



# ***2008 Convio Online Marketing Nonprofit Benchmark Index™ Study***

## **Client and Partner Briefing**

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# Convio Online Marketing Nonprofit Benchmark

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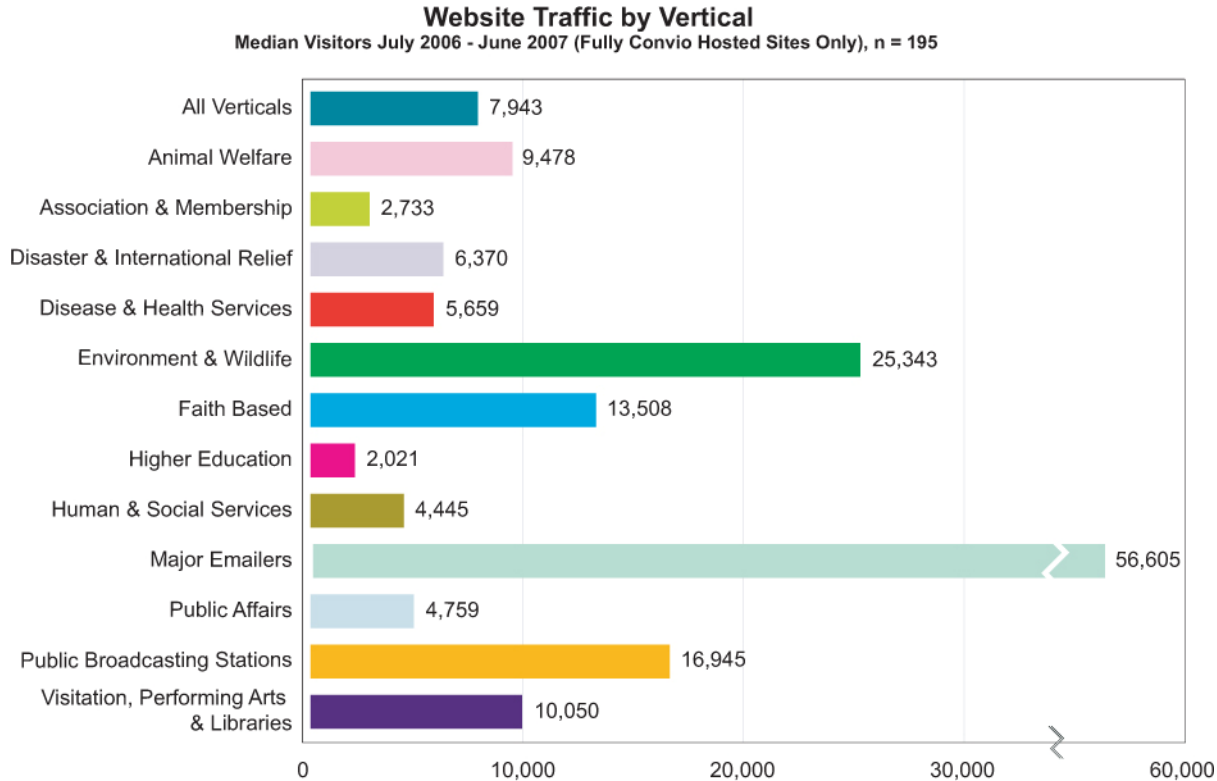
- For the second year in a row, Convio is publishing the *Online Marketing Nonprofit Benchmark* study. The study was created to help nonprofit marketers answer:
  - ▶ What are the most important metrics for driving success online?
  - ▶ How am I doing compared to my peers?
- From a cohort of **30** organizations last year, this year's study uses data compiled from **over 400** Convio clients to create over **20** key online success metrics
- Nonprofit organizations can compare themselves any of the following benchmarks:
  - ▶ The nonprofit industry as a whole
  - ▶ One of eleven major vertical benchmarks or a segment of high volume marketers across verticals we call Major eMailers

# Study Composition

- We don't disclose publically which of our clients' results were included in the benchmark but this is how is broke down by vertical
- To be included in this year's study, clients must have
  - ▶ Been Convio client the entire period of July 2006 -June 2007 and have been out of deployment by July 2006.
  - ▶ Get Active platform clients were not included in this year's paper

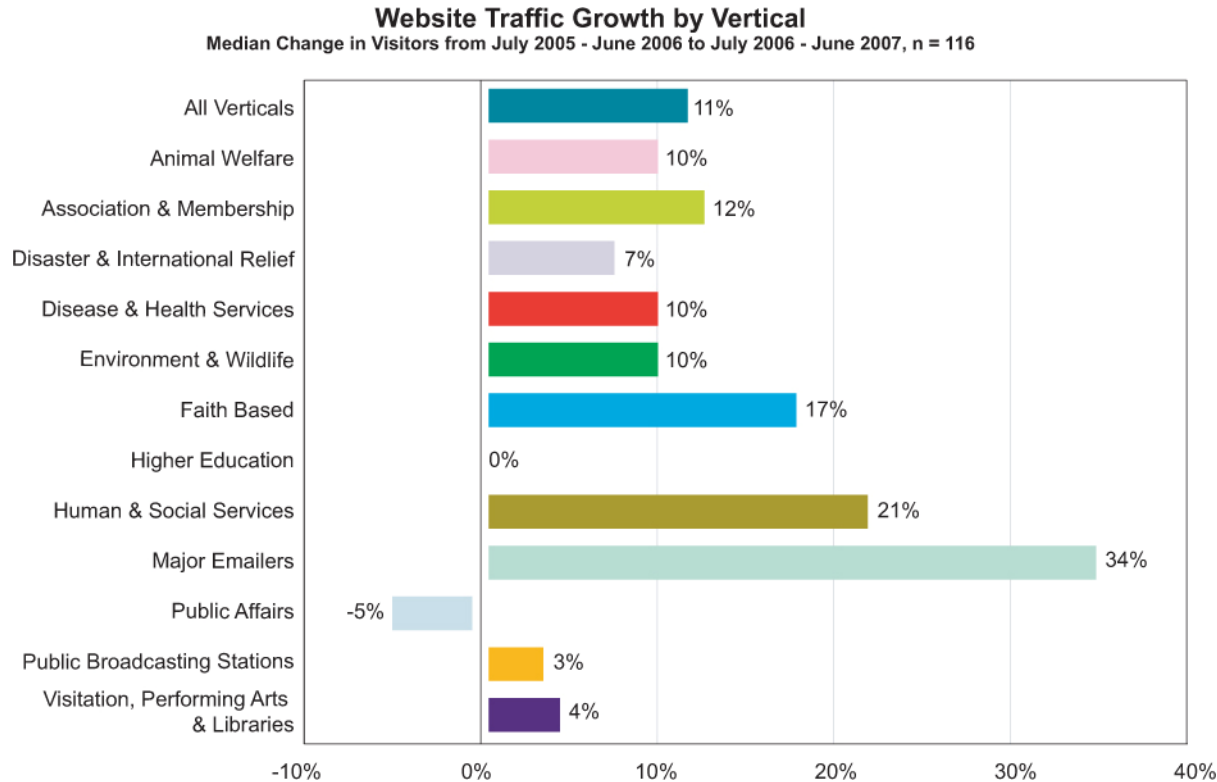
Vertical	# in Panel
Association & Membership	21
Animal Welfare	20
Disaster and Intl' Relief	25
Environmental & Wildlife	121
Public Affairs	13
Faith Based (ex-Jewish)	38
Public Broadcasting	20
Visitation, Performing Arts	54
Disease & Disorder	80
Higher Education	13
Human and Social Services	14
<b>Total</b>	<b>419</b>

