

Examining the Effectiveness of Email Use For Nonprofit Year-End Fundraising Campaigns

an informal study by Jaime Freidrichs, MPA, CFRE

Abstract

This study investigates the effectiveness of email communication in nonprofit online year-end fundraising campaigns, focusing on three key questions: the impact of email quantity on online fundraising outcomes, the influence of annual email frequency, and the relationship between email volume and unsubscribe rates. Using survey data from 71 nonprofit organizations, the study explored eight hypotheses regarding email strategies and fundraising performance. Findings indicated a positive correlation between email quantity and fundraising success when measured against campaign goals; however, this relationship was not consistent when comparing 2023 results to 2022. Regular email communication throughout the year was linked to higher fundraising performance, yet did not correlate with year-over-year growth. Additionally, while unsubscribe rates were generally low, organizations sending more emails experienced higher rates of unsubscribes, suggesting a threshold for effective communication.

Background

Nonprofit organizations frequently ask how often to email their supporters during the end-of-year giving season to request donations. This time of year is critical in nonprofit fundraising because as much as 30% of annual giving occurs in December¹. However, organizations fear losing supporters by emailing too frequently during their year-end campaigns. They must find a balance between emailing often enough to encourage needed online donations and not so frequently that they lose subscribers to the email lists or offend past supporters who then decide not to give again.

The annual CoMoGives online giving campaign managed by the Community Foundation of Central Missouri offers a unique opportunity to compare the fundraising success of different organizations who had different approaches for how often to email their supporters during the campaign. CoMoGives raised funds for 173 nonprofit organizations in central Missouri between November 28 and December 31 in 2023. These organizations were of different sizes and missions but all were located in the same community and utilized the same online platform in the campaign to accept their year-end donations. The campaign has been held annually since 2012 and requires each participant to set a fundraising goal for the campaign, offering two potential measures of fundraising success beyond gross proceeds, which tends to vary widely between organizations of different sizes and histories.

¹ <https://nonprofitsource.com/online-giving-statistics/>

The study looked at three primary research questions:

1. *Does the quantity of email sent to past and prospective donors during a year-end fundraising campaign impact the results?*
2. *Does the frequency of email sent to donors and other stakeholders during the course of a year impact results in a year-end fundraising campaign?*
3. *Does sending emails during an end-of-year fundraising campaign cause an unacceptable level of unsubscribes?*

Methodology and Data

On April 2, 2024, an email was sent to a representative from each of the 173 organizations who participated in the 2023 CoMoGives campaign asking about their email use to promote giving, with follow up emails sent on April 8 and April 12. The participants were asked to complete a survey using Google Forms that asked ten questions about their email lists and their experience with using email during the CoMoGives campaign.

In all, 71 organizations responded to the survey, a response rate of 41%. About the sample:

- The 71 organizations raised \$993,212 total, which is 48% of the total amount raised through CoMoGives.
- The total amount raised for each organization ranged from \$160 to \$101,260, with organizations near the top and bottom of the leaderboard.
- Each organization reported sending between 0 and 26 emails during CoMoGives.
 - The median number of emails sent was 3.
 - The average number of emails sent was 4.
 - Nine organizations reported sending 0 emails.
- Most of the organizations (56%) said they sent exactly the number of emails they intended to; 36% said they intended to send more but didn't have enough time; 8% said they sent more than originally intended.
- Only 20% of the organizations said they sent postal mail requests that included a link to give via CoMoGives.
- 59 of the organizations had participated in the 2022 CoMoGives campaign. The other 12 were either new to CoMoGives or returning after a year or more off.

Impact of Email Quantity on Year-End Fundraising Results

The study tested 8 hypotheses by analyzing the data received through the survey and data from CoMoGives (2023 amount raised, 2023 goal amount, 2022 amount raise).

The hypotheses were generative, with new hypotheses being created to answer questions from initial results. Research question 1 (*Does the quantity of email sent to past and prospective donors during a year-end fundraising campaign impact the results?*) was considered using four hypotheses:

- H1: Organizations that raised the highest percentage compared to their goal sent the most emails during the campaign.
- H2: Organizations that sent the most emails during the campaign raised the highest percentage compared to their 2022 results.
- H3: 7 of the 10 highest grossing organizations will also be among the top 10-20 emailing organizations
- H4: Of 12 organizations participating for the first time, those who emailed the most also raised the most.

