

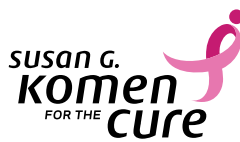
2008 eNonprofit Benchmarks Study

An Analysis of Online Messaging, Fundraising and
Advocacy Metrics for Nonprofit Organizations

Authored by:



Thank You to Our Nonprofit Study Partners





Acknowledgements

This report was written by Sarah DiJulio, Karen Matheson, Jessica Bosanko, Marie Ewald, and Benjamin Simon, of M+R Strategic Services (M+R), and Holly Ross, Executive Director of the Nonprofit Technology Network (NTEN).

We would like to thank Eve Fox and Marjory Garrison of M+R for editing the study. Karen Matheson aggregated and analyzed the 21 nonprofit participants' datasets. Thanks to Vanessa Fernandez, Jeremy Hatter, Cameron Lefevre, and Benjamin Simon for assistance in coding and collecting data.

Special thanks to all of our nonprofit study partners for sharing their data and making this study possible, especially The Humane Society of the United States' Geoff Handy and the Human Rights Campaign's Dane Grams, who also contributed data for case studies on their respective organizations.

ABOUT M+R STRATEGIC SERVICES

M+R is dedicated to helping our clients advance their missions in order to bring about positive change. We do this by helping organizations and campaigns we believe in develop smart and effective strategies, hone their messages, mobilize their members, build grassroots support, raise money, and communicate effectively with the media, the public and decision makers, both online and offline. www.mrss.com

ABOUT NTEN: THE NONPROFIT TECHNOLOGY NETWORK

NTEN aspires to a world where all nonprofit organizations skillfully and confidently use technology to meet community needs and fulfill their missions. We connect our members to each other, provide professional development opportunities, educate our constituency on issues of technology use in nonprofits, and spearhead groundbreaking research, advocacy and education on technology issues affecting our entire community. www.nten.org

The complete report is available free online at: www.e-benchmarksstudy.com.

For more information about the report, please contact:

Sarah DiJulio, M+R Strategic Services, 206.447.9094, sdijulio@mrss.com

Holly Ross, NTEN, 415.397.9000, holly@nten.org

© 2008 M+R Strategic Services and the Nonprofit Technology Network

Contents

- I. Introduction..... 1
- II. Glossary of Terms..... 2
- III. Email Messaging..... 3
- IV. Email List Size..... 13
- V. Online Fundraising..... 18
- VI. Online Advocacy..... 27
- VII. Study Methodology..... 33

- Appendix: Benchmarks Reference Sheet..... 35

I. Introduction

We are now several years into this revolution in online communications. But too many nonprofit groups are still clamoring for meaningful data – data about their email program, how their program compares to others, and data that tells us how the industry is changing.

M+R, in partnership with several other organizations, published the first eNonprofit Benchmarks Study in 2006. Since that time, there have been significant changes in the online space, including the huge growth in social networks like MySpace and Facebook, and an overall decline in the performance of email.

This new study covers two years of data, and, in combination with the original study, provides a 3-year landscape of nonprofit email, fundraising and advocacy metrics.

KEY FINDINGS

- Email open rates, click-through rates and response rates have fallen from 2006 to 2007. Open rates have fallen from 21.3 percent to 17.6 percent, and click-through rates have dropped from 4.9 percent to 3.8 percent.
- The average nonprofit study partner sent an average of just over 4 emails per subscriber per month in both 2006 and 2007.
- The annual churn rate, or the rate at which an email list ‘goes bad’ in a year, dropped two percentage points (from 21 percent to 19 percent) between 2006 and 2007, a positive trend.
- The total amount raised online increased by 19 percent from 2006 to 2007.
- The average advocacy email response rate in 2007 was 7.5 percent. The average fundraising email response rate was .13 percent.
- While \$1,000+ gifts made up just 1 percent of overall online donations in 2007, these gifts made up 20 percent of the amount raised online.
- A significant portion (almost 60 percent) of the participants’ subscribers did not take *any* online advocacy actions over the course of 2007.
- ‘Super activists,’ the subscribers taking 6 or more online actions in a year, made up just 5 percent of the total email list size but accounted for 42 percent of the organizations’ total actions.

II. Glossary of Terms

OPEN RATE

Calculated as the number of HTML email messages opened, divided by the number of people who received the email. See page 10 for more on open rates.

CLICK-THROUGH RATE

Calculated as the number of people who clicked on any trackable link in an email message, divided by the number of people who received the email message. People who clicked multiple times in one email were only counted once. For example, if a subscriber clicks on every link in a message 10 times, this was counted the same as if the subscriber had clicked once on a single link.

PAGE COMPLETION RATE

Calculated as the number people who completed a form, divided by the number of people who clicked on the link to get to that form.

RESPONSE RATE

Calculated as the number of people who took the main action requested from an email message, divided by the number of people who received the email message. For the purposes of the study, this only applies when the action is completing an online advocacy form or an online donation form.

EMAIL ADVOCACY ACTIONS

In the advocacy chapter, actions taken refers to online actions that can be taken by filling out a form and pressing a submit button. These online forms can be used as petitions, emails or faxes that can be sent to any political official, community leader or decision-maker. Organizations frequently ask list subscribers to take other types of advocacy actions, such as calling a decision-maker, attending a hearing or meeting, or some other type of volunteer activity. These other activities are much harder to track as they frequently take place offline and are therefore not included in this study.

III. Email Messaging

Although social networking sites like Facebook and YouTube are getting a lot of attention these days, they still can't compete with email as a tool for your organization to reach and mobilize supporters. Likewise, your organizational website, banner ads, Google adwords, and other promotions may be stellar, but they all rely on your supporters to come to you.

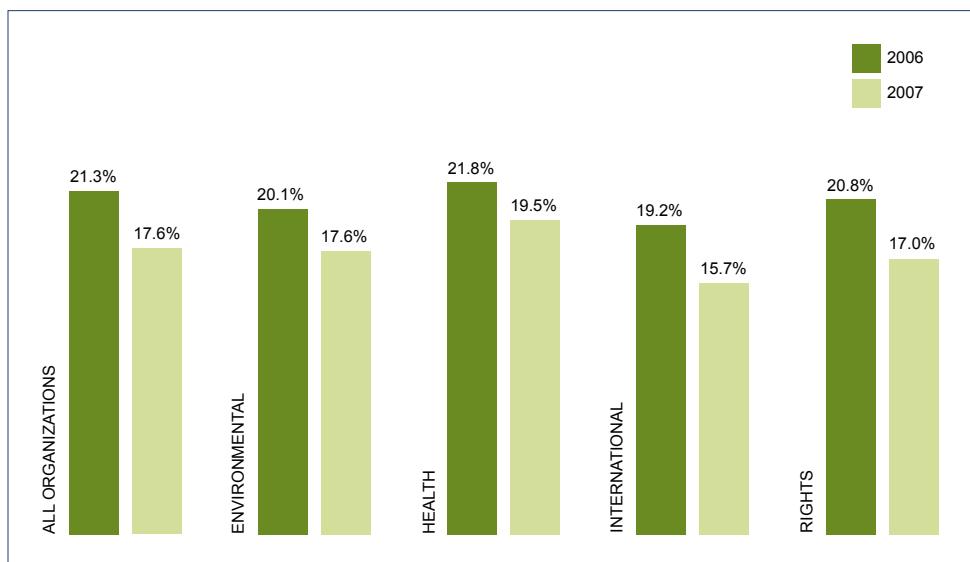
With email – you go to your supporters where they are, delivering your message right to their inboxes. As a result, email messaging remains **the** online marketing tool of choice for the majority of nonprofits.

In this chapter, we examine how nonprofit email messaging has changed over the past few years and establish current benchmarks for open, click-through, response, and page conversion rates.

KEY FINDINGS

- Email open rates, click-through rates and response rates have fallen from 2006 to 2007, across all issue areas. Open rates have fallen nearly 4 percent on average, from 21.3 percent to 17.6 percent, and click-through rates have dropped approximately 1 percent, from 4.9 percent to 3.8 percent.
- The average nonprofit participant sent an average of 4.1 emails per subscriber per month in 2006, and 4.3 in 2007, which represents a very modest increase in messaging volume.
- As always, advocacy emails produce a high level of engagement, with advocacy response rates averaging 7.5 percent in 2007, while fundraising emails produce a much lower return, with response rates averaging just .13 percent in 2007. Email Newsletters, with click-through rates averaging 3.6 percent, fall somewhere in the middle.