# Monthly Website Traffic



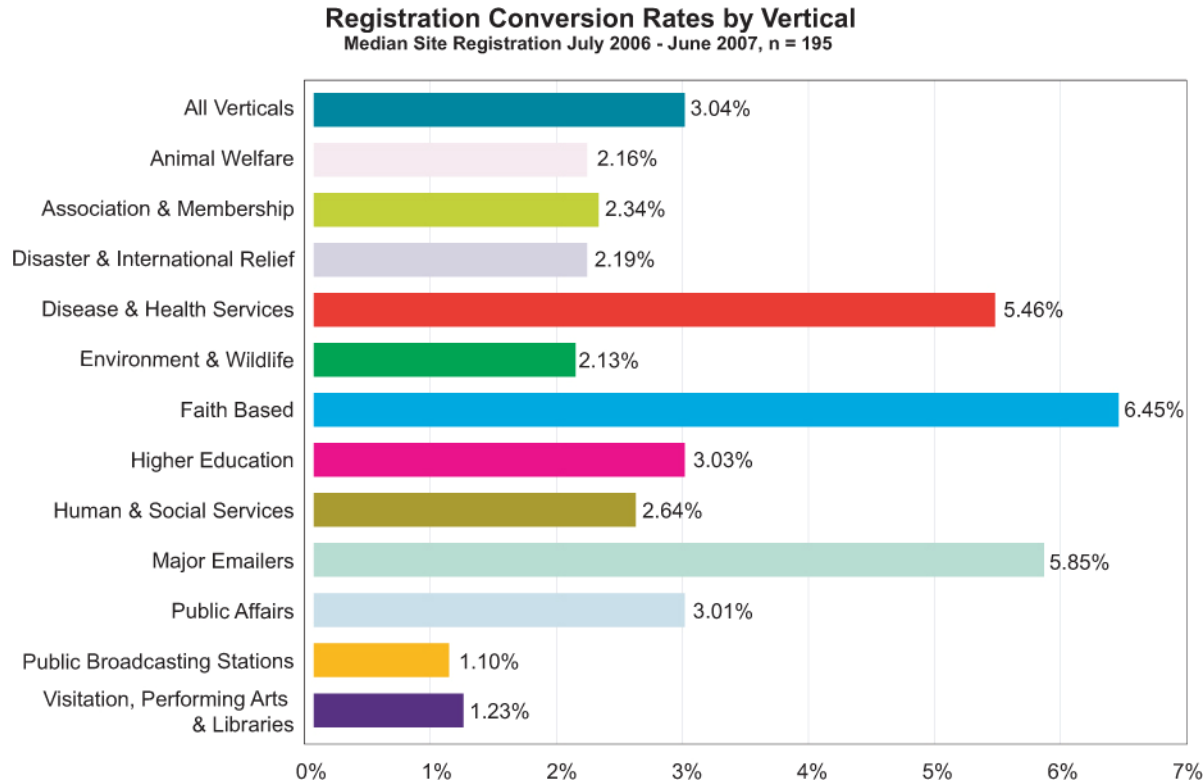
- Represents unique visitors per month for clients fully hosted on Convio
- Harnessing web traffic is a key tactic for growing email file
- Presence of offline media can significantly impact website traffic

# Website Traffic Growth



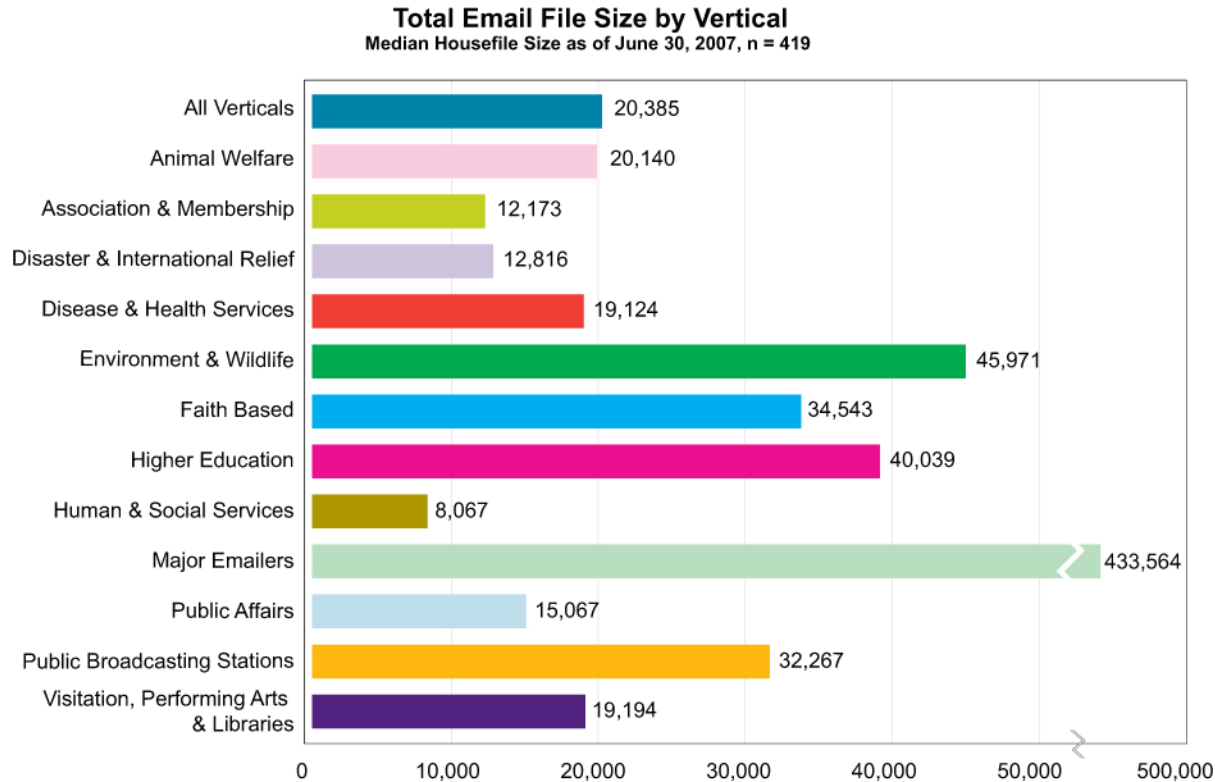
- Year-over-year calculation to remove seasonality
- On average, nonprofits growing their web traffic at 11% per year
- Major eMailers are experiencing much faster growth

