

Vertical Market Kit

INSIGHTS IN THE NON-PROFIT MARKET

Based on reports by:



Canon

thINK.





Table of Contents

Introduction	3
About this Document	3
Key Highlights	3
Defining the Industry	4
Ongoing Industry Trends	5
Enhancing Transparency with Blockchain	5
Leveraging Predictive Analytics and Big Data.....	6
Improving Outcomes with AI and Machine Learning.....	6
Bringing the Cause to the Donor	6
An Increase in Online Donations.....	6
Maintaining Connections with Mobile Technology.....	7
Survey Findings	7
General Demographics	7
Printed Direct Mail	9
Transactional Communications.....	12
Marketing Collateral	14
Catalogs and Promotional Booklets	17
Informational Materials	20
Opinion.....	22
About CFC Print & Mail	23
About Canon U.S.A.	23
About thINK	23



List of Figures

Figure 1: Value Chain for the Non-Profit Industry	5
Figure 2: Key Production Inkjet Printing Applications for Non-Profits	5
Figure 3: Vertical Industry	7
Figure 4: Number of Employees	8
Figure 5: Job Responsibilities	8
Figure 6: Materials Used in Sales & Marketing	9
Figure 7: Use of Direct Mail	9
Figure 8: ROI for Direct Mail.....	10
Figure 9: Personalization	10
Figure 10: Integration with Digital Marketing Channels	11
Figure 11: Insourcing vs. Outsourcing	11
Figure 12: Marketing Channels and Integration of Campaigns	12
Figure 13: Share of Customers Receiving Printed Transactional Communications	12
Figure 14: Change in Printed/Mailed Communications	13
Figure 15: Digital Channels Used for Transactional Communications	13
Figure 16: Customization to Promote Engagement	14
Figure 17: Types of Printed Marketing Collateral	14
Figure 18: Internal vs. External Printing (Marketing Collateral)	15
Figure 19: Preferred Purchasing Channel	16
Figure 20: Most Important Considerations for Choosing a Provider	16
Figure 21: Spending on Printed Marketing Collateral	17
Figure 22: Use of Catalogs	17
Figure 23: Format of Catalogs	18
Figure 24: Total Catalog Marketing Spend	18
Figure 25: Run Length and Number of Pages (Catalogs)	19
Figure 26: Change in Print Volumes (Catalogs)	19
Figure 27: Likelihood of Using Printed Catalogs in the Future	20
Figure 28: Types of Informational Materials Printed	20
Figure 29: Printing Resources	21
Figure 30: Change in Print Volume (Informational Materials)	21



Introduction

About this Document

This vertical market kit is designed to help print service providers capture more business in the non-profit market. It offers an analysis of trends, opportunities, key strategies, tips, and tools to target customers of varying types and sizes across a dynamic range of organizations. Successfully targeting a vertical industry involves developing strategies that align internal resources with market needs, educating and training staff, and allocating resources for ongoing market monitoring.

This vertical market kit can be used to:

- Gain a solid understanding of the industry.
- Uncover industry trends.
- Pinpoint sales opportunities.
- Identify key print applications.
- Develop new sales strategies.
- Identify decisionmakers.
- Develop solutions and applications that are aligned with industry needs.

Key Highlights

- Keypoint Intelligence's research confirms that overall spend is shifting to digital. At the same time, however, print remains an important channel for non-profit organizations.
- Because not all printed content is produced internally, there is an opportunity for print service providers to sell print to non-profit institutions.
- Customization/personalization is a proven method for improving response rates for digital as well as printed media.
- Many printed documents are being enhanced with digital components for increased efficacy and to stand apart from the competition.



Defining the Industry

The non-profit sector plays a vital role in addressing needs that are unmet by the market or government services. Its success hinges on efficient operations, cost management, and strong communication strategies that educate clients, engage donors, and drive funding. Digital printing is integral to supporting these objectives, offering solutions that address both operational and marketing demands. With benefits such as short runs, high-quality output, personalization, fast turnaround, just-in-time production, and cost efficiency, production inkjet printing provides non-profit marketers with powerful tools to attract attention, communicate effectively, and boost contributions.

Printed materials are ubiquitous in the non-profit sector, but one poorly executed piece can damage client trust and donor relationships. Conversely, well-crafted communications can solidify relationships and foster lifelong donor loyalty. Production inkjet printing offers significant advantages by allowing non-profits to order materials in the exact quantities needed, reducing storage costs and minimizing waste from outdated materials.

The non-profit industry presents abundant opportunities for production inkjet printing services, including direct mail, brochures, welcome kits, and donation materials. These organizations benefit from the fast production, elimination of pre-printed forms, enhanced personalization, and automated processes that production inkjet technology offers. By streamlining the printing process and removing the need for color offset shells, production inkjet enables non-profits to produce materials more efficiently and cost-effectively, with customization tailored to individual recipients.

Key benefits of production inkjet printing for non-profits include:

- Personalized printing for creating targeted, one-to-one communications.
- Just-in-time manufacturing with color inkjet systems, producing complete documents without preprinted components.
- Workflow automation for streamlined production.
- Cost-effective use of color, whether static or variable, to optimize efficiency.

To successfully sell print solutions to non-profits, it's essential to understand the industry's inner workings, identify emerging trends and influencers, pinpoint decisionmakers, and develop tailored solutions that meet the sector's unique challenges and goals.

The non-profit sector relies heavily on effective communication. A non-profit's success in operating efficiently and delivering quality services to its members and beneficiaries depends on consistent communication efforts. These efforts are crucial for raising funds, engaging members, promoting events, sharing services, and advocating for causes. As illustrated in the chart below, the non-profit value chain consists of donors and members, methods for soliciting and collecting contributions, the organizations themselves, and their specific causes or missions. Each element within this chain requires tailored communication tools and services to fulfill its unique function.



Figure 1: Value Chain for the Non-profit Industry

Donors/Members	Fundraising/Member Acquisition (Donation Methods)	Organizations	Cause/Purpose
<ul style="list-style-type: none"> • Corporations • Foundations • Individuals • Governments 	<ul style="list-style-type: none"> • Direct Mail • Face-to-Face • Events • Online • Mobile Apps • Telemarketing • SMS Texting 	<ul style="list-style-type: none"> • Charities • Religious • Social Services • Associations • Activism • Museums • Foundations 	<ul style="list-style-type: none"> • Industry Advancement • Humanitarian • Environmental • Health • Services • Spiritual • Education • History • The Arts

Non-profit organizations frequently engage with members and donors through various printed materials. These include fundraising campaigns, membership communications, newsletters, informational bulletins, and promotional marketing pieces. As discussed earlier, production inkjet printing provides significant advantages for non-profits. Below are examples of production inkjet printing applications tailored to support key functional areas.

Figure 2: Key Production Inkjet Printing Applications for Non-profits

Membership	Fundraising	Operations
<ul style="list-style-type: none"> • Annual Reports • Booklets • Bulletins • Brochures • Calendars • Certificates • Direct Mail • Directories • Envelopes • Event Brochures • Flyers • Folders • Member Packets • Newsletters • Photo Books • Postcards • Posters • Publications • Product/Service Catalogs • Signage • Stationery • Stickers • Surveys 	<ul style="list-style-type: none"> • Annual Reports • Booklets • Brochures • Bulletins • Calendars • Cookbooks • Direct Mail • Directories • Envelopes • Event Brochures • Flyers • Folders • Lottery Tickets • Member Packets • Newsletters • Photo Books • Postcards • Product/Service Catalogs • Renewal Campaigns • Signage • Stationery • Stickers • Surveys 	<ul style="list-style-type: none"> • Annual Reports • Bills/Invoices • Business Cards • Booklets • Directories • Employee-Related Materials • Envelopes • Payroll • Proposals • Posters • Postcards • Product/Service Catalogs • Reports • Signage • Stationery • Surveys

Ongoing Industry Trends

Enhancing Transparency with Blockchain

To address the decline in public trust over the past several years, many non-profits are now using blockchain technology to enhance the transparency of their financial dealings. By guaranteeing that donations are allocated as intended, these organizations can boost donor confidence. Additionally, some non-profits are accepting cryptocurrency donations to help reach younger, more tech-savvy individuals.



