

Using the Internet to Build Alumni and Donor Relationships:

Tools, Tips and Techniques for Boosting Donations

Includes:

- Best practices for effective online fundraising campaigns
- Key benchmarking metrics for measuring your school's online success
- Real examples of fundraising campaigns from leading schools



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ABOUT THIS GUIDE

Most universities today understand the importance of the Internet for increasing fundraising dollars and improving alumni and donor loyalty. The Internet is an efficient channel for universities to reach even more people and increase support.

This guide was created specifically for school development professionals as a handbook about the fundamentals of online fundraising. It describes how to build a file of email addresses, develop strong online relationships with alumni and friends, and execute effective online fundraising campaigns that turn those constituents into loyal donors.

Note that this guide covers just some of the basics of email marketing — the cornerstone of any online program. However, for more detailed information about topics including spam, email schedules and message testing, refer to the Convio guide, *Everything Alumni Relations And Development Professionals Need To Know About Email Marketing: Using Email Communications to Build and Manage Alumni and Donor Relations*. You can download this guide for free at: www.convio.com/resources.

Throughout this guide, you will notice tips to make your online fundraising programs run more smoothly. These tips come from a team of experts with the experience of working on Internet projects with 375+ higher education institutions and nonprofit organizations throughout the United States.



Introduction to Online Fundraising

Over the past few years, higher education institutions have begun incorporating the Internet into their fundraising strategies. According to results from a September 2004 survey by the Council for Advancement and Support of Education (CASE), 49 percent of survey respondents currently use email for fundraising. Of those who are not currently using email appeals, 42 percent said they plan to start doing so.

However, only 16 percent of respondents reported raising more than \$50,000 annually, and just one institution reported raising more than \$1 million via email. Why the lackluster results? While many schools have dabbled in online fundraising, few have employed the best practices needed to drive significant results.

For example, survey results indicate that most schools have used email solicitations in isolation, such as end-of-year appeals to individuals who had not responded to previous direct mail or telethon appeals.

Also, as Robert Weiner noted in the survey's summary, "... most universities do a poor job of tracking email response rates. Many have told me that they do not track click-through rates from their email appeals, build unique landing pages for their email appeals, or use special email appeal codes."

To begin using the Internet more actively to drive fundraising results, schools will need to learn and use the most effective strategies and techniques. By adopting best practices for online fundraising, schools will begin to experience the advantages of the Internet medium, including the following:

STRONG RELATIONSHIPS WITH ALUMNI

Email allows schools to take advantage of an emerging trend: online Constituent Relationship Management (eCRM). eCRM is an approach that involves using the Internet to reach out to alumni and friends, collect information about them, and then use that information to encourage participation and ongoing support. This approach allows a school to build more (and deeper) relationships, improve communications and execute more effective online campaigns.

HIGH-IMPACT COMMUNICATIONS

Email solicitations can make a great impression. For example, integrating graphics into a message helps to present a compelling, high-impact appeal to alumni and friends at a low cost. Email also is a great vehicle for driving traffic to online content or interactive media such as Flash videos.

HIGHER RESPONSE RATES

A call to action in an email is easier for a constituent to respond to than a call to action sent via direct mail. Email provides alumni who won't take the time to write and mail a check the convenient option of donating online by clicking on a link in an email solicitation.

In addition, today's more advanced email software allows you to test variations of an email to understand which version will optimize response rates. Testing email is quick, inexpensive, automatic and provides valuable feedback you might not have the time or budget to gather for direct mail appeals.

OPTIMIZED CAMPAIGNS — ONLINE AND OFFLINE

By integrating online communications with offline appeals, schools will get optimal response. A simple example: direct mail and telethon appeals can promote your Web site as another option for giving. Another example: Email messages delivered before or after direct mail drops or telethons promote greater awareness and an additional, convenient online response vehicle.

This guide covers the basics of an eCRM approach to online fundraising. From building a list of email addresses and developing alumni/donor relationships online to creating effective online fundraising campaigns and measuring success, it will help you to develop online fundraising programs that get results.

Getting Started

Building Your Email Address File

The first step in executing an online fundraising program is to build a list of email addresses. Adding alumni and friends to your list is key for growing and maintaining your donor base.

