



The Convio Online Marketing Nonprofit Benchmark Index™ Study

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Contents

Table of Contents

Introduction.....	3
Key Findings.....	4
Monthly Web Site Traffic.....	5
Registration Rate.....	7
Email File Size.....	8
Online Revenue: Fundraising, ECommerce, Growth, Average Gifts and Value of an Email Address.....	11
Email Appeals: Open Rates, Click-Through Rates, Response Rates.....	16
Email Newsletters: Open and Click-Through Rates.....	19
Advocacy.....	22
Summary.....	25
Methodology.....	26
Discussion of Metrics.....	30
About Convio.....	31

List of Figures

Figure 1: Median Fundraising by Email File Size.....	9
Figure 2: Median Web Site Traffic by Email File Size.....	9
Figure 3: Advocacy.....	22
Figure 4: Vertical Segment Descriptions.....	27
Figure 5: Vertical Composition.....	27
Figure 6: Major Emailers by Vertical.....	28
Figure 7: Email File Size Study Composition.....	28
Figure 8: Organizational Budget.....	29

List of Charts

Chart 1: Monthly Web Site Traffic by Vertical.....	5
Chart 2: Monthly Web Site Traffic Growth by Vertical.....	6
Chart 3: Registration Conversion Rates by Vertical.....	7
Chart 4: Total Email File Size by Vertical.....	8
Chart 5: Monthly Email File Year-Over-Year Growth by Vertical.....	10
Chart 6: Online Revenue (Fundraising) by Vertical.....	11
Chart 7: Total Online Revenue including Ecommerce by Vertical.....	12
Chart 8: Online Revenue Year-Over-Year Growth Rate by Vertical.....	13
Chart 9: Average Online Gift (Fundraising) by Vertical.....	14
Chart 10: Online Revenue including Ecommerce Per Email Address by Vertical.....	15
Chart 11: Email Appeal Average Open Rate.....	16
Chart 12: Email Appeal Average Click-Through Rate.....	17
Chart 13: Email Appeal Average Blended Response Rate.....	18
Chart 14: Email Newsletter Average Open Rate.....	20
Chart 15: Email Newsletter Average Click-Through Rate.....	21
Chart 16: Advocates Who Have Also Donated.....	23
Chart 17: Donors Who Have Also Advocated.....	24

Introduction

For the second year in a row, Convio — the leading provider of online constituent relationship management (eCRM) software solutions for nonprofits — has created *The Convio Online Marketing Nonprofit Benchmark Index™ Study*. This study was designed to help nonprofit marketers answer the following questions:

- What online marketing metrics should I focus on?
- How is my organization doing?
- What targets should I set for my organization?

The appropriate metrics for evaluating the success of an online marketing program vary depending on the program's primary objective. What should a nonprofit measure when the objective is to raise money, drive Web site traffic, build its email file, drive response to an appeal, or prompt some other action? Even when managers know what metrics are important and how to measure them, how do they know if their results are good? The only way to do this objectively is to compare their results against those of their peer group.

By knowing how an organization performs against a benchmark of its peers, it can begin to identify which areas of its online marketing program are performing well or are underperforming. This quantitative approach to measuring success gives organizations a framework to continually refine their tactics, improve the effectiveness of their online initiatives, and allocate resources more efficiently.

Growing from a cohort of 30 organizations last year, this year's study uses data compiled from more than 400 nonprofit organizations and aggregates their results into benchmarks by which nonprofit organizations can compare their results with those of their peer group. Separate benchmarks are provided for the industry as a whole, for 11 nonprofit industry subgroups, or verticals, as well as for organizations with extremely large email files, which we call Major Emailers. Previous Convio studies have shown that organizations with large email files perform more like other large organizations than organizations of a similar mission but with smaller email file size. This is because online programs of this size often correlate to large organizational infrastructure, budgets, staff, and sophisticated offline fundraising programs. For this study, we chose to designate these organizations with more than 250,000 online constituents, or Major Emailers, as their own segment.

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

Key Findings

The Convio Online Marketing Nonprofit Benchmark Index™ Study looked at the results of more than 400 nonprofit organizations' online marketing (eCRM) results and compiled a series of benchmarks for evaluating fundraising, email, advocacy and marketing success online. At a macro level, this study revealed the following:

- **Nonprofits' Web site traffic continues to grow.** Nonprofit organizations with fewer than 250,000 email addresses on file are growing their Web site traffic at 11% per year. However, some verticals are seeing flat or negative growth.
- **Registration rate improved slightly; remains an opportunity.** The conversion of unique Web site visitors to subscribers grew from 2.8% in our last report to 3.0%. However, with some organizations converting site visitors at much higher rates, the nonprofit sector as a whole has significant room for improvement with this key metric.
- **Email files continue to grow strongly.** Email files grew 32%. This rate of growth outpaced online revenue growth, suggesting that organizations are succeeding in growing prospect files online.
- **Email file growth supported heavily offline.** Email file growth is nearly three times that of Web site traffic growth, suggesting that organizations are adding more emails offline in addition to improving Web site registration rates. Some of the offline growth is probably attributed to the increasing use of email appends.
- **Revenue growth.** Total online revenue including eCommerce is growing at 26% across organizations, and online fundraising excluding eCommerce at 23%; however, similar to Web site traffic growth, not all verticals experienced positive results.
- **Average gift remains high.** Average gift was \$61, up from \$56 in our last report. This is much higher than the typical average gift achieved through other direct response channels.
- **Email open rates are declining.** In our last report, the sector average open rate benchmark was 22%, though it was calculated utilizing a much smaller cohort. With average open rates now at 14%, email fatigue and the increasing use of appends are likely the primary factors.
- **Opportunity to expand cross-promotion between advocacy and fundraising.** For organizations engaged in online legislative advocacy, 8% of advocates have also supported the organization financially. Conversely, 14% of donors have advocated. While illustrative of the fact that donors can be advocates and vice versa, we believe a significant upside for cross-marketing remains.

Monthly Web Site Traffic

For many constituents, your Web site is their first interaction with your organization. When used effectively, your Web site can convey the importance of your organization’s mission, register new constituents so you can continue to communicate with them, and generate desired actions such as making a donation or signing a petition. Harnessing existing Web site traffic is, for most nonprofit organizations, the best tactic for growing their email files.

Chart 1 shows the success that organizations are having driving traffic to their Web sites, as measured by the median number of unique visitors to their sites per month. Not all organizations within this study have their entire Web site hosted by Convio. Results for any organizations whose Web site is hosted by solutions other than Convio were not available, and those organizations’ entire results were therefore excluded from this metric. The remaining 195 organizations that constitute this benchmark had an average of 7,943 unique Web site visitors per month for the period of July 2006–June 2007. Verticals performing better than the benchmark included those with missions focused on the environment, public broadcasting and faith. The presence of offline media that can drive traffic online has a significant impact on faith based organizations and public broadcasting stations. Additionally, successful organizations offer compelling and frequently updated content, providing constituents a reason to visit these Web sites for frequent updates.

The Major Emailers vertical shows median monthly Web site traffic of 56,605, suggesting a correlation between Web site traffic and large email files.

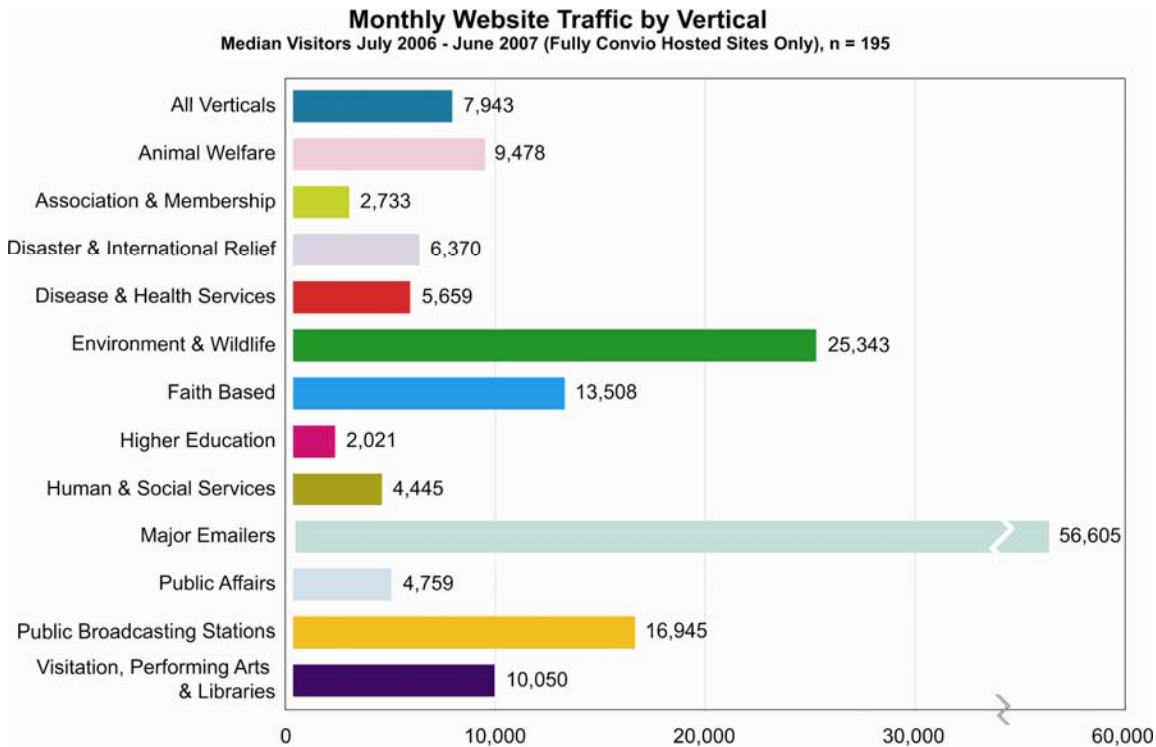


Chart 1: Monthly Web Site Traffic by Vertical

Of the 195 organizations in the Monthly Web Site Traffic by Vertical metric (Chart 1), 116 were also Convio clients for the full year previous to July 2006. As seen in Chart 2, the year-over-year growth rate for those organizations is 11%. While most verticals experienced positive growth in their Web site traffic, several verticals, including Public Affairs and Higher Education, experienced flat to negative growth during this period.