Leveraging Predictive Analytics and Big Data

By analyzing extensive datasets, non-profits can gain deeper insights into community needs, identify donor preferences, and enhance the impact of their programs. Big data enables non-profit organizations to lower costs, refine strategies, and increase their effectiveness. This approach enables firms to make proactive responses to social challenges rather than simply reacting to them. Predictive analytics can forecast volunteer demands, anticipate fundraising success, and optimize program outcomes.

Improving Outcomes with AI and Machine Learning

Artificial intelligence (AI) simplifies data analysis for non-profit organizations by processing the large volumes of information they gather. This data can be used to spot trends, tailor interactions with donors, enhance decisionmaking, and even forecast donation levels. AI-powered chatbots are enhancing donor support and engagement, while machine learning algorithms help pinpoint potential donors, predict donation amounts, and offer valuable insights into donor behavior.

Bringing the Cause to the Donor

Virtual reality (VR) and augmented reality (AR) are becoming more popular in fundraising campaigns and events, offering immersive experiences that connect donors more deeply with the mission. For instance, VR can transport donors to underprivileged areas, simulating the challenges those communities face and highlighting how non-profits are making a difference. A closer connection to the cause often results in stronger engagement and increased donations.

An Increase in Online Donations

Would-be donors can research and compare non-profits and make donations via their smartphones. Online giving is only expected to increase as time goes on, thanks to the following factors:

- Improved or increased accessibility to websites
- Increased public awareness about online donation options
- The now ubiquitous nature of online transactions
- New software and technologies that make online donation options available and easy to use

Maintaining Connections with Mobile Technology

Mobile applications and platforms provide non-profits with powerful tools to connect with their communities, coordinate volunteers, and raise funds. Mobile fundraising enables organizations to reach donors on the devices they use every day, offering a convenient way to engage supporters. This technology also helps non-profits connect with younger, broader audiences via their preferred devices.



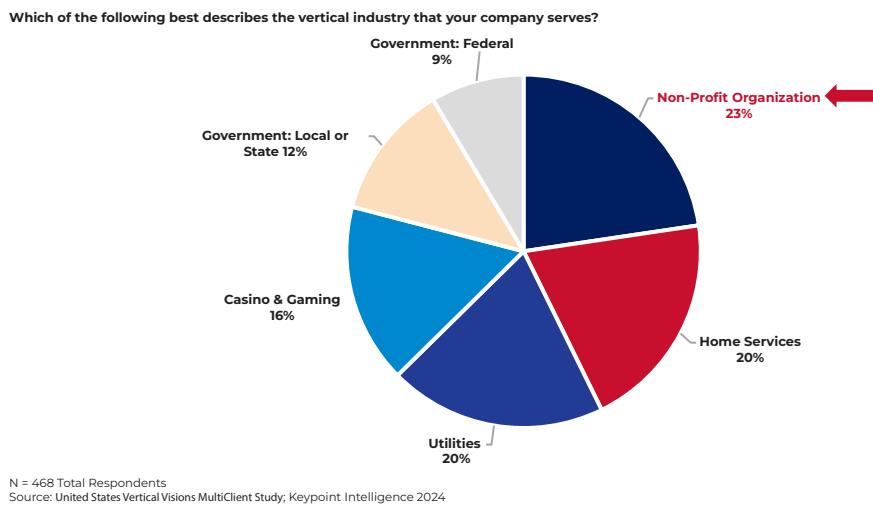
Payment innovations like digital wallets, peer-to-peer payment apps, and recurring online donations streamline the giving process. By making it quicker and easier to make contributions, these tools enhance donation rates and simplify financial management. Additionally, they facilitate recurring donations, which can create more reliable, long-term revenue streams.

Survey Findings

In late 2023 and late 2024, Keypoint Intelligence completed a series of comprehensive multiclient studies to gain a better understanding of how print demand is changing in key vertical industries. These surveys serve as updates to similar vertical market research that was conducted in 2020. The vertical industries that we covered in-depth in 2024 included casinos/gaming, home services, government, non-profit, and utilities.

Over 450 total respondents from businesses with 100+ employees participated in the 2024 survey. Of these respondents, 106 (about 23% of the total) were from the non-profit sector. This document will focus specifically on these non-profit respondents.

Figure 3: Vertical Industry



Although the number of total respondents within the non-profit industry (N=106) is statistically significant, there are times when questions are posed to a subset of non-profit respondents. Please refer to the N values at the bottom of each chart. A value of 30 (N=30) or lower should not be considered statistically significant and is only intended for anecdotal evidence.

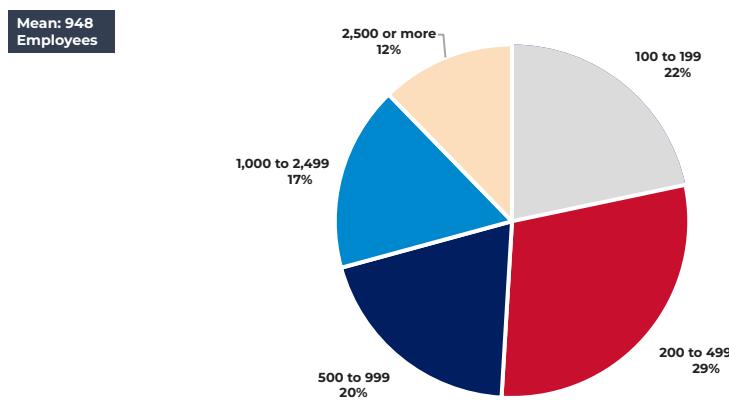
General Demographics

As noted earlier, this survey was open to respondents with at least 100 employees. Non-profit respondents reported working for institutions with an average of 948 employees. This average was very close to the mean for respondents across all industries (N=919).



Figure 4: Number of Employees

How many total employees does your company/institution have?

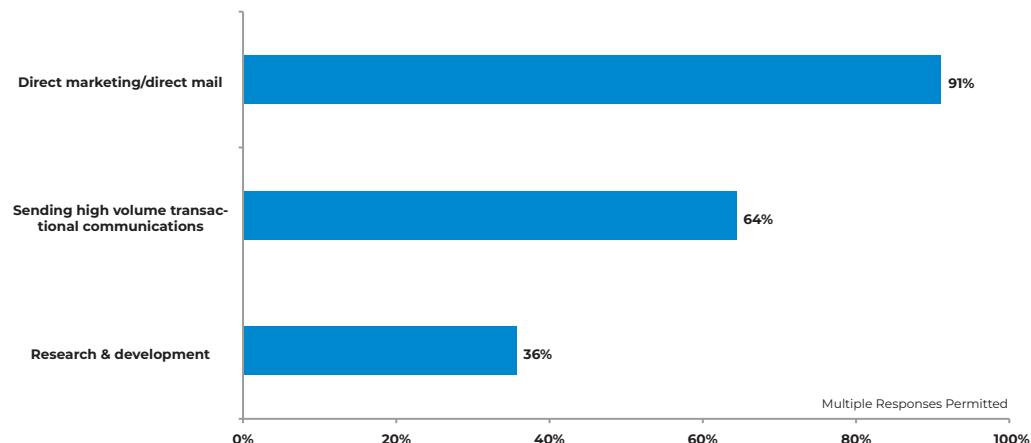


N = 106 Total Non-profit Respondents
Source: United States Vertical Visions MultiClient Study, Keypoint Intelligence 2024

When asked about their job responsibilities, over 90% of non-profit respondents worked with direct marketing and/or direct mail. Meanwhile, nearly twothirds sent highvolume transactional communications.

