



# The Convio Online Marketing Nonprofit Benchmark Index™ Study

*Executive Summary*

## Introduction

For the third consecutive year, Convio — the leading provider of on-demand constituent relationship management software solutions for nonprofits — has created *The Convio Online Marketing Nonprofit Benchmark Index™ Study*.

Growing from a cohort of 30 nonprofit organizations in 2006 and 419 organizations in 2007, this year's study uses data compiled from close to 600 nonprofit organizations. The results are aggregated into benchmarks by which nonprofit organizations can evaluate their online performance with that of their peer group. This approach gives organizations a framework to continually refine their tactics, improve the effectiveness of their online initiatives, and allocate resources more efficiently.

Seven areas related to online marketing success were studied:

- Website traffic
- Registration rate
- Email file size
- Online revenue: fundraising, growth, ecommerce, average gifts, and value of an email address
- Email appeals: open rates, click-through rates, and response rates
- Email newsletters: open and click-through rates
- Legislative advocacy

This year's study also includes aggregate nonprofit sector performance trends based on a sub-group of over 200 nonprofit organizations that have three years of data as a proxy for the industry.

This document summarizes most of the key findings in the study. The complete results are available from Convio (see page 6).

## Methodology

Convio's integrated suite of products for online fundraising, email, web content management, and advocacy share a common underlying database called Constituent 360™. The study was conducted by analyzing the real world data for nearly 600 Convio clients stored in this database over the 12-month period of January 1, 2008 to December 31, 2008. Only clients that actively used Convio's software solutions during this entire time period were included in the study.

Study participants were grouped into 14 segments (or "verticals") by their organizational mission (Figure 1).

Vertical	Description	Study Participants
Animal Welfare	Regional humane societies and national organizations devoted to animal welfare issues	32
Association & Membership	Organizations whose members have a common professional affiliation	18
Christian Ministries	Churches, ministries, and other organizations of various religious affiliations	37
Disaster & International Relief	Domestic and international organizations that provide disaster relief, humanitarian relief, aid and assistance around the world, often in response to a catastrophic event or disaster	32
Disease & Health Services	Organizations that provide information and patient support on particular diseases and disorders, raise money for medical research, and/or are involved in medically related public policy issues	64
Environment & Wildlife	Regional and national environmental and conservation organizations	26
Higher Education	Colleges, universities, and their alumni associations	16
Human & Social Services	Local, regional, and national organizations that deliver human and social services to people in need	65
Jewish	Organizations that provide human services, aid to Israel, and support for issues of importance to Jewish constituents	12
Major Emailers	Organizations from various verticals with more than 250,000 constituent email addresses in their email file	52
Public Affairs	Organizations involved in shaping public policy and legislative advocacy at a state or federal level	80
Public Broadcasting Stations	Public radio and public television stations	21
Team Events	Organizations that derive at least 80 percent of their online fundraising revenue from team-based fundraising events such as walks, runs, or bicycle rides created to raise money and awareness for the organization	113
Visitation, Performing Arts & Libraries	Organizations such as zoos, museums and aquariums that rely on members and guests visiting their facilities	29
<b>Total 2009 Study</b>		<b>597</b>

Figure 1: Vertical Segment Descriptions

## Key Findings

- **Positive year-over-year growth in all of the key areas of online success.** In comparison to 2007, results for online fundraising, email file growth, and website traffic in 2008 were up 14 percent, 28 percent, and 20 percent, respectively. These positive results are a noticeable contrast to some reports that indicate offline direct mail-led fundraising growth declined in 2008, especially in the fourth quarter.
- **The fourth quarter of 2008 was a challenging time for many nonprofit organizations.** Given the heightened concern about the economy starting in the fourth quarter of 2008, we took a closer look at how the final three months of 2008 compared to that same period in previous years. The good news is that despite many organizations having to cut back on their fundraising and outreach efforts during this time, online fundraising actually experienced a three percent growth, which was much better than the contraction that many were anticipating. During this period, we saw many donors continued to give, although average gift amounts online declined for many organizations. We also noticed erosion of year-over-year growth for several key online metrics during this period.
- **With the average gift amount unchanged at many organizations, growth in fundraising was driven by an increase in the number of online gifts received by organizations during the fourth quarter of 2008.** This had the effect of increasing total online giving by 14 percent from 2007 to 2008, with the average gift hovering around \$67.50 both years.
- **While year-over-year growth rates remain positive, the rate of growth is beginning to show signs of decline as many of these metrics are now growing at a slower rate than in previous years.** This is to be expected with the increased scale of online marketing/fundraising programs. With double-digit growth still present across many key online success metrics, including online revenue (14 percent), usable email file size (18 percent), and website traffic (20 percent), this is not yet an area of concern, but will need to be watched closely in the years ahead.
- **Compared to small and medium sized organizations, large organizations appear to be less impacted by the economy.** Despite having a larger constituent base from which to grow, larger organizations “defied gravity” by outpacing the market from an email file and online revenue growth perspective. This effect was especially prevalent in the Environment & Wildlife and Public Affairs verticals where we saw negative growth for the small and medium sized organizations, but positive growth for larger organizations.
- **Email open rates remain strong across all organization types.** Open rates above 20 percent for both email appeals and email newsletters suggest that nonprofits continue to get their message across successfully, despite increasingly crowded email inboxes. The Visitation, Performing Arts & Libraries vertical performed best in both metrics with an average open rate of 24 percent for email appeals and 28 percent for email newsletters.