If yours is like most schools, it may already maintain some email addresses in an online community application that has email capabilities. Many online communities, however, are designed for alumni only, so collecting email addresses for non-alumni such as parents and friends can be a challenge. Gathering email addresses for all supporters is important because email can and should play a key role in stewardship and donor renewal.

The prospect of building an email file can be challenging, but you can easily grow your email list using the following proven tactics.

DRIVE TRAFFIC TO YOUR WEB SITE WITH EVERY COMMUNICATION

Maximize traffic to your Web site by including your URL, or Web site address, wherever you list phone numbers, mailing addresses or other contact information. This includes brochures, ads, staff email signatures, voice messages, phone hold or intro messages and business cards. Tell alumni and other constituents about the resources available to them on your Web site and keep the Web site content current and informative, so site visitors will return.

PROMOTE THE BENEFITS OF ONLINE REGISTRATION TO ALUMNI

Make registration for your Web site or online community compelling, and alumni will register. Highlight special benefits such as access to an alumni career network, email newsletters, advance notification of upcoming events, members-only pricing for ticket sales or special premiums. Then, invite site visitors to register with a strong call to action.

GIVE SITE REGISTRATION CLEAR, PROMINENT PLACEMENT

Dedicate a consistent area of your home page to promoting online registration. Place it in an eye-catching spot to reflect its importance. You might also use an image or graphic to draw attention to this message. Don't forget to promote registration throughout the rest of your Web site — you may consider including a registration link in your page wrapper so the message will be promoted on every page of your site.

USE "QUICK REGISTRATION"

Instead of requiring site visitors to complete a lengthy registration form, consider requiring only basic information (such as name and email address) for a visitor to sign up for information, updates or an email newsletter. Once you have captured this information, you can send follow-up communications and use mechanisms such as links to online surveys or forms to gather more profile information about that constituent.

BUILD YOUR LIST THROUGH VIRAL MARKETING

"Forward to a friend" email campaigns, also known as viral marketing, can help you to reach lost alumni and grow your email file efficiently. In a viral campaign, your school sends an email with a call-to-action (such as an event invitation) to selected groups of alumni. The email also asks recipients to forward the message to classmates or other alumni so they, too, can get involved. When a lost alumnus clicks through to your Web site to register for the event, you can ask for his permission to include him in future communications.

Email greeting cards, or "ecards," are another way to build your email address list through viral marketing. With ecards, your constituents can create their own emails — using your email greeting card template, with your school's branding — to send to their networks of classmates, friends and family. A key feature of an ecard is the link that brings the ecard recipient back to your Web site, and which ultimately drives the individual to register or subscribe.

TIP

For more information about building an email address file, download *Everything Alumni Relations And Development Professionals Should Know About Email Marketing* at www.convio.com/resources

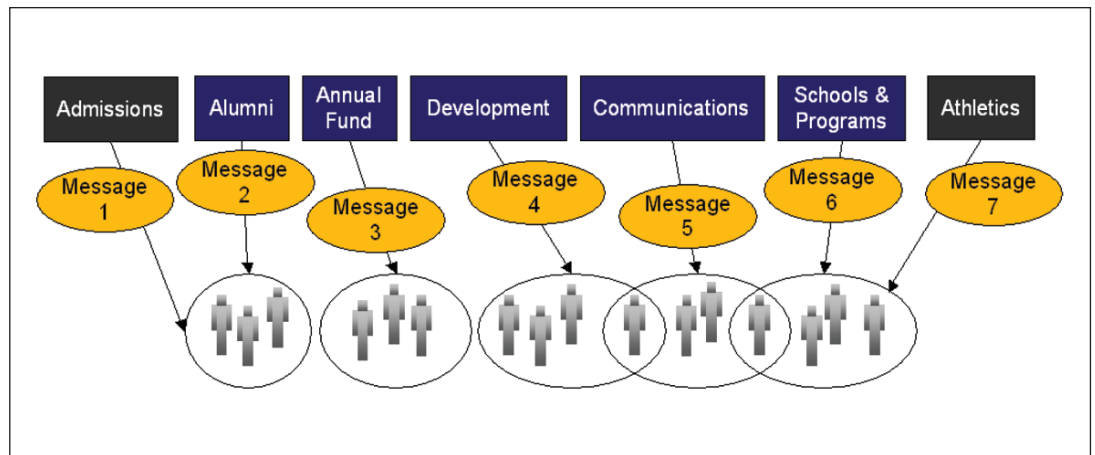
Creating Online Communications

Once you have begun to build your email list, it's time to create the email communications that will help you to build stronger relationships with the alumni and friends on your list. Consider this: While email is increasingly becoming the medium of choice for individual and mass communication, it can have drawbacks if not used correctly. For example, sending too many messages or messages that are not relevant to recipients can result in lower open rates or higher unsubscribe rates.

