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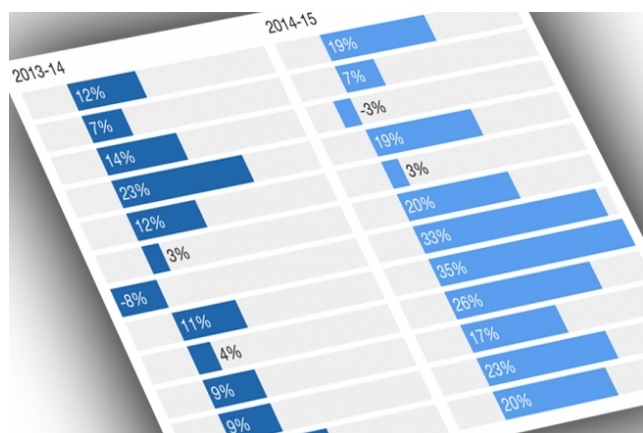
NEWS AND ANALYSIS

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Email and Monthly Giving Boost Online Revenue 19%, Study Finds

By Rebecca Koenig

Thanks to strong growth in email-driven donations and monthly recurring gifts, online fundraising revenue climbed 19 percent in 2015 at the 105 nonprofits that participated in the M+R 2016 benchmarks study.



Revenue generated by email fundraising increased 25 percent, the marketing firm found. Mobile giving, encompassing donations made by text message and mobile-responsive websites, accounted for 13 percent of total online donations made.

Online fundraising remains a minority portion of all fundraising at most nonprofits, but its share is growing. The 19 percent growth in 2015 was higher than growth in 2014, which was 12 percent.

The recent figures underscore just how dramatically the fundraising world has changed since the marketing agency published its first benchmarks report in 2006, says Madeline Stanionis, principal and creative director at M+R.

That was back before the dawn of Twitter and Instagram, and when Facebook was only available to students.

"The technologies that allow us to reach people [now] are really phenomenal," Ms. Stanionis says.

She acknowledges that the fast-changing online world makes raising money digitally more complicated than it was a decade ago.

But with a 19 percent growth rate, she adds, "Is it all worth it? You bet."

Strong Growth in Monthly Gifts

Monthly giving was a significant force in 2015, growing 24 percent over the previous year and accounting for 17 percent of online revenue. One-time giving rose by 18 percent. The average monthly donation through email was \$18, and monthly gifts via different online means averaged \$24.

International aid groups continue to rely heavily on one-time donations: They experienced just a 10 percent increase in monthly giving and a 47 percent increase in one-time gifts, likely due in part to the Syrian refugee crisis and the Nepal earthquake, according to the report.

Back in 2006, recurring online donations were not a significant source of revenue for the 15 nonprofits surveyed for the inaugural M+R study. Only eight offered this giving option, and it accounted for less than 5 percent of online funds raised.

The rise of online monthly giving is one of the most important trends in digital fundraising, says Will Valverde, vice president of creative development at M+R.

Email Flourishes

On average, nonprofits in the 2016 study increased email subscribers by a net of 14 percent. This despite losing about a tenth of existing subscribers.

Email subscription "churn" decreased by an average of more than 75 percent in 2015 compared to 2014 for groups that tracked data in both years. M+R credits the drop to better targeting of potential donors and weeding out of inactive subscribers.

Response rates for emails — the percentage of people who took the requested action — decreased in 2015. The average advocacy response rate was 2.1 percent, down 11 percent from 2014, and the average fundraising response rate was 0.06 percent, down 8 percent

from 2014. In 2006, response rates were higher, albeit for a different and much smaller set of nonprofits: 10 percent for advocacy emails and 0.3 percent for fundraising emails.

Although the study does not point to a potential cause for the response-rate drop, Ms. Stanionis hypothesizes that the rise of other online points of contact with donors, like social media services, has made each individual email less important.

"In the old days you felt you had to use email," she says. "The world has become so much savvier. They don't need to receive an email to take action."

But according to the study, overall a nonprofit's email program is likely to raise more money now than ever before.

"Email revenue grows at a really rapid pace," Mr. Valverde says.

Changes in Revenue From Online Fundraising

	2013-14	2014-15
All	12%	19%
Cultural	7%	7%
Educational	14%	-3%
Environmental	23%	19%
Health	12%	3%
Hunger/Poverty	3%	20%
International	-8%	33%
Rights	11%	35%
Wildlife/Animal Welfare	4%	26%
Large	9%	17%
Medium	9%	23%
Small	16%	20%

Source: M+R 2016 Benchmarks Study [Get the data](#)

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