EMAIL OPEN RATES

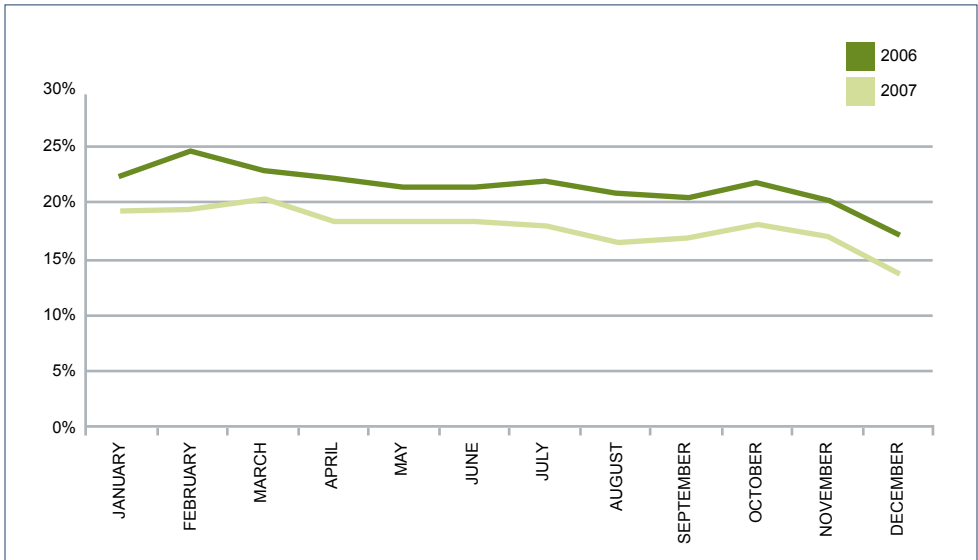


Open rates have trended steadily downwards over the past several years. In 2007, the average open rate for our nonprofit study partners was 17.6 percent, down from 21.3 percent in 2006. In addition, the 2006 open rate was lower than the average open rate of 25 percent found in the previous eNonprofit Benchmarks Study¹ (which covered data mostly from 2005).

This decline in open rates has been consistent across all issue areas in our sample.

¹ eNonprofit Benchmarks Study, M+R Strategic Services and the Advocacy Institute (2006).

EMAIL OPEN RATES BY MONTH



Looking at open rates by month across all nonprofit study partners, you can see an overall steady decline from year to year, with a deep dip in December of both years. From our messaging analysis (more below), you'll see that the volume of messages sent was highest in December. Although the high volume of messaging in December may be negatively affecting open rates, other factors such as the season and vacation schedules may also be contributors.

OPEN RATES, PIXELS AND SPAM

One of the challenges inherent in measuring open rates accurately is that the technology that allows us to measure an 'open' is somewhat complicated, and may be affected by factors that don't have anything to do with whether or not someone is actually opening (or reading) your email!

An 'open' is triggered when your email recipient first loads a tiny image (known as a 'pixel' because it is just one pixel large) hidden in the email message. This pixel image is hosted on the sender's email server and when it loads in the recipient's email client, the sender's server records the fact that it was loaded by the recipient, thereby counting that message as an 'open.'

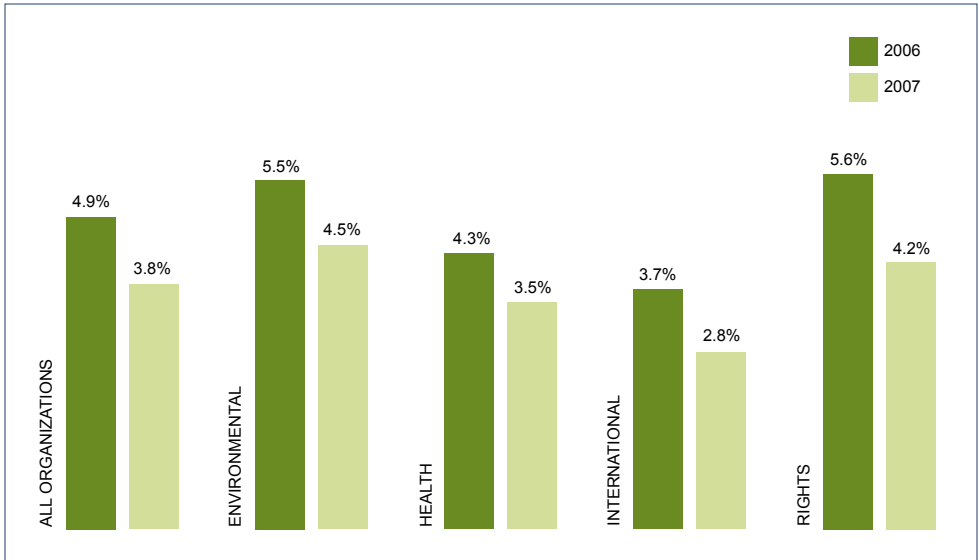
Unfortunately, this is a fairly imprecise way of tracking opens because this tiny pixel will load when the email message shows up in the preview pane of Outlook, for example, regardless of whether or not the recipient actually looked at the message.

In addition, more and more email providers are actually **blocking** images by default (due to concerns about spam), leaving even more messages out in the cold when it comes to tracking open rates. Anyone whose email provider automatically blocks images can open, read and even respond to an email message without ever being tracked as having 'opened' the message. For some M+R clients, we have found that up to 25 percent of the actions or clicks in response to a particular email come from people who have never officially 'opened' the email!

The decline in open rates is not unique to the nonprofit sector – a 2007 report on Email Marketing Metrics found that open rates across all industries fell from 19.1 percent in the first half of 2006 to 16.11 percent in the first half of 2007 ².

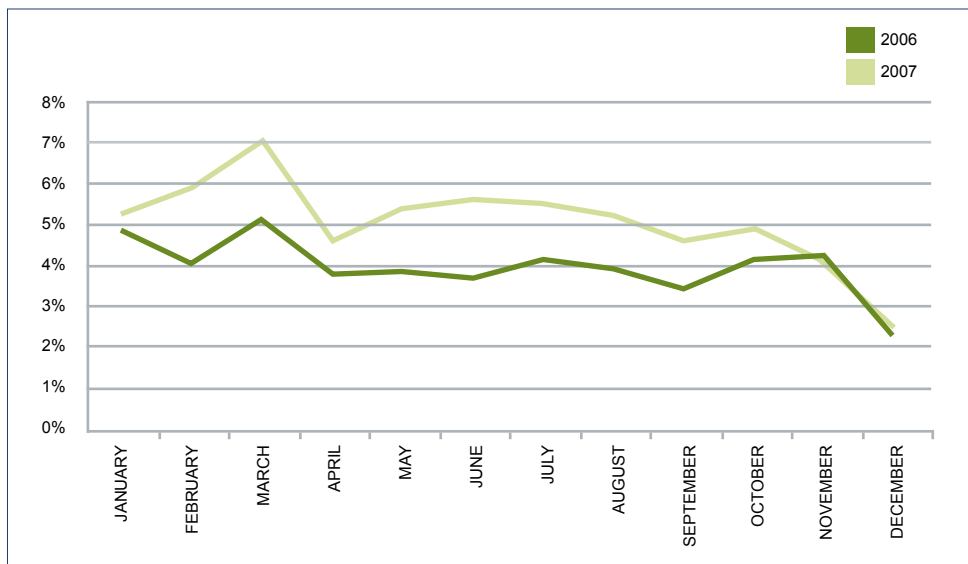
² www.mailermailer.com/metrics/TR-H1-2007.pdf

EMAIL CLICK-THROUGH RATES



Click-through rates for all emails sent dropped from 4.9 percent in 2006 to 3.8 percent in 2007. Click-through rates were down across all issue areas but the change was most dramatic for rights organizations. Despite the steep drop for rights organizations, however, these groups still had a strong click-through rate when compared to other issue areas.

EMAIL CLICK-THROUGH RATES BY MONTH



When we examine click-through rates by month for 2006 and 2007, we see some interesting trends. Click-through rates are consistently low in December, most likely as a result of end-of-year fundraising efforts. There is also an interesting spike in March of both years, followed by a steep decline in April.