Following are a few techniques to ensure your online communications are on target.

PROVIDE ONLINE, SELF-SERVICE SUBSCRIPTION AND PREFERENCE OPTIONS

Many constituents have multiple affiliations with your school and often receive email messages from multiple programs and departments. One possible result: Constituents receive too much information from too many sources, and in some cases, will unsubscribe from receiving future emails.



Most schools send communications from multiple departments, which can appear uncoordinated and not applicable to constituent interests and affinity to the school.

Turn this approach around by providing online, self-service access to email preferences, allowing constituents to tell you what communications they want to receive and how frequently. Promote self-service by placing links in all emails to a form where constituents can opt in or out of various online communications.

Allow an individual to subscribe to newsletters of various colleges or programs, and offer an option to receive notification of late-breaking news via email regarding specific programs or issues. This type of personalized self-service on your Web site will increase constituent satisfaction with messages they receive from you, often resulting in higher open and click-through rates and lower unsubscribe or opt-out rates.

Would you like to continue receiving e-mail updates from Texas Exes Online Services?

Yes, please keep **sachin@convio.com** on your e-mail list but change the format of messages that you send me:
 HTML Plain Text

Yes, but only about the topics I've selected below

No, please remove **sachin@convio.com** from all UT e-mail lists.

[Update my E-mail Profile](#)

Would you like to receive only certain e-mail updates from Texas Exes Online Services?

I would like to receive e-mail about the following selected topics

Expand All Collapse All

E-mail Interests	Description
<input checked="" type="checkbox"/> @Texas Newsletter	Biweekly newsletter to keep you informed about the University and its impact on the world
<input checked="" type="checkbox"/> Alumni News from the Texas Exes	The Texas Exes - 'Til Gabriel Blows His Horn!
<input type="checkbox"/> Blanton Museum of Art	UT's fine art museum
<input type="checkbox"/> Colleges and Schools	
<input type="checkbox"/> Continuing Education	Academic and professional classes for students of all ages
<input type="checkbox"/> Daily Texan headlines	Links to articles from UT's student newspaper
<input type="checkbox"/> McDonald Observatory	UT's center for astronomical research
<input type="checkbox"/> Ransom Center	UT's principal rare books and manuscripts library
<input type="checkbox"/> Recent Achievements	Email about recent achievements at UT Austin
<input type="checkbox"/> Support UT	Ways you can make a difference through your financial support

The University of Texas provides alumni association members with a comprehensive selection of email subscription and preference options.

CREATE MESSAGES THAT GET READ (THE TRUST RULE)

Creating email newsletters, updates and solicitations that build stronger online relationships and motivate donors and prospects to give are key to your online success. To ensure that each email message you send gets optimal results, follow the TRUST rule.

Be sure each email is:

Timely — Time email messages around some kind of current event, holiday or something else that's happening at the university. This will help grab the recipients' interest.

Relevant — By including information specific to each constituent's interests, each email communication from you will be more valuable.

Urgent — Email messages should make it clear why it's important for the recipient to act immediately. Otherwise, the message might sit for days without a response.

Specific — Make sure the reader can determine exactly what you want him or her to do, such as make a donation or sign up for an event, after reading your email message.

Tested — Test your email message before sending to your entire list to ensure all links work properly. In addition, run it through a spam checker to test for elements that might get your message caught in a spam filter. Also, test the message content for effectiveness by sending two or more messages — with a varied element in each message, such as the subject line — to a percentage of your target audience. Then, send the most effective message to the remainder of the audience without sending again to the test group. Your online fundraising software should allow you to do these types of tests.

TIP

Convio's online fundraising software allows you to automatically customize an email message based on each recipient's interests, geographic location or other unique characteristic from your database.



MANAGE THE COMMUNICATION FLOW

As you add development messages to the communications mix, pay careful attention to the frequency and quality of information delivered to alumni and donors. Managing the flow of messages that donors and prospects receive from you is critical to retaining online relationships and leveraging the Internet to drive donor acquisition and retention.