# Registration Conversion Rate



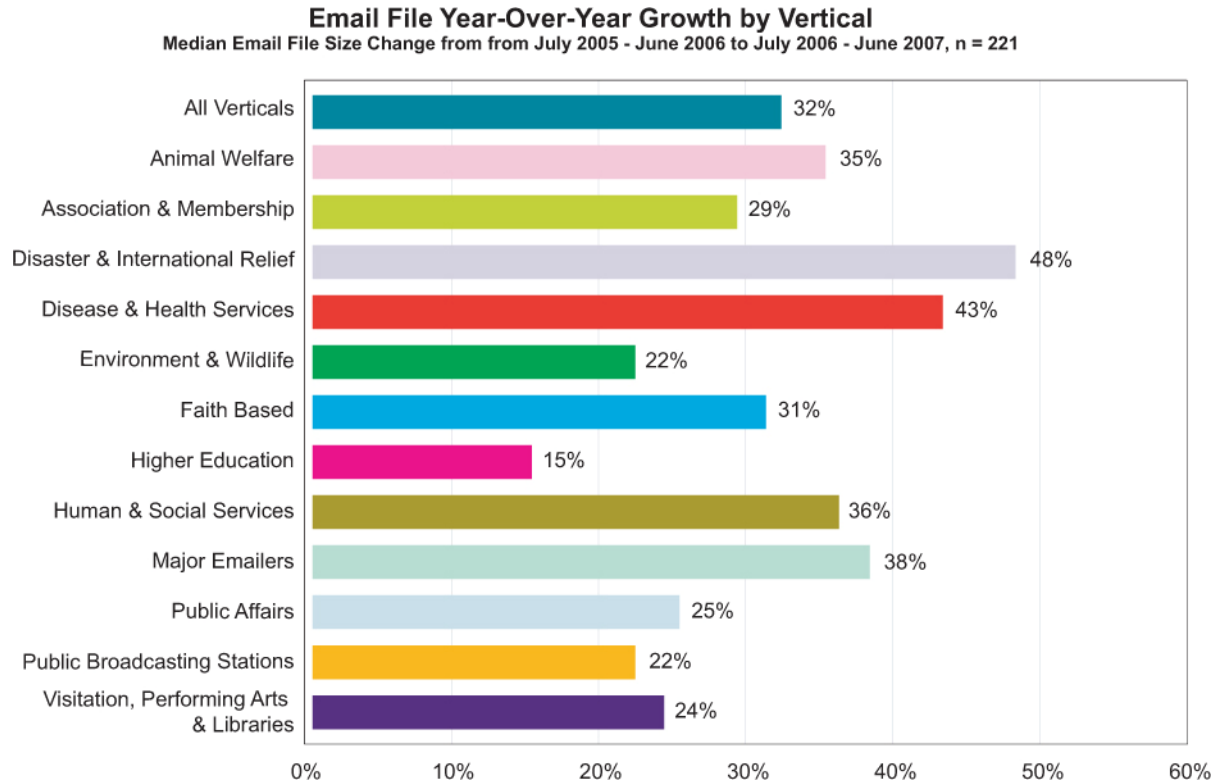
- Measures effectiveness converting website visitors into email file
- Excludes emails originating from uploads, data sync, and appends
- Approximately 3% of monthly visitors provided their email address. Remember many visitors have registered on a prior visit
- Providing compelling reasons to register is key to improving conversion

# Email File Size



- Total emails on Constituent 360
- Most groups have 60-80% usable
- 20,000 email addresses as an overall benchmark is significant

# Email File Growth



- Email files continue to grow at significant rate – 32% per year, 2.5% per month
- Outpaced revenue growth → clients are having success building prospect files
- Outpaced web traffic growth → clients improving registration rates and/or getting better about offline email capture



# Fundraising by Email File

Email File Size	# in Panel	Amount Raised	Amount Raised including eCommerce
<10,000	95	\$47,039	\$53,714
10,001–25,000	74	\$115,685	\$122,871
25,001–50,000	58	\$144,547	\$152,684
50,001–100,000	42	\$416,571	\$453,762
100,001–250,000	35	\$680,587	\$768,243
250,001+	23	\$732,829	\$807,496
<b>Total</b>	<b>327</b>		

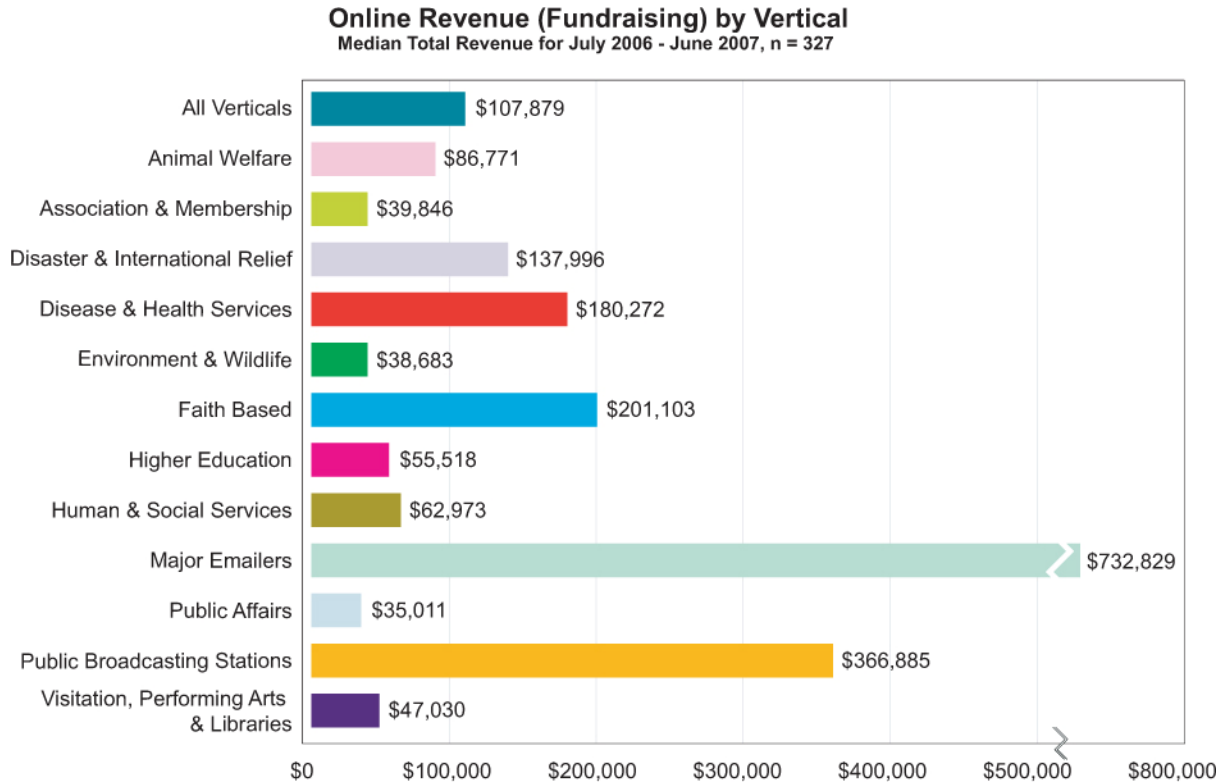
- Smaller orgs – even those with email files under 10,000 having success raising money online
- Not surprisingly, online fundraising is correlated to email file size
- Orgs with more than 100,000 addresses are raising upwards of \$500K

# Web Traffic by Email File

Email File Size	Number of Clients Fully Hosted	Median Monthly Web Visitors
<10,000	69	3,001
10,001–25,000	39	7,069
25,001–50,000	30	10,373
50,001–100,000	20	11,186
100,001–250,000	20	28,893
250,001+	17	56,605
<b>Total</b>	<b>195</b>	

