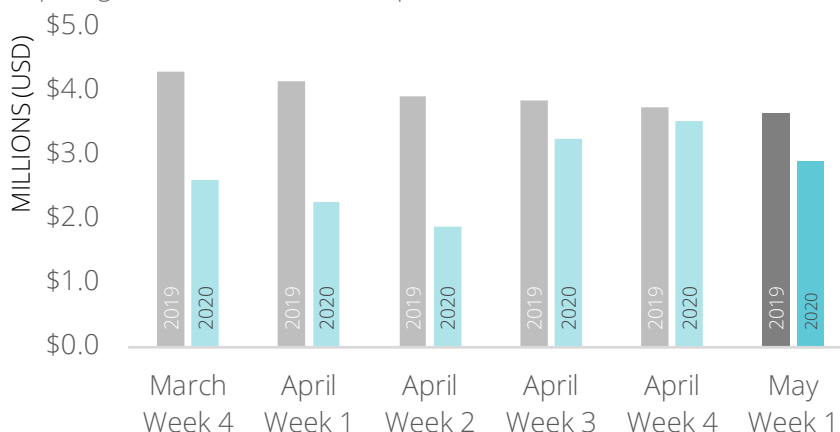
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-17.7%**

This April's donation revenue ended -5.3% down compared to April last year.

TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

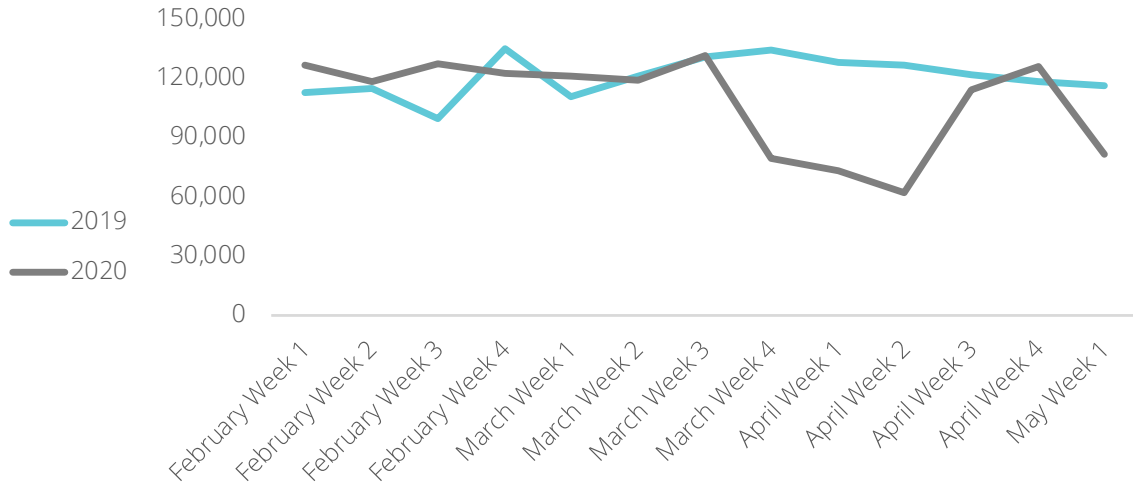


HEALTH

REPORT PERIOD YEAR-OVER-YEAR COMPARISON

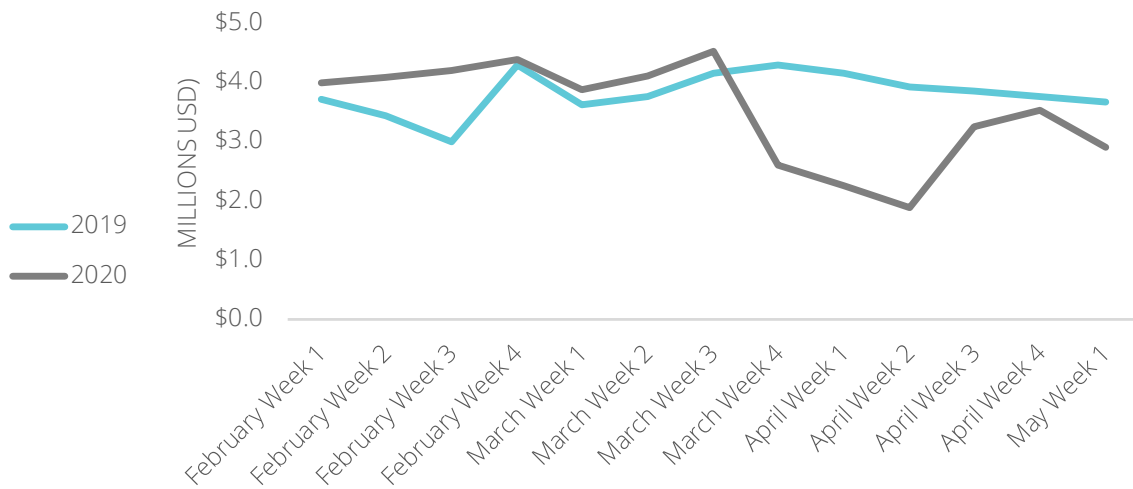
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

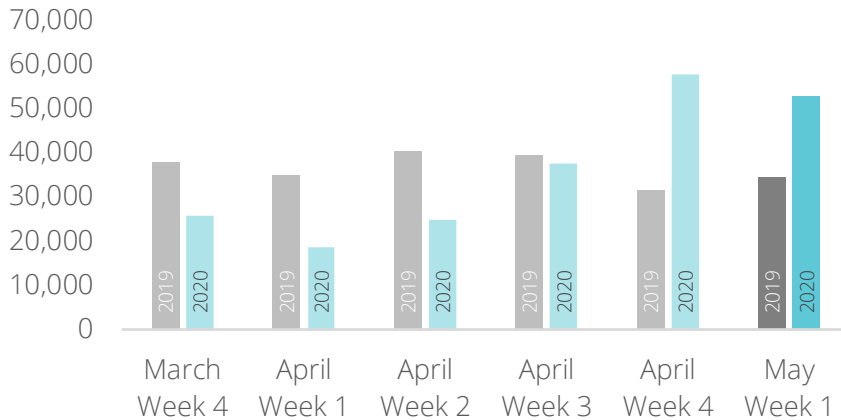


HUMAN SERVICES

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **9.5%**

This sector continued to exceed last year's volumes in these weekly reports—in last week's report, the total mail volume for the reporting period was 5.8% more than that period in 2019.

MAY WEEK 1: **52.2%**

Donation mail volume drove the year-over-year increase in the first week of May. Non-donation mail volume was down -57.0% compared to last year.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-8.5%**

YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **52.2%**

MAY WEEK 1: **90.5%**

This was another week where the donation mail volume significantly exceeded the volume during the corresponding week in 2019.

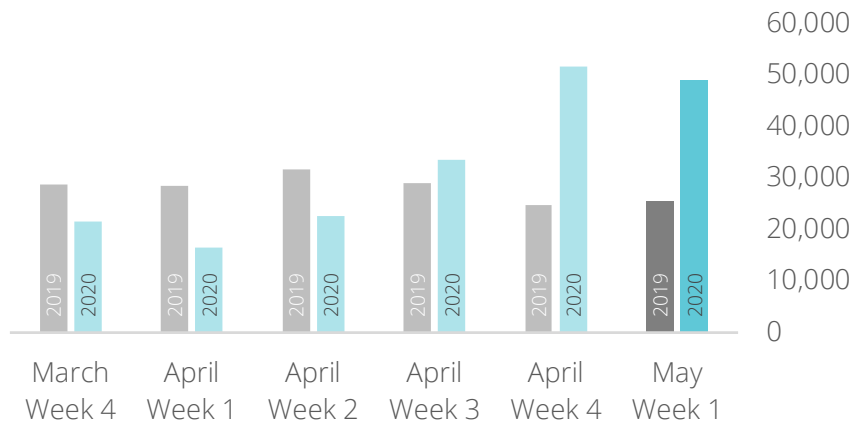
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-5.5%**

Compared to April last year, this April's donation mail volume closed 54.7% ahead.