The best approach is to set a schedule that you think makes sense, try it, listen to feedback and adjust accordingly. Your supporters will let you know by their response if you are contacting them too little or too often, and if you're sending them the quality of information that they expect.



Online Fundraising Campaigns: The Basics

Once you have begun to build your email file and cultivate online relationships, the next step is to adopt best practices for executing online campaigns, or series of emails and Web pages around a single topic. Consider the issues and approaches in this section to ensure your online campaigns are as effective as possible.

Determining Objectives

As with any communication vehicle, it is critical to understand your strategic objectives as you develop email appeals. Understanding why you are sending each message will help you sharpen the focus of the copy and the call to action to drive the response you hope to inspire.

Consider this before you hit the “send” button: Some messages are sent to inform; others are sent to drive an action. In an April 2005 *CASE CURRENTS* article, Andrea Jarrel noted, “... many campuses use “communications” interchangeably with marketing. But they are not the same. Communicators want audiences to listen; marketers want prospects to act: enroll, donate, participate, support, recommend, volunteer and so on.”

Therefore, when sending a single email or when executing a series of emails in a campaign, the design and copy of each message should reflect the primary goal of the message. While this may seem complex, it actually can be as simple as removing soft asks from messages or campaigns that are meant to inform, and elevating the call-to-action in appeals meant to drive a donation.

For example, a school could use a series of messages instead of a single solicitation for an annual fund program. It could include an umbrella message and supporting stories that build the case for supporting unrestricted giving. Then, subsequent email messages might include a strong call to donate.

Building an Online Fundraising Campaign

While setting objectives is the beginning of an effective online fundraising campaign, you should consider other campaign “building blocks” as well. The following approaches will help to ensure your online success.

BUILD CONTEXT AND INCLUDE A CALL TO ACTION

By its very nature, email is an ideal vehicle for providing campaign context and creating a sense of urgency. You can take advantage of this by challenging alumni and friends to participate in specific drives with stated deadlines and goals. Create the context — or use an existing context such as breaking news — and then give supporters the opportunity to take action.

For example, create emails with graphical images that support the theme or “brand” of the campaign and that present a compelling case for support. Also, include hypertext links to online forms for processing gifts by credit card. This approach elevates the call to action within your message and promotes a simple way to reply: one click of the mouse.



An appeal from the University of Chicago Graduate School of Business features graphics that rank annual fund participation by various cities.

A note about using graphics in emails: A growing number of email clients now have an option to display HTML-formatted email without fetching the images from the Web. Microsoft Outlook 2003 and Google Gmail both do this by default. Be sure to make the following allowances to account for image blocking:

- Include a link at the top of each message where recipients can go to view the contents on a Web page (Convio's email marketing tool has built-in capability for this).
- Never use an image as the primary or sole link. Instead, use text for links.
- Format the content so that if images are suppressed, the message still displays well. Separate images vertically from text; if an image is placed alongside text content and is suppressed, the message layout will be compromised. Also, omit image size specifiers, so that white space is omitted if images are not loaded.

CREATE CAMPAIGN LANDING PAGES

Another effective technique in online fundraising is to drive traffic to campaign branded Web pages, also called landing pages. A landing page is a Web page where the constituent goes to find out more details about your campaign and where they can make a donation. It provides a potential donor with a specific call-to-action that is encapsulated in a concise presentation. It's usually emotional, focused on one topic, makes a clear pitch and motivates the donor to take action. Most importantly, the donor can take that action immediately.

USE LANDING PAGES IN MICRO-CAMPAIGNS

While a landing page may be the destination where you want donors to go, consider how you will drive people there. A micro-campaign is one option. It streamlines the donor experience by using online and offline appeals to direct donors to the landing page.

Georgetown University, for example, used a micro-campaign to promote support for restoration of an on-campus alumni house. Direct mail and email appeals directed donors to a special landing page with information about the campaign, and linked to a customized page for making a donation and having an engraved brick displayed at the alumni house.





Georgetown

Dear Sheila

In the near future, the Alumni House will undergo an extensive restoration. New facilities such as a technology center will help visiting alumni connect back to their offices and homes, while a library, gallery, and winter garden room will make the new alumni house an ideal place to meet with fellow alumni, faculty, and old friends alike. We need your help and are offering a unique opportunity for you to support this project while leaving a permanent reminder of your time at Georgetown.