EMAIL MESSAGING RESULTS BY MESSAGE TYPE

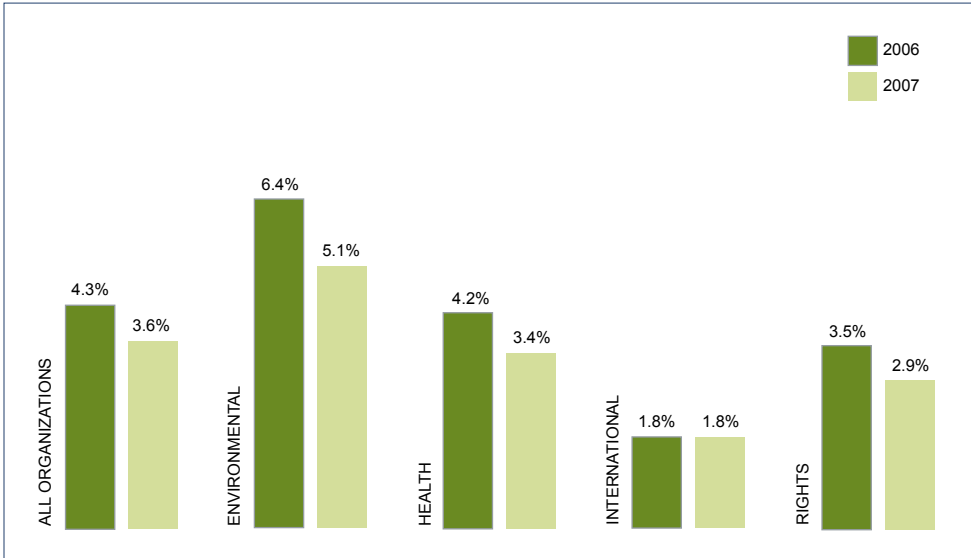
	OPEN RATE	CLICK-THROUGH RATE	PAGE COMPLETION RATE	RESPONSE RATE
2006 FUNDRAISING	17.3%	1.2%	17.2%	0.17%
2007 FUNDRAISING	14.8%	1.1%	16.5%	0.13%
2006 E-NEWS	21.8%	4.3%		
2007 E-NEWS	17.6%	3.6%		
2006 ADVOCACY	23.8%	10.2%	85.3%	8.6%
2007 ADVOCACY	18.9%	8.8%	88.5%	7.5%

We evaluated three different types of email messages – advocacy messages, email newsletters and fundraising appeals. In keeping with the overall messaging stream, rates have declined from 2006 to 2007 for each of the types of messaging we examined.

As we've seen before, advocacy actions generated slightly higher open rates, and significantly higher click-through, page completion and response rates.

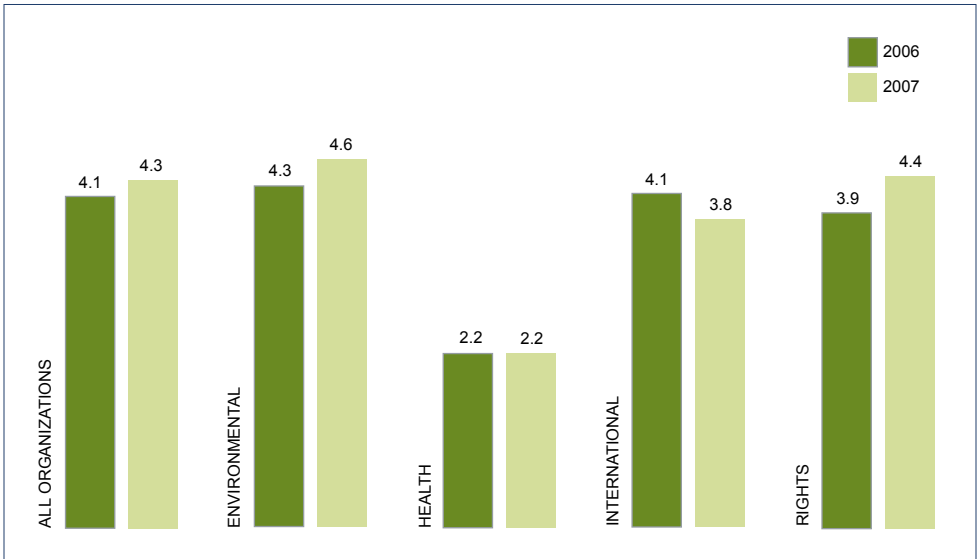
We have included a detailed analysis on the performance of advocacy and fundraising emails in the following chapters on fundraising and advocacy.

EMAIL NEWSLETTER CLICK-THROUGH RATES



The decline in click-through rates for email newsletters varies by issue area. It is interesting to note that international organizations among our nonprofit study partners did not see a change in the click-through rate from 2006 to 2007, unlike other organizations in our sample. Despite a steep drop in click-through rates, the email newsletters of environmental organizations continue to generate the highest click-through rates of all the participants we examined.

MESSAGE VOLUME: EMAIL MESSAGES PER MONTH PER SUBSCRIBER



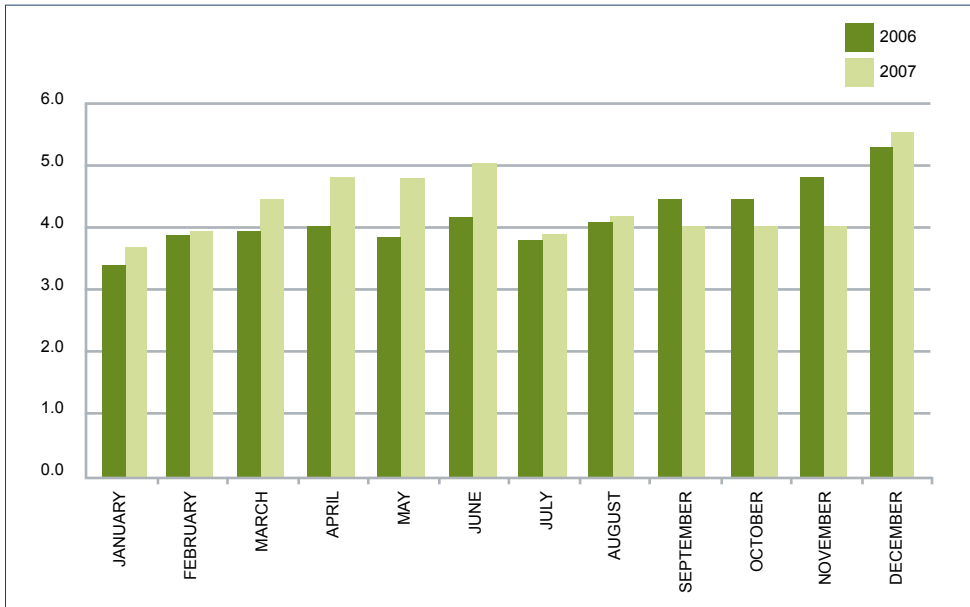
Many nonprofits frequently wonder, “How much email is too much? Too little?” Although it is hard to say what the answer is, we can tell you how much email our nonprofit study partners are sending. On average, participants sent 4.3 email messages per month per subscriber in 2007, up slightly from 4.1 in 2006.

Please note that this number is an average – many organizations heavily segment and target their lists, and some individuals may have received 10 messages in a month while others received only three. The average is obtained by dividing the total number of email messages successfully sent by the total number of deliverable email addresses on the file for a given month.

It is interesting to note that the health organizations in our sample sent considerably fewer messages than any of the other types of groups, at just over two messages per month.

EMAIL MESSAGE VOLUME BY MONTH

Average email messages per subscriber by month



December is the month with the highest volume of messaging. However, late spring and early summer for 2007 were quite active, and September, October and November of 2006 were more active than those same months in 2007, perhaps due to the activity around the 2006 elections.

We looked closely at whether or not there was a correlation between the number of messages sent per month and open and click-through rates. There was a correlation between the number of messages sent and the open rates – on average, when an organization sent five or more emails per subscriber in a month, the open rate dropped by 1 percent. However, we did not find a corresponding correlation between number of messages sent and click-through rates.

IV. Email List Size

While the online landscape is continually changing, there is one constant: the success and strength of an organization's online communications program is closely tied to the size of its email list. Simply put, your organization would benefit that much more from your urgent advocacy alerts and persuasive fundraising appeals if even more online subscribers were receiving them!

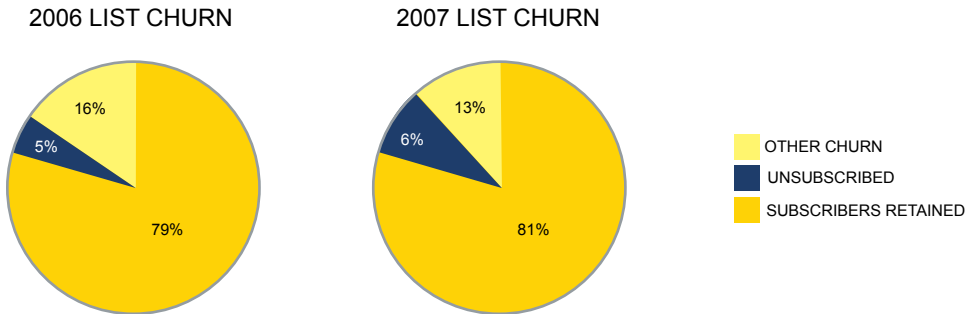
In an ideal world, email lists would grow and grow – through viral activity, paid advertising, website signups, and other online marketing channels – and everyone would remain a happy subscriber. But the sad truth is that a good chunk of an organization's subscriber base is eaten away by unsubscribes, SPAM filters and defunct emails.

Exactly how much of this list 'churn' can organizations anticipate, and conversely, how quickly are email lists growing?

KEY FINDINGS

- The annual churn rate, or the rate at which an email list 'goes bad' in a year, dropped two percentage points (from 21 percent to 19 percent) between 2006 and 2007, a positive trend.
- The monthly unsubscribe rate averaged 0.59 percent in 2006 and increased to 0.64 percent in 2007. December marked the highest point for unsubscribes in both years.
- Email lists are growing – the annual growth rate of our nonprofit study partners' email lists increased from 24 percent in 2006 to 29 percent in 2007.