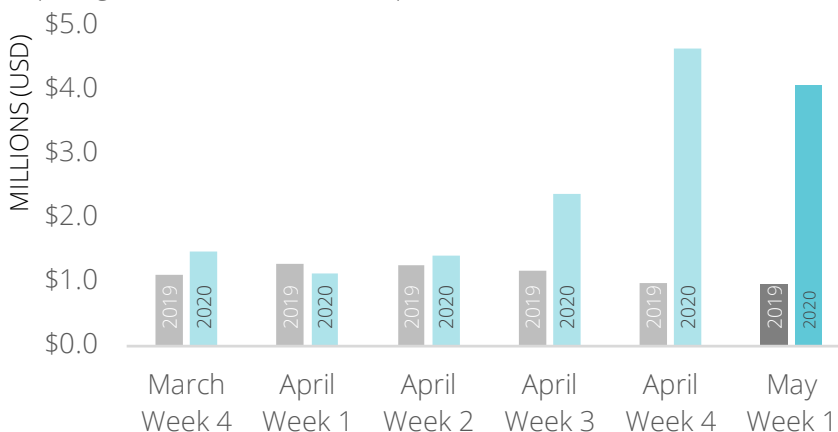
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **85.9%**

Again, the combination of higher donation mail volume and the average gift drove the year-over-year increase of donation revenue for the reporting period.

MAY WEEK 1: **322.6%**

The average gift increased by 121.9% in the first week of May compared to the same week in 2019. The check average gift was 117.5% higher this year compared to last.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-12.5%**

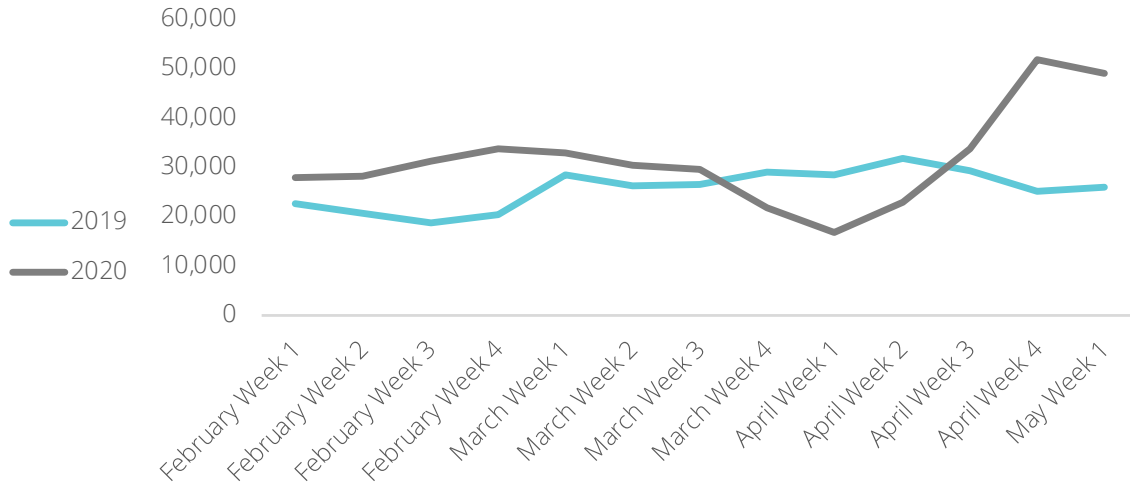
April 2020's donation revenue ended 169.0% ahead of April 2019. The average gift for the month was 73.9% higher than last year.