Please visit <http://alumnihouse.georgetown.edu/> to make a donation and have an engraved brick prominently displayed in your honor at the new Alumni House. It will be a symbol of both your support and cherished times at Georgetown and you literally help build your new "home away from home." A limited number of bricks are available, so please reserve your brick today!




3604 O Street - The site of the new

The front gate on O Street will welcome alumni and

An email sent by Georgetown University links to a micro-campaign landing page.

CREATE SCHOOL OR PROGRAM-BRANDED PAGES

Though alumni affinity often is aligned with a university college or program, universities are increasingly challenged to raise unrestricted dollars. One way to leverage natural alumni affinity is to create college or program branded landing pages that promote unrestricted donations.

For example, The University of Texas at Austin created an annual fund landing page and school-branded donation forms that encourage unrestricted support for the university and for individual schools. The donation form for the Office of the President, for example, allows a donor to allocate a gift to as many as three designations.

THE UNIVERSITY OF TEXAS AT AUSTIN
Office of the President
Annual Fund Online Giving

Please enter your gift, address, and credit card information in the form below.
Then click 'Process my gift' to complete your gift to the Annual Fund.

1) Enter your gift information

Designee	Amount
Area of Greatest Need	\$ 1000
Communication	\$ 500
Select an Area	\$
Total gift:	\$1,500.00

Gift Matching
Some employers match their employees' gifts. Enter your company name for more information.
Employer: _____

Payment Schedule

1 payment of \$1,500.00
 2 semiannual payments of \$750.00
 4 quarterly payments of \$375.00

2) Enter your address

Title: _____
 Name (first, last): _____
 Address: _____
 Address line 2: _____
 City: _____
 State: _____
 ZIP/Postal code: _____
 Country: United States
 Telephone: Home _____ Area code _____
 Email address: _____

3) Please enter your credit card information

Type	Credit card number	Expires	Name on card
Card type	_____	____/____	_____

Process my gift

Sample of donation form from the University of Texas at Austin that promotes unrestricted giving while allowing donors to designate gift(s) to multiple schools or programs.

TIP

Convio's online fundraising software enables you to offer convenient, secure online donation processing, including an option that allows donors to set up regular online payments billed directly to their credit card.

PROVIDE APPROPRIATE DONATION OPTIONS

Your donation forms should offer options that are appropriate to the audience and the context of your appeal. For example, appeals that invite individuals to join or renew in mid-level donor societies should link to a donation form that presents giving levels and a description of benefits or recognition associated with each level.

Many schools are offering a schedule of automated monthly payments by credit card to encourage donors to consider giving at a higher annual fund level than would be possible through a single, one-time donation. Email appeals that promote this model should link to a donation page with messaging specific to this appeal, and a form configured with this payment option.

CHOOSE DONATION PROCESSING SOFTWARE CAREFULLY

As you become more strategic about online campaigns, consider the software you use to manage donation processing. Because a gift is not the same as a purchase, be sure the software you select allows you to configure a form appropriately for recording a donation. Also, make sure that it allows you to configure an automated email gift acknowledgement. A personalized acknowledgement specific to the school or campaign the donor supports is more effective for building affinity and retaining donors than a simple confirmation of a credit card transaction.

As your volume of email solicitations and online gifts increases, tracking and reporting of these activities will become increasingly significant. General email communication performance typically is measured in terms of open and click-through rates, while email solicitations typically are measured by tracking donors who click through to your Web site and then make a gift. Make sure the software you use allows you to track who clicks on a link in an email solicitation, and who then makes a gift.

PROMOTE STEWARDSHIP FOR MID-LEVEL DONORS

Most schools have well-developed donor stewardship programs that ensure every annual fund donor gets a thank you message of some kind. These programs typically keep major donors informed about what the school did with their donations, but don't always stay in touch with lower-tier donors. These lower-tier donors can feel disconnected with your school when they make a donation, and then never hear from you again. They may ask themselves, "What happened to my donation? Did it make a difference?"

By strategically using email, you can extend donor stewardship to a significantly larger group of donors. For example, some schools now send a quarterly newsletter to members of annual fund recognition societies. With this simple approach, donors will never feel as if their donations were meaningless because they will always know the results of their gifts. And, they'll be more likely to give again when they receive your next appeal.