Figure 5: Job Responsibilities

Which of the following describe your job responsibilities?



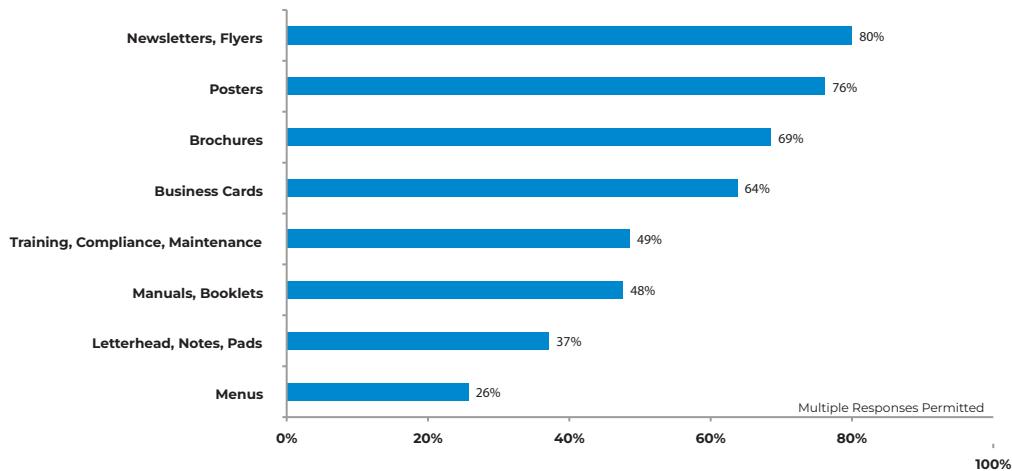
N = 101 Non-profit Respondents involved in direct marketing or transactional communications
Source: United States Vertical Visions MultiClient Study, Keypoint Intelligence 2024

Among non-profit respondents involved in printed marketing or development of business documents, the most commonly produced sales & marketing materials included newsletters/flyers and posters.



Figure 6: Materials Used in Sales & Marketing

Which of the following does your company use in its sales, marketing, or operational functions?



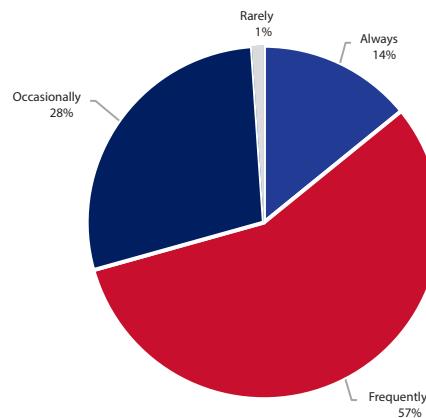
N = 105 Non-Profit Respondents involved in printed marketing or development of business documents
Source: United States Vertical Visions Multi-Client Study; Keypoint Intelligence 2024

Printed Direct Mail

Out of our 106 total non-profit respondents, 92 (about 87%) were involved in direct marketing or direct mail campaigns. Of these, over 70% always or frequently used direct mail as part of their marketing strategies.

Figure 7: Use of Direct Mail

How often does your company use direct mail as part of its marketing strategy?

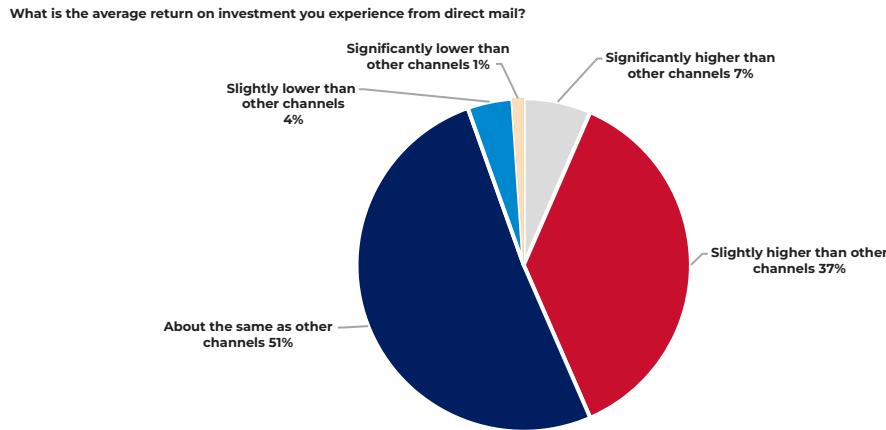


N = 92 Non-profit Respondents involved in direct marketing/direct mail
Source: United States Vertical Visions Multi-Client Study; Keypoint Intelligence 2024

Accounting for seasonality, non-profit respondents reported sending an average of 9,274 direct mail pieces per month. The return on investment (ROI) from direct mail is good; 44% of non-profits stated that ROI from direct mail was higher than that of other channels. Meanwhile, only 5% of respondents said that the ROI was lower for direct mail.



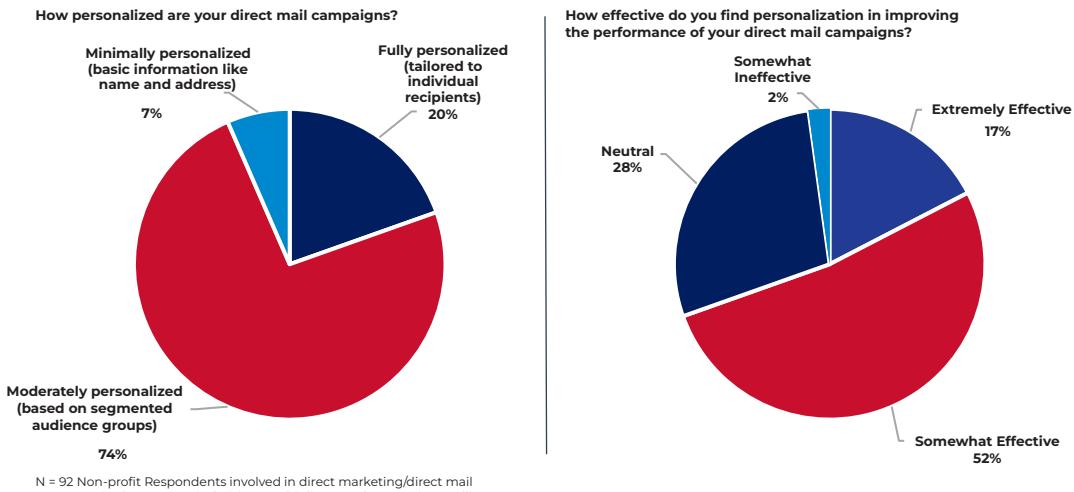
Figure 8: ROI for Direct Mail



N = 92 Non-profit Respondents involved in direct marketing/direct mail
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

Personalization is a proven way to improve the efficacy of direct marketing campaigns. Over 90% of non-profits were customizing their direct mail with moderate or fully personalized content, and nearly 70% agreed that personalization was somewhat or extremely effective in improving the performance of direct mail campaigns.