EMAIL LIST CHURN



The churn rate, or the rate at which email addresses 'go bad' in a year, was calculated by dividing the number of subscribers who became unreachable in a 12-month period by the total number of subscribers in the system during that period. For 10 of our nonprofit study partners³, we broke this number down by subscribers who unsubscribed versus those lost to other churn (i.e., SPAM filter rejects, bouncing or discontinued email addresses, etc.).

The ratio of subscribers retained versus subscribers lost moved in a positive direction from 2006 to 2007. Whereas 2006 saw a 21 percent drop in subscribers due to churn, 2007 saw a loss of only 19 percent. The overall churn rate was even higher in 2005, at 28 percent⁴. The unsubscribe rate went up slightly from 5 percent in 2006 to 6 percent in 2007; however, the 'other churn' rate dropped from 16 percent to 13 percent.

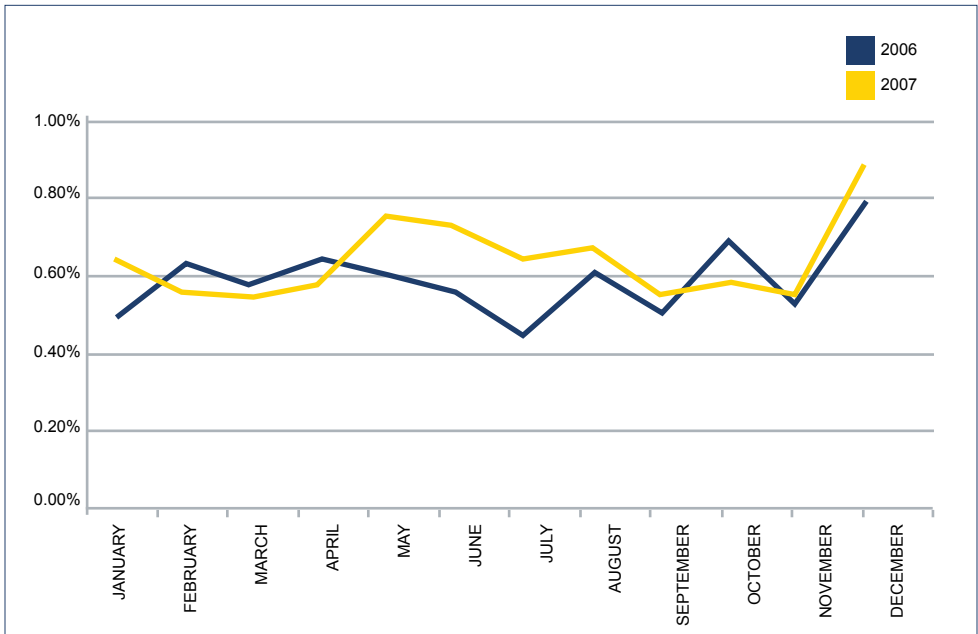
Churn rates often increase in conjunction with an increase in new subscribers (as new list members sort out whether or not they actually want to stay on the email list they joined.) However, we cannot attribute the drop in churn to a drop in list growth, as our nonprofit study partners actually experienced slightly *greater* list growth in 2007 than they did in 2006.

³ The 10 organizations were selected for ease and accuracy of the numbers because these organizations had monthly snapshots of the deliverable subscribers in their database.

When looking at this data, it is important to note that the 10 organizations were M+R clients at the time this study was produced.

⁴ eNonprofit Benchmarks Study, M+R Strategic Services and the Advocacy Institute (2006).

UNSUBSCRIBE RATES BY MONTH



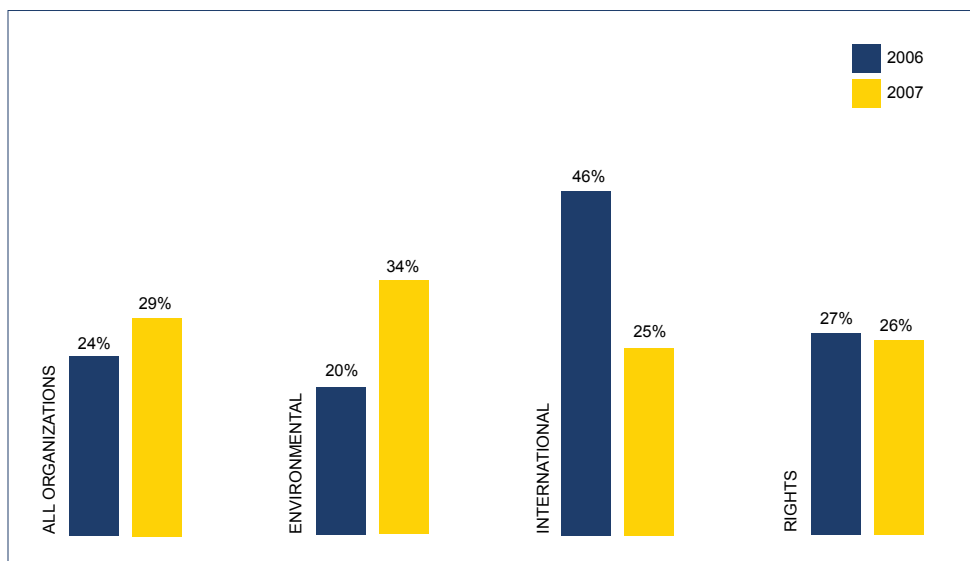
As one might imagine, we found a correlation between the percent of the email file that unsubscribes in a given month and the volume of messages an organization sends: the more messages an organization sends, the higher its unsubscribe rate for that month⁵. For example, the unsubscribe rates for both 2006 and 2007 peaked in December, the month we identified as having the highest volume of messaging (see Message Volume by Month on page 12).

However, when we looked more closely at the unsubscribe rate to each individual email in December, we found, on average, that the number of people who unsubscribed per individual email was actually about the same or slightly lower than in other months.

⁵ When looking at the relationship between unsubscribe rate and average number of messages sent per month per subscriber, we found a moderate correlation between the two ($r = .30, p < .01$).

ANNUAL LIST GROWTH

Change in Email List Size Jan 1 - Dec 31



Factoring in list churn, the annual growth rate of our nonprofit study partners' email lists increased from 24 percent in 2006 to 29 percent in 2007. That's a monthly net growth rate of 2 percent in 2006 and 2.4 percent in 2007.

While the trend is positive over the past two years, these growth rates are a dramatic drop from the growth rate of 73 percent in 2005⁶. The explosive growth in 2005 may be partially attributed to the increased online activity around the Indian Ocean tsunami (Dec. 2004) and Hurricane Katrina (Aug. 2005). In addition, the growth in the percentage of U.S. adults using the Internet has slowed in the past few years; for instance, growing from 73 percent to just 75 percent between April 2007 and December 2007⁷.

⁶ eNonprofit Benchmarks Study, M+R Strategic Services and the Advocacy Institute (2006).

⁷ Pew Internet and American Life Project

PLANNING FOR CHURN

So how do you take list churn into account when planning your email program?

While every list is different, you can factor churn rate into your email list projections and your online recruitment budget. Let's say you have a subscriber base of 100,000, and would like to reach 200,000 within one year. Factoring in list churn based on the 2007 data we've provided, you'll need to recruit more than 138,000 new subscribers in order to reach your 200,000 subscriber goal.

If your organization's churn rate is significantly higher than this benchmark:

1. You may just be experiencing some growing pains. Is your growth rate much higher than the average listed above? If so, keep in mind that new subscribers tend to drop off the list at a faster pace than those who've been on the list for a while.
2. However, you may need to reevaluate your list management strategy. Are you sending too many emails? (In our experience, "too many emails" is the single most common reason subscribers cite when asked why they've unsubscribed from a list.) Or too few? (Are your subscribers actually forgetting who you are because you're so out of touch?) Are you offering rich and engaging content?
3. You may want to think about other strategies to keep subscribers on your list, such as:
 - a. Monitoring and proactively tackling SPAM filters;
 - b. Offering subscribers the option of receiving a low-volume messaging stream in an auto-reply to an unsubscribe request; and
 - c. Encouraging subscribers to update their email address, using other channels like direct mail and telephones to reinforce this message.

If your growth rate is significantly lower than the 29 percent benchmark, you may want to consider pursuing:

1. Optimizing the sign-up mechanisms on your organization's web pages;
2. Earned outreach;
3. List chaperones with other like-minded organizations;
4. Viral marketing; and
5. Paid advertising.

V. Online Fundraising

All nonprofits need to raise money to achieve their mission; online fundraising is one of the fastest growing sources of new revenue for many nonprofits.