- This metric looks at the email file size for orgs who have their entire website hosted by Convio.
- Not surprisingly, there is a correlation between email file size and web site visitors

# Online Revenue: Fundraising Only

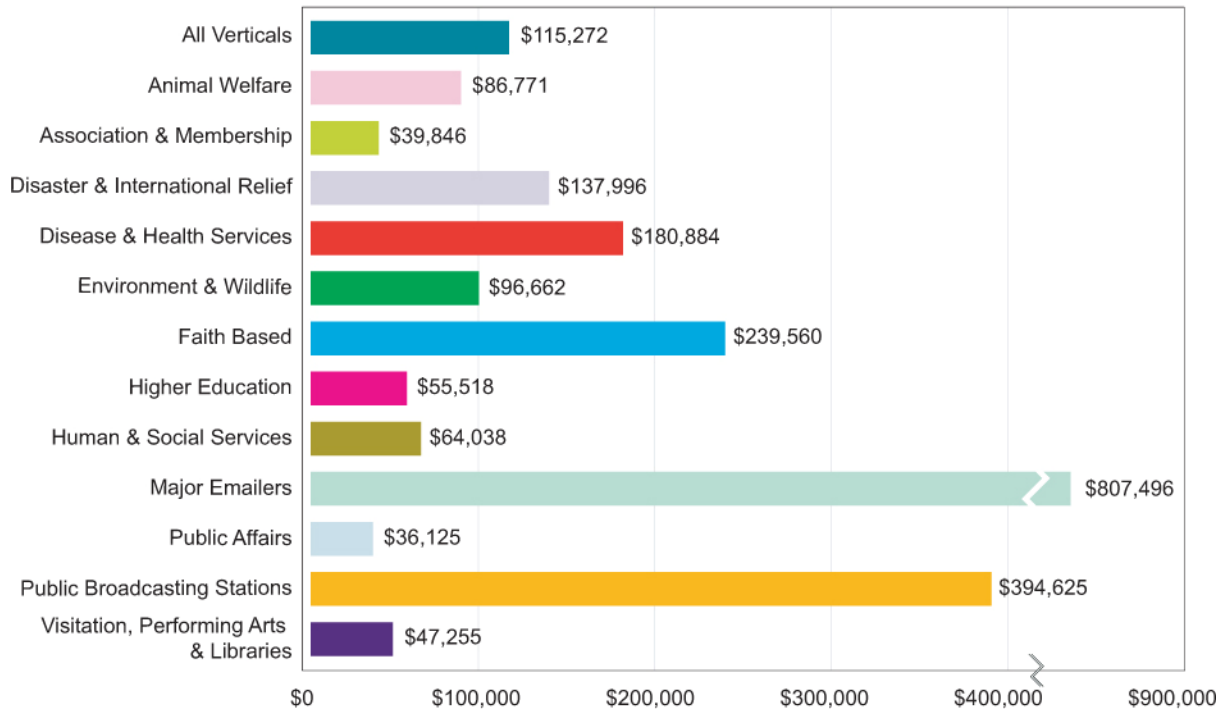


- Describes money raised via donation forms as opposed to eCommerce
- Most segments are raising reasonable amounts online now – at least enough to defray Convio investment (not counting offline benefits)

# Online Revenue: Including eCommerce

## Total Online Revenue including Ecommerce by Vertical

Median Total Revenue for July 2006 - June 2007, n = 327

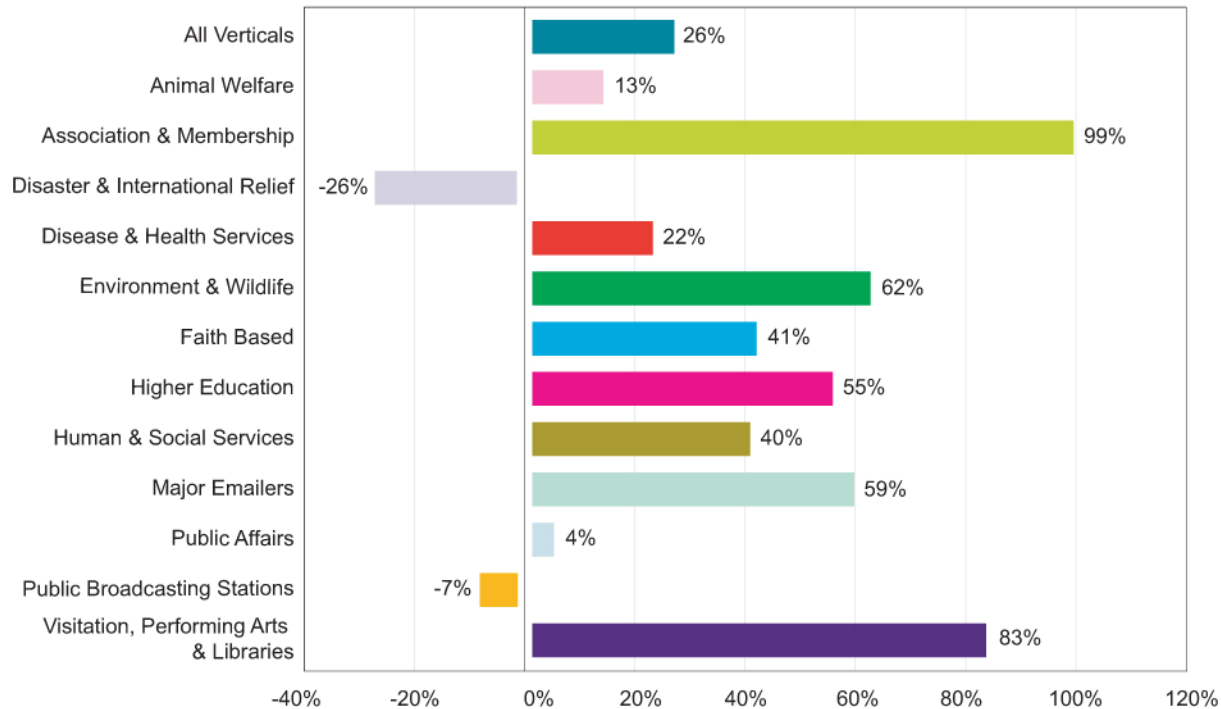


- Some orgs use shopping cart generated revenue as a major source of fundraising
- Successful examples include Defenders of Wildlife, Northwest Medical Teams

