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Luminate Online™
Benchmark Report 2016

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OVERVIEW

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A DECADE OF BENCHMARKS

Hello, LumiNation! We are beyond thrilled to offer up our tenth annual Luminate Online Benchmark Report.

After 10 years of eye-opening graphs, charts, and lots and lots of data, we wanted to create something different for you. So this year we streamlined the data to allow you to focus on the key areas you want to build on. And thanks for working with us all these ten long years!

ABOUT THIS STUDY

This report includes aggregate data from July 1, 2015–June 30, 2016 from 631 mature Luminate Online customers—all with at least 3 years of consecutive usage data. Collectively over this one-year period, these organizations raised over $1.76 billion dollars, handled over 19 million transactions, and sent nearly 6.8 billion emails. Talk about brilliant work!

This large data sample comes directly from our Luminate Online cloud-based platform, giving us a unique view of the nonprofit industry's online engagement.

This report can help you determine where you stand among your peers. We always say that the most important benchmark is an organization's own historical performance. How does your organization's data look year over year? What areas are your strongest, and where can you grow? This information can help inform your future strategy. And of course, we're always here to help.

FAMILIAR FORMATIONS

Readers from previous reports will recognize the methodology—more specifics are included at the end of this paper. One essential detail: All measures used a consistent group of customers in year-over-year calculations, which means reports should not be compared year to year.

ORGANIZATION CLASSIFICATION

This year, using self-classified National Taxonomy of Exempt Entity (NTEE) verticals as our categorization guideline, we consolidated categories to keep data intuitive and easy to read.

Canadian organizations have been included directly in the mix with their U.S. counterparts.

Organizations that raise 90% of their reported funds through team events using TeamRaiser® have been excluded from this paper.

DATA BUILDING BLOCKS

All values in this report are expressed as medians, and for some we also show quartiles. The easiest way to think of a quartile is the data point halfway between the bottom and median or median and top. They're not averages; they're the metric that falls on the dividing line between quarters of the list. This method helps de-emphasize outliers.

VISUALIZATION GUIDE

Each of the charts contained within this report visualize the 2016 median, the lower and upper quartiles, the percent change from the prior year, and the 2015 median. The guide below provides an example of this structure:

Lower Quartile   Upper Quartile

2015 Median   2016 Median   YOY % Change
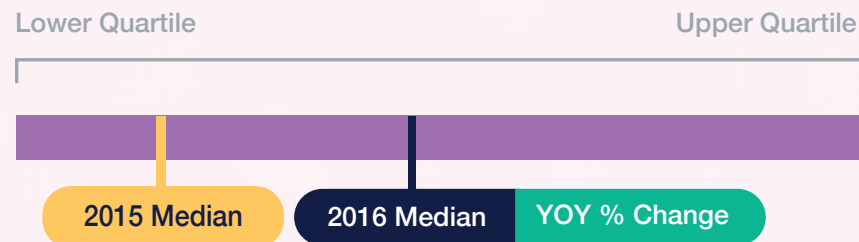
Example chart showing quartiles and medians:
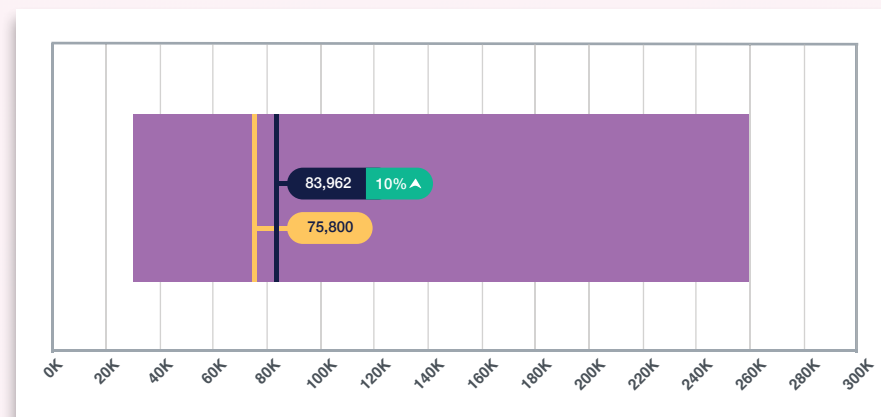
Key Takeaways ❯

Year-over-year email list growth slowed down to **10%** this past year, which may not be a bad thing. The ever-changing algorithms of ISPs are demanding increased quality, driving the trend for slimmer but more engaged lists.