Measuring Online Fundraising Success

Online donations are a clear measure of fundraising success, but this metric is just one way to define a successful online fundraising program. Several metrics can help you to determine each online campaign's effectiveness at meeting your school's goals. This section covers several factors that you can use to gauge how well you're doing online.

TIP

Understanding the return on investment (ROI) for your online software is important when measuring your overall fundraising success. However, several variables that are unique to each school can affect this calculation. If you are interested in seeing an estimated ROI for Convio's software, contact us at 888-528-9501, or email info@convio.com.

Key Metrics

Any time you run a campaign, it is critical to understand your goals and track key metrics to determine the success of your campaign. Here are three example objectives with corresponding key metrics, benchmark numbers¹ and best practices that you should consider when planning campaigns, evaluating results and determining success:

IMPROVE OUTREACH

Building a base of future donors by growing your email address file so you can begin an online relationship with them should be a key component of your online plan. The following metrics will help you track your results in improving outreach:

Web site traffic growth — Increasing the number of people visiting your Web site is important because it helps ensure you are increasing your school's exposure to potential future donors. This is typically measured on a monthly basis so that you can rapidly see the month-over-month impact of specific campaigns on Web site traffic.

Percentage of Web site visitors who register, also known as conversion rate — While getting people to visit your site is important, equally important is getting them to register so that you can capture their email addresses and begin an online relationship with them. It also gives you a better idea of how effective your Web site is in grabbing site visitors' attention. A typical conversion rate for schools is 2 to 3 percent.

Email address file growth — A growing number of names in your email address file is critical to online fundraising success since you need to grow your pool of prospective donors in order to grow overall online dollars raised.

To maximize results for each of these metrics, try these techniques:

- Draw members, constituents and new browsers to your Web site and focus on site traffic growth by promoting the site at offline events, adding frequent content updates and making the site a valuable resource.
- Convert Web site visitors into registered constituents by using a prominently displayed registration field and clearly stated registration benefits. Offer constituents a reason to sign up to receive emails and to return frequently to your Web site.
- Integrate online and offline programs, events and campaigns to draw more people online.
- Use urgent appeals that motivate constituents to forward Web pages and messages to family and friends, also known as viral marketing. Also consider offering incentives and online "gifts" such as email greeting cards that registered site visitors can send to friends and family.

¹ Benchmark numbers based on average data across Convio client organizations.



BUILD RELATIONSHIPS

Getting to know your alumni and friends by building a profile of their interests and online interactions with your school and communicating with them regularly will help you develop a loyal online relationship with them that will lead to ongoing support. Consider these metrics when tracking results in relationship building:

Percentage of email file providing a detailed personal profile — Gathering email addresses and names is a good starting point. However, more detailed profiles about constituent interests, geography and other demographics allow you to segment your list and target constituents with information that interests them most. The greater percentage of people who provide you with details about themselves, the more effective you will likely be in developing relationships and turning them into donors. To develop constituent profiles, determine the four or five pieces of information needed for more targeted communications, and begin gathering that information.

Email open rate — This shows how well you're getting through to your constituency and how engaged they have become. Open rate tells you what percent of the total recipients of your message actually opened it. A good open rate is 30 percent or more.

Email click-through rate — This metric is the percentage of your total email recipients who clicked on a link within your message — such as a donation form, survey or other link. This metric shows how effective your email communication was at driving action from recipients. A good click-through rate is 4 to 6 percent, however, organizations see as high as 10 percent for targeted, personalized communications.

Email forwarding rate — This rate indicates how important and effective your messages are to each constituent since the constituents were compelled to forward them to their friends and family. Forwarding rates show how many emails that you sent were forwarded to other people not on your original recipient list. This metric can be shown as a percentage of total emails opened, or as an absolute number.

Response rates to surveys and polls — Surveys and polls enable constituents to provide feedback and further information about themselves. Measuring the percentage of recipients who fill out surveys is a way to understand how many are open to a deeper relationship with your school. A 1 to 2 percent response rate typically is good.

Opt-out rates on email newsletters — This is a measurement of the number of people who unsubscribe to your emails each time you send a communication to your email file. It is important to minimize the opt-out rate to maintain a list of interested and engaged constituents, and to avoid getting labeled as a spammer, or someone who repeatedly sends unsolicited emails. Your opt-out rate should be at 0.1 to 0.2 percent.