# Online Revenue Growth

Online Revenue Year-Over-Year Growth Rate by Vertical

Median Total Revenue for July 2006 - June 2007, n = 170

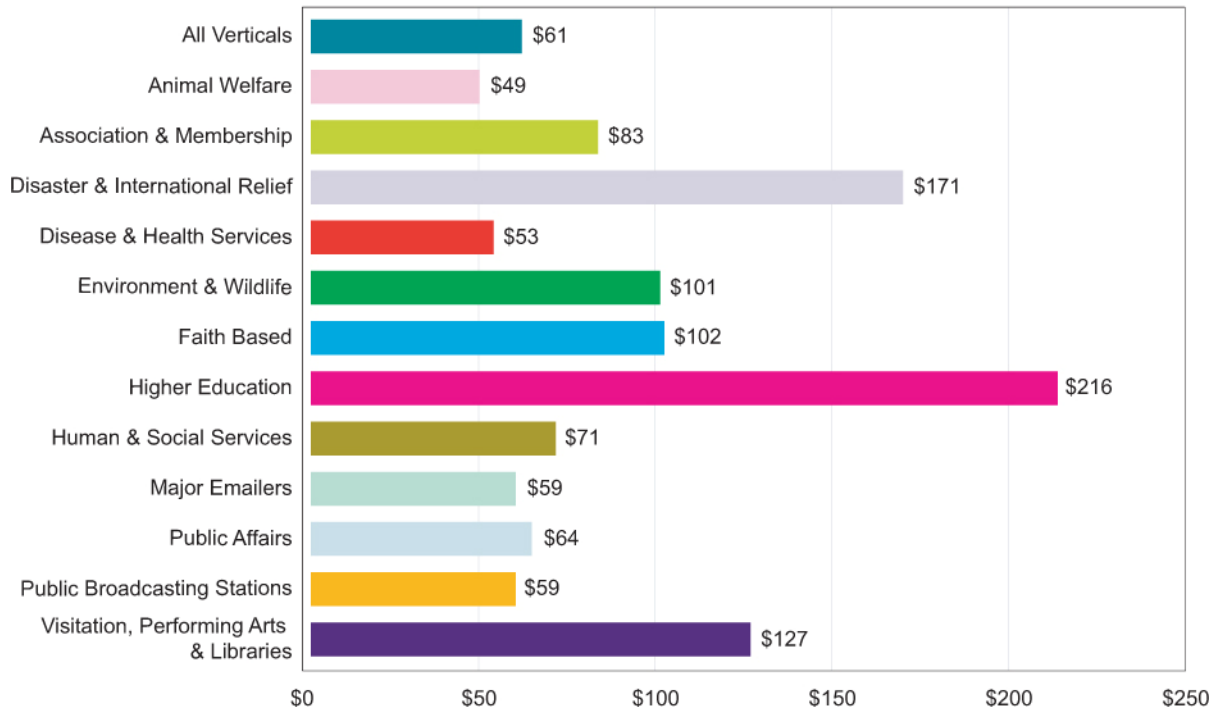


- Growth is proof that transacting online is becoming more accepted/trusted way to donate to a nonprofit
- Disaster Relief is showing negative growth after substantial growth in the year before this study from Hurricane Katrina and Asian Tsunami giving

# Average Gift

## Average Online Gift (Fundraising) by Vertical

Average Gift Raised for July 2006 - June 2007, n = 3,011,194

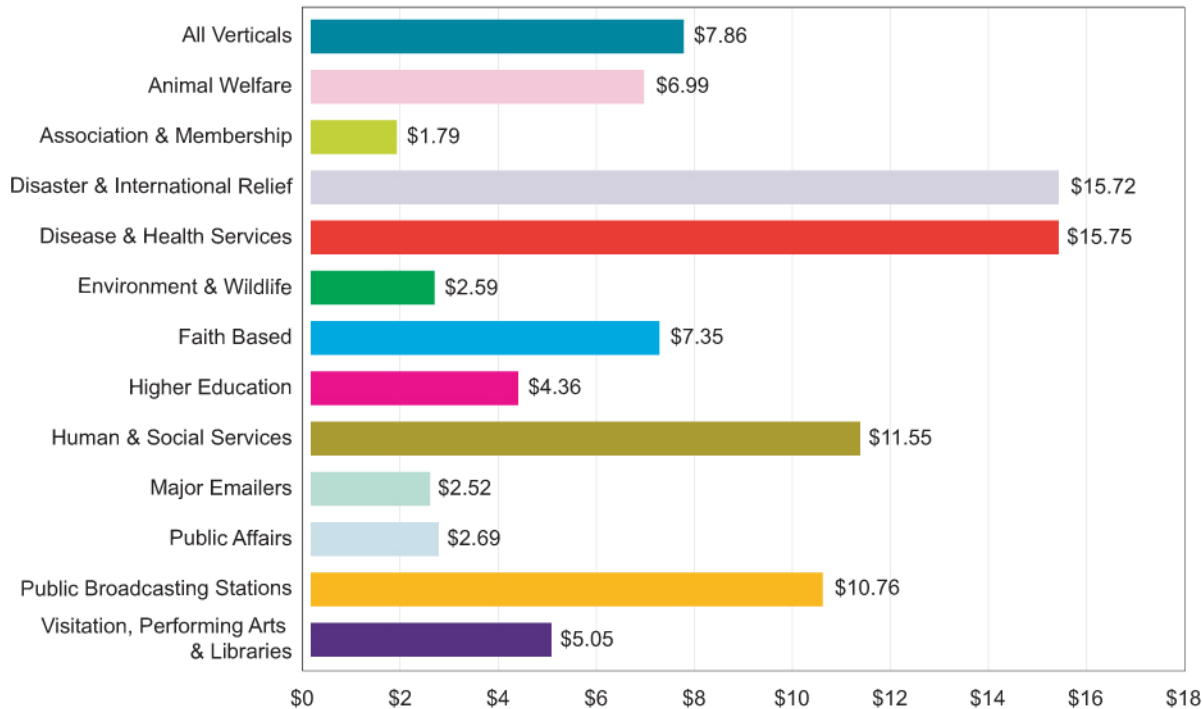


- \$61 average gift is much higher than typical average gift via other direct response channels
- Major Emailers received the majority of the gifts in this study and hence weighted average gifts. Their gifts tend to be smaller than the other verticals

# Revenue per Email Address

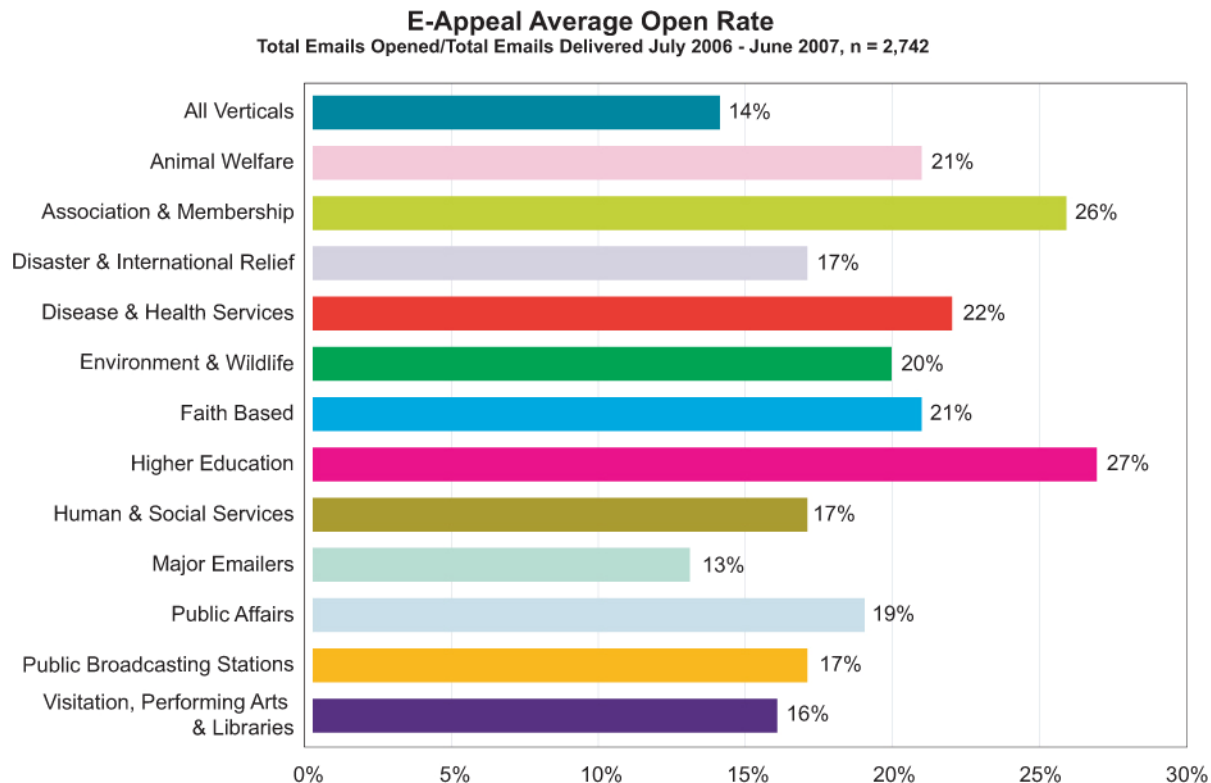
## Online Revenue including Ecommerce Per Email Address by Vertical