Email is still gold, with each address worth **$12.30** of online revenue in 2015. This value is bolstered by what looks like a shift of focus from quantity to quality.

This year's report reflects the first full year since CASL (Canadian Anti-Spam Law) compliance required stricter email opt-in, and it appears Canadian organizations are rising to the challenge. Canadians saw **15%** organic email growth and were among the highest performers for the percent of total email file that donates.

Healthy email appeal click rates suggest that organizations are creating strong content and targeting supporters effectively. Fundraising email click rates increased year over year **2.11%**.

Total online revenue grew by **4.89%** year over year, which although much healthier than overall giving, is modest compared to previous years. During the same time period, the Blackbaud Charitable Index (covering the full nonprofit sector) also shows slower growth, especially among larger organization sizes.

First-time giving decreased slightly year over year with **1.3%** less revenue coming from first-time donors and the average first-time gift holding steady at **$105.81**—a **2.56%** increase year over year. Disaster and international relief experienced a significant decline, seeing over 19% less revenue from first-time gifts year over year.

Relationships rule, and this year's data continues a positive trend of strong repeat giving performance, up **8.63%** year over year.

Sustaining giving FTW! Nonprofits are building a more stable and sustainable future by building a strong base of regular donors. This year, the double-digit growth continued, with sustained giving revenue growing **14.26%** year over year.

Advocacy organizations understandably had a busy year and showed strong results getting more constituents engaged in advocacy action, growing 6% year over year and getting more advocates to contribute financially, growing nearly **4%** year over year.

LIST GROWTH

LIST GROWTH

Email lists continued to grow at a healthy clip at 10% compared to last year. While list growth isn't as explosive as we've seen in previous years, this may be a good thing and is probably influenced by larger trends, regulations, and limitations on sending email today. This year's report was the first where Canada Anti-Spam Law (CASL) was in effect throughout, requiring stricter opt-in for collecting email addresses. Additionally, major ISPs like Gmail® have continued to refine their algorithms, making list grooming a top priority to maximize deliverability.

The changing reality of collecting addresses and getting through to inboxes has created a deliberate shift to emphasize quality over quantity, and by appearances it's working. The proportion of constituents that donated increased by 13%, and we saw an encouraging 2.11% growth in fundraising appeal email click rates.