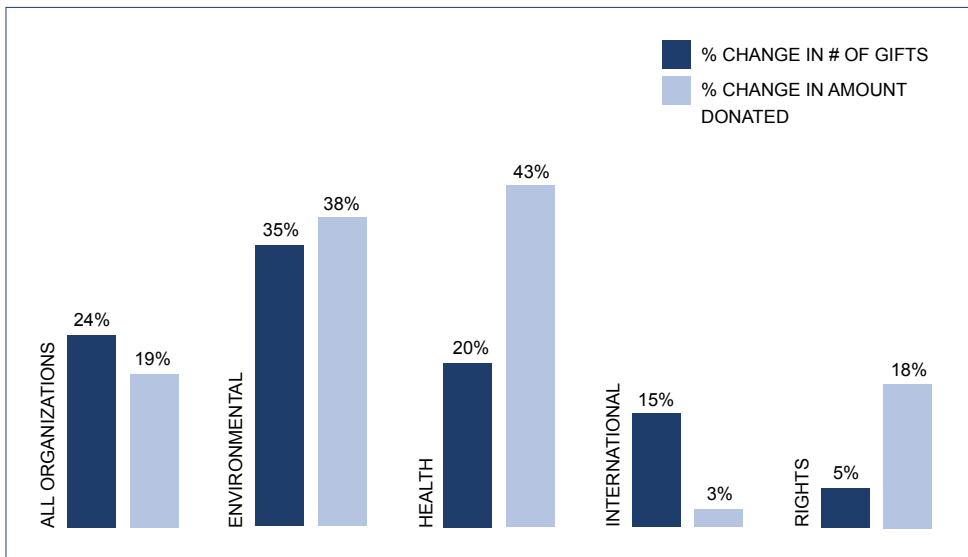
Across a variety of different metrics, online fundraising continues to increase – the total amount raised online by our nonprofit study partners grew by 19 percent from 2006 to 2007. However, it's also harder and harder to break through the din – fundraising response rates declined across all issue areas from 2006 to 2007.

This chapter will discuss various aspects of online giving: growth in online giving, yearly patterns of giving, average gift size, monthly giving, and fundraising messaging rates.

Key Findings

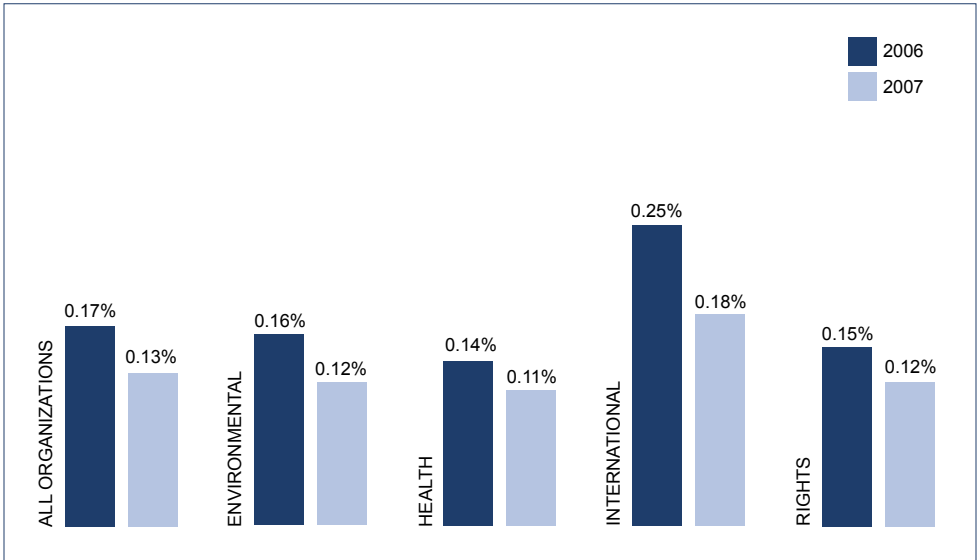
- The total amount raised online increased by 19 percent from 2006 to 2007. Forty percent of the funds raised online in both years came in the final three months of the year.
- Email fundraising response rates dropped from .17 percent in 2006 to .13 percent in 2007, while the average gift size stayed consistent at roughly \$87. However, the growth in email list size more than offset the decline in response rates, to produce an overall growth in online fundraising.
- While \$1,000+ gifts made up just 1 percent of overall online donations in 2007, these gifts made up 20 percent of the amount raised online.

CHANGE IN ONLINE GIVING FROM 2006 TO 2007



Despite declining response rates to individual email appeals, increasing numbers of donors are making their gifts online. Overall, the number of online gifts went up by 24 percent in 2007, and the amount raised online increased by 19 percent among participants.

EMAIL FUNDRAISING RESPONSE RATES



As touched on in the messaging chapter, all types of messaging statistics including fundraising response rates were down in 2007 from 2006. However, even though the response rates have declined, the overall amount raised online has continued to go up; this is in part due to the fact that the average email list has grown by a factor that is larger than the decline in response rates.

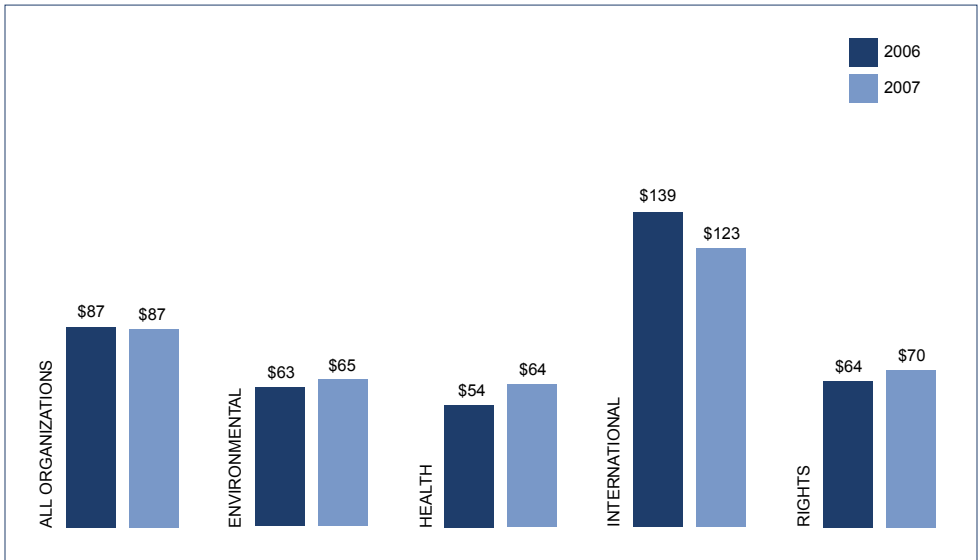
ONLINE GIVING BY QUARTER

% OF TOTAL AMOUNT RAISED IN 2007 BY QUARTER					
	ALL ORGANIZATIONS	ENVIRONMENTAL	HEALTH	INTERNATIONAL	RIGHTS
Q1	16%	13%	12%	19%	19%
Q2	24%	29%	39%	15%	22%
Q3	20%	18%	21%	17%	22%
Q4	40%	40%	29%	49%	36%

When breaking out online giving by quarter, the most striking takeaway is the proportion of overall donations that come in Q4 (October – December). On average, organizations raised 40 percent of their online giving for 2007 in the fourth quarter, which highlights the importance of year-end fundraising. While it is possible and necessary to raise money throughout the year, a bad Q4 can cripple an organization’s budget for the entire year.

Health organizations in our sample experienced strong online fundraising results in other quarters that approached their Q4 totals, with Q2 of 2007 actually exceeding Q4 of the same year for those organizations. This is likely due to the particular use by health organizations of warm-weather and outdoor fundraising activities like walks and races, which other sectors have generally been unable to replicate.

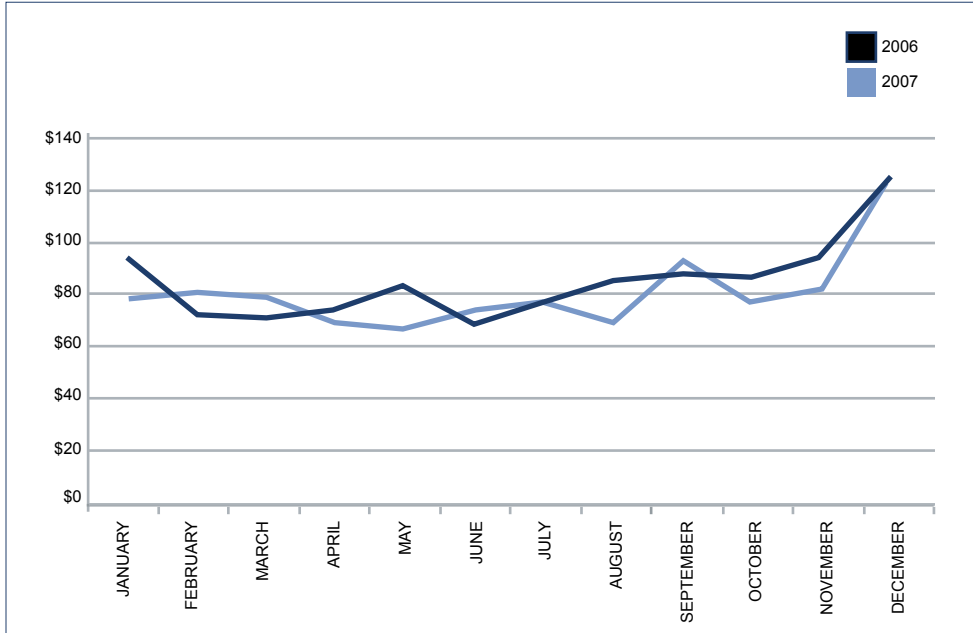
AVERAGE ONLINE GIFT



The overall average gift size did not change from 2006 to 2007. However, there was some variation among issue areas in our sample. Health organizations saw an increase of \$10 in their average gift, while international organizations saw a decline of over \$15. This dataset does not include monthly gifts because they tend to be much lower, under \$30 on average⁸.