Median Value for July 2006 - June 2007, n = 327



- Total online revenue divided by number of email addresses
- Serves as a proxy for how much revenue online should be raised given a certain email file size

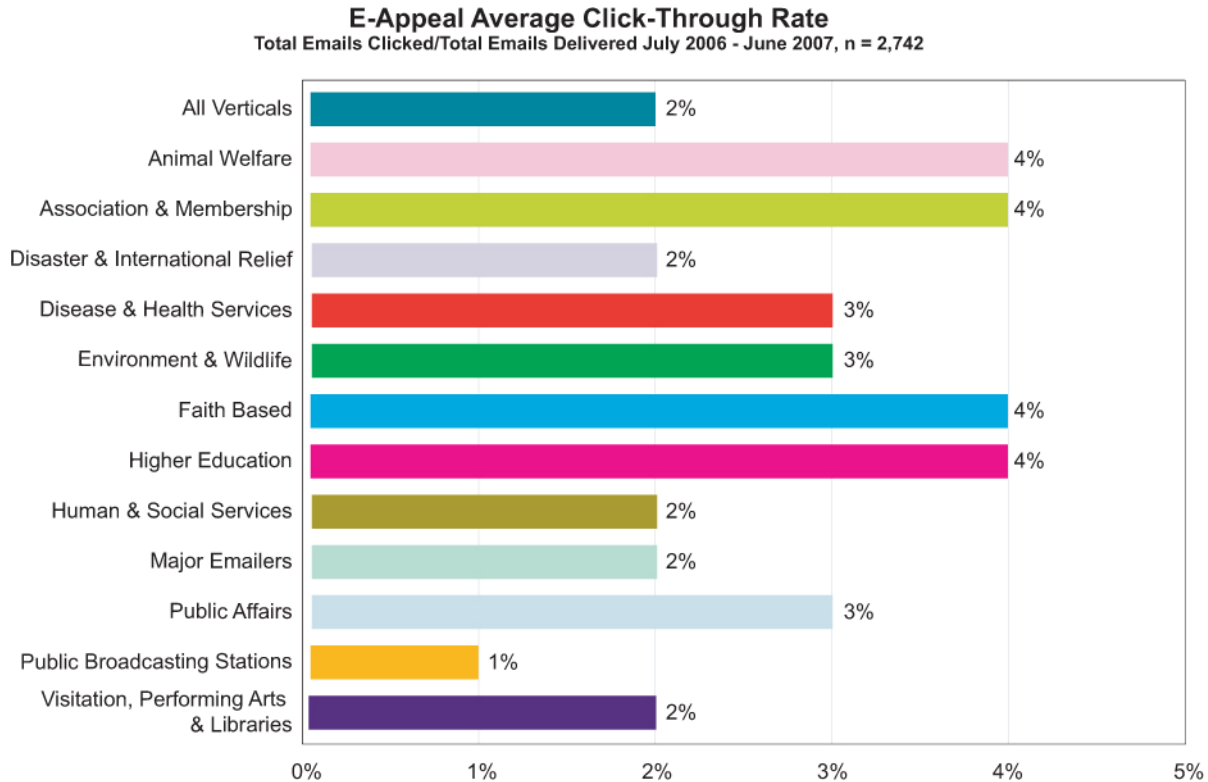
# E-Appeal Open Rate



- Excludes TeamRaiser, newsletters, advocacy alerts, and general update emails
- All Vertical average skewed by high volume of messages by Major Emailers
- Open rates falling for both nonprofits and for-profits
- Email fatigue, increasing, use of appends and changes to email clients are key drivers

