



The Convio Online Marketing Nonprofit Benchmark Index™ Study

First Quarter 2009 Update

Published: June 2009

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INTRODUCTION

Convio – the leading provider of on-demand constituent relationship management software solutions for nonprofits – has created The Convio Online Marketing Nonprofit Benchmark Index™ Study. The third edition was released in March 2009 and covered the entire 2008 calendar year. Picking up where that report left off, this mini-study provides insights from nearly 400 nonprofit's performance through the first quarter of 2009.

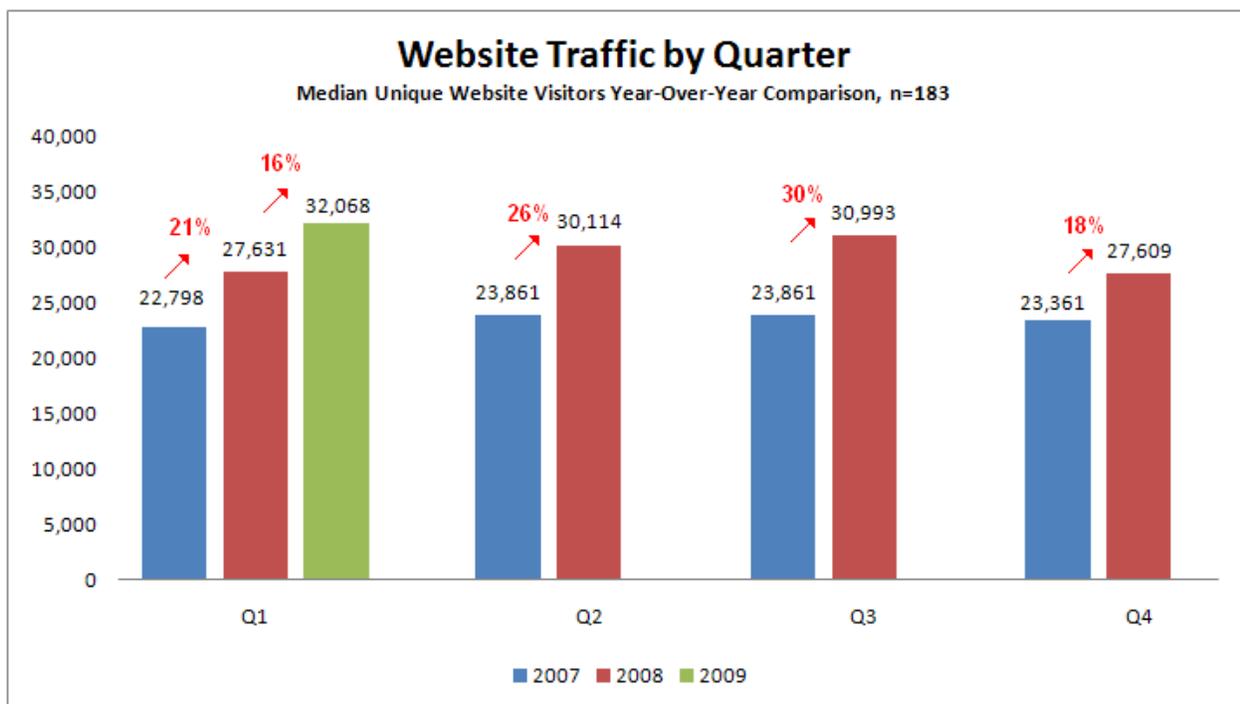
KEY INDEX PERFORMANCE CONTINUES TO DEFY EXPECTATIONS

Recent reports have suggested that direct mail-led fundraising growth declined in 2008, especially in the fourth quarter. On the other hand, several key online success indicators, including online fundraising, email file size, and website traffic, continue to show multi-year growth well into 2009.

WEBSITE TRAFFIC

When used effectively, your website can convey the importance of your organization's mission and help you register new constituents so you can continue to communicate with them via email. And, for many nonprofits, their website is the best tactic for growing their email file. This critical metric to online success has been growing year-over-year for the past three years of the study.