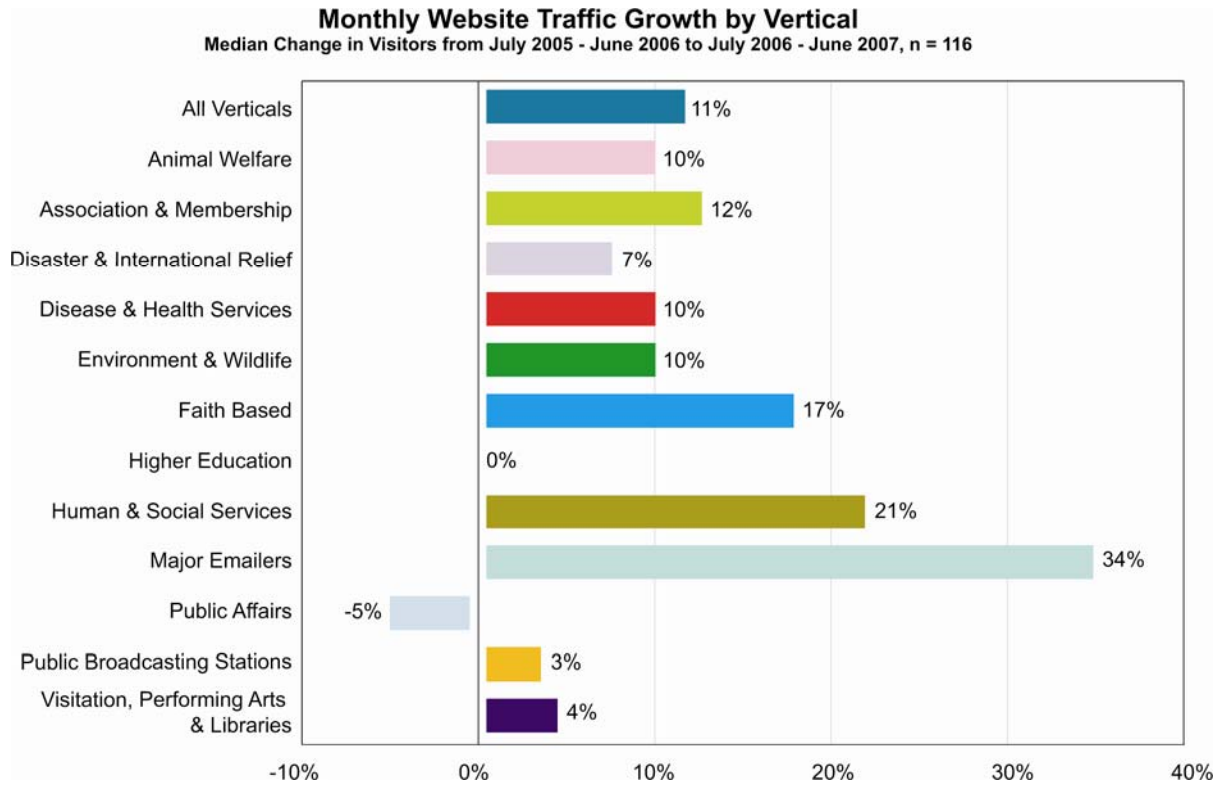


Chart 2: Monthly Web Site Traffic Growth by Vertical

Registration Rate

The registration rate describes the success that nonprofit organizations have converting Web site visitors into registered constituents. Adding constituents to your email file gives your organization a way to continuously re-engage with them using email.

This metric measures the median percentage of new Web site visitors who register on the site each month, calculated as the number of new registrants per month divided by total monthly Web site unique visitors. This does not include any constituents who were added by the organization’s staff via a list upload, data sync with their offline database, or other “non-organic” means. This benchmark covers the 195 organizations in the panel for which Convio hosts the entire Web site.

Approximately 3% of monthly unique visitors provided their email addresses to the organization through registering for email updates or taking some other action online. The remaining 97% either have registered during a prior period or represent an opportunity for the organization to convert them to their file. Converting Web visitors into registered constituents requires an organization to provide compelling reasons why constituents should register. As seen in Chart 3, verticals such as Faith Based, Disease & Health Services and Major Emailers have programs in place that offer access to additional resources, incentives, or other tangible benefits to constituents in exchange for registering. For example, many faith based organizations offer “daily devotionals,” inspirational emails that people can receive each day. Disease and health related organizations offer access to special reports or online communities, only accessible after someone provides their email address. Some Major Emailers are using low-cost back-end premiums as registration incentives. For example, offering registrants the option to receive a sticker that lets emergency services workers know that they have a pet at home.

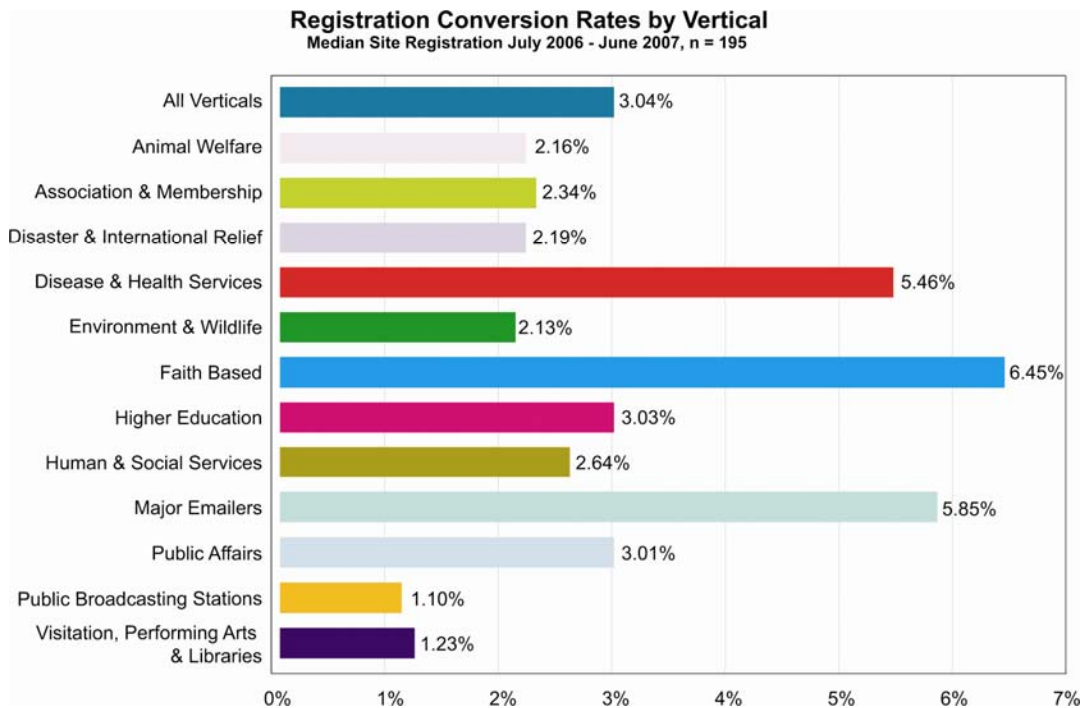


Chart 3: Registration Conversion Rates by Vertical

Email File Size

The first step in any effective online marketing strategy is to build and maintain an email file. This metric measures the total number of constituent email addresses in the Convio Constituent 360™ online database as of June 30, 2007.

Many nonprofits' online programs still represent a fraction of their offline direct mail programs. A total of 54% of the 419 participants in this study had email files with fewer than 25,000 records. Chart 4 shows that organizations that have been able to grow email files larger than the median of 20,385 include organizations from the Environment & Wildlife, Higher Education and Faith Based verticals. These verticals tend to have missions whose appeal is broad, or they have large and constantly growing memberships, such as alumni, to grow their files. The Major Emailers segment, which we defined as organizations with more than 250,000 email records, had a median file size of 433,564. Mostly composed of organizations in the Public Affairs and Disease & Health Services verticals, these Major Emailers have created substantial online files in just a few years.

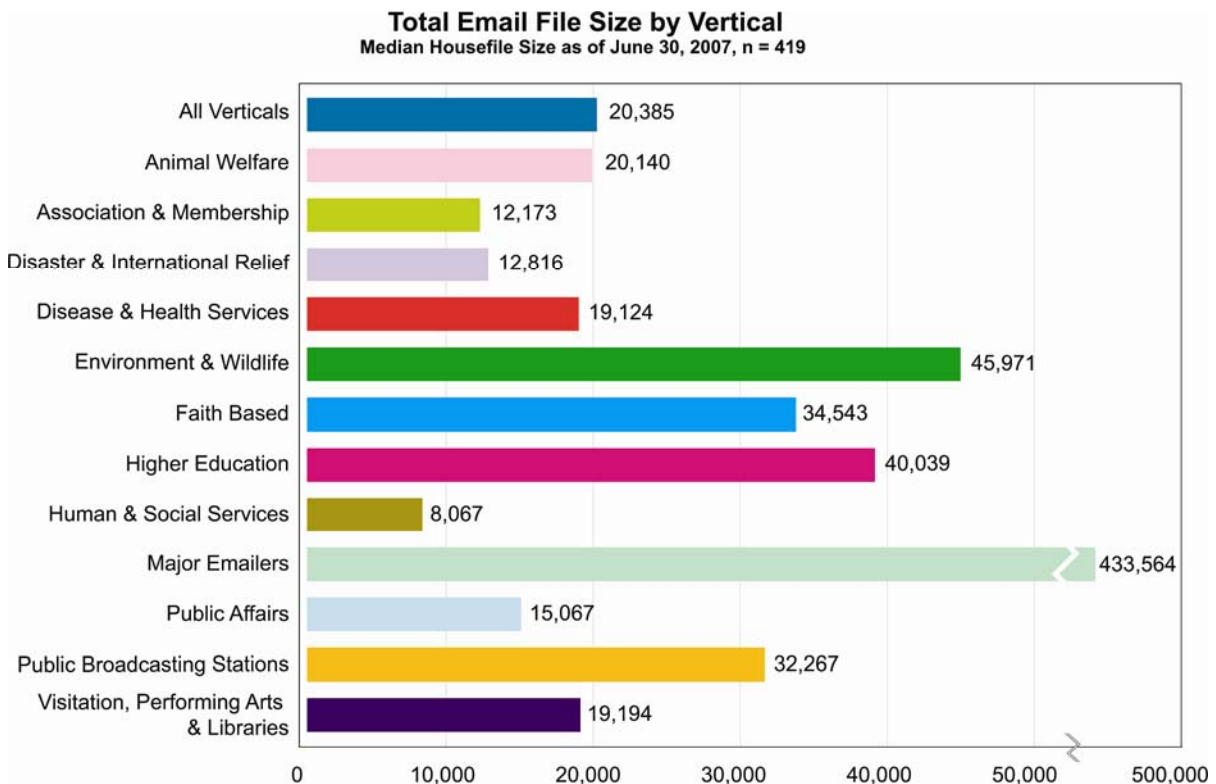


Chart 4: Total Email File Size by Vertical

The number of email addresses on file has a direct impact on an organization’s ability to communicate with, cultivate and solicit actions from constituents. The larger an organization’s communication reach, the more constituents who are available to help them reach their goals, whether that be raising more money, mobilizing more advocates, or simply increasing awareness. Figure 1 shows the impact that increasing the email file size has on an organization’s ability to raise funds and generate eCommerce revenue. The median amount raised by organizations with email files ranging from 10,001 to 25,000 was \$115,685 compared to larger organizations that constantly raised more.