HUMAN SERVICES

REPORT PERIOD YEAR-OVER-YEAR COMPARISON

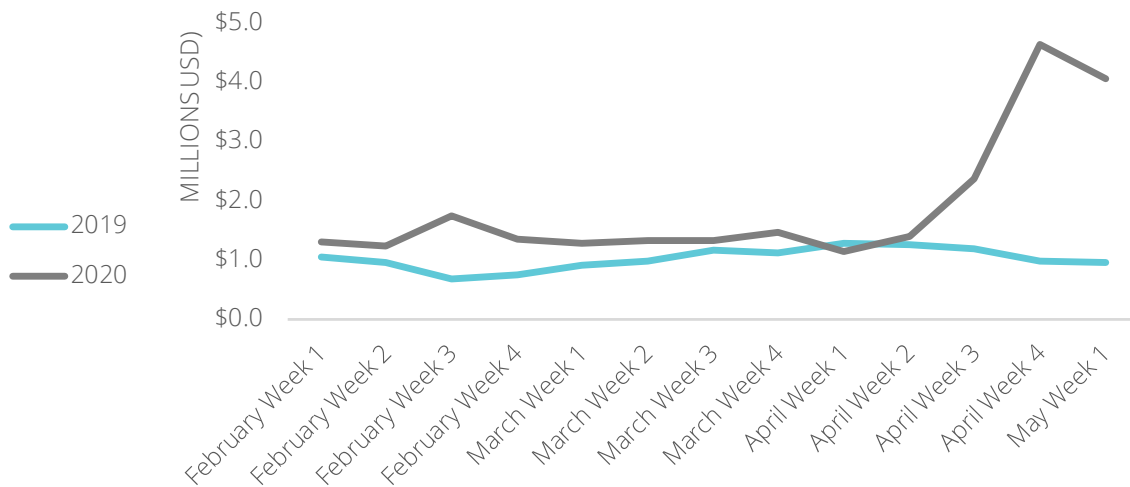
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

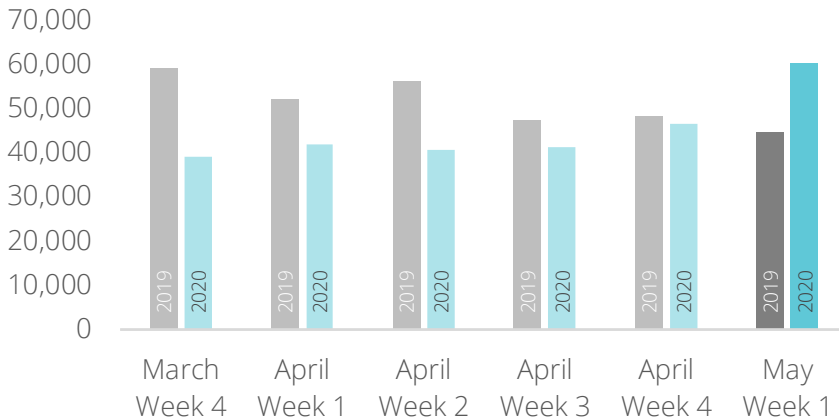


INTERNATIONAL RELIEF

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -8.3%

Since last week's report, the year-over-year total donation volume for the reporting improved from -11.5%.

MAY WEEK 1: 34.9%

The year-over-year increase in the first week of May was primarily driven by donation mail volume. Non-donation mail volume increased by 1.9% and accounted for 11.5% of the week's total mail volume.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: 29.5%

YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: -8.6%

Year-over-year donation mail volume continued to improve—in last week's report, the year-over-year variance was -12.4% for the reporting period.