Figure 9: Personalization

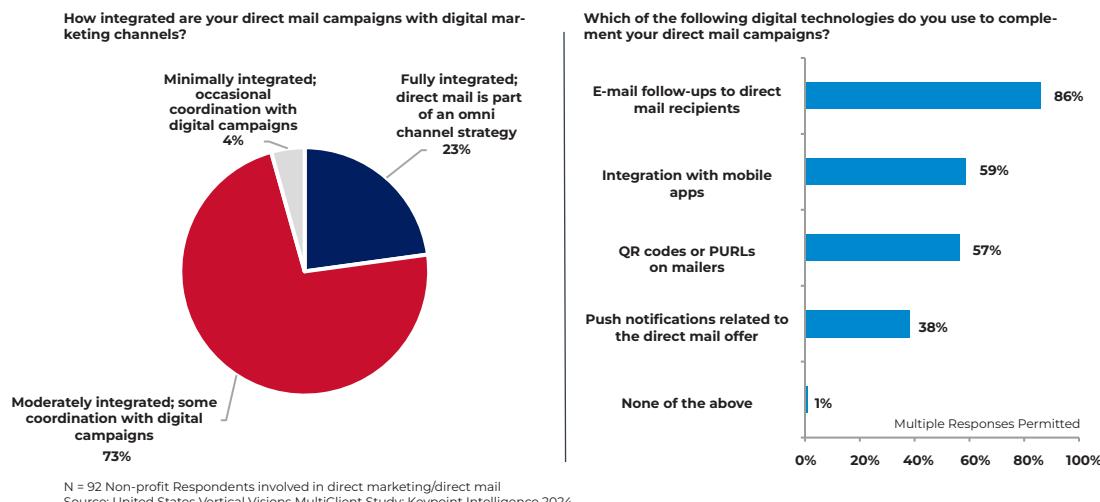


N = 92 Non-profit Respondents involved in direct marketing/direct mail
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

One of the best things about direct mail is that it plays well with digital channels. Non-profit organizations are using this to their advantage, with the vast majority (96%) coordinating their direct mail campaigns with digital on at least a moderate level. The most popular digital integrations include email followups and mobile apps.

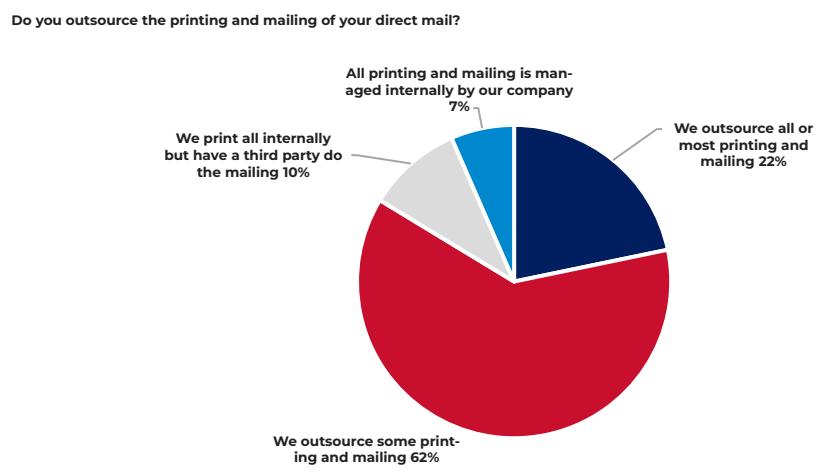


Figure 10: Integration with Digital Marketing Channels



When asked about the challenges associated with direct mail, non-profits most commonly cited limited personalization options (59%) and the high costs of printing and postage (54%). Over the past year, non-profits stated that their direct mail volume had decreased by an average of 4% due to the increase in postal rates. 22% of non-profits outsourced all or most of their printing and mailing, while another 62% outsourced some. Because not all printed content is produced internally, there is an opportunity for print service providers to get in the door and sell print to non-profit institutions.

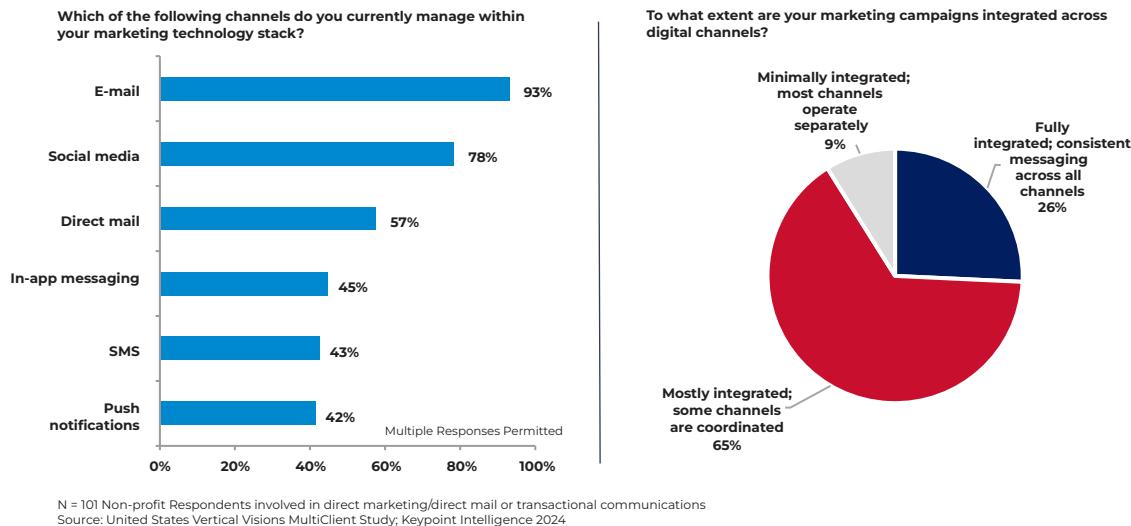
Figure 11: Insourcing vs. Outsourcing



Non-profit firms reported managing a variety of channels, the most popular being email and social media. Over 90% of respondents stated that their campaigns were fully or mostly integrated across digital channels.



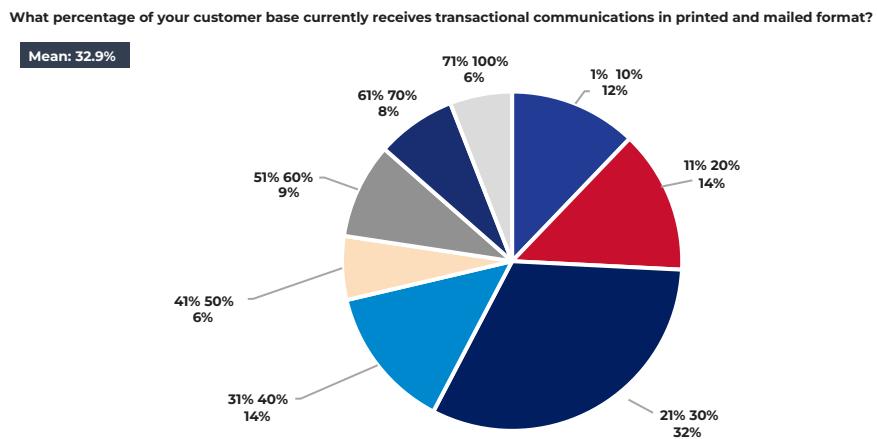
Figure 12: Marketing Channels and Integration of Campaigns



Transactional Communications

Of 106 total non-profit respondents, about 61% were involved in transactional communications. When these respondents were asked about the share of their customers that currently received these communications in printed and mailed format, the overall average was nearly 33%.