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
Total	327		

Figure 1: Median Fundraising by Email File Size

Not surprisingly, there is also a relationship between the total size of an organization’s email file and Web traffic. Figure 2 shows that for the 195 organizations that have their Web site fully hosted on Convio, those with larger median monthly Web site traffic numbers have been able to grow larger email files.

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
Total	195	

Figure 2: Median Web Site Traffic by Email File Size

Compared with the prior year, the average email file growth rate was 32%. This is nearly three times the rate of growth in Web site traffic (Chart 2), suggesting that organizations are growing their lists with a combination of offline programs and more efficient Web site registration programs than in the past. In general, organizations have become more proactive in collecting email addresses at events and at their facilities if appropriate. Some, particularly Major Emailers, have also engaged in appends. Chart 5 shows file growth by vertical, with Disaster & International Relief, Disease & Health Services and Major Emailers experiencing the fastest growth.

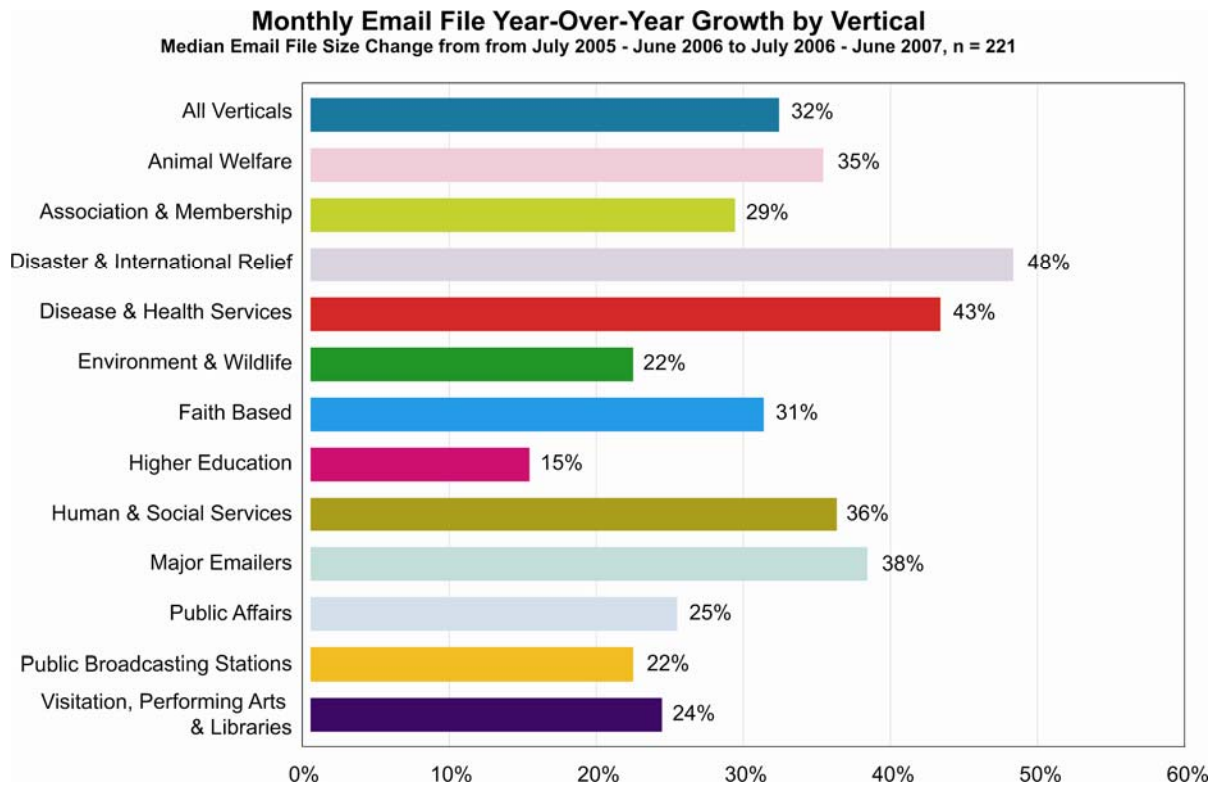


Chart 5: Monthly Email File Year-Over-Year Growth by Vertical

Online Revenue: Fundraising, ECommerce, Growth, Average Gifts and Value of an Email Address

The goal of online fundraising is to raise more money at a lower cost than possible through offline programs alone. These benchmarks measure the total contributions made online over a 12-month period. The total contributions include money raised from “direct” online donations and sustaining gifts, as well as money raised online to support team-based events using Convio’s TeamRaiser™ product. The metric does not factor in gifts made offline by constituents originated or engaged online. Chart 6 shows that during the period of July 2006–June 2007, the 327 study participants received 3 million gifts totaling \$184 million.

The median amount raised for the 12-month period ending June 30, 2007, was \$107,879. On average, organizations with missions related to public broadcasting, faith and disease and health services raised significantly more than this amount. Major Emailers, not surprisingly, raise the most money online; however, they often have significant offline marketing programs, budgets and other resources at their disposal. Once again, they were broken out separately for the purposes of this analysis.

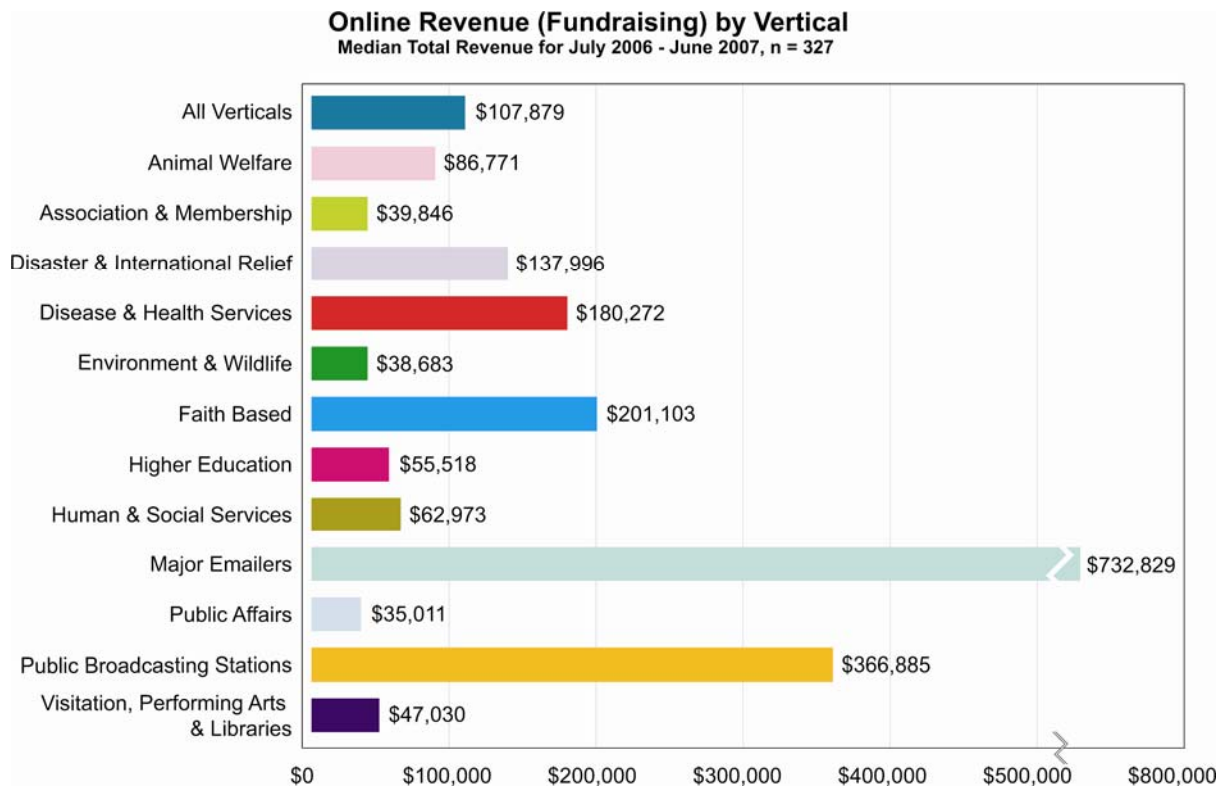


Chart 6: Online Revenue (Fundraising) by Vertical

For many organizations, especially in certain verticals such as Faith Based and Public Broadcasting Stations, eCommerce is deliberately used as a major source of fundraising. In this case, online revenue comes from a shopping cart as opposed to a fundraising donation form. In Chart 7, we see the impact of fundraising, including eCommerce, on each vertical. Increasingly, environmental and wildlife groups are also using eCommerce as an approach to online fundraising through online sponsorship/adoption programs. These organizations have found that an eCommerce approach to fundraising offers donors the feeling that their gifts are very tangible. We believe that many other organizations could leverage eCommerce to augment their traditional donation form-based online fundraising efforts.