In the for-profit world, smart brands are attempting to build brand loyalty by engaging with their audience on a more personal level. Our data suggests that nonprofits are catching on, and that new focus has resulted in a deeper connection with constituents. If nonprofits can continue creating great content and sending thoughtfully targeted emails, they will get a better return on their investment.
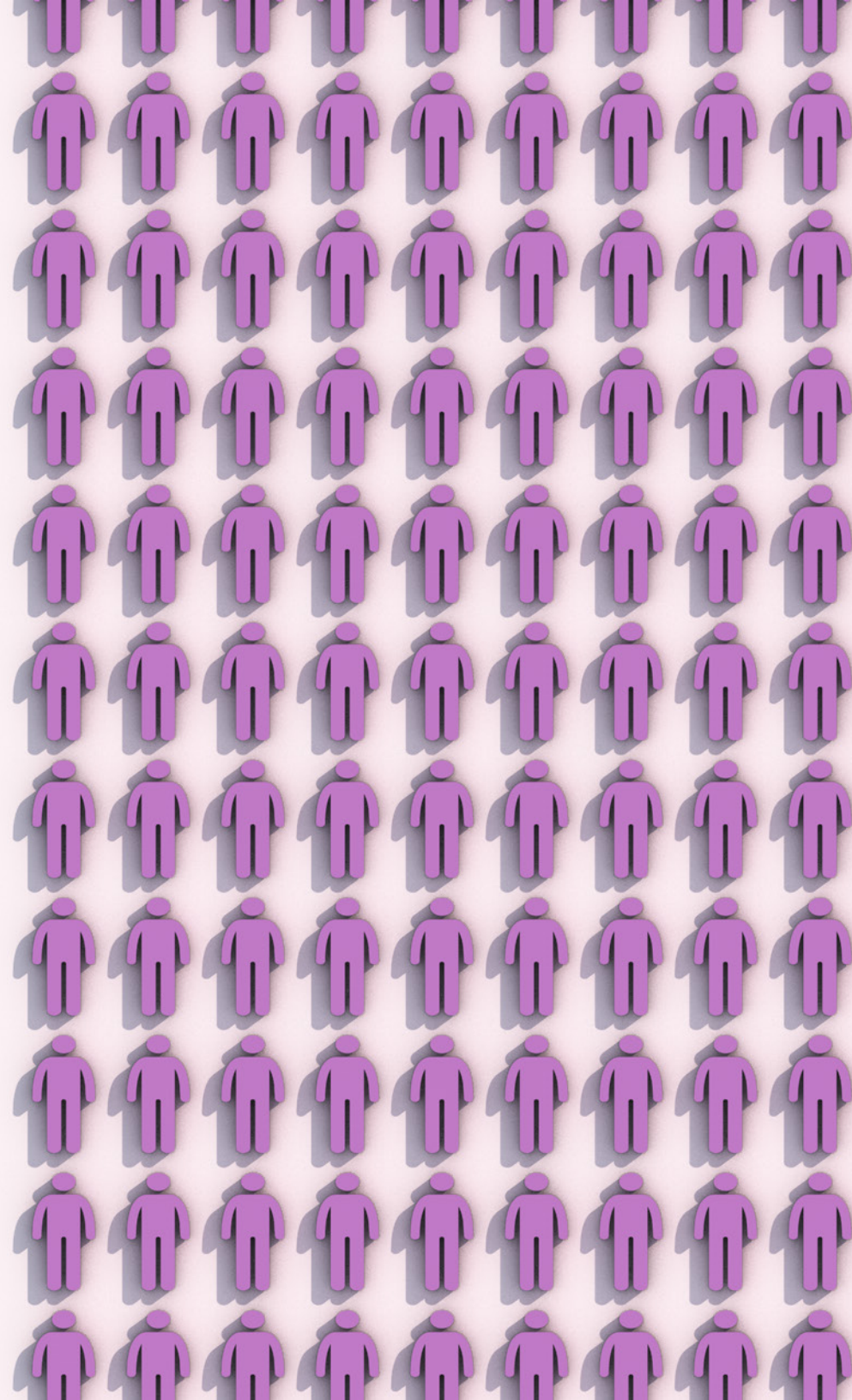
Chart 1:

Constituents with Email
(Number of constituents with email addresses as of fiscal year end)

83,962   10% ▲

75,800

0K 20K 40K 60K 80K 100K 120K 140K 160K 180K 200K 220K 240K 260K 280K 300K

Constituents with Email
(Number of constituents with email addresses as of fiscal year end)

Category	Value	Change
Animal Welfare	92,350	12% ▲
Arts & Culture	145,240	13% ▲
Association & Membership	255,354	4% ▲
Disaster & International Relief	95,812	7% ▲
Environment & Wildlife	184,802	11% ▲
Faith Based	75,726	9% ▲
Food Bank	51,934	14% ▲
Health Services & Research	105,181	10% ▲
Higher Ed	151,852	10% ▲
Hospital Foundations & Hospitals	62,850	12% ▲
Human & Social Services	31,456	13% ▲
Public Affairs	115,877	7% ▲
Public Broadcasting Stations	136,606	7% ▲
Total	83,962	10% ▲

