



Is It Time to Switch to E-Mail Fundraising?

You may gain more than you expect.

By Joe Tyler

Nonprofit executives must make careful decisions about how they solicit potential donors. One solution is an e-marketing program. When properly instituted and administered, such a program can be a success on two fronts: reaching more people more effectively and using resources more efficiently.

Difficult Decision: A Case Study

Several years ago, employees at the nonprofit Center for Economic Growth (CEG) found themselves dissatisfied with the amount of resources they used while mailing out solicitations and newsletters, as well as with the response this correspondence generated. While considering other options, including switching to e-mail marketing, they had their doubts: Will a new system work? If so, will it really make a difference? And how will our members react?

After considerable debate, when their drive for improvement trumped their doubts, they switched to e-mail solicitations.

The change was successful beyond their wildest dreams. In the e-marketing program's first year, attendance at organization-sponsored events jumped 75%. Since the program's inception, CEG has seen its subscriber base climb nearly five-fold, from 1,400 to 6,800 registered recipients. Annually, CEG saves nearly



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\$100,000 in postage, as well as untold staff hours.

The time necessary to draft, discuss, and distribute a message has been reduced from one week to one or two hours. If the adage that time is money holds true, CEG has saved a great deal on both counts.

Measurement: Learn with Each E-Mail

One benefit of the new program is that with every e-mail, CEG

learns more about its audience. Based on this feedback, it refines subsequent communication to elicit a better response.

Using an innovative reporting function, the organization tracks the number of e-mails sent, opened, and forwarded, as well as the number of users who click on imbedded links. For example, in the past six months, CEG sent 245,000 e-mails to its subscribers, and these messages were opened 190,000 times, with nearly 35,000 recipients clicking on links for more information. The measurement mechanism has provided

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invaluable market information, including which subject lines are opened most often and the best time to send an e-mail. It has also made clear that CEG's audience overwhelmingly approves of the change.

Events: A New Way to Manage Registration

Because the e-marketing system is much less time-consuming than CEG's previous program, following up on invitations is easy. CEG can isolate subscribers who have yet to sign up for a fundraising event and send them reminders and additional promotions. This practice contributed to a surge in event attendance in the program's first year.

Whereas CEG previously relied on paper mailings to promote events and stationed staff at the door to collect fees, it now offers event registration and payment

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within the e-mail. Not only is the process more convenient for attendees, it's easier for event organizers to track responses. It also frees staff members to focus on other tasks during the event.

Call to Action: The Next Step for Nonprofits

You can benefit from CEG's example by adopting a similar strategy. Be sure to plan carefully to ensure a smooth transition from paper-based to e-mail marketing.

Ease people into the new program by explaining the reasoning behind your decision. By alerting people to the change and gaining their acceptance, you can maximize results in the program's early stages. Another benefit of testing the water before leaping into e-marketing is that you can avoid



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sending messages that are misidentified as spam.

When developing a long-term e-mail communication plan, be wary of sending too many missives, which water down your messages' impact. By sending only important communications, you reinforce the notion that all your e-mails warrant being opened.

One way to reduce the e-mails you send without reducing results is to offer different subscription options. That is, it's often helpful to give your e-mail subscribers choices about what type of information they get — letting them select e-mails about one specific program, for example, while declining e-mails about others.

With conscientious planning and diligent application, you can adopt permission-based e-mail communication to more effectively reach those willing to help you accomplish your goals. ■

Resources

Allen, Nick, "Using E-Mail & the Web to Acquire & Cultivate Donors," *Nonprofit World*, Vol. 21, No. 1.

Crooke, David, "E-Mail Deliverability: Increase Your Chances of E-Mail Getting Through," *Nonprofit World*, Vol. 23, No. 2.

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

These resources are available free on-line at www.snpo.org/members.

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