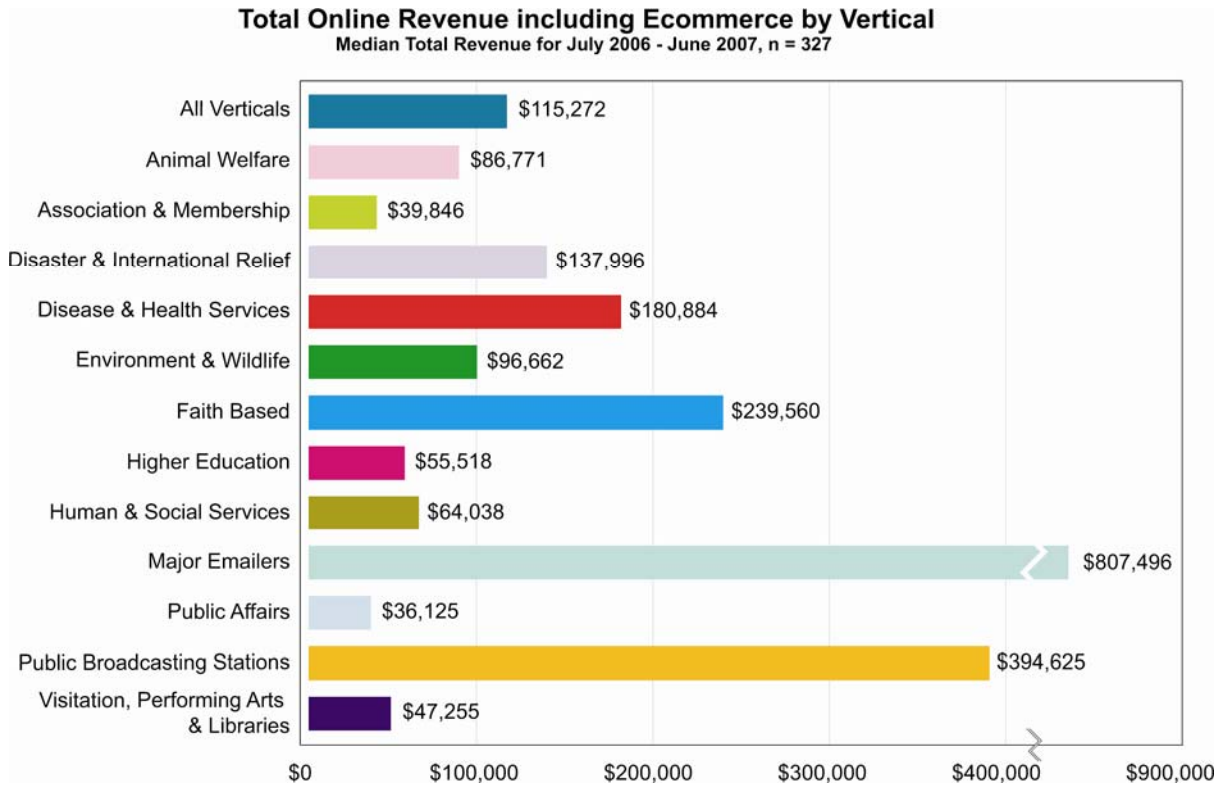


Chart 7: Total Online Revenue including Ecommerce by Vertical

Of the 327 organizations in the previous metrics, 170 of them were also involved with online fundraising at Convio during the 12 months prior to this study. Chart 8 shows that for this group, online revenue generation (including eCommerce) grew 26% per year. Excluding eCommerce, online fundraising grew just over 23%. Verticals with the highest online revenue growth rate included Association & Membership; Visitation, Performing Arts & Libraries; Environmental & Wildlife; and Major Emailers. Not all verticals experienced growth from the prior year, though. Disaster & International Relief experienced negative growth after record fundraising in years previous, on the tail of Hurricane Katrina and the Asian Tsunami.

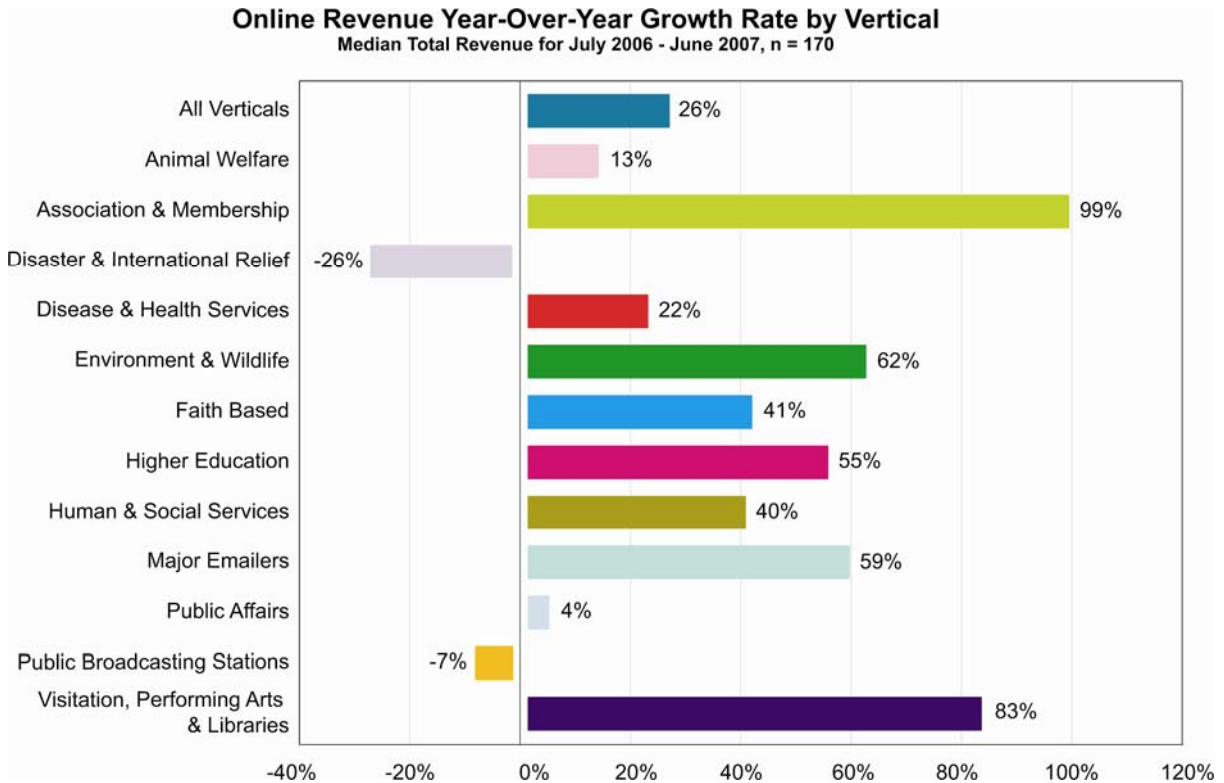


Chart 8: Online Revenue Year-Over-Year Growth Rate by Vertical

The average gift, measured as the sum of all donations divided by the number of gifts, gives us an indication of the average amount each constituent gave. The average gift raised online during the period studied was \$61, up from \$56 in our last report. The Major Emailers tended to have a large number of the gifts in this study; however, as their \$59 average gift shows, their gifts tended to be smaller than those in other verticals. Several verticals received average online gifts of more than two times the overall benchmark. Those verticals were Higher Education, Disaster & International Relief and Visitation, Performing Arts & Libraries.

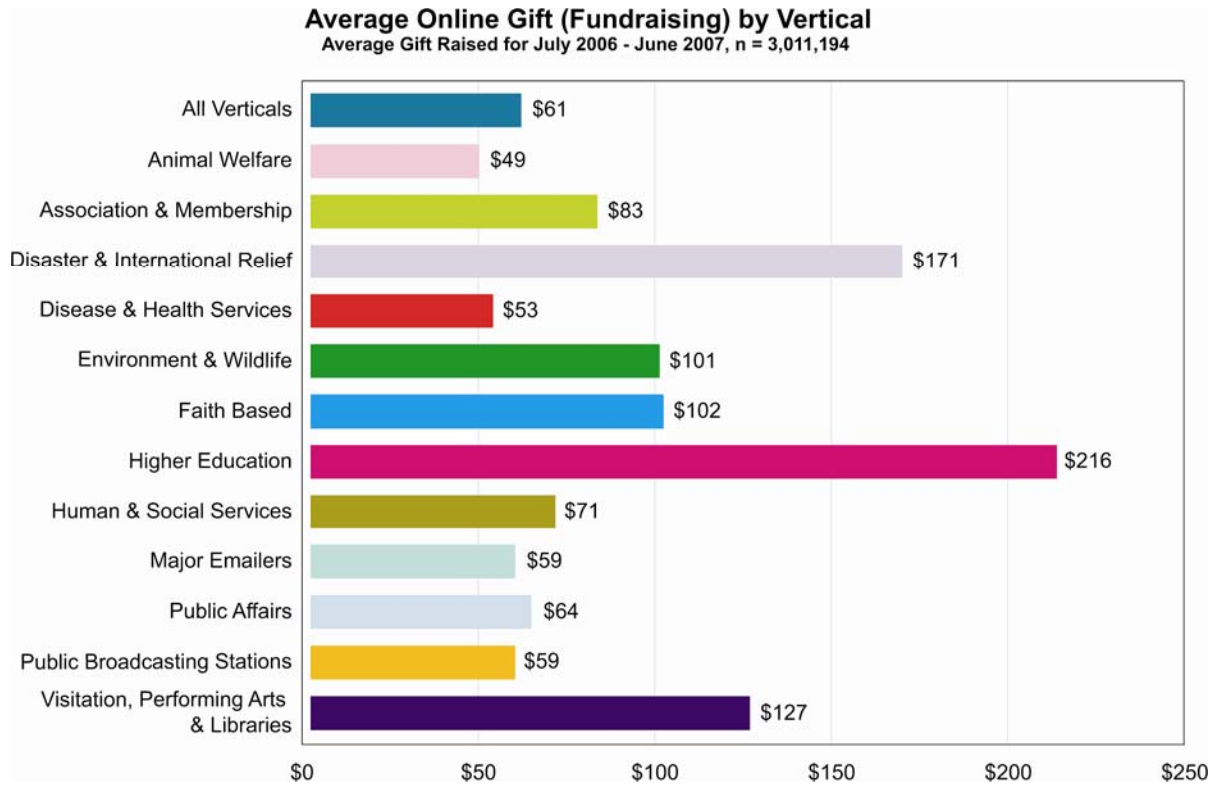


Chart 9: Average Online Gift (Fundraising) by Vertical

The value of an email address is a way for nonprofits to gauge how efficiently they are generating online revenue from each online constituent. It does not factor in offline contributions. Chart 10 shows that for the 327 organizations in this study, the email addresses on their file generated \$7.86 per address from donations and eCommerce during the period of July 2006 to June 2007. The Disease & Health Services and Disaster & International Relief verticals generated revenue that was approximately double the sector-wide benchmark.

