How to Measure Online Fundraising Success

Use these three objectives and key metrics to rate your fundraising proficiency.

By Gene Austin

Before launching a fundraising campaign, you must first determine your objectives and set criteria you can use to decide if the initiative was successful. Following are three objectives with corresponding key metrics and best practices to consider when planning online fundraising campaigns and assessing success:

1. Improve Outreach

An essential step in your plan should be to build a base of online supporters. Key metrics include:

• **Web site traffic growth.** Increasing the number of people visiting your site ensures that you're gaining more exposure to potential donors.

• **Percentage of Web site visitors who register,** also known as conversion rate. It's crucial to capture visitors' e-mail addresses so that you can develop online relationships with them.

• **E-mail address file growth.** You need to keep adding names to your organization's e-mail address file since the pool of prospective

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donors must expand for online fundraising to grow.

To maximize results for these metrics, try these techniques:

• **Gain new Web site visitors** by promoting the site at offline events.

• **Convert Web site visitors** into registered constituents by using a prominently displayed registration field and clearly stated benefits for registering.

• **Use urgent appeals and incentives** that motivate constituents to forward Web pages and messages to family and friends (also known as viral marketing).

2. Build Bonds

Get to know donors by creating profiles of their interests and encouraging them to interact with your organization online. These

interactions help develop loyal connections that will drive ongoing support. Consider these measures when tracking relationship-building results:

• **Percentage of the e-mail file providing a personal profile.** Detailed profiles about constituent interests, geography, and other demographics allow you to segment your list and offer constituents relevant information.

• **E-mail open rate.** This figure shows what percentage of all e-mail recipients actually opened the message, indicating how well you're engaging and getting through to your constituency.

• **E-mail click-through rate.** This metric is the percentage of e-mail recipients who clicked on a link — such as a donation form, petition, or survey — within the message. These results show how effective the e-mail is at stimulating people to take action.

• **E-mail forwarding rate.** This value tells you how important your messages are to each constituent

based on how often the constituent forwards them to friends and family.

• **Response rates to surveys and polls.** Surveys and polls give people a chance to provide feedback and additional information about themselves. Measuring the percentage of recipients who fill out surveys tells you how many are open to developing a deeper relationship with your organization.

• **Opt-out rates on e-mail newsletters.** These statistics indicate the number of people who unsubscribe to your organization's e-mails. It's important to minimize the opt-out rate to maintain a list of engaged constituents and avoid being labeled a spammer.

The following approaches can help optimize results for these metrics:

• **Ask constituents to indicate their interests** and then offer personalized e-mail and Web site content.

• **Build detailed profiles** of constituents over time using surveys and polls rather than asking for a lot of information up front.

• **Engage constituents online** with stories, photos, and online communities to keep them interested in your organization.

> Use micro-campaigns rather than a single online request for donations.

3. Drive Action

The key objective for most online fundraising campaigns is to motivate constituents to respond by making a donation, becoming a member, or purchasing a ticket for an event. In addition to overall funds raised online, the following measures are important:

• **Response rates to e-mail solicitations** for donations. Look at the percentage of people who responded

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> Offer premiums, such as a certificate or bumper sticker, in exchange for online gifts.

— versus the total number who received the e-mail — to determine the effectiveness of each individual e-mail message as well as overall campaign success.

• **Average online versus offline donation.** This yardstick gauges how effective your online channel is at soliciting larger gifts and moving individual donors to increasingly higher levels.

• **Overall offline plus online funds raised.** This information reveals whether your organization's campaigns are meeting or exceeding your goals. This metric is especially important for campaigns that include direct mail, telemarketing, and Web communications because it provides insight into the overall effectiveness of the combined communication methods.

• **Percentage of the e-mail file that donates.** This measurement helps predict the total value of your e-mail file as well as the incremental value of adding an online constituent. Use this percentage to determine the proportion of people in your e-mail file who became donors for each period.

• **Percentage of respondents who are new donors** from each online campaign. This metric will help you determine how many new donors you're gaining with each online campaign, and how that number is changing over time.

• **Number of Web donors.** For every online fundraising campaign, look at how many site visitors turn into donors by measuring the number of people who donate online. This number will show how effective your Web site content is for motivating donations.

Try these techniques to improve results for these metrics:

• **Use urgent, timely calls to action**

with clear deadlines and purposes.

• **Offer people something of value** before asking them to take action.

• **Give constituents many ways to respond** to match a variety of preferences.

• **Use micro-campaigns**, each with a specific purpose, rather than a single, broad online request for donations.

• **Offer premiums,** such as a certificate or bumper sticker, in exchange for online gifts.

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Use New Tools

Tracking key metrics during a fundraising campaign will help you later determine the campaign's success. Take advantage of new online tools that make it possible to measure and manage vital objectives — such as improving outreach, building constituent relationships, and driving action — in a powerful, integrated way. ■

Resources

Atlas, Leonard, "Charity Begins on the Web: Tips to Enhance Online Fundraising," *Nonprofit World,* Vol. 23, No. 4.

Austin, Gene, "Ten Ways to Raise More Funds Over the Internet," *Nonprofit World,* Vol. 24, No. 4.

Frenza, JP & Leslie Hoffman, "Fundraising on the Internet: Three Easy Strategies," *Nonprofit World,* Vol. 17, No. 4.

These resources are available at www.snpo.org/members.

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