Figure 13: Share of Customers Receiving Printed Transactional Communications

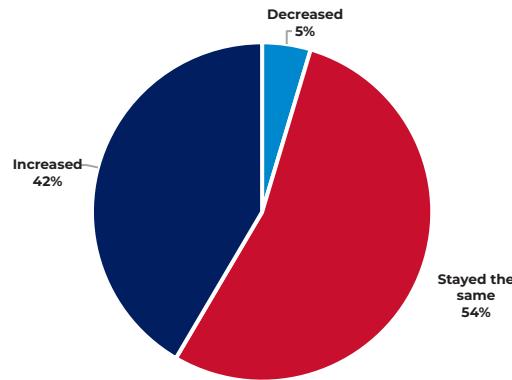


As shown in the Figure below, very few non-profits had seen a decline in the share of transactional communications that were printed and mailed over the past 3 years. Over half said that volumes had stayed the same, and another 42% had seen an increase.



Figure 14: Change in Printed/Mailed Communications

How has the volume of printed and mailed transactional communications changed over the past 3 years?

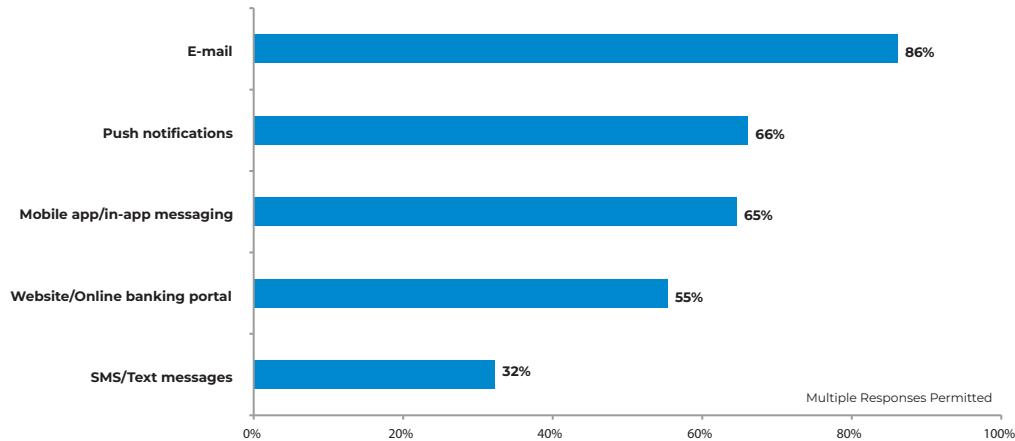


N = 65 Non-profit Respondents involved in transactional communications
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

These same non-profits were asked about the digital channels that were used for their transactional communications. The most common channels included email, followed by push notifications and mobile app/inapp messaging.

Figure 15: Digital Channels Used for Transactional Communications

Which of the following digital channels are you using to send transactional communications?



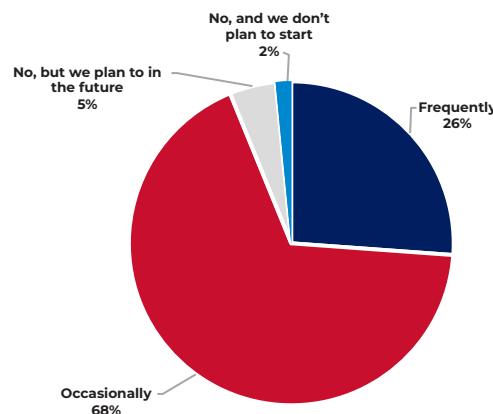
N = 65 Non-profit Respondents involved in transactional communications
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

Customizing transactional communications to promote engagement was quite common among non-profit organizations, with over 90% of respondents doing so at least occasionally.



Figure 16: Customization to Promote Engagement

How frequently do you customize transactional communications to promote engagement in specific behaviors?



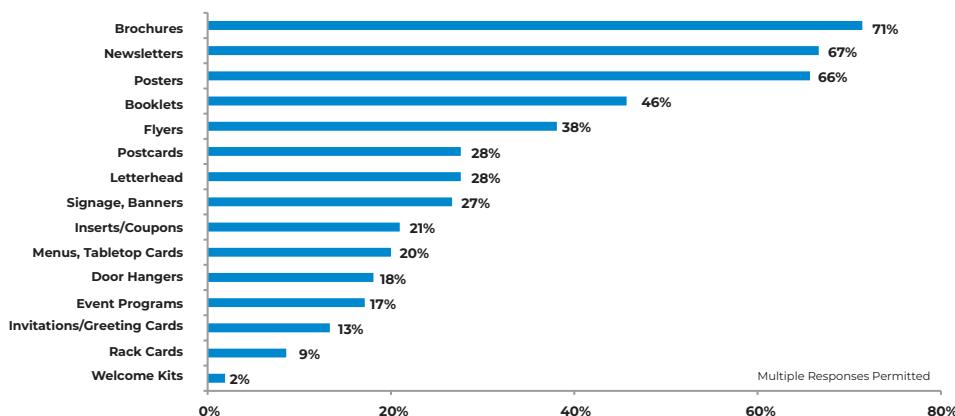
N = 65 Non-profit Respondents involved in transactional communications
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

Marketing Collateral

All non-profit respondents report using marketing collateral to reach their customers and prospects. The most common types of materials that were produced internally or purchased from others include brochures, newsletters, and posters.

Figure 17: Types of Printed Marketing Collateral

Which of the following types of printed marketing materials does your company purchase from others or produce internally?

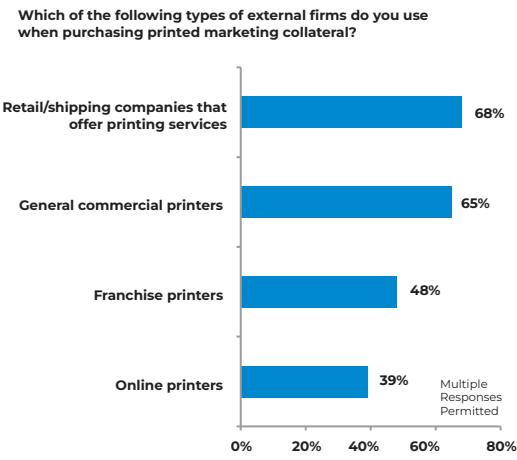
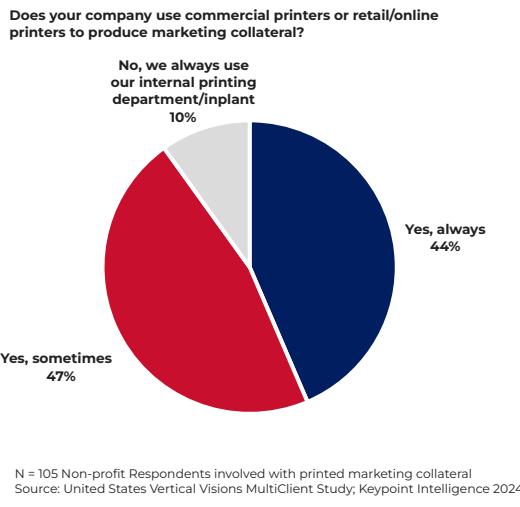


N = 105 Non-profit Respondents involved with printed marketing collateral
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

As was the case with direct mail, most non-profits were using external printers to produce marketing collateral. In fact, only 10% always used an internal printing department/inplant. Retail/shipping companies were the most common external printers (e.g., Staples, FedEx Office).



Figure 18: Internal vs. External Printing (Marketing Collateral)



Competition is stiff for external PSPs when it comes to purchasing marketing collateral within the non-profit industry.