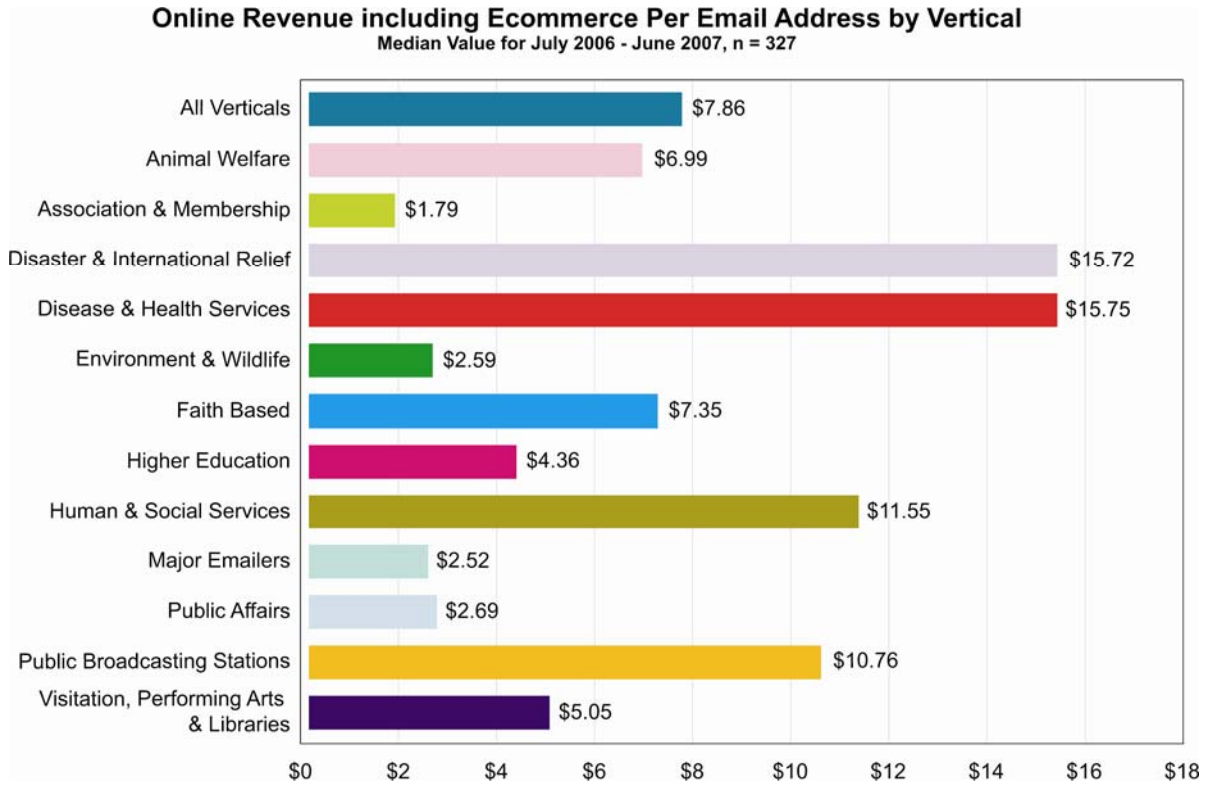


Chart 10: Online Revenue including Ecommerce Per Email Address by Vertical

Email Appeals: Open Rates, Click-Through Rates, Response Rates

As opposed to direct mail, telemarketing and other fundraising channels, email appeals allow nonprofits to solicit constituents for a relatively low cost. An email appeal’s effectiveness can be measured at various stages by looking at the open rate, click-through rate and donation (or response) rate.

Studying 2,742 separate email fundraising messages from 219 organizations during the time period of July 2006–June 2007 revealed an average open rate of 14%. Email communications whose primary objective was clearly not fundraising in design — such as fundraising event reminders, advocacy alerts, general organization communications, and monthly email newsletters — were excluded from this metric even if their content included a soft ask (an ask for donations somewhere in the communication). The sector-wide average is pulled down significantly by Major Emailers. Some verticals, such as Higher Education, Association & Membership, Disease & Health Services, Faith Based and Animal Welfare, achieved averages 50% higher or more than the sector-wide benchmark.

The open rate is the percentage of recipients who open (view) a message divided by the number of messages delivered. Limited emphasis should be placed on this metric because of known image rendering and preview pane issues in email readers, which can skew open rates. We do not count instances where a recipient opens an email appeal more than once. The segment average for each vertical is seen in Chart 11.

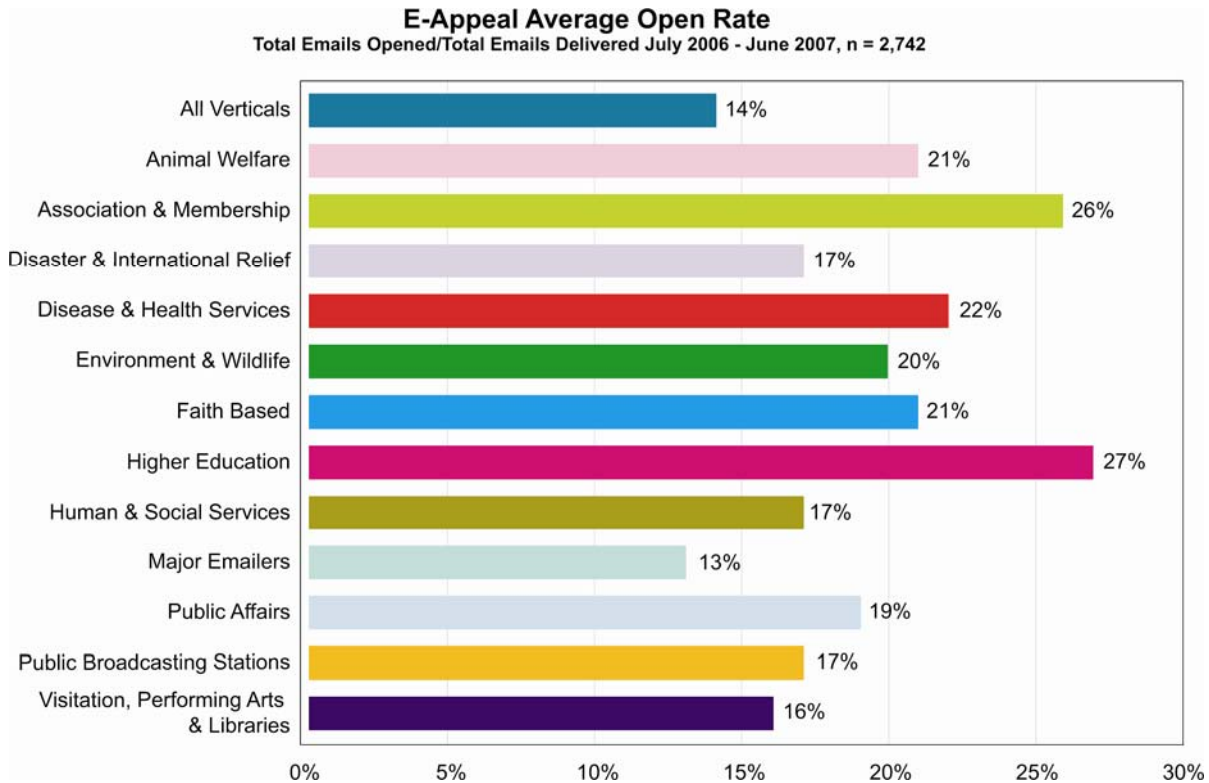


Chart 11: Email Appeal Average Open Rate

The click-through rate is the percentage of recipients who clicked on one or more links contained within the email appeal divided by the number of email appeals delivered. The 2,742 separate email fundraising messages from the 219 organizations in this study during this period had a median click-through rate of 2%.