The following approaches can help you maximize your results for these metrics:

- Ask constituents to indicate their interests, and then offer relevant, personalized content both in email communications and on Web pages.
- Build detailed profiles of alumni and friends over time using surveys and polls, rather than asking for a lot of information up front.
- Integrate between functions within your school — such as alumni relations, annual fund, and school and department communications — to build a richer, deeper understanding of each constituent.
- Engage constituents online with surveys, stories, photos and online communities to keep them interested in your school.
- Use email marketing best practices, such as sending emails at an optimal frequency, to minimize the number of people who opt out of receiving communications from you.

TIP

Using Convio's online fundraising software, you can track multiple metrics, including forwarded click-throughs, which will tell you how many recipients of your forwarded messages clicked through and opened links on your messages.



DRIVE ACTION

The key objective for most online fundraising campaigns is to motivate alumni and friends to respond by making a donation, becoming a member or purchasing a ticket for an event. In addition to overall funds raised online, the following metrics can help you gauge success in driving action:

Response rates to email solicitations for donations — With this metric, you are looking at the percentage of people who responded, versus the total number who received the solicitation email. It's a measure that will help you to determine the effectiveness of each individual email message as well as overall campaign effectiveness. A response rate of 1 percent is good, while anything above 1.5 percent for a targeted, personalized message is very good.

Average online vs. offline donation — This measures how effective your online channel is at soliciting increasing gift sizes, and moving individual donors to increasingly higher levels. Convio clients typically see online donations that are 10 percent higher than offline donations.

Overall offline plus online funds raised — This metric will help you to determine if your campaigns are meeting or exceeding your school's goals. It is particularly important for campaigns that include both direct mail, telemarketing and email/Web site communications so you can see the overall effectiveness of the multiple communication methods.

What percentage of the email file donates — This metric helps you predict the total value of your email file as well as the incremental value of adding an online constituent. Measure this throughout the course of a campaign, and throughout the year, to determine the proportion of people in your email file who became donors for each period. Greater than 5 percent is very good for this metric.

What percentage of respondents are new donors from each online campaign — It's important to understand how many new donors you are reaching online to ensure a constantly growing pool. This metric will help you to determine how many new donors you are gaining with each online campaign, and how that number is changing over time. A 55 percent rate for this metric is very good. Convio clients have seen as high as 98 percent new donors in a single online campaign.

Number of Web donors — For every fundraising campaign on your Web site, look at how many browsers turn into donors by measuring the number of people who donate via the Web site (versus those donating in direct response to an email solicitation). This metric will help you determine how effective your Web site content is for motivating donations.

Try these techniques to improve results for these metrics:

- Use urgent, timely calls to action with clear deadlines and purposes.
- Develop a relationship with alumni and friends by providing them with something of value prior to asking them to take action.
- Provide constituents with multiple ways to respond, to match a variety of preferences.
- Use micro-campaigns — each with a specific purpose — rather than a single, broad online request for donations.
- Offer premiums — such as a certificate or bumper sticker — in exchange for online gifts.



Other Online Success Factors

The true value of the Internet for any school is in creating and sustaining alumni and donor relationships to ensure ongoing support. This is achieved by implementing an online Constituent Relationship Management (eCRM) strategy to involve constituents, especially donors, in more than one activity so they can support the school in multiple ways at different times.

Consider these factors, which, in many cases, are more significant to the school than online donations, when evaluating the overall success of your online fundraising efforts:

DRIVE ONLINE AND OFFLINE GIVING

Consumers frequently conduct research online before making a purchase. However, when making the decision about where to make actual purchases, they tend to follow individual preferences based on convenience, comfort with online transactions and other factors. Donors, like consumers, make gifts or purchases where they feel most comfortable and, for some donors, that still is through traditional methods such as direct mail or telephone. Keep in mind that your online communications and appeals will likely drive offline donations, and remember to factor that into the assessment of your online success.

INCREASE DONOR LIFETIME VALUE

The lifetime value of a donor is based upon his average gift level, gift frequency and expected retention rate. Each of these variables depends on the quality of the school's relationship with the donor. Effectively communicating with your alumni and friends and involving them in additional activities — such as alumni events — will likely help you develop closer and stronger donor relationships.