Consider the following statistics:

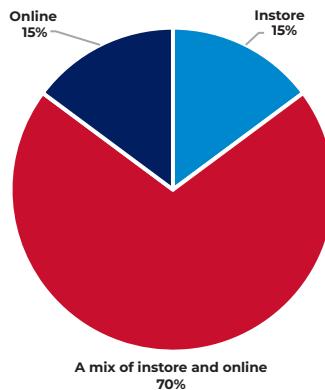
- A heavy majority of non-profit institutions (93%) always or sometimes shop around for sales/promotions when they need to purchase printed marketing collateral.
- Over threequarters (79%) of non-profit firms frequently or sometimes compare prices for services before selecting a print provider.
- 94% of non-profit respondents agreed that a sale (e.g., \$25 off a purchase of \$100 or more) would influence them to purchase printed marketing collateral from a particular provider.

When non-profits were asked how they preferred to purchase their printed marketing collateral from retail or franchise printers, most used a mix of brickandmortar and online channels.



Figure 19: Preferred Purchasing Channel

How do you typically prefer to purchase printed marketing collateral from retail/franchise printers?

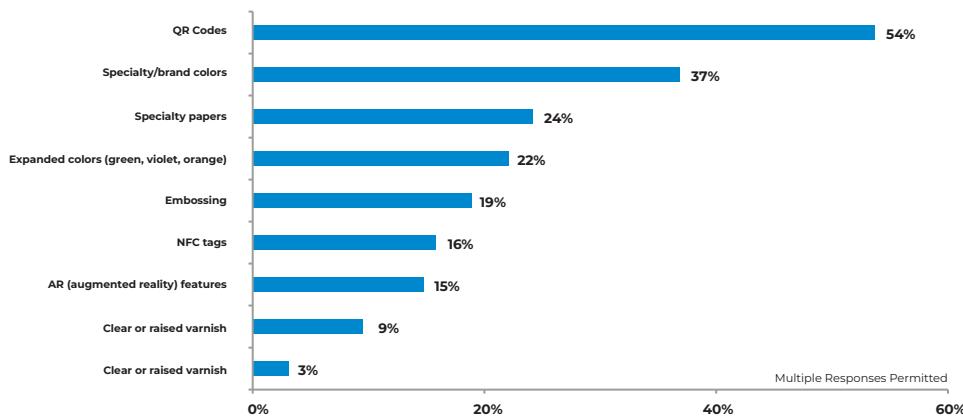


N = 81 Non-profit Respondents that use retail/franchise printing companies for printed marketing collateral
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

While price is a very important consideration when it comes to purchasing printed marketing collateral, print quality wins out as the most important factor. Non-profits can be quite price sensitive, but it's important to remember that they won't sacrifice quality to receive the lowest price.

Figure 20: Most Important Considerations for Choosing a Provider

When purchasing printed marketing collateral, what are your most important considerations for choosing a print service provider?

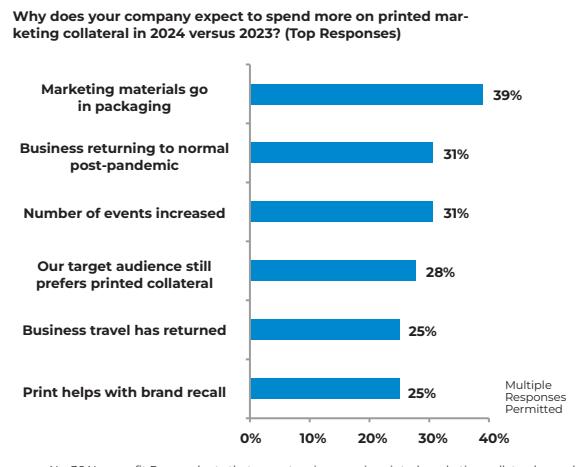
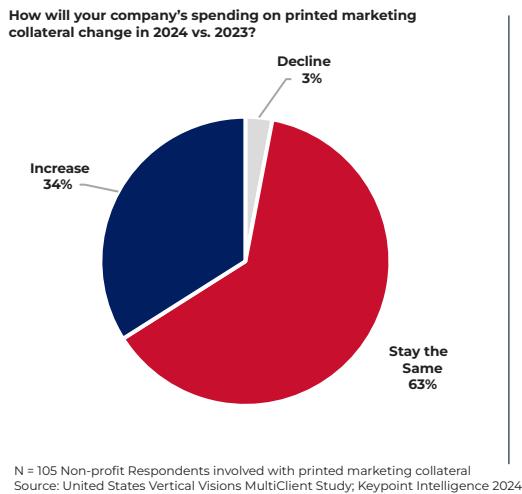


N = 95 Non-profit Respondents that use general commercial, retail, franchise, or online printers for printed marketing collateral
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

Although most non-profits expected their spending on printed marketing collateral to remain the same between 2023 and 2024, over a third expected an increase. Of those who expected an increase, the most common reasons were that marketing materials were increasingly used in packaging and business was returning to normal/postpandemic levels.



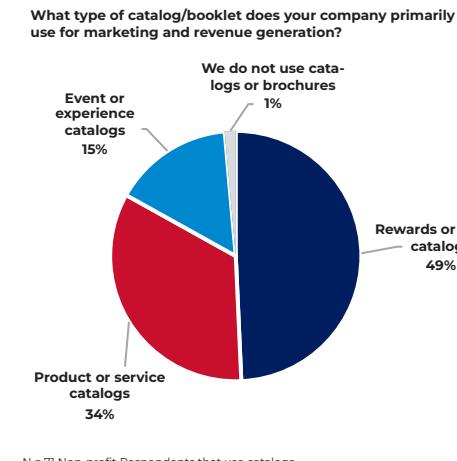
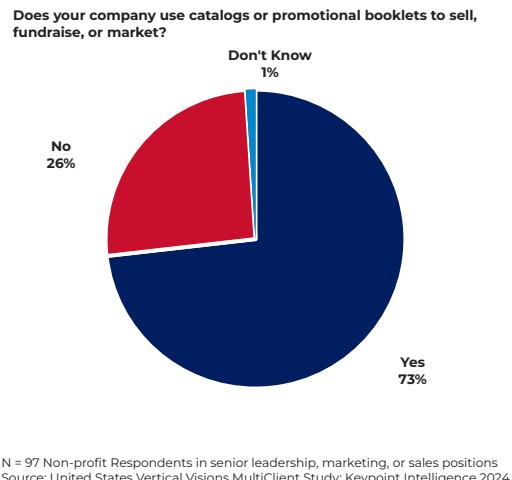
Figure 21: Spending on Printed Marketing Collateral



Catalogs and Promotional Booklets

This section of the report focuses on non-profit respondents' catalog/promotional printing habits. These questions were only posed to a subset of respondents, so it should be noted that some of the sample sizes were comparatively small. Of those non-profit respondents in senior leadership, marketing, or sales positions, 73% used catalogs or promotional booklets. The most popular type of catalogs were those concerning loyalty or rewards.