MAY WEEK 1: 40.9%

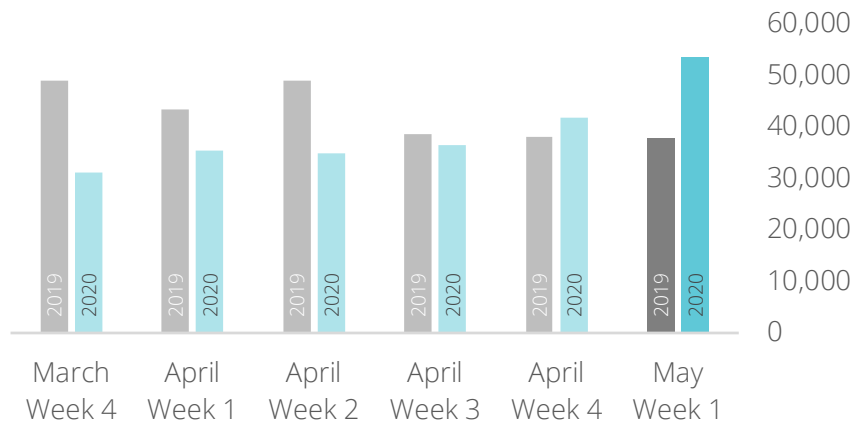
WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: -35.5%

Donation mail volume in April 2020 ended 34.7% ahead of the volume in April 2019.

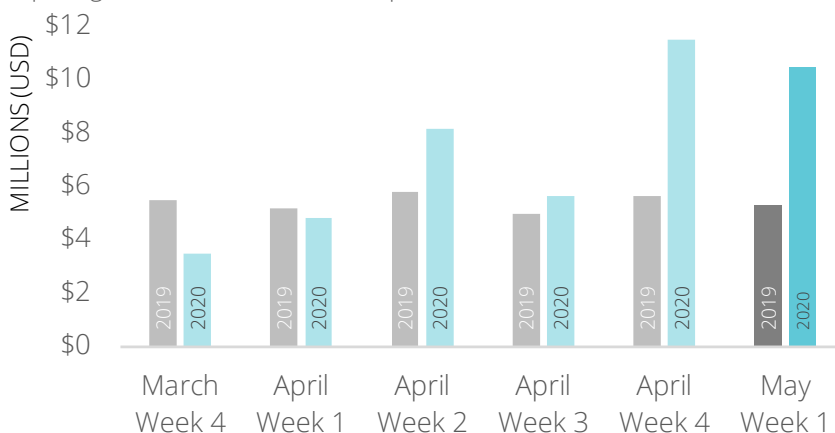
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: 72.0%

For the reporting period, the average gift was 88.1% higher than the same period last year—this was the reason for the year-over-year increase in donation revenue.

MAY WEEK 1: 104.8%

The increase in donation mail volume and the 40.5% increase in average gift, both, drove the year-over-year increase in the first week of May.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: 86.1%

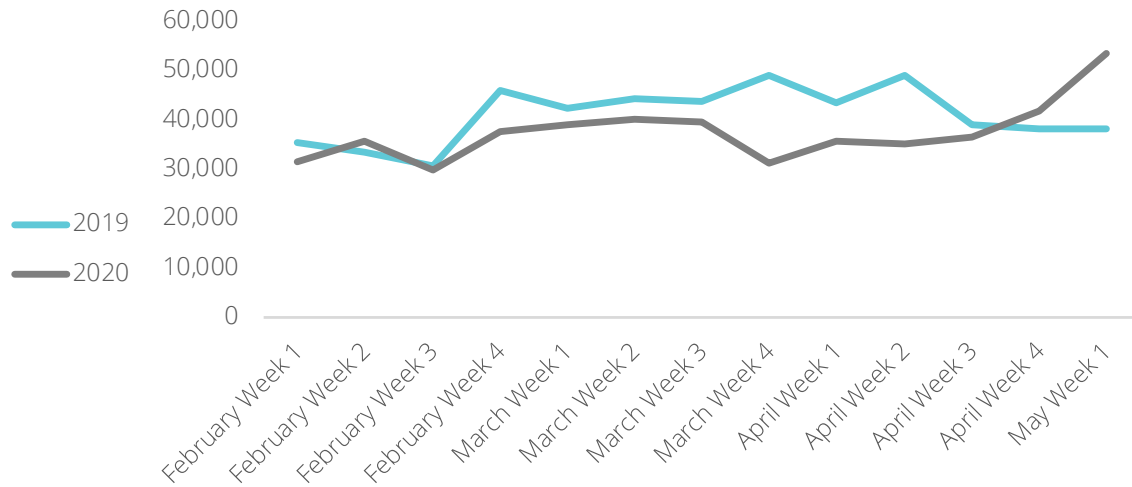
April 2020 ended 127.3% ahead in donation revenue compared to April last year. The average gift was 68.8% higher.