The data collected supported Hypothesis 1, that organizations raising a higher percentage of their goals correlated with organizations sending more emails. The top 25% of organizations, raising 96% of their goal or more, sent an average of 5 emails (median 4 emails), while the bottom 25% of organizations who raised 21% of their goal or less sent an average/median of 2 emails. The top 50% of organizations raised 71% of their goal or more (up to 367%) and also sent an average of 5 emails (median 3.5 emails), compared to the bottom 50% who raised less than 71% sending an average of 3 emails (median 2 emails). The top 25% and 50% of organizations as evaluated by percentage of goal raised sent more emails than the bottom.

However, when the metric used to evaluate 2023 CoMoGives success was the comparison to 2022 CoMoGives results as considered in Hypothesis 2, there was a negative correlation between email sent and campaign results. The top 25% of organizations raised 120% of their 2022 amount raised or more and sent an average of 4 emails with a median of 3 emails. The bottom 25% raised 85% or less of their 2022 amount and sent more email: 5 emails on average with a median of 4 emails. The top and bottom 50% had the same averages and median. Hypothesis 2 was not supported by the data.

This discrepancy revealed its own interesting question: which is a better measure of success: comparison with the fundraising goal amount or comparison with the prior year's results? This is a subjective question that is beyond the scope of this research study. However, the answer probably depends on the quality of the goal-setting strategy used. Because the survey did not include a method for assessing this, the quality of the goals used in this study's analysis is unclear. Therefore, the comparison to 2022 results is probably the stronger metric for the purpose of this study.

Hypothesis 3 was created as an alternative measure of success, looking at the total amount raised by an organization and positing that those raising the most in the campaign sent the most email. **Only half of the top 10 organizations by amount raised were among the top 20 emailers so Hypothesis 3 was not supported by the data.**

Finally, I wondered if the inclusion of the 12 organizations that did not participate in 2022 skewed the data for Hypothesis 1, and whether email might prove particularly valuable to organizations to these non-returning organizations. Hypothesis 4 looked at their success compared to how much email they sent and was refuted by the data. **The first-time participating organization that raised the most money didn't use email at all (they used a strong social media following) and there was no discernable pattern among the rest of the list.**

The study also tested whether removing the 12 non-returning organizations from the Hypothesis 1 analysis would change its results to align more with Hypothesis 2. However, this proved not to be the case. Removing the 12 first-time organizations did not change the results of the analysis for Hypothesis 1 at all. **Overall, this study's data does not point to a positive correlation between the quantity of email sent during a year-end giving campaign and the overall success of the campaign.**

Impact of Annual Email Frequency on Year-End Fundraising Results

Research question 2 (*Does the frequency of email sent to donors and other stakeholders during the course of a year impact results in a year-end fundraising campaign?*) was considered using two hypotheses:

- H5: Organizations in regular email communication with people (emailing with a frequency of every month or more) raised the highest percentage compared to their goal.
- H6: Organizations in regular email communication with people raised the highest percentage compared to their 2022 amount raised.

Once again, the results showed a large discrepancy between whether success is measured by comparison to the stated fundraising goal for dollars raised or by comparison to the prior year's results. One reason the discrepancy in looking at annual email frequency was so similar to that of looking at the number of emails sent between #GivingTuesday and December 31 is that there was a high degree of overlap between nonprofits that report emailing their donors every month or more frequently and those that sent a higher number of emails during the year-end campaign.

The data collected mostly confirmed Hypothesis 5, that organizations raising a higher percentage of their goals correlated with were also those reporting more frequent email contact with their donors throughout the year. Of the 34 organizations reporting to email every month or more often, 62% (21 nonprofits) were in the top half of organizations raising the highest percentage of their fundraising goal (like for Hypothesis 1, this ranged from 71%-367% of goal raised). Twelve organizations (35%) were in the top 25% of performers by this metric. The inverse was also true, especially in the bottom quarter of performers (those raising 2% to 21% of their 2023 goal), where only five of the 18 lowest performing organizations reported emailing their constituents monthly or more.

Additional support for this hypothesis was found when looking at the highest and lowest grossing organizations. Seven of the 10 organizations that raised the most money through this campaign reported sending emails monthly or more throughout the year. Eight of the 10 organizations with the lowest total amount raised reported emailing quarterly or less.

However, the connection between annual email frequency and year-end fundraising performance was not confirmed in Hypothesis 6, looking at how organizations performed in the 2023 campaign compared to their 2022 campaign results. Of the top 15 organizations when comparing performance to the 2022 campaign, only 5 (33%) reported emailing their lists at least monthly. There was no difference in the number of organizations emailing monthly or more in the top half of performers versus the bottom half of performers for this metric. Frequency of email communication throughout the year seemed to have no correlation with how well organizations performed in the 2023 campaign when compared with the 2022 campaign.