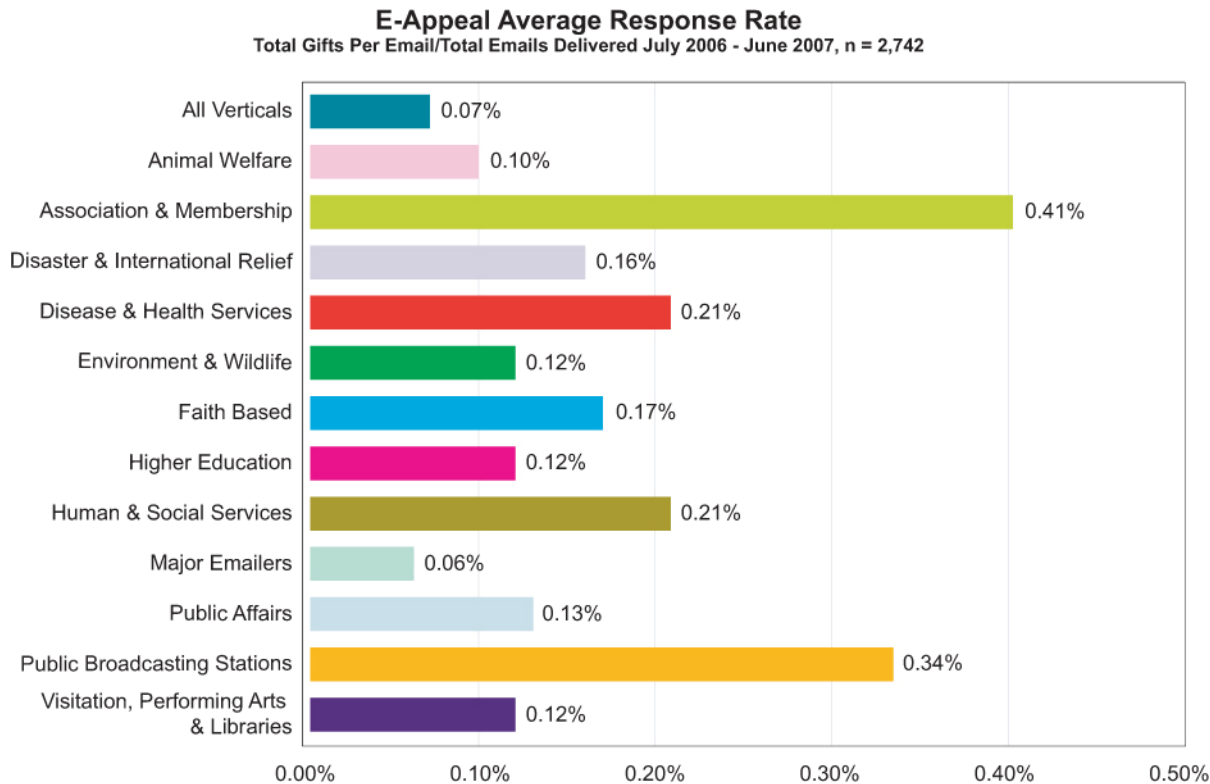


# E-Appeal Click-Through Rate



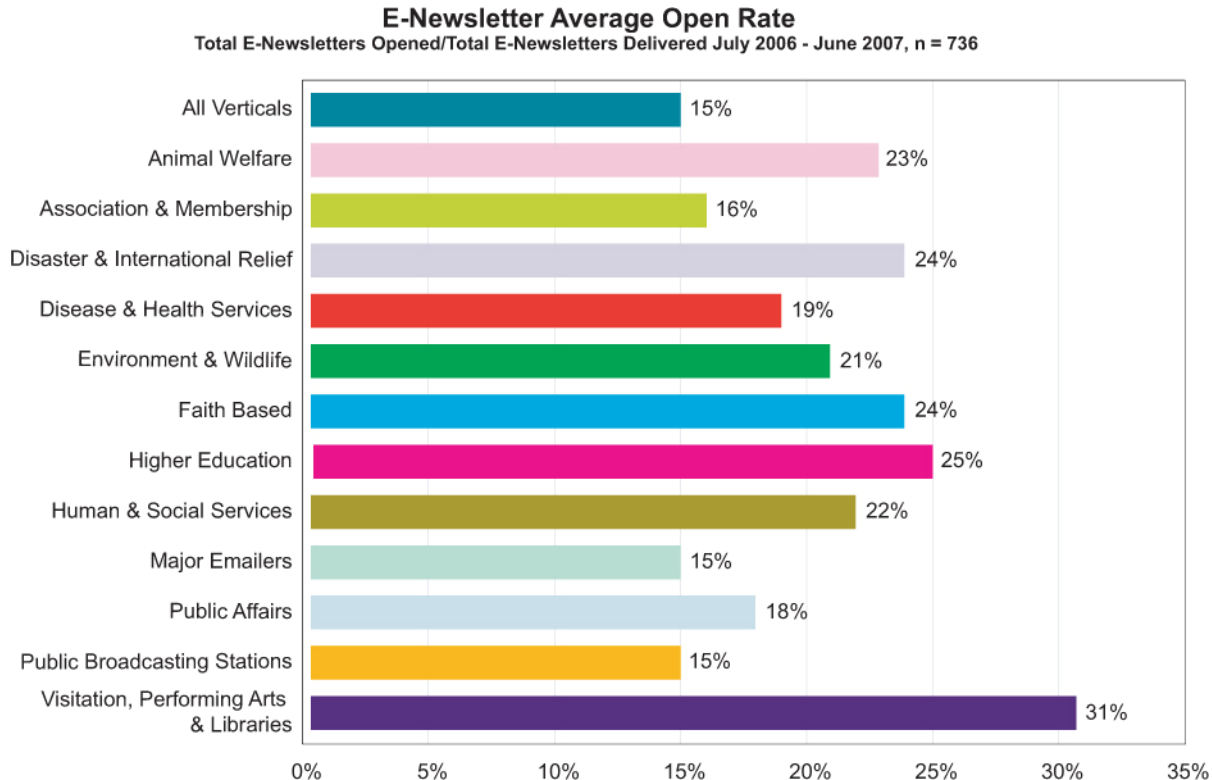
- Excludes TeamRaiser, newsletters, advocacy alerts, and general emails
- Measures percentage of recipients who clicked on a link in an email appeal

# E-Appeal Response Rate



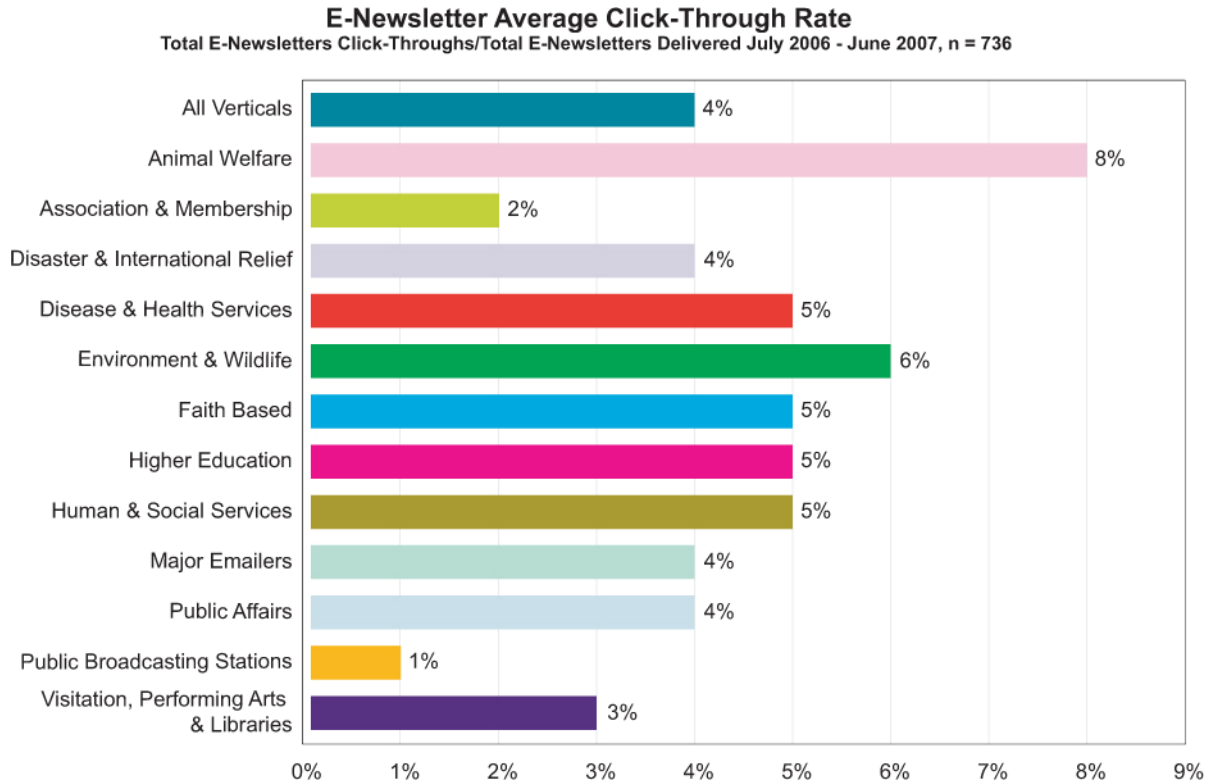
- Blended Response rate meaning it consists of appeals sent to existing donors, lapsed donors, and prospects
- Membership based groups have the highest response rates due to the composition of their file and their mission