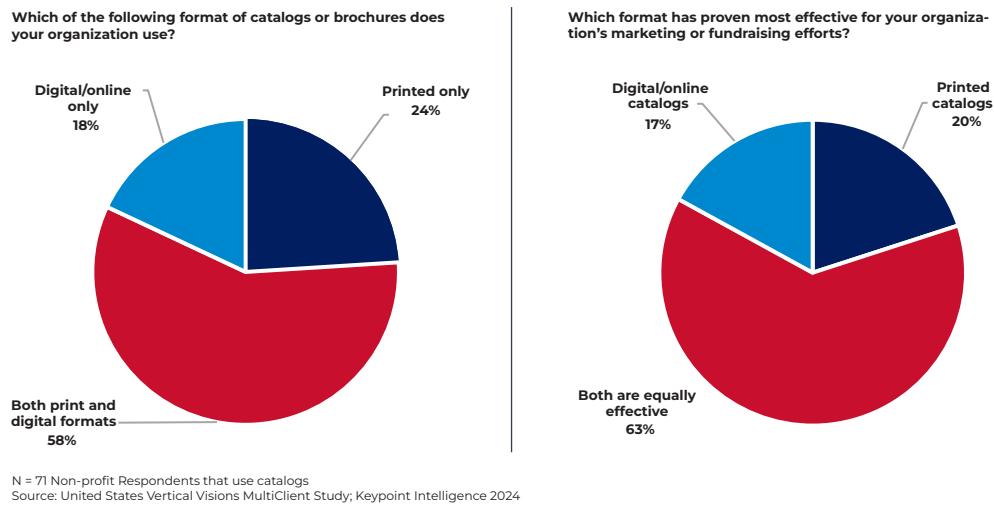
Figure 22: Use of Catalogs



Whereas direct mail by its very nature is physical, catalogs can be printed or electronic. As shown below, most non-profit firms were producing both printed and electronic catalogs. Only a small share of businesses (18%) were exclusively producing electronic catalogs. When asked about the efficacy of catalog formats, most believed that printed and digital catalogs were equally effective.

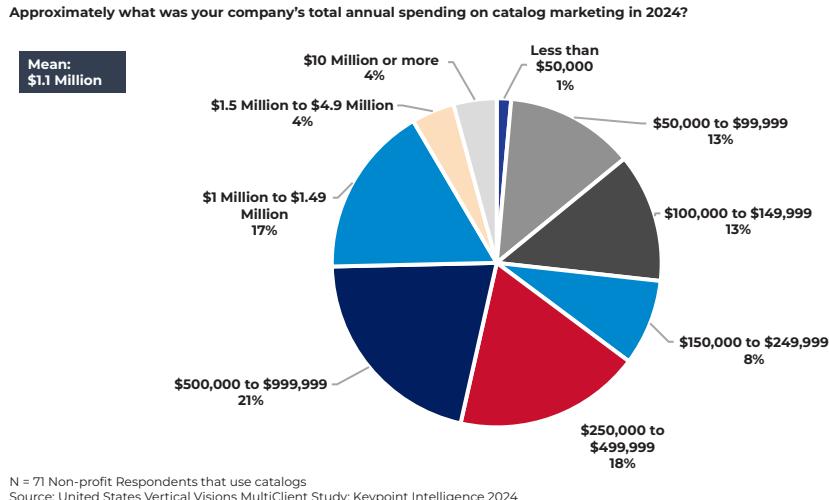


Figure 23: Format of Catalogs



On average, non-profits reported spending \$1.1 million on catalog marketing in 2024. At the same time, however, 35% of respondents spent less than \$250,000.

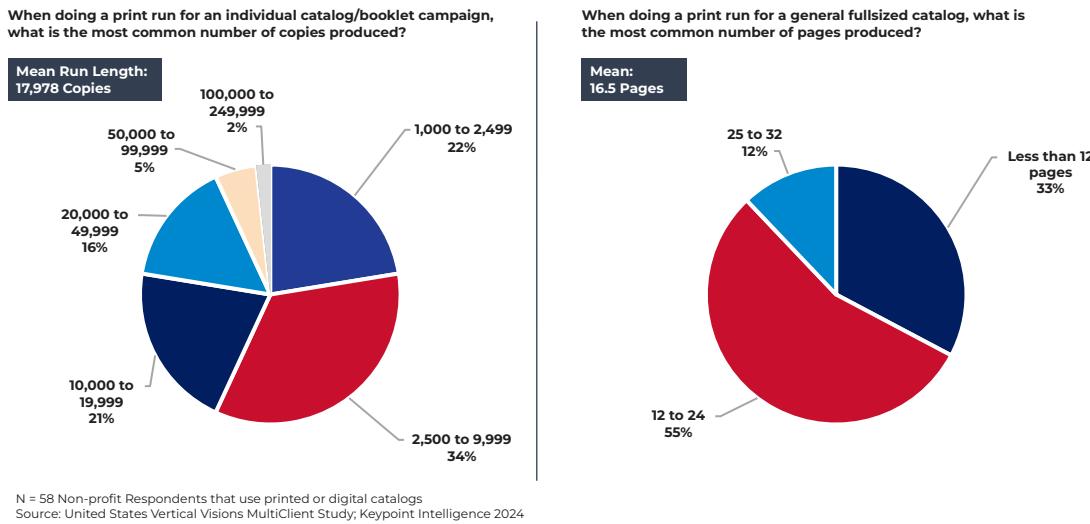
Figure 24: Total Catalog Marketing Spend



The average run length for catalogs was 17,978 copies. This average was clearly drawn upward by the very large run lengths in the mix since 56% of non-profit respondents reported run lengths of under 10,000. On average, a typical non-profit catalog had 16.5 pages.

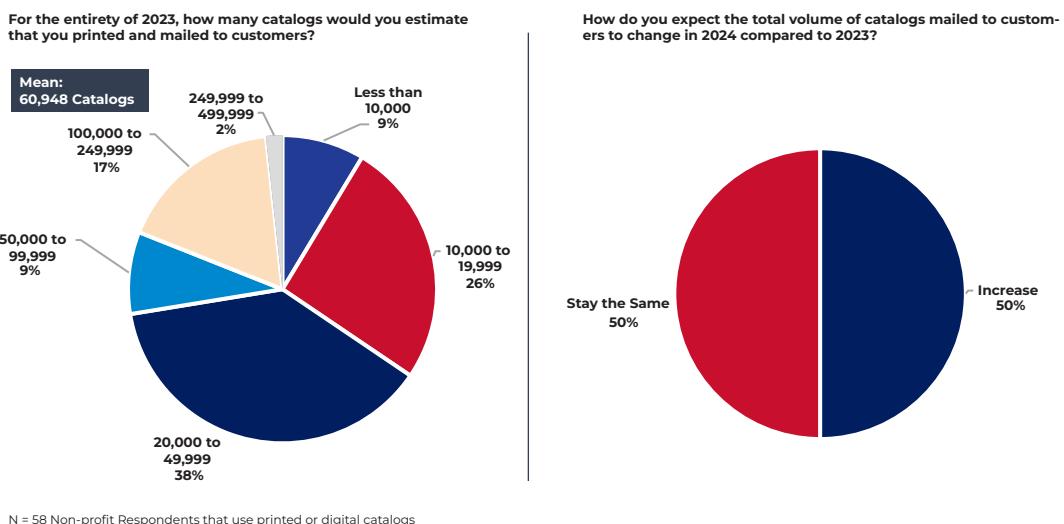


Figure 25: Run Length and Number of Pages (Catalogs)



During the entirety of 2023, non-profit respondents reported sending a mean of 60,948 catalogs to customers. In relation to 2023, 50% of these respondents expect the number of catalogs sent to customers to increase during 2024. The other half expected their printed catalog volumes to stay the same; none expected a decrease.

Figure 26: Change in Print Volumes (Catalogs)

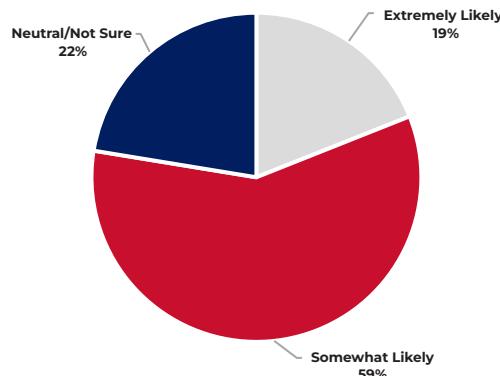


While there is no question that printed content is shifting to digital, most non-profits believed that they would continue using printed catalogs in the future. In fact, over threequarters stated that they were somewhat or extremely likely to continue using printed catalogs at least for the next few years.