Impact of Email Year-End Fundraising on Unsubscribe Rates

Research question 3 (*Does sending emails during an end-of-year fundraising campaign cause an unacceptable level of unsubscribes?*) was considered using two hypotheses:

- H7: No organizations had an unsubscribe rate greater than 5%.
- H8: The organizations that sent the most emails during the campaign had the highest unsubscribe rates

Hypothesis 7 was supported by the data. About half of responding organizations (39 of 71) provided that data needed to calculate unsubscribe rates: list size and number of unsubscribes during the CoMoGives campaign. The highest unsubscribe rate was 3.95% and the lowest was 0%. Twelve organizations reported having 0 unsubscribes. The average unsubscribe rate was .8%. The median unsubscribe rate was .4%.

Hypothesis 7 was written based on the level at which this researcher would be concerned about unsubscribes, understanding that donors move and preferences change. However, according to the website Campaign Monitor, it is recommended to have an unsubscribe rate of 2% or less. Four organizations had an unsubscribe rate of over 2%². However, these were also some of the highest grossing organizations in the campaign. The organization with the highest unsubscribe rate raised over \$70,000.

Hypothesis 8 explored whether there is a correlation between unsubscribe rates and number of emails sent during the campaign, predicting that the organizations that sent the most emails would have the highest unsubscribe rates. **The data supported Hypothesis 8. Of the 10 organizations that reported sending 8 or more emails during the CoMoGives campaign, three had unsubscribe rates over 2%, three had 1-1.99%, and the remaining 4 had rates of .7%.**

As noted above, four organizations had unsubscribe rates of 2% or higher and three of those four sent at least 8 emails during the campaign. Of the 4 highest unsubscribe rates, the highest (3.95%) sent 13 emails, the 2nd (2.88%) sent 26 emails, the 3rd (2.5%) sent 2 emails, and 4th (2.37%) sent 8 emails. Looking at the data on balancing enough frequency for a successful year-end campaign with avoiding excessive unsubscribes, the sweet spot seems to be sending 4 or 5 emails, or emails approximately weekly between #GivingTuesday and December 31.

Limitations and Future Research

Although over half of organizations that participated in the 2023 CoMoGives campaign responded to the survey, the sample size of 71 nonprofits was still relatively small for a qualitative study. A broader study encompassing a larger or broader geographic area might produce different results.

A big limitation of this study was the discrepancy in results compared to the two measures of success used - percentage of goal raised versus year-over-year growth or decline. Had it committed to just one identifier of effectiveness when analyzing the data, this research would have provided a more definitive answer to the first two research questions, whether email frequency makes a difference to year-end campaign success and whether there is a positive impact from consistent emailing throughout the year (at least monthly). If it had asked the organizations for information about how they set their 2023 CoMoGives goals, I may have been able to say which metric provides a more accurate measure of effectiveness. Similarly, asking about what changes they made between the two years or looking back farther than 2022 may have helped to be able to

² <https://www.campaignmonitor.com/resources/knowledge-base/what-is-a-good-unsubscribe-rate/>

understand whether those results were typical for the organizations in order to be a proper comparison with their 2023 results.

This study only looked at the quantity and frequency of email being sent, with no evaluation of the quality or content of the emails. It is possible that the content of emails plays a far greater role in their effectiveness for fundraising than how many are sent. This study did not take into account whether the organizations were able to encourage giving through matching gifts, impact stories, peer testimonials, videos, or other methods that are known to be particularly effective for online fundraising campaigns.

Finally, this study did not consider the role of social media in the CoMoGives campaign, though it is known to drive at least some of the giving. Part of the reason for the focus on email is that more of the giving comes from emailed links rather than traffic from social media, but whether and how social media is used could impact the effectiveness of a campaign. A future broader study of CoMoGives participants could take into account each organization's use of matching challenges, peer-to-peer fundraising, email, social media, texting, postal mail, and other strategies to try to determine which strategies are most effective. It could also be interesting to explore strategies for setting fundraising goals in order to better understand the disconnect between the two measures of success used in this study.

Key Ideas and Summary

While the data analysis did not produce a definitive confirmation or refutation for most hypotheses in this study, it did reach some conclusions. First, the analysis indicates that there is likely a point of diminishing returns for email frequency and that too much email can lead to a greater than average level of people unsubscribing from the nonprofit's email list. **Based on this analysis, I recommend sending between four and seven solicitation emails between #GivingTuesday and December 31.** In addition, there seems to be little downside to sending emails on a regular basis (monthly or more often) throughout the year, and great potential upside based on gross amounts raised and percentage of goal raised. **I recommend that nonprofit organizations consider reaching out at least monthly to their supporters to communicate impact and appreciation for past support.** These two recommendations offer some basic guidance that may help nonprofits to maximize their returns during the vital year-end giving season.