INTERNATIONAL RELIEF

REPORT PERIOD YEAR-OVER-YEAR COMPARISON

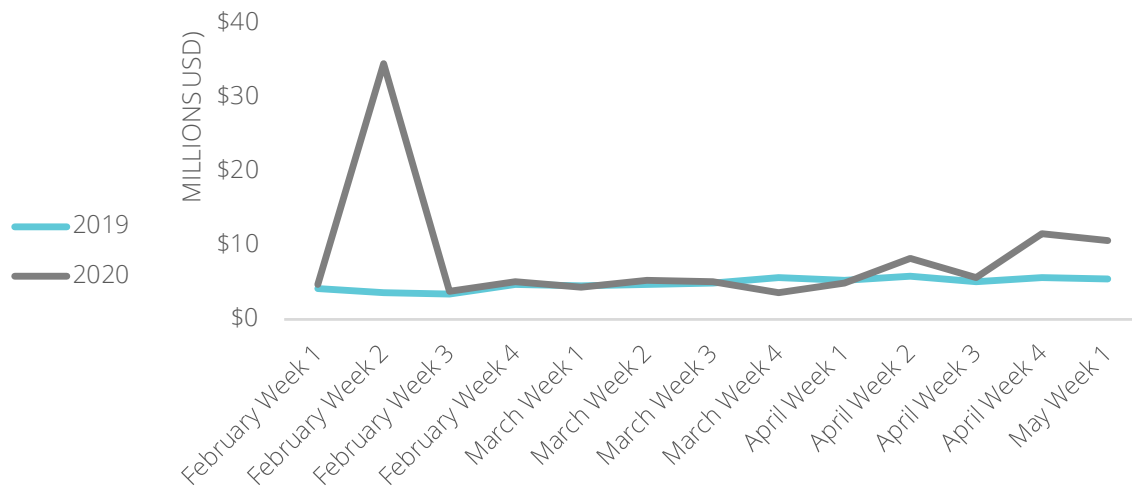
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week

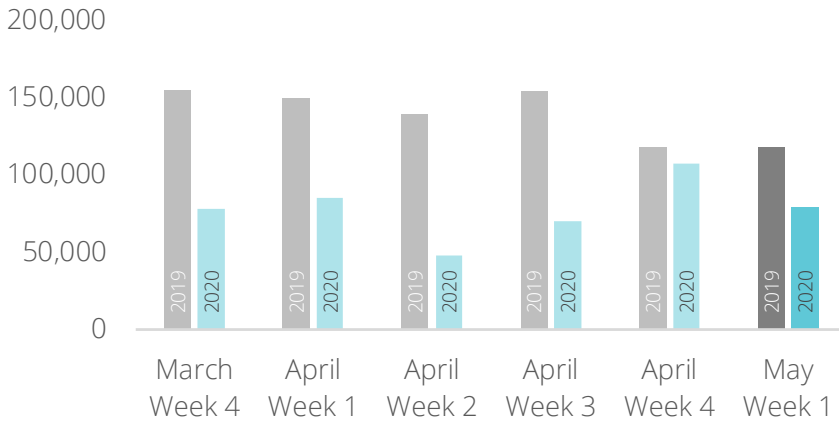


SOCIETAL BENEFIT

WEEKLY YEAR-OVER-YEAR COMPARISON

TOTAL MAIL PIECES | Year-Over-Year Comparison

Comparing the number of mail pieces processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-30.5%**

Year-over-year total mail volume for the period remained even with last week's report.

MAY WEEK 1: **-8.8%**

Non-donation mail dropped -65.1% in the first week of May compared to that same week last year; this was the driver for the decline in total mail volume.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-26.3%**

Donation mail volume was the reason for the week-over-week decline in total mail volume.

OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week

YEAR-OVER-YEAR VARIANCES

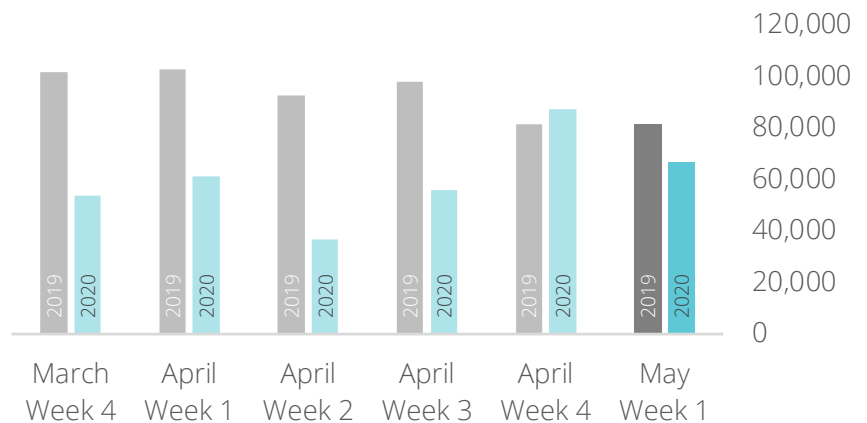
REPORTING PERIOD: **-21.5%**

MAY WEEK 1: **-18.4%**

WEEK-OVER-WEEK VARIANCE

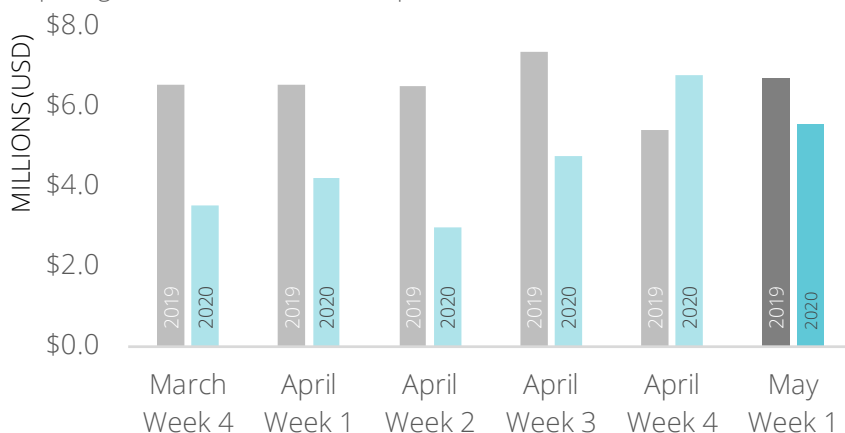
APRIL WEEK 4 TO MAY WEEK 1: **-23.9%**

This year, the month of April ended -11.0% behind last April in donation mail volume.



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week



YEAR-OVER-YEAR VARIANCES

REPORTING PERIOD: **-16.5%**

Year-over-year donation revenue for the reporting period remained flat with last week's report.

MAY WEEK 1: **-17.5%**

Donation revenue declined in the first week of May due to mail volume—the average gift was 1.1% higher compared to this week last year.