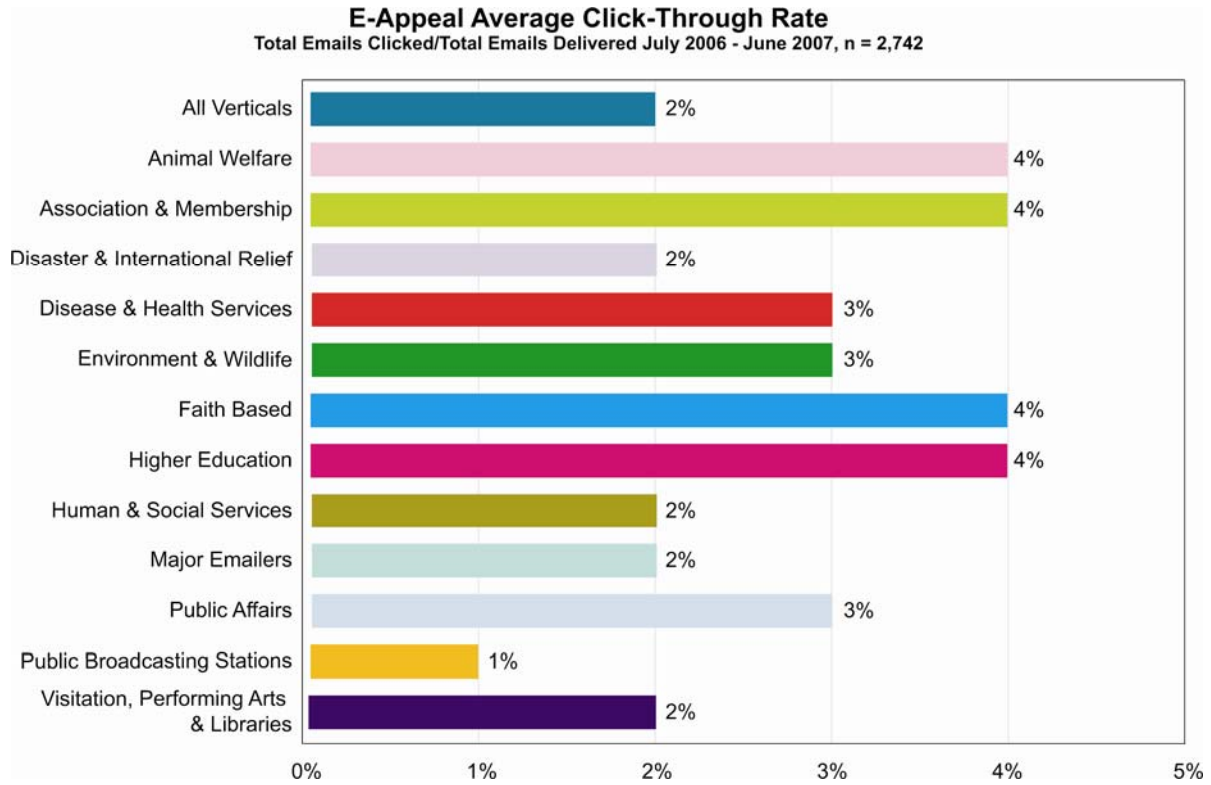


Chart 12: Email Appeal Average Click-Through Rate

The success of an online fundraising appeal is ultimately measured by the proportion of the recipient list that actually makes a donation to the organization, or response rate. Chart 13 shows that the email appeal average response rate across verticals is 0.07%. The sector-wide metric is pulled down by Major Emailers. The response rate can be influenced by many factors, including the mix of prospects and active donors in the recipient list and the degree to which the list is composed of “organically” acquired versus appended names. Appended emails tend to generate much lower open, click-through and response rates. Appeals sent to lists that consist predominantly of prospects will experience lower response rates than those that consist mainly of existing donors. In this metric, we see a blended response rate, or a response rate for organizations sending email appeals to files that include both prospects and existing donors.

We see the influence of a large donor file in membership-driven organizations — such as those in the Associations & Membership and Public Broadcasting Stations verticals — that send appeals to existing members at renewal time. Chart 13 shows the response rate for Public Broadcasting Stations is about four times higher than the All Verticals benchmark. Organizations that have lower response rates include Major Emailers, who have extremely large files of both prospects and donors that they regularly solicit. Major Emailers have also been more active in adding email addresses through appends.

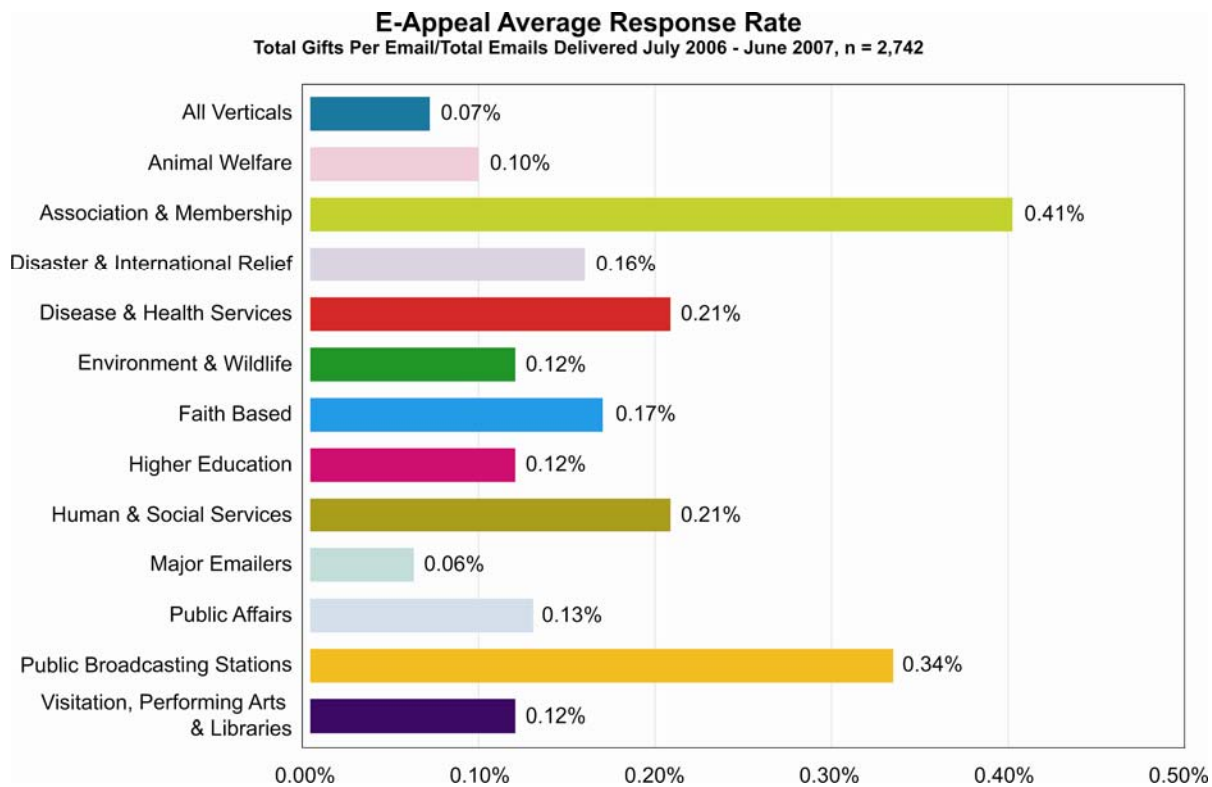


Chart 13: Email Appeal Average Blended Response Rate

Email Newsletters: Open and Click-Through Rates

Email newsletters allow fundraisers to build and maintain relationships with constituents before asking them for a donation. They also are a cost-effective way to build relationships with new constituents, increase engagement, and educate them about your organization's mission. As such, it is critical that constituents read these important communications.

Eighty-five organizations sent weekly, monthly, bi-monthly, or quarterly email newsletters during the period of July 2006–June 2007. Chart 14 shows that the median open rate for the 736 email newsletters studied was 15%. Email newsletters from organizations within the Visitation, Performing Arts & Libraries, Higher Education, Disaster & International Relief and Faith Based verticals had the highest newsletter open rates at 31%, 25%, 24% and 24%, respectively. Major Emailers and Public Broadcasting Stations had the lowest. We believe that, in general, open rates are declining. In our last report, the sector average open rate benchmark was 22%, though it was calculated utilizing a much smaller cohort.

Email fatigue is no doubt a factor. Constituents are inundated with marketing messages, and email volumes have increased. Major Emailers in particular tend to send a lot more email messages than other segments. Another factor, as discussed earlier, is the increasing use of email appends. The open rate for appended email addresses is commonly 25–50% that of “organically” acquired addresses. Many Major Emailers have been very active in growing their files through appends. We continue to encourage our clients to focus primarily on “organic” file growth as much as possible, using appends as a highly selective strategy. Additionally, we encourage clients to ensure that email communications have an impact and are not just being sent to meet a publishing schedule. We also are strong proponents of segmenting and personalizing messages to increase the targeting and relevance of content. In tests, we have found that transitioning from a one-to-many approach to a more segmented email communications approach drives a significant lift in open rates.

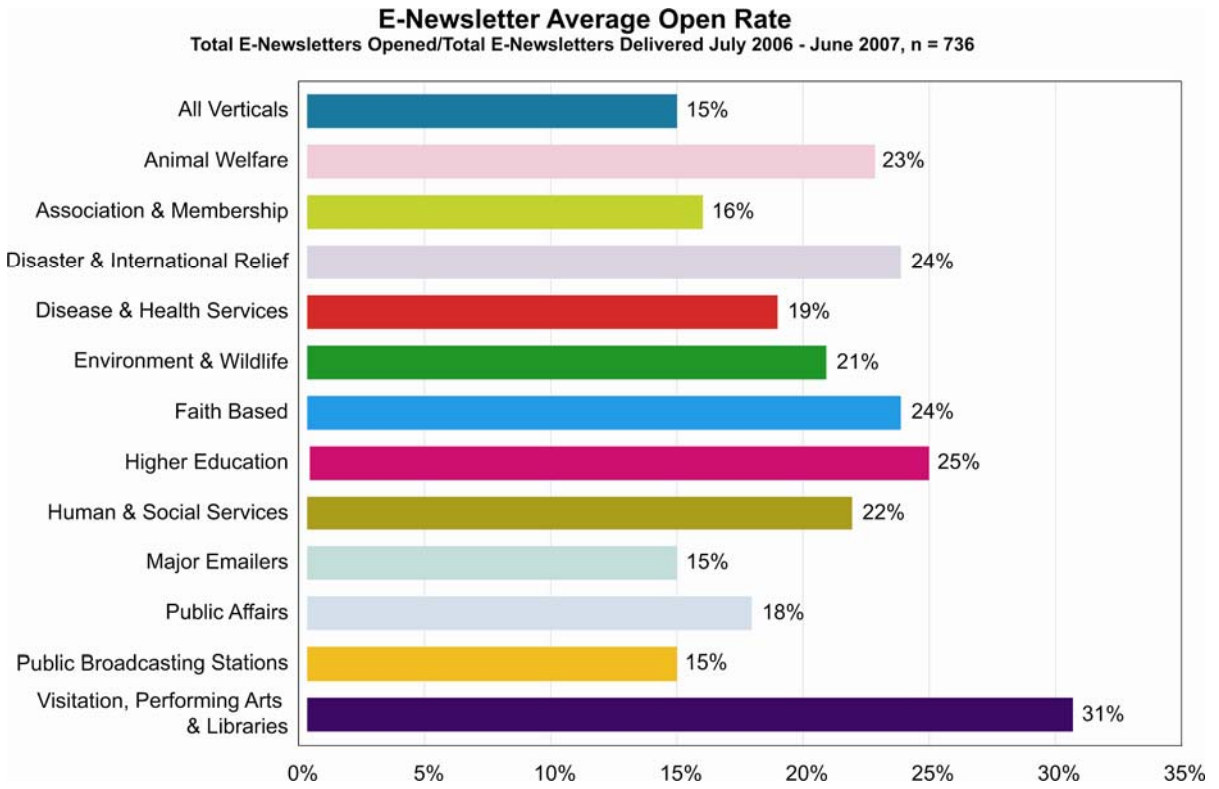


Chart 14: Email Newsletter Average Open Rate

Chart 15 shows that at 4%, the email newsletter click-through rate is roughly twice as high as that for email appeals, showing constituents' willingness to click items having a lower level of commitment than those in an appeal. Email newsletters from animal welfare organizations had the highest click-through rate at 8%, followed by environmental and wildlife organizations at 6%.