Figure 27: Likelihood of Using Printed Catalogs in the Future

How likely is it that your company will continue to use printed catalog marketing for the next two or three years?

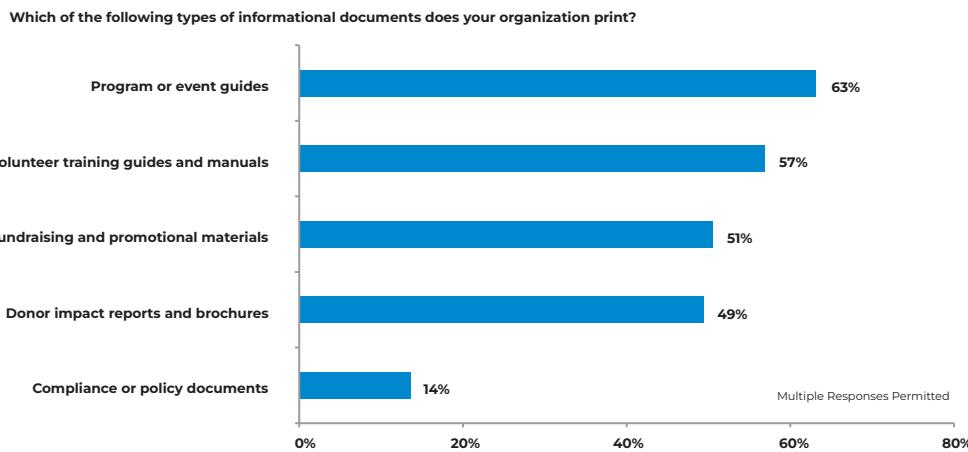


N = 58 Non-profit Respondents that use printed or digital catalogs
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

Informational Materials

About 90% of total non-profit respondents were involved in the development/procurement of business/training/operational documents (i.e., informational materials). Among these respondents, the most common types of informational materials included program/event guides and volunteer training guides/manuals.

Figure 28: Types of Informational Materials Printed

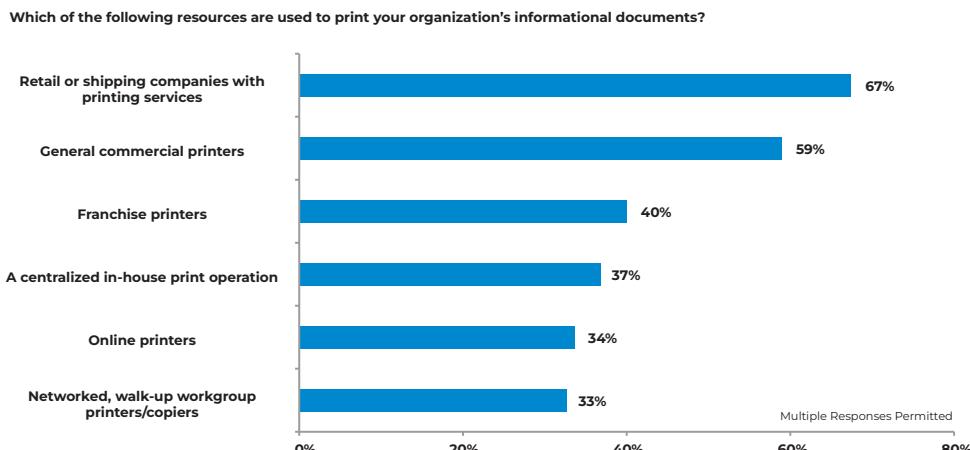


N = 95 Non-profit Respondents involved in the development/procurement of business, training, or operational documents
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

When non-profits were asked about the resources they used to print their informational documents, the most common included retail/shipping companies and general commercial printers.



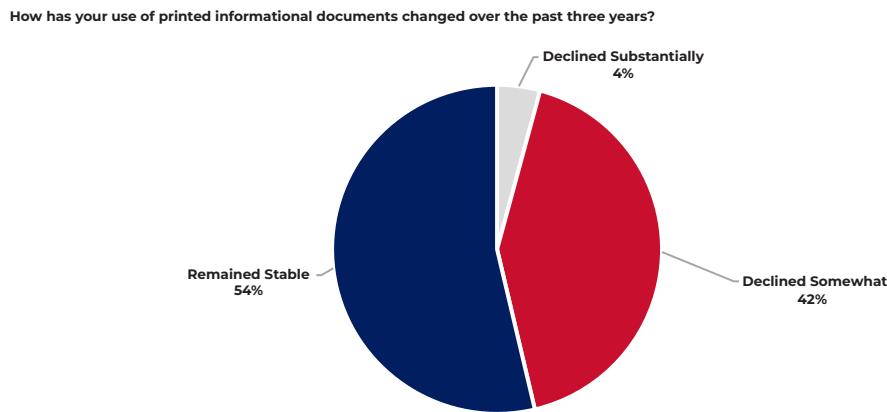
Figure 29: Printing Resources



N = 95 Non-profit Respondents involved in the development/procurement of business, training, or operational documents
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

As shown in the Figure below, 46% of non-profits saw a decline in their printed informational documents over the past few years. Even so, over half reported that print volumes remained stable.

Figure 30: Change in Print Volume (Informational Materials)



N = 95 Non-profit Respondents involved in the development/procurement of business, training, or operational documents
Source: United States Vertical Visions MultiClient Study; Keypoint Intelligence 2024

It is also worth noting that despite the transition to digital, nearly 80% of non-profits agreed that printed and mailed catalogs/promotional booklets delivered a positive ROI.



Opinion

Print is playing a supportive role in today's multichannel world, but so are all media channels. Printed communications offer a unique advantage in that they play well with digital channels as non-profits strive to create compelling campaigns across all channels. Adding ancillary services to offset declines in print revenues while offering better service to customers is the new equation for success in the non-profit market.

The non-profit sector offers solid opportunities for PSPs to grow business and offer improved digital printing capabilities for customization and personalization. Communication buyers in the non-profit market want providers that can recommend products and services aligned with their unique needs today and in the future. They are seeking providers that truly understand their market and can leverage this knowledge to deliver the best possible offerings.



About CFC Print & Mail

CFC Print & Mail is a wholesale provider of printed documents and services catering to small businesses through large distributor channels. CFC separates itself from its competition by providing superior customer service, fast production, best pricing and quick turn times. We pride ourselves on being a resource for our loyal customers, fostering both our successes.

About Canon U.S.A., Inc.

Canon U.S.A. Inc. is a leading provider of consumer, business-to-business, and industrial digital imaging solutions to the United States and to Latin America and the Caribbean markets. With approximately \$29.4 billion in global revenue, its parent company, Canon Inc. as of 2023 has ranked in the top five overall in U.S. patents granted for 38 consecutive years. Canon U.S.A. is dedicated to its Kyosei philosophy of social and environmental responsibility. To learn more about Canon, visit them at www.usa.canon.com.

About thINK

thINK is an independent community of Canon U.S.A. production inkjet customers, thINK Ahead partners, and print industry experts, and Canon U.S.A. is a proud executive sponsor. Led by some of the most successful inkjet service providers in the country, it provides a forum for members to network, gain knowledge, discuss common challenges, and share best practices. Membership is exclusive (and free) to Canon U.S.A. production inkjet customers – visit www.thINKForum.com to learn more.

This material is prepared specifically for clients of Keypoint Intelligence. The opinions expressed represent their interpretation and analysis of information generally available to the public or released by responsible individuals in the subject companies. We believe that the sources of information on which their material is based are reliable and we have applied our best professional judgment to the data obtained.



Print &
Mail