WEEK-OVER-WEEK VARIANCE

APRIL WEEK 4 TO MAY WEEK 1: **-18.4%**

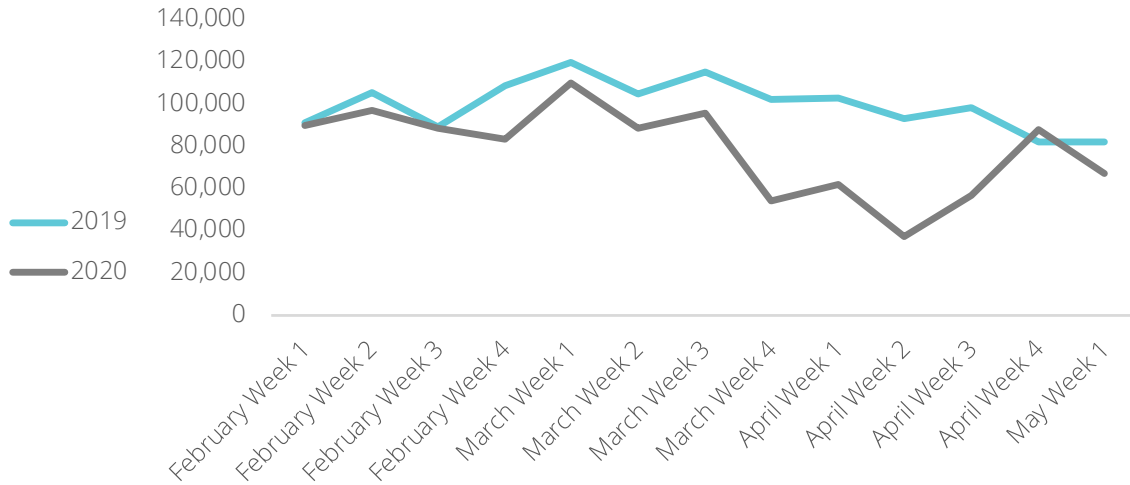
April's donation revenue was 7.9% higher than last April. The 21.2% increase in the average gift mitigated the negative impact of the lower donation mail volume.

SOCIETAL BENEFIT

REPORT PERIOD YEAR-OVER-YEAR COMPARISON

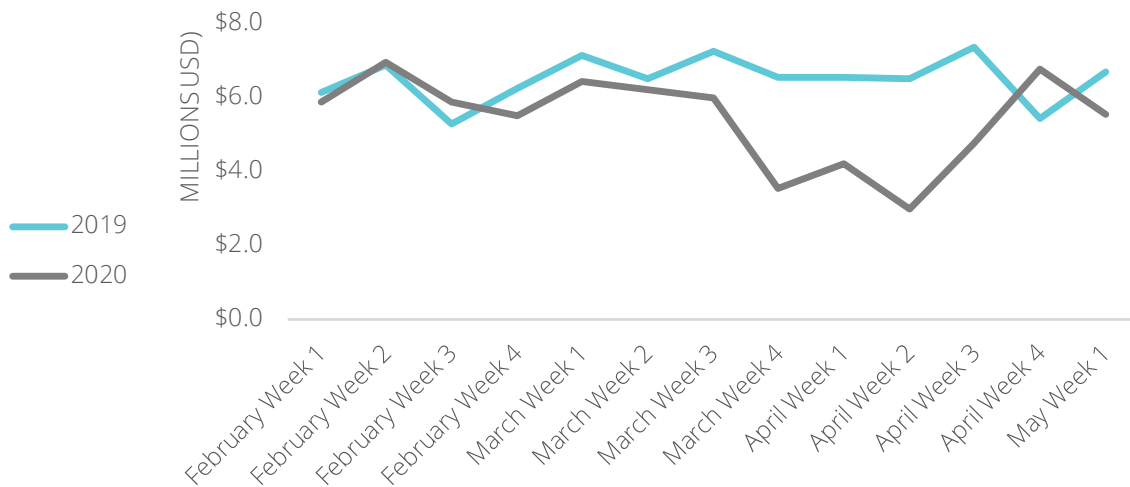
OF DONATIONS | Year-Over-Year Comparison

Comparing the number of donations processed each week



TOTAL REVENUE | Year-Over-Year Comparison

Comparing the amount of donations processed each week



APRIL SHOWERS, BRING MAY FLOWERS.

ABOUT MERKLE RMG

www.merkleresponse.com

Merkle Response Management Group (RMG) is a processing, data, and technology-driven company. By combining best-in-class direct response processing, customer care, and fulfillment solutions with actionable data insights, Merkle RMG drives one-to-one relationships for an improved donor and customer experience that increases retention and revenue.

Amy Bobrick
Vice President, Strategy

(301) 797-4668
ambobrick@merkleinc.com
<https://www.merkleresponse.com/covid-19reports>