Axis: 0K, 50K, 100K, 150K, 200K, 250K, 300K, 350K, 400K, 450K, 500K, 550K, 600K, 650K, 700K, 750K, 800K, 850K, 900K, 950K, 1,000K, 1,050K, 1,100K, 1,150K, 1,200K, 1,250K, 1,300K, 1,350K, 1,400K

Chart 3:

Constituents Who Donate as Percent of Total
(Constituents Who Donate / Constituents With Email)
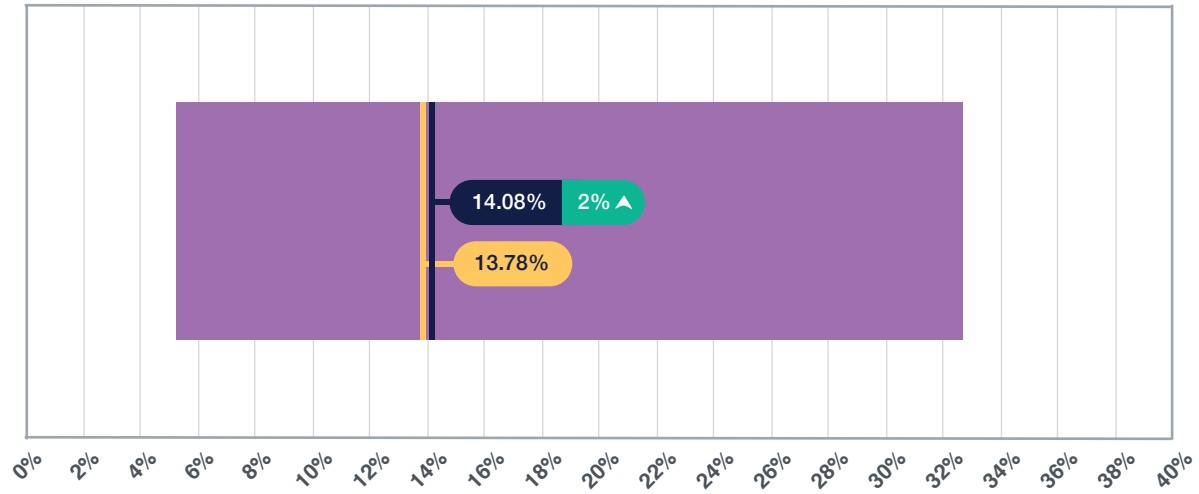
14.08% 2% ▲

13.78%

0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22% 24% 26% 28% 30% 32% 34% 36% 38% 40%

EMAIL

EMAIL

While email files continued to grow at a moderate pace, we speculate that organizations are prioritizing growth in quality over quantity.

To support that theory, we found that the number of emails organizations sent did not change year over year. The total number of emails delivered to recipients grew nearly 12%, roughly in line with the 10% growth in email files. Some noteworthy outliers in each of these instances include:

▸ Disaster and international relief sent nearly 14% fewer emails (time period covered in this data lacked a major natural disaster).

▸ Public broadcasting, food banks, environment and wildlife, and hospitals all increased the quantity of email recipients by more than 16% year over year.

When looking into specific types of emails sent, our data is based on how our customers code their email messages (fundraising, eNewsletter, advocacy, or other). Organizations code their emails differently, so it's best to look at these metrics directionally. For example, emails categorized as "other" experienced the highest open rates.

Fundraising appeals saw mixed results. Open rates decreased 5%, whereas click-through rates increased 2%. This means

organizations are creating more enticing, engaging content that motivates clicks. But even with all those clicks, conversion rates didn't change. We still call this a victory, considering the incredible number of emails sent.