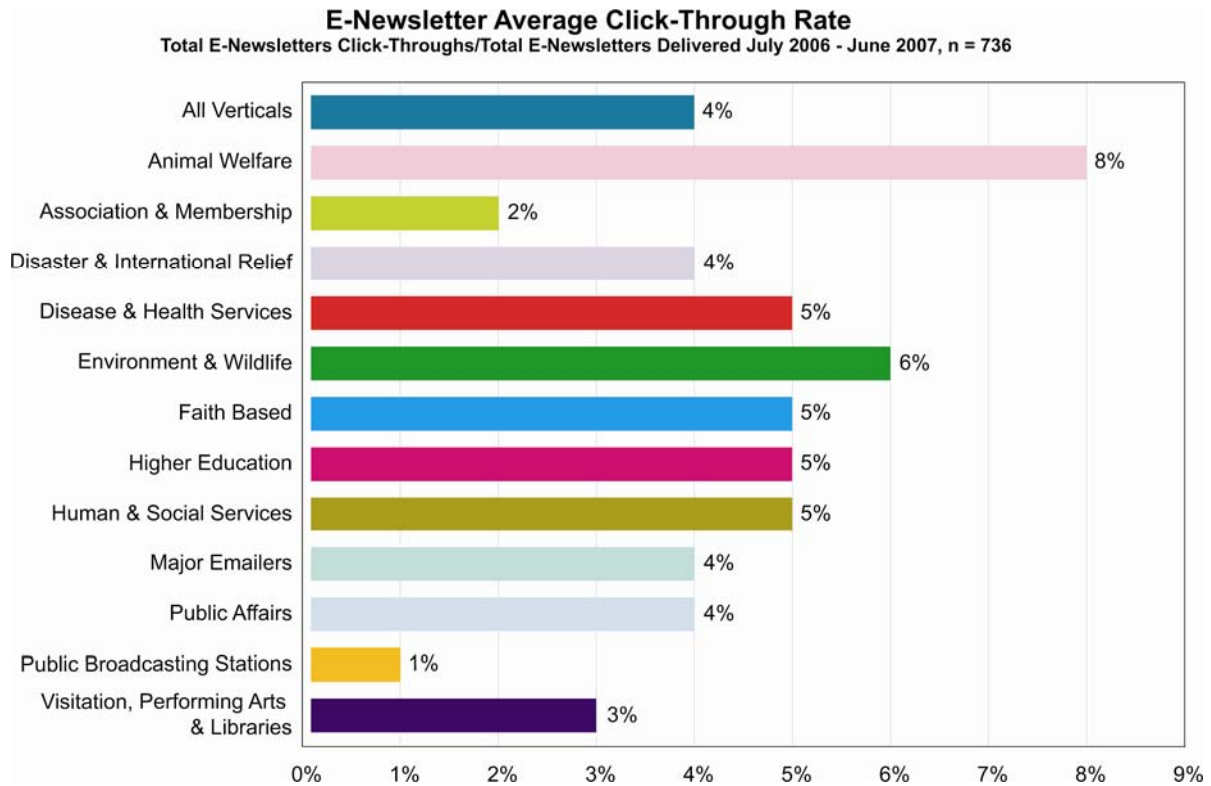


Chart 15: Email Newsletter Average Click-Through Rate

Advocacy

Online advocacy allows nonprofit organizations to build a loyal network of constituents ready to support the issues most important to their organizations. Of the 419 study participants, 75 were engaged in Convio Advocacy during the period of July 2006–June 2007. Verticals such as Public Affairs and Disease & Health Services are traditionally heavy users of advocacy as a tactic for promoting their missions or causes, while other verticals such as Public Broadcasting Stations generally do not.

Figure 3 shows that of an organization’s total email files, 8.49% of constituents have taken at least one advocacy action. For some verticals such as Environment & Wildlife, as much as 30% of their constituents have engaged in advocacy. Note: No study participants from the Higher Education vertical engaged in advocacy during this period. Also, Public Broadcasting Stations as a group generally do not engage in advocacy to promote their mission.

Vertical	# of Organizations	Advocates as a % of Total Email File	Donors as a % of Advocate File	Advocates as a % of Donor File
Animal Welfare	4	9.78%	15.79%	9.21%
Association & Membership	4	8.48%	5.20%	24.68%
Disaster & International Relief	3	4.61%	11.08%	2.55%
Disease & Health Services	15	8.32%	9.76%	7.51%
Environment & Wildlife	3	30.69%	6.32%	41.68%
Faith Based	3	13.12%	9.69%	24.07%
Human & Social Services	2	2.38%	6.66%	2.86%
Major Emailers	14	11.50%	7.83%	23.00%
Public Affairs	26	9.56%	6.65%	15.23%
Visitation, Performing Arts, Libraries	1	1.73%	14.40%	3.77%
All Verticals	75	8.49%	8.45%	14.17%

Figure 3: Advocacy

Another important metric for advocacy is how effectively organizations convert loyal advocates to financial supporters of their organizations. Chart 16 shows that 8% of advocates on file have also supported their organizations financially. For some verticals such as Animal Welfare, this median is nearly twice that. We believe that online advocacy, in addition to advancing an organization’s mission; can be a significant feeder of prospects for fundraising. Organizations are growing increasingly sophisticated at converting activists to donors, but much potential still remains.

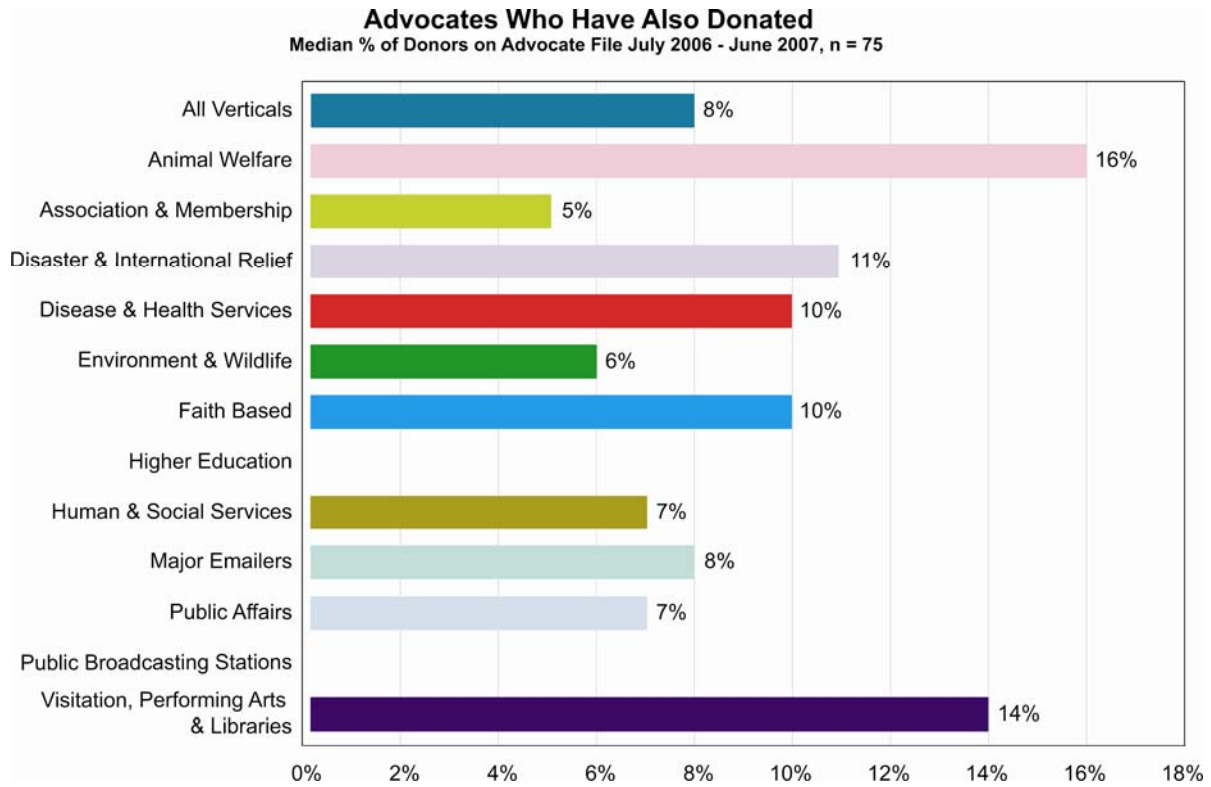


Chart 16: Advocates Who Have Also Donated

Chart 17 shows that 14% of all the donors on file have also taken an advocacy action. For the Environment & Wildlife vertical, 42% of donors are engaged in advocacy. We believe that engaging donors in online advocacy helps to cement relationships with your cause and organization and hence enhances donor retention rates and lifetime value.