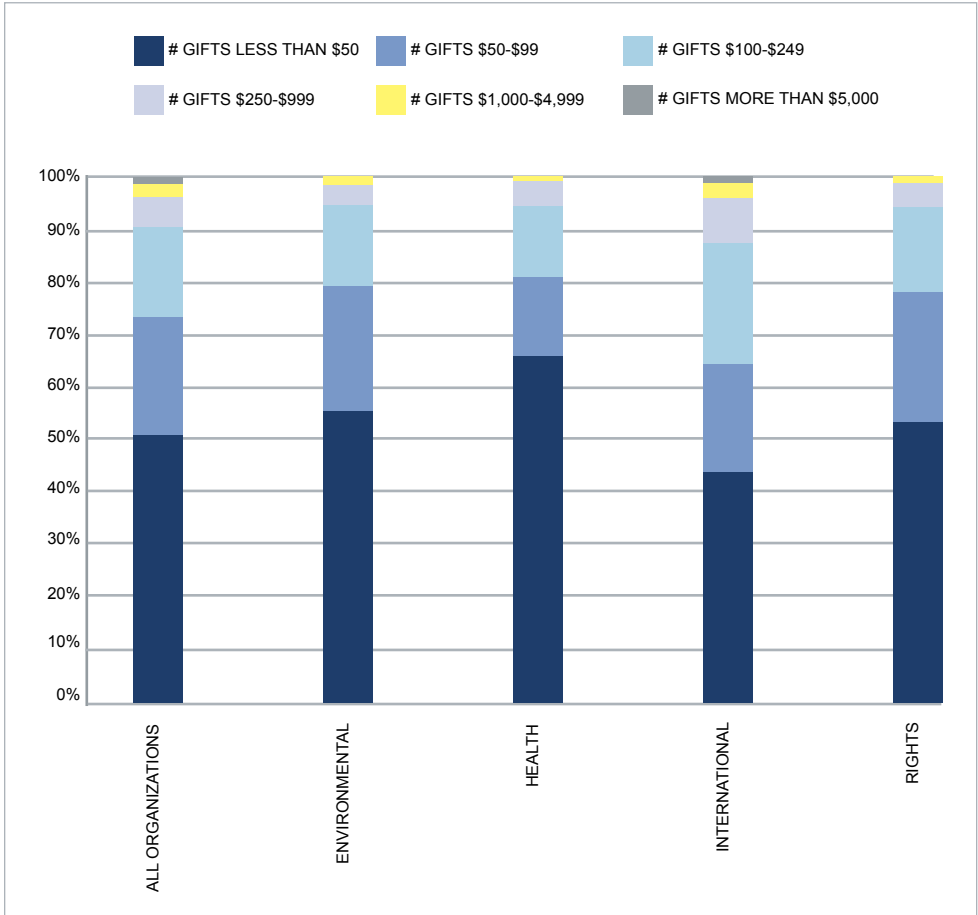
⁸ Online Monthly Giving – A Review of Nonprofit Programs, M+R Strategic Services (2007).

AVERAGE ONLINE GIFT BY MONTH



Gift size, like gift volume, increased dramatically at the end of 2006 and 2007, which reinforces the argument presented above: Not only do more people give at the end of the year, but they actually *give more*, so it's doubly important to cultivate as many donations as possible at year's end.

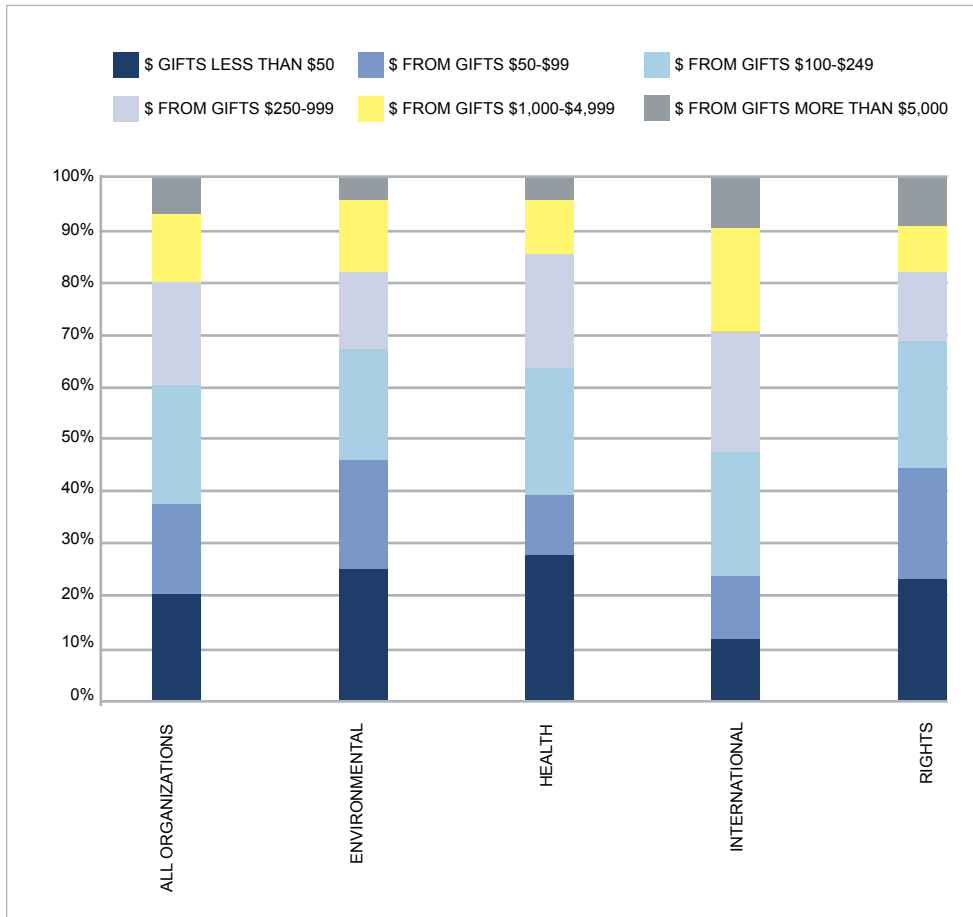
2007 NUMBER OF ONLINE GIFTS BY GIFT SIZE



In 2007, gifts of less than \$50 made up the bulk of gifts in every sector, with these gifts accounting for as much as 70 percent of total gifts both years among health organizations.

Perhaps most importantly, large gifts were a miniscule proportion of overall gifts across all sectors – gifts above \$1,000 accounted for just 1 percent of all gifts in both 2006 and 2007.

2007 AMOUNT RAISED ONLINE BY GIFT SIZE

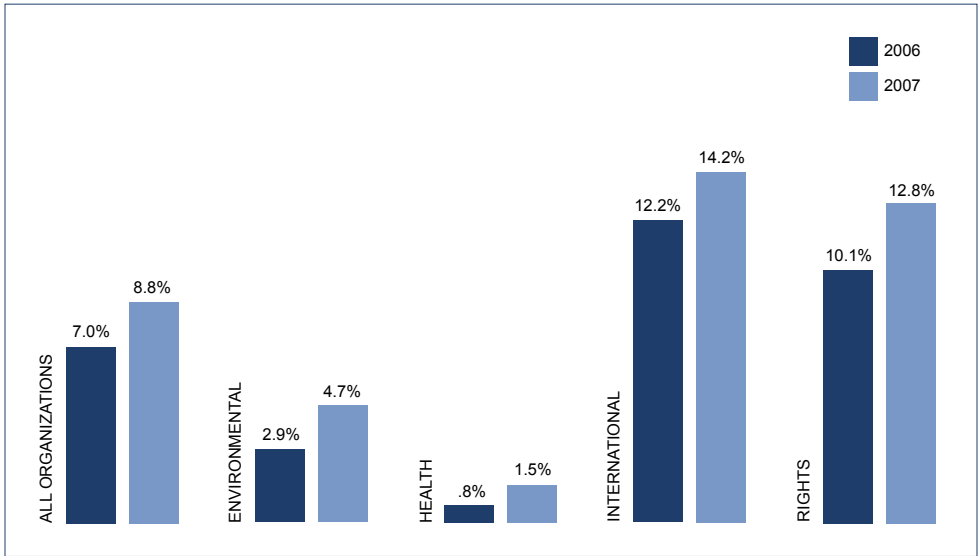


Although small gifts were prevalent in every issue area, they were but one small part of the total **amount** raised across the board – getting only as high as 30 percent or so among health organizations, which saw 70 percent of their total donations come from small gifts.