# E-Newsletter Open Rate



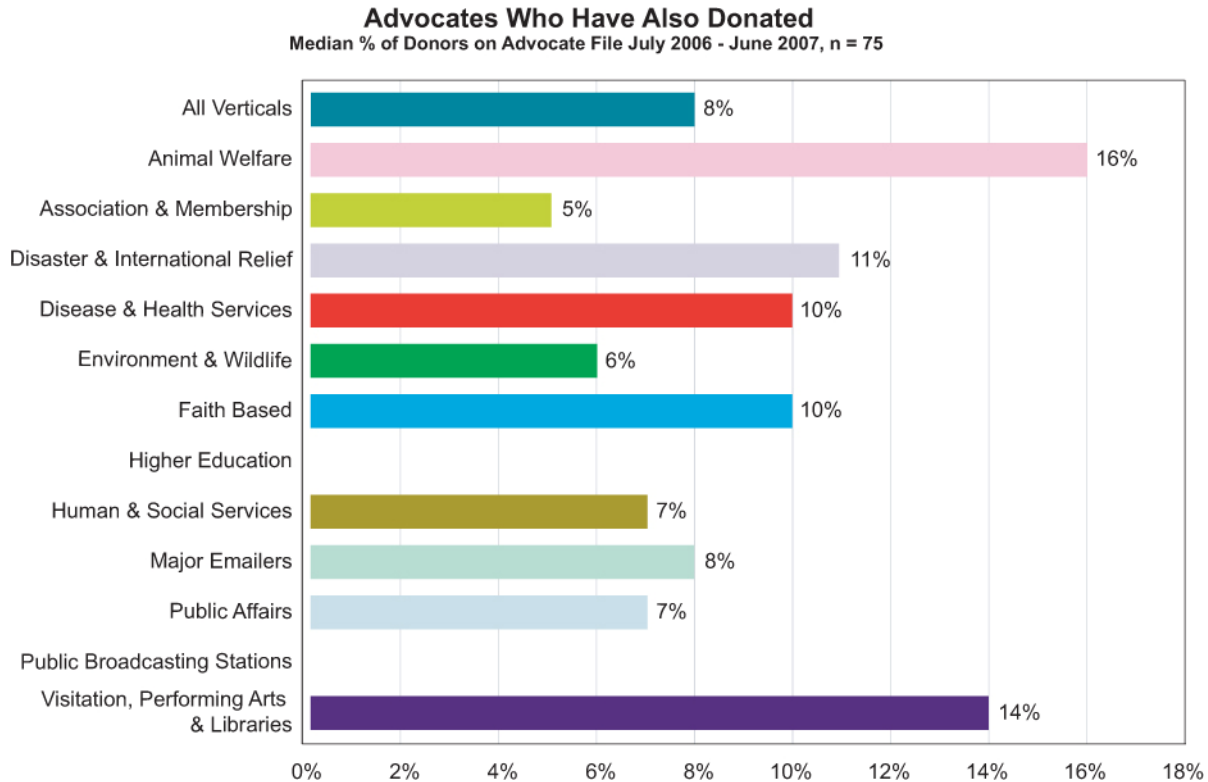
- Newsletters have a slightly better open rate than general appeals given opt-in nature of most newsletters constituents are more engaged here
- Majority of newsletters sent by Major Emailers so All Vertical average is lower than most vertical averages

# E-Newsletter Click-Through Rate



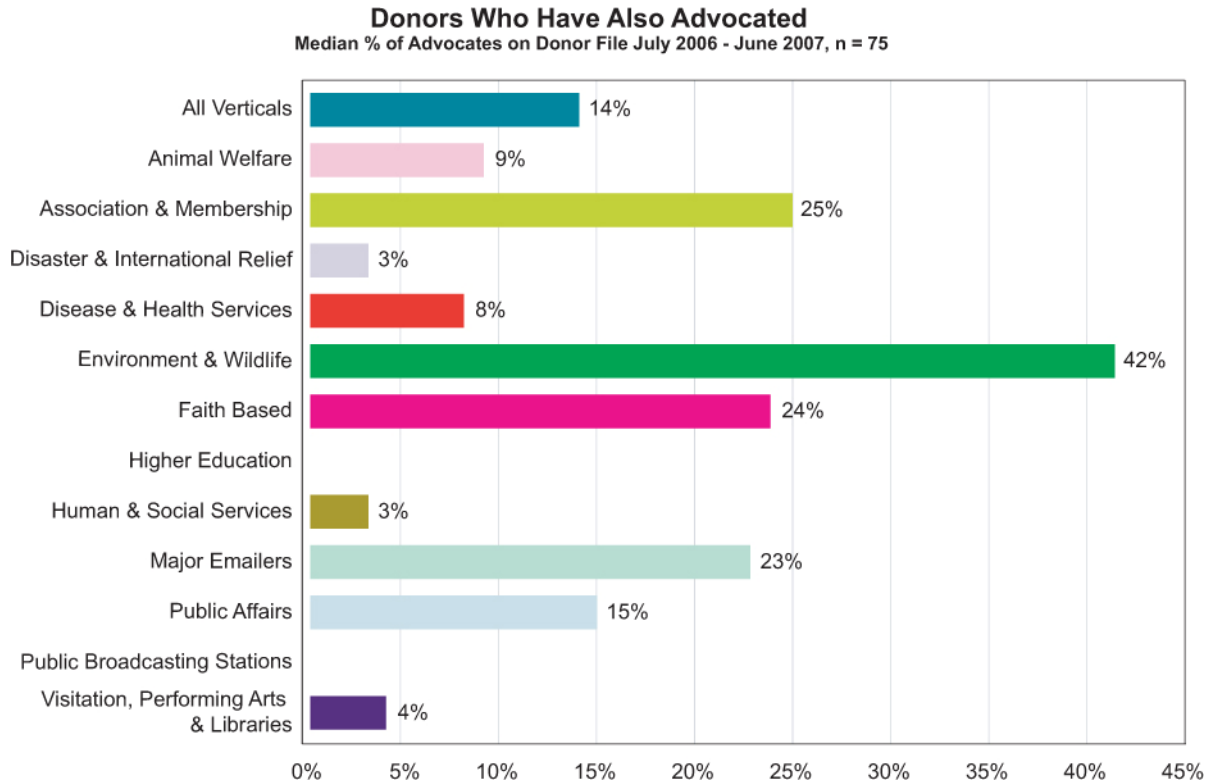
- Click-Through rates are 2X higher for newsletters than that of appeals

# Advocates Who Donate



- Only includes groups that operate advocacy and fundraising programs
- Percentage of advocates on file who have also made a donation
- On average, only 8% of advocates have supported organization financially. i.e. large cross-marketing opportunity exists

# Donors Who Advocate



- Only includes groups that operate advocacy and fundraising programs
- Percentage of online donors who have also taken part in an advocacy action
- Just 14% of donors have taken advocacy action, i.e. significant opportunity

# Q&A

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# Final Notes

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- You can download the full copy of the 2008 Convio Online Marketing Nonprofit Benchmark paper from the Best Practices section of the Convio Community website
- There will also be a link in the follow-up email from this event you will receive later this week from Convio
- Watch your email later this week for an invitation to the *Wired Wealthy* major donor research paper presented by Vinay via webinar on May 15<sup>th</sup>