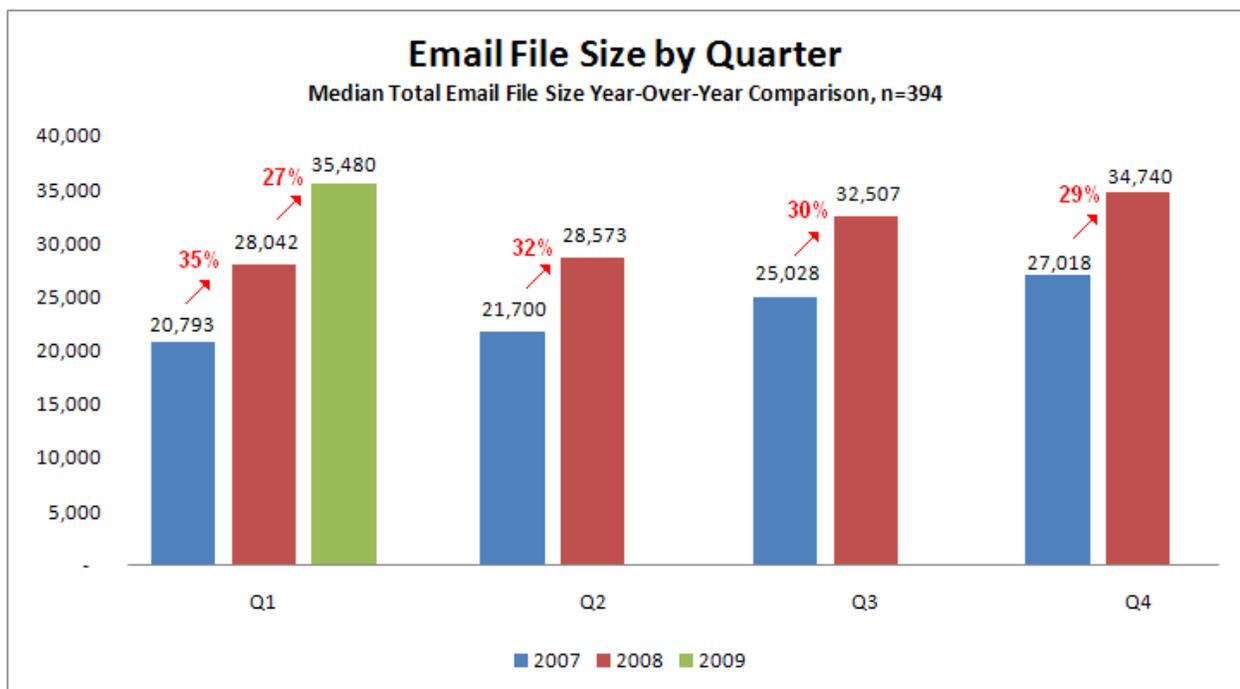
Organizations are finding ways to continue to drive new constituents to their websites. The median website traffic increased 18 percent in the fourth quarter of 2008 compared to 2007. This growth is continuing into the first quarter of 2009 with a 16 percent rise in traffic over Q1 2008. While this is a positive trend, we are seeing a slight deceleration in the rate of growth both from the previous quarter, and on a year-over-year basis.



EMAIL FILE SIZE

A key step in any effective online marketing strategy is to build and maintain an email file of your constituents. 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. Generally speaking, the further an organization's communication reaches, the more constituents there are available to help them reach their goals.