Despite making up a very small portion (1 percent of all gifts), gifts of \$1,000+ made up more than 20 percent of the total donated online across all organizations in 2007.

While it goes without saying that large gifts are important, it really cannot be overstated: maximizing online donation amounts should be a central part of any online fundraising strategy, and failing to do so will amount to leaving needed resources on the table.

MONTHLY GIVING AS A PERCENTAGE OF ALL ONLINE GIVING



A monthly giving program – where a donor signs up with their credit card to give a small amount every month – can provide an organization with significant stable online income. The table above only includes organizations with a monthly giving program: 16 of the 20 fundraising participants' data that we used. Of these 16 organizations, in 2007, almost 9 percent of their overall online giving came from monthly donations.

The international and rights organizations in our sample by far utilized monthly giving to a greater extent than other groups. There is no evident reason why those sectors should have a greater monthly donor base than other groups – monthly giving can be an important part of any organization's fundraising strategy.

A PROFILE IN FUNDRAISING SUCCESS

Despite the fact that the average fundraising response rate fell from .17 percent to .13 percent from 2006 to 2007, the Humane Society of the United States (HSUS) actually saw its fundraising response rate go **up** from 2006 to 2007, which helped fuel an overall increase in online donations of 45 percent for the organization in 2007.

How did they do it? According to Geoff Handy, Vice President, Media and Online Communications, Humane Society of the United States, there were a number of things the organization did to improve fundraising response rates:

- They never sent an email appeal that wasn't tied to a broader campaign messaging stream. Instead, fundraising appeals were part of a series of emails related to a campaign, and, except for the organization's year-end fundraising campaign, were never the first message in a campaign. In addition, the organization tied its appeals to real-world events whenever possible – for example, the release of one of HSUS's undercover investigations or the date of Michael Vick's court appearance on dog fighting-related charges.
- They deliberately kept the frequency of fundraising appeals relatively low – in one instance, nearly three months elapsed between fundraising appeals (except for the organization's weekly appeal to new online list members).
- They recruited new advocates on high profile advocacy campaigns, and then converted the new advocates to donors by sending fundraising appeals on the same issue. This strategy has proved so successful for HSUS that the organization has decided to customize its rolling welcome appeal for new advocates so that new advocates hear from HSUS on the same issue they joined the email list on. HSUS has extended this segmentation strategy to other appeals, too, by targeting list members with appeals based on those advocates' and donors' past online actions.

All of these strategies worked together to help HSUS boost its email fundraising response rates despite the industry-wide decline in response rates.

VI. Online Advocacy

Online advocacy is important to many nonprofits for more than its ability to influence policy. Online advocacy is a critical tool for identifying and engaging new subscribers, and keeping existing subscribers motivated.

In this chapter, we'll look at key online advocacy metrics including open, click-through, page completion, and response rates. We'll provide some historical context by examining how those rates have changed over time. In addition, we'll take a look at the impact that 'super activists' have had on various organizations' online work.

KEY FINDINGS

- In 2007, advocacy open, click-through and response rates dropped by more than 10 percent from 2006, but page completion rates increased by almost 4 percent in that same time period.
- A significant portion (almost 60 percent) of participants' subscribers did not take *any* actions over the course of a year.
- 'Super activists,' the subscribers taking 6 or more actions in a year, accounted for 42 percent of the organizations' total actions.

EMAIL ADVOCACY MESSAGING RESULTS

In this study, we define advocacy messages as any emails that provide a link to an online petition or advocacy campaign that generates faxes, letters or emails to decision-makers. Please note that the advocacy key metrics were derived from data pulled from only 10 of the 21 participating organizations, unlike the other messaging metrics⁹.

ALL ORGANIZATIONS	AVERAGE OPEN RATE	AVERAGE CLICK-THROUGH RATE	AVERAGE PAGE COMPLETION RATE	AVERAGE RESPONSE RATE
2006	23.8%	10.1%	85.3%	8.6%
2007	18.9%	8.8%	88.5%	7.5%
CHANGE FROM 06	-4.9%	-1.4%	3.2%	-1.0%
% CHANGE FROM 06	-20.4%	-13.6%	3.8%	-12.2%

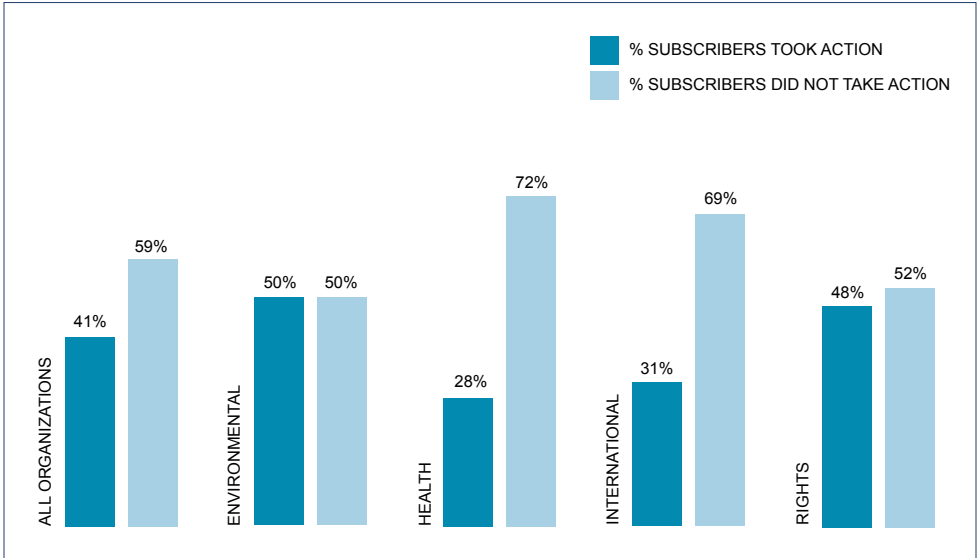
The slight decline in advocacy response and click-through rates, while less dramatic than the decline in open rates, is consistent with the decline seen in other types of messaging in the study.

Unlike all other key advocacy metrics, average page completion rates in our sample increased from 85 percent to 89 percent between 2006 and 2007.

The slight increase in page completion rates between 2006 and 2007 might well be credited to organizations improving the layout and design of advocacy pages. The increase could also indicate that subscribers are simply becoming better “trained” as they spend more time taking action online.

⁹ We chose these 10 organizations for ease and accuracy of the numbers because they had carefully coded their email advocacy messages to be easily identifiable. When looking at this data, it is important to note that the 10 organizations were M+R clients at the time this study was produced.

SUBSCRIBERS TAKING ACTION IN 2007

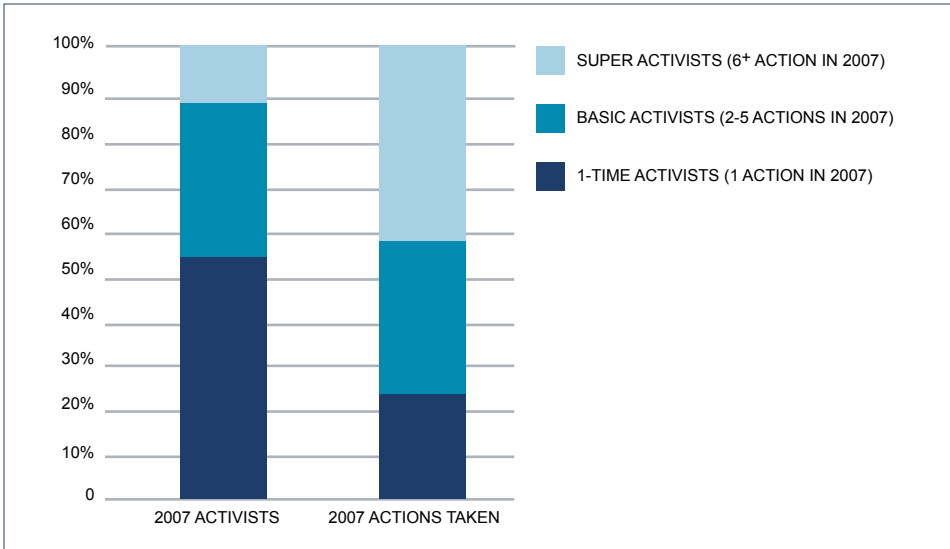


Environmental and rights organizations led the pack with roughly half of their respective lists taking action in a year. A longer history of running advocacy programs (both online and off), as well as a higher volume of advocacy opportunities is likely to play a role in certain types of organizations outpacing others in terms of the size of their relative subsets of 'active' subscribers.