Research by the Indiana University Center on Philanthropy (published in FRM Weekly) suggests how important this is. One thousand lapsed donors from nine charities were asked why they discontinued giving. The study yielded the following "Top Ten Reasons Why Donors Stop Giving":

10. Charity did not inform donor how contribution was used (1.7 percent)
9. Charity asked for an inappropriate donation amount (3.1 percent)
8. Charity did not remind donor to give again (3.3 percent)
7. Charity's communications were inappropriate (3.6 percent)
6. Death (5.2 percent)
5. Donor relocated (6.7 percent)
4. Donor still supports charity by other means (6.8 percent)
3. No memory of ever supporting charity (11.4 percent)
2. No longer able to afford support (22.3 percent)
1. Feeling that other causes were more deserving (26.5 percent)

Most of these reasons for lapsed giving could be attributed to poor donor relationships. Traditional mass communications such as direct mail and telemarketing focus primarily on solicitation, but the Internet opens a world of new possibilities for donor relations because of the ease and low cost of sending constituents frequent, targeted and personalized online communications. Remember when measuring online success that online communications increase a school's capacity to build stronger, more personalized relationships. And, that often leads to greater lifetime value of each donor.

REDUCE COMMUNICATION AND FUNDRAISING COSTS

Paper-based communications such as newsletters, member updates and program guides are expensive. By moving some of these communications online, you can significantly reduce costs without sacrificing the frequency or quality of communications. While the Internet will never completely replace paper-based communication, in some instances — for example, urgent news update based on a current event — email and Web site content are stronger alternatives. Plus, by using the latest online fundraising software, you can prevent information overload for your constituents (and cost overload for your school) by only sending relevant information to your constituents based upon preferences they indicate through online registration and other means.



SUPPORT MAJOR GIVING

As your donors become more comfortable giving online, you likely will see larger donations over the Internet. That said, consider using the Internet to support traditional major giving efforts. This will allow your school to cost-effectively expand its capacity to communicate regularly in a personalized manner with large groups of major donors and prospects, resulting in more "marketing coverage" at a reduced overall cost.

Spotlight on Convio: Solutions for Higher Education

Convio's integrated online solutions for higher education combine online tools for fundraising, email and Web content management with the specific tools that alumni and annual fund professionals need for online success. This combination of online software helps you leverage the Internet through email marketing, online community and online fundraising to drive results in alumni and annual giving participation.

BUILD MORE ONLINE RELATIONSHIPS

Convio integrates online community with email marketing and Web content capabilities to help you drive traffic to your Web site and use personalized Web content to motivate site visitors to participate, register, volunteer, mentor or network in your online community.

IMPROVE COMMUNICATIONS

Convio allows you to provide online self-service for visitors to subscribe to newsletters, email alerts and other communications. It also allows you to send personalized messages to target audiences. This approach ensures that messages are opened and read, and allows you to track all the data you need to analyze response rates.

EXECUTE EFFECTIVE ONLINE FUNDRAISING CAMPAIGNS

Convio helps you direct prospects to Web pages and donation forms branded to specific campaigns, schools or giving options. This approach gives your donors a convenient online experience, and allows you to cultivate donor affinity for the school, program or campaign they choose to support.

Convio solutions for higher education include all of the tools you need for online fundraising, email and Web content management, plus the following online community tools to meet your specific alumni relations needs:

Class directories

- Organize directory information by school, year, major, etc.
- Enable complex searches so alumni can quickly locate classmates
- Ensure security and collect data by requiring alumni to register and be confirmed before searching
- Allow alumni to decide what information to display to classmates

Class notes

- Encourage involvement by letting alumni submit personal updates online
- Display class notes by year and in directory listings

Career networking

- Offer an incentive for alumni to return to your site frequently, and build community by encouraging alumni to network
- Reach out to current students and young alumni by offering this valuable member benefit

Alumni clubs

- Create Web pages for clubs, classes and other alumni affinity groups that can be easily managed by volunteers
- Give volunteers email tools for reaching out to fellow alumni

For more information about Convio solutions for higher education, visit www.convio.com/highered.



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About Convio

Designed to meet the unique needs of higher education institutions and nonprofit organizations, Convio's integrated software suite includes products for online fundraising, advocacy, events, ecommerce, online community, Web content management and email communications.

All Convio products include Constituent360™, our online database that centralizes constituent data and integrates with offline databases. It shares data among all Convio products so you always have a unified view of each constituent, which is key to a comprehensive online constituent relationship management program.