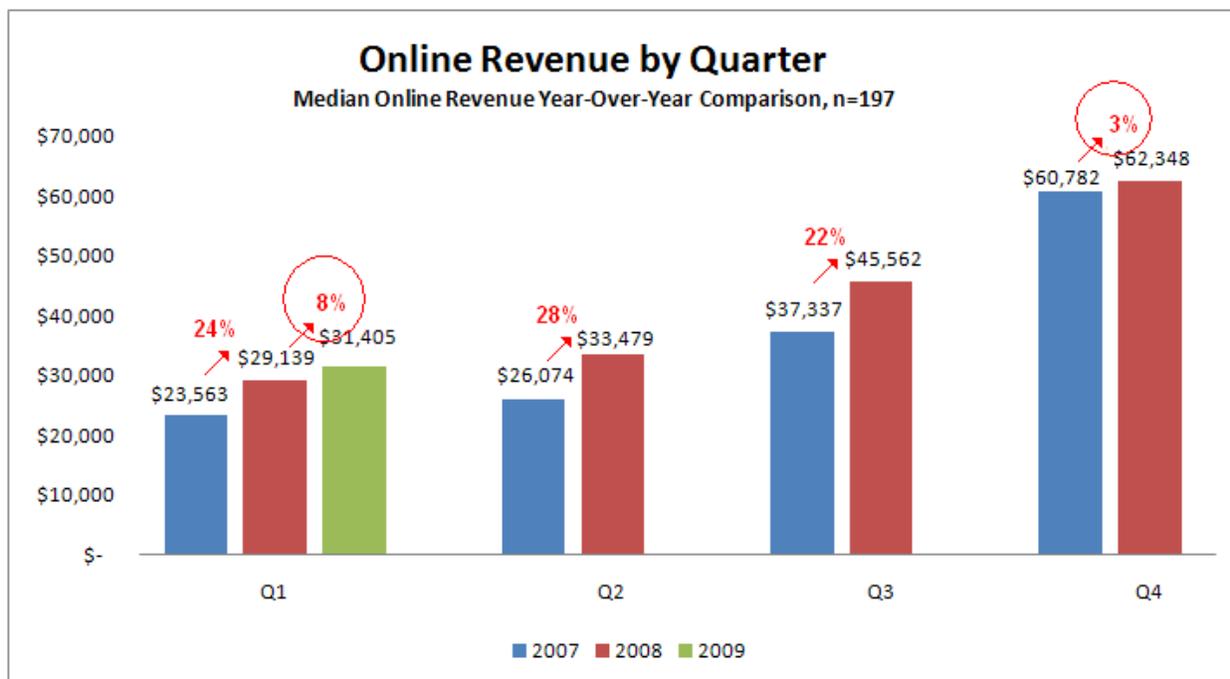
With website traffic being the major driver of new email addresses for most organizations, it is not surprising to see positive growth in email files given the growth we saw in website traffic. For the first quarter of 2009 we are seeing a 27 percent increase in email files over the previous year and an increase of 2 percent during the first quarter of 2009. Once again, while still a positive trend, the overall rate of growth appears to be slowing compared to both the fourth quarter of 2008 and the first quarter 2009.



ONLINE FUNDRAISING

The goal of online fundraising is to raise more money at a lower cost than is possible through offline fundraising programs alone. This metric includes funds raised through "direct" online donations and sustaining gifts, ecommerce store transactions, as well as money raised to support team-based events using Convio's TeamRaiser™ product.

Despite a difficult economy, organizations saw a median of \$31,405 raised in the first quarter of 2009. This is 8 percent higher than the Q1 2008, and 5 points higher than the fourth quarter of 2008. This is a welcome surprise for many organizations that feared negative online revenue in Q1 either from donor fatigue following year end giving, or economic hardships.



SUMMARY

With only one quarter in the books, 2009 has a long way to go. The good news thus far is that nonprofit organizations are continuing to grow in each of the three main metrics for online success. Year-over-year, website traffic, email file size, and online fundraising are up 16percent, 27percent, and 8percent respectively. Clearly the economy continues to have a significant impact on nonprofit organizations and donors alike as seen by the slowing growth rate seen in each of the three key metrics. While not a cause for alarm yet, this is an area that we all need to continue to watch closely in the coming quarters.

METHODOLOGY

Convio is the provider of on-demand constituent relationship management software and services for more than 1,200 nonprofit organizations. Using a sample of nearly 400 actual nonprofit organizations' data allows us to draw conclusions about the broader nonprofit industry as a whole.

Organizations should use this study to understand if the results they are seeing are indicative of their own online program's performance or part of larger trends impacting the entire nonprofit community. With this understanding as a foundation, organizations can then do their own analysis to determine what programs and initiatives are having the largest impact on their online success.

All of the metrics in this study 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, each metric represents the point at which half the values lie above the benchmark and half lie below. This statistic minimizes distortion caused by the wide range of organizations or extreme changes at a few organizations. Your results may, of course, be higher or lower than the benchmark.

LEARN MORE

Please visit www.convio.com/benchmark2009 to download the 2009 Convio Online Marketing Benchmark Index Study executive summary, and join the discussion at www.connectioncafe.com.

ABOUT CONVIO

Convio is the leading provider of on-demand constituent relationship management (CRM) software and services that give nonprofit organizations a better way to inspire and mobilize people to support their organization. Convio Online Marketing, the company's online marketing suite, offers integrated software for fundraising, advocacy, events, email marketing and web content management, and its Convio Common Ground™ CRM system helps organizations efficiently track and manage all interactions with supporters. All Convio products are delivered through the Software-as-a-Service (SaaS) model and are backed by a portfolio of best-in-class consulting and support services and a network of partners who provide value added services and applications focused on the unique needs of nonprofit organizations. For more information, please visit www.convio.com.

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