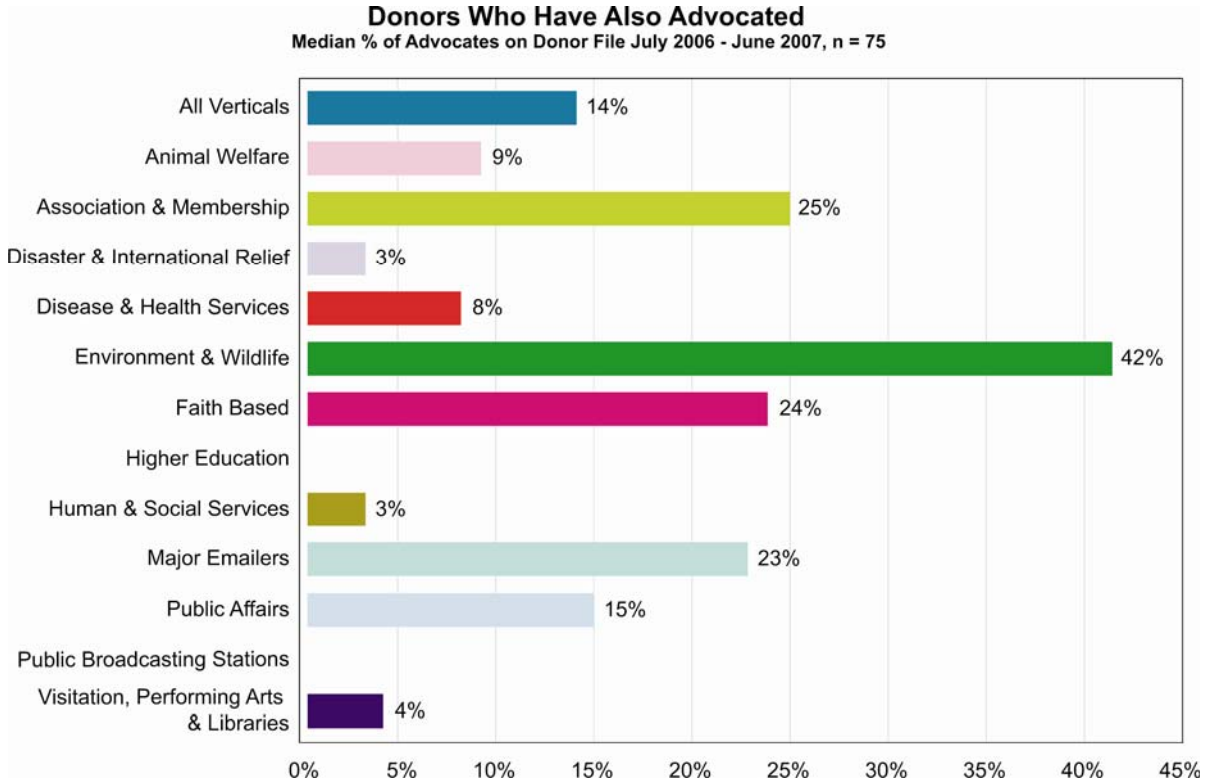


Chart 17: Donors Who Have Also Advocated

Summary

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

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

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

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

Methodology

Convio is the online Constituent Relationship Management (eCRM) software provider of choice for more than 1,200 nonprofit organizations. This sophisticated software allows our clients to combine the results from a suite of applications for fundraising, email and Web content management application into one integrated solution, the Constituent 360™ database.

Using actual client transactional data from the Constituent 360™ database for over 400 of our clients, the Convio Online Marketing Nonprofit Benchmark Index™ Study demonstrates how organizations with similar missions (“vertical”) performed during the 12-month period of July 1, 2006, to June 30, 2007. Organizations selected for inclusion in this study were subject to, or sorted by, the following criteria:

- 1) Organizations must have been on the Convio platform during the entire period of July 1, 2006, to June 30, 2007. Organizations must have completed deployment onto the Convio platform before July 1, 2006, and still remain active clients as of June 30, 2007. Organizations not meeting these parameters were excluded from the study.
- 2) To boost analytical power, we combined study participants that we believed to be similar into groups based on a common organizational mission, or vertical, of the nonprofit sector, as described in Figure 4.

Vertical	Description
Animal Welfare	Regional humane societies and national organizations devoted to animal welfare issues
Association & Membership	Organizations whose members have a common professional affiliation
Disaster & International Relief	Domestic and international organizations that provide disaster relief, humanitarian relief, aid and assistance around the world, often in response to a catastrophic event or disaster
Disease & Health Services	Organizations that provide information and patient support on particular diseases and disorders, raise money for medical research, and/or are involved in medically related public policy issues
Environment & Wildlife	Regional and national environmental and conservation organizations
Faith Based	Churches, ministries and other organizations of various religious affiliations. (Note: Jewish organizations were removed based on previous analysis suggesting that these organizations perform dramatically differently from other faith based organizations, but too few of these organizations met the criteria to support a separate cohort.)
Higher Education	Colleges, universities and their alumni associations
Human & Social Services	Local, regional and national organizations that deliver human and social services to people in need

Major Emailers	Organizations from various verticals with more than 250,000 constituent email addresses in their email file
Public Affairs	Organizations involved in shaping public policy and legislative advocacy at a state or federal level
Public Broadcasting Stations	Public radio and public television stations
Visitation, Performing Arts & Libraries	Organizations such as zoos, museums and aquariums that rely on members and guests visiting their facilities

Figure 4: Vertical Segment Descriptions

- 3) In some cases, we were able to combine similar verticals with other organizations that we believe perform similarly. For example, the Christian, Catholic and other religion-affiliated organizations were combined into a common vertical cohort we call Faith Based. In other cases, the mission was so narrow that the resulting sample was too small to be statistically significant. Vertical groups that did not have at least ten similar organizations based on their common mission were excluded.

The resulting study participant list is composed of 419 organizations from 11 distinct vertical segments, as seen in Figure 5.

Vertical	# in Panel
Animal Welfare	21
Association & Membership	20
Disaster & International Relief	25
Disease & Health Services	121
Environment & Wildlife	13
Faith Based	38
Higher Education	20
Human & Social Services	54
Public Affairs	80
Public Broadcasting Stations	13
Visitation, Performing Arts, Libraries	14
Total	419

Figure 5: Vertical Composition

Previous Convio studies have shown that organizations with email files of more than 250,000 addresses perform dramatically different from organizations with smaller email files. This is partly because email files of this size allow these organizations to drive fundraising and advocacy communications to a large number of constituents. Organizations that have been able to build email files of this size also tend to have major offline programs, such as direct mail, and increased organizational resources that allow them to achieve higher levels of success. As such, the performance of any benchmark can be significantly skewed by organizations of this magnitude, and therefore they have been broken out into a separate comparison category we call Major

Emailers. The number of organizations from each vertical that compose this new vertical are shown in Figure 6.

Major Emailers by Vertical	# in Panel
Animal Welfare	1
Association & Membership	1
Disaster & International Relief	3
Disease & Health Services	8
Environment & Wildlife	3
Faith Based	4
Higher Education	3
Human & Social Services	0
Public Affairs	10
Public Broadcasting Stations	0
Visitation, Performing Arts, Libraries	0
Total Major Emailers	33

Figure 6: Major Emailers by Vertical

Other Considerations:

In addition to how an organization performs relative to its peers within its vertical, the size of an organization’s email file can also be a predictor of an organization’s potential to raise funds, increase awareness about a particular issue, and drive Web site traffic. Figure 7 shows the distribution of the study’s 419 participants’ total email file sizes as of June 30, 2007.

Email File Size	# in Panel
<10,000	139
10,001–25,000	87
25,001–50,000	72
50,001–100,000	48
100,001–250,000	40
250,001+	33
Total	419

Figure 7: Email File Size Study Composition

Note: Figure 7 shows the total number of email records on file, not the percentage that is actually usable. A usable email is one where the constituent is currently opted in to receive email communications from the organization and is currently valid, meaning that previous attempts to email this address have not reported a “hard bounce” from the constituent’s ISP.

While not used specifically for any of the metrics in this year’s study, results can also be grouped based on the size of an organization’s annual budget. This information is self-reported to the IRS by each organization annually on IRS Form 990 which is an annual reporting return that provides information

on the filing organization's mission, programs and finances. Figure 8 shows the distribution of participants in this study.

Organizational Budget	# in Panel
<\$1,000,000	71
\$1,000,001-\$10,000,000	174
\$10,000,001-\$100,000,000	132
\$100,000,001-\$500,000,000	24
\$500,000,001+	17
Total	419

Figure 8: Organizational Budget

Each metric studied includes a breakdown of how each of the 12 verticals performed compared to an All Verticals benchmark composed of all the organizations that were relevant for that particular metric, as noted by the “n” value in the chart title. Some metrics in this study may include an “n” value of fewer than 419 participants based on the definition of the metric. For instance, not all panel participants use Convio for their online fundraising; as a result, the Online Revenue (Fundraising) by Vertical metric contains fewer than 419 participants.

Discussion of Metrics

The metrics shown in this study are by no means exhaustive. Every organization is unique and has its own organizational strengths, structure and goals. Because of these attributes, results achieved by one organization may not be attainable by another.

This study's primary metrics cover the period of July 2006 through June 2007; however, metrics involving year-over-year growth include the period of July 2005 to June 2006. This was a very significant fundraising period for organizations whose missions were affected by Hurricane Katrina, the Asian Tsunami and other major events that occurred during this timeframe. As a result of the abnormally active prior period, many of those same organizations show slower growth this year even though they have made significant strides in fundraising.

Unless otherwise stated, the benchmarks presented in this report were calculated using the median value. The median is an estimate of the average of a list of numerical values independent of strong outliers. As such, the benchmarks represent the point at which half the values lie above the benchmark and half lie below. Your results may, of course, be higher or lower than the benchmark.

Organizations should use this study to understand why metrics are important and which metrics and drivers can have the biggest effect on their online marketing programs. With this understanding as a foundation, organizations can do their own analysis to serve as the basis for other modeling and return-on-investment calculations.

For more information or other analytical support, contact your Convio Account Manager or Sales Executive about engaging a Convio Interactive Marketing Consultant.

About Convio

Convio is a leading provider of on-demand constituent relationship management software and services to nonprofit organizations to enable nonprofit organizations to more effectively raise funds, influence public policy and support their missions by leveraging the Internet to build strong relationships with constituents. The company's online constituent relationship management, or eCRM, solution includes a suite of on-demand software modules for fundraising, advocacy, email marketing and Web content management complemented by a portfolio of best-in-class consulting services.

For more information, please visit www.convio.com.



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