## Summary

In just a few years, many nonprofit organizations have begun online marketing programs and seen dramatic increases in their ability to reach their objectives, including to raise more money, communicate more effectively, mobilize advocates, and increase awareness. Online marketers must continually refine their tactics, improve the effectiveness of their fundraising initiatives, and allocate resources more effectively. To do this requires marketers to have a thorough understanding of the key drivers for online success, as well as a way to objectively compare results with those of their peer group.

The common attributes of organizations that have had the most success online include the following:

- Success in driving traffic to their websites by optimizing search engine visibility, offering compelling content, and promoting their site via other media
- Effective content and mechanisms in place to convert website traffic into registered users, who can then be cultivated into donors
- Proven ability to build large email files via online registration programs, list uploads, and viral campaigns
- Effective email communication through compelling content, segmentation, and personalization to sustain interest in their programs
- A high response rate for online appeals, generated by having an effective case for supporting their organization, segmenting and personalizing their appeals, and testing elements of each email, such as the subject line, frequency, and delivery timing

*The Convio Online Marketing Nonprofit Benchmark Index Study* provides nonprofit organizations insights into how other comparable organizations are performing in metrics relating to key online success drivers. However, every organization is different, each with its own strengths, organizational challenges, and goals. As such, organizations should use this study as a starting point to better understand why metrics are important, which metrics and drivers can have the largest effect on their online marketing programs, and then continue to test what works best for their organization.

## For More Information and Assistance

The complete 49-page report contains 35 charts and tables, more detailed discussion of these metrics, and additional benchmarks not covered in this abbreviated report. To request a copy of the complete report, please contact your Convio Account Manager or Sales Executive or email us at [info@convio.com](mailto:info@convio.com).

For additional assistance in understanding how your organization is performing and what strategies and tactics can help improve any areas where your performance is below that of your peer group, please contact your Convio Account Manager or Sales Executive about engaging a Convio Interactive Marketing Consultant or a consulting partner from Convio's Fusion Partner Program.

## Join the Discussion on Connection Café Blog

On Convio's blog, [Connection Café](#), you will find on-going discussions and ideas related to this year's benchmark study as well as other industry trends and issues of importance to nonprofit organizations.

## About Convio

Convio is a leading provider of on-demand constituent relationship management software and services that give nonprofit organizations a better way to inspire and mobilize people to support their organization. Convio Online Marketing, the company's online marketing suite, offers integrated software for fundraising, advocacy, events, email marketing and web content management, and its Common Ground™ CRM system helps organizations effectively track and manage all interactions with supporters. All Convio products are delivered through the Software-as-a-Service (SaaS) model and are backed by a portfolio of best-in-class consulting and support services and applications focused on the unique needs of nonprofit organizations. For more information, please visit [www.convio.com](http://www.convio.com)



11501 Domain Drive, Suite 200, Austin, TX 78758  
888-528-9501 | 512-652-2600 | [info@convio.com](mailto:info@convio.com) | [www.convio.com](http://www.convio.com)

©2009 Convio, Inc. All rights reserved. Convio, the Convio logo, TeamRaiser and Constituent360 are trademarks, registered trademarks or service marks of Convio, Inc. All other names are trademarks, registered trademarks or service marks of their respective owners.