While health and international organizations had a smaller portion of their file taking action, this is not surprising, as advocacy is often less central to the core mission of these types of nonprofits.

2007 ACTION TAKERS VS. ACTIONS TAKEN

When we drilled down on the 2007 activists (excluding all of the inactive subscribers), we found that only 13 percent of the activists were categorized as 'super activists,' but those 13 percent accounted for 42 percent of the actions taken in 2007.



The 'super activists' make up approximately 5 percent of an average email list, yet this tiny group of people is responsible for almost half of all advocacy activity. They should be cultivated with care. Moreover, building and tracking strategies to move less active subscribers into the 'super activist' category can vastly improve the overall success of your advocacy program.

IMPROVING ADVOCACY RESPONSE RATES FOR THE HUMAN RIGHTS CAMPAIGN

Though organizations participating in this study saw, on average, a decline in advocacy response rates from 8.6 percent to 7.5 percent from 2006 to 2007, not all organizations experienced a drop. During this same period, the Human Rights Campaign (HRC) increased its advocacy response rates by a full percentage point.

The key to HRC's continued success? Segmentation. In 2006, HRC's list consisted of many different and unique audiences within the larger list, some of which were being over-messaged. The die-hard activists were getting the same number of messages as the fair-weather fans who'd never taken an action or donated.

HRC and M+R together developed a new plan: while HRC would continue to send just as many emails as before, the new targeted approach would ensure that the right emails got to the right people – and that each group got messages of the most interest to them.

HRC segmented its list into five segments based on past advocacy and donation activity, and targeted its communications to those segments accordingly. Today, *everyone* on the list gets one advocacy action and one email newsletter per month, plus a fundraising campaign every 2-3 months. Beyond that, audiences for emails are based on demonstrated interest. For example, extra action alerts only go to people who've already shown an interest in that issue and to core activists (who have taken 5+ online actions in the past year). Special fundraising campaigns target recent donors. Higher-threshold actions like phone calls and letters to the editor never go to inactives.

While audiences for some messages are now smaller, they're made up of the people who are most likely to respond. The fair-weather fans continue to receive opportunities to re-engage with HRC every month, but they receive only the best content that HRC has to offer.

VII. Study Methodology

STUDY METHODOLOGY

The *2008 eNonprofit Benchmarks Study* collected email messaging, list subscriber, and online fundraising and advocacy transactional data from 21 U.S.-based national nonprofit organizations during the calendar years of 2006 and 2007. We analyzed just over 12,000 email messages sent to over 6.5 million list subscribers; over 100 million dollars of online donations from almost 1.5 million online gifts; and 14 million advocacy actions.

CIVIL/LEGAL RIGHTS

- American Rights at Work (www.americanrightsatwork.org)
- Amnesty International (www.amnestyusa.org)
- Human Rights Campaign (www.hrc.org)
- Human Rights First (www.humanrightsfirst.org)
- Humane Society of the United States (www.hsus.org)
- International Fund for Animal Welfare (www.ifaw.org)

ENVIRONMENTAL

- Earthjustice (www.earthjustice.org)
- Environmental Defense (www.environmentaldefense.org)
- League of Conservation Voters (www.lcv.org)
- Save Our Environment (www.saveourevironment.org)
- The Wilderness Society (www.wildernesssociety.org)

INTERNATIONAL

- CARE USA (www.careusa.org)
- Habitat for Humanity (www.habitat.org)
- Oxfam America (www.oxfamamerica.org)
- Save Darfur Coalition (www.savedarfur.org)

HEALTH

- Autism Society of America (www.autism-society.org)
- Easter Seals (www.easterseals.com)
- Campaign for Tobacco-Free Kids (www.tobaccofreekids.org)
- Susan G. Komen for the Cure¹⁰ (www.komen.org)

OTHER

- Pre-K Now (www.preknow.org)
- Smithsonian Institution (www.si.edu)

¹⁰ Susan G. Komen for the Cure fundraising data was not included in this study.

EMAIL MESSAGING METRICS

Except for fundraising, yearly email open, click-through, page completion, and response rates found in the messaging chapters were calculated by month for each organization, then averaged over the year and finally averaged by organization so that no one organization had more weight than another in our sample. Because not all organizations regularly send out fundraising messages, metrics were calculated by adding up total number of opens, click-throughs, and donations per year (instead of month) and then calculated per organization. See the glossary for specifics on how open, click-through, page completion, and response rates were calculated.

Each organization provided M+R Strategic Services with all messages delivered by their organization during the years 2006 and 2007, with the date the message was launched, number of subscribers that received the message, number of unique subscribers who clicked on any message links, as well as a flag that indicated whether the message was a fundraising, newsletter or other communication.

In order to calculate message rates for advocacy messages, we chose to use only half of participants' data to enhance ease and accuracy of the metrics. The 10 organizations we used had carefully coded their email advocacy messages over the course of both years. When looking at these data, it is important to note that the 10 organizations were M+R clients at the time this study was conducted.

FUNDRAISING AND ADVOCACY DATA

Each organization provided M+R with every online fundraising and online advocacy action taken in 2006 and 2007, along with a unique identifier, transaction date and transaction amount (for fundraising transactions).

CHURN RATE DATA

Obtaining an accurate picture of list churn requires data snapshots of an organization's database at equal intervals of time. Because subscribers are continually unsubscribing and becoming undeliverable, their data are often left behind when they leave a database. Recreating accurate data snapshots is difficult and sometimes impossible; for this reason, M+R decided to use only data from its current clients in the study. Of the 10 organizations used for calculation of this metric, all had database snapshots taken on the first of every month. This should be taken into account when reviewing churn data.

APPENDIX: BENCHMARKS REFERENCE SHEET

Feel free to copy or tear out this handy list of benchmarks for your reference. Put them on your bulletin board, and you'll always be able to answer the question, "How did that email do compared to benchmarks?"

METRICS FOR ALL MESSAGES

ORGANIZATION TYPE	2007	
	AVERAGE OPEN RATE	AVERAGE CLICK-THROUGH RATE
ALL ORGANIZATIONS	17.6%	3.8%
ENVIRONMENTAL	17.6%	4.5%
HEALTH	19.5%	3.5%
INTERNATIONAL	15.7%	2.8%
RIGHTS	17.0%	4.2%

METRICS FOR EMAIL NEWSLETTER MESSAGES

ORGANIZATION TYPE	2007	
	AVERAGE OPEN RATE	AVERAGE CLICK-THROUGH RATE
ALL ORGANIZATIONS	17.6%	3.6%
ENVIRONMENTAL	18.7%	5.1%
HEALTH	19.1%	3.4%
INTERNATIONAL	16.6%	1.8%
RIGHTS	15.3%	2.9%

METRICS FOR ONLINE ADVOCACY MESSAGES

ORGANIZATION TYPE	2007			
	AVERAGE OPEN RATE	AVERAGE CLICK-THROUGH RATE	AVERAGE PAGE COMPLETION RATE	AVERAGE RESPONSE RATE
ALL ORGANIZATIONS	18.9%	8.8%	88.5%	7.5%



METRICS FOR FUNDRAISING MESSAGES

ORGANIZATION TYPE	2007			
	AVERAGE OPEN RATE	AVERAGE CLICK-THROUGH RATE	AVERAGE PAGE COMPLETION RATE	AVERAGE RESPONSE RATE
ALL ORGANIZATIONS	14.8%	1.1%	16.5%	0.13%
ENVIRONMENTAL	15.5%	0.6%	19.0%	0.12%
HEALTH	17.1%	1.6%	6.7%	0.11%
INTERNATIONAL	12.1%	1.1%	23.0%	0.18%
RIGHTS	15%	1.4%	14.8%	0.12%

2007 AVERAGE GIFT SIZE

ORGANIZATION TYPE	2007
ALL ORGANIZATIONS	\$87
ENVIRONMENTAL	\$65
HEALTH	\$64
INTERNATIONAL	\$123
RIGHTS	\$70

2007 CHURN DATA

	% TOTAL SUBSCRIBERS
TOTAL CHURN	19%
UNSUBSCRIBE CHURN	6%
SUBSCRIBERS RETAINED	81%

SUBSCRIBERS TAKING ACTION IN 2007

ORGANIZATION TYPE	% SUBSCRIBERS TOOK ACTION	% SUBSCRIBERS DID NOT TAKE ACTION
ALL ORGANIZATIONS	41%	59%
ENVIRONMENTAL	50%	50%
HEALTH	28%	72%
INTERNATIONAL	31%	69%
RIGHTS	48%	52%