Advocacy email is growing quickly—unsurprisingly given the election year—with nearly 10% greater volume in email recipients. And although open rates declined 4%, this represents significantly more opens due to the heavy volume. Additionally, this year saw an increase in the percent of constituents who advocate and donate in response to advocacy emails – see full details in the Advocacy section below.

Chart 4:

Email Messages Sent
(Count distinct email message IDs sent)

139   0% ▲

147

0 25 50 75 100 125 150 175 200 225 250 275 300 325 350 375 400

Email Messages Sent
(Count distinct email message IDs sent)

Category	Value	Change
Animal Welfare	141	9% ▲
Arts & Culture	215	4% ▲
Association & Membership	120	1% ▲
Disaster & International Relief	101	-14% ▼
Environment & Wildlife	194	4% ▲
Faith Based	213	-4% ▼
Food Bank	60	4% ▲
Health Services & Research	148	-2% ▼
Higher Ed	329	-0% ▼
Hospital Foundations & Hospitals	57	4% ▲
Human & Social Services	90	-3% ▼
Public Affairs	162	-11% ▼
Public Broadcasting Stations	206	3% ▲
Total	139	0% ▲

0 100 200 300 400 500 600 700 800 900 1,000 1,100 1,200 1,300 1,400

Chart 6:

Email Delivered Count

(Total number of emails delivered to recipients)

0K	615K	1,231K	1,846K	2,462K	3,077K	3,692K	4,308K	4,923K	5,538K	6,154K	6,769K	7,385K	8,000K

Values in chart: 1,671,790 12%▲ and 1,476,521
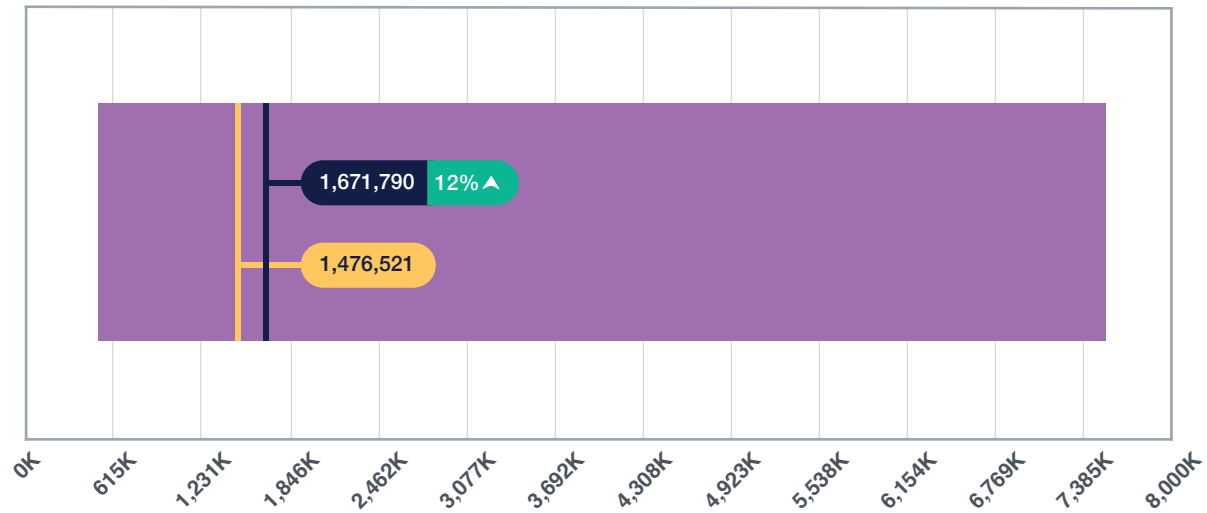
Chart 7:
Email Delivered Count
(Total number of emails delivered to recipients)

Category	Value	Change
Animal Welfare	1,728,949	24% ▲
Arts & Culture	2,108,627	16% ▲
Association & Membership	4,126,770	9% ▲
Disaster & International Relief	2,888,644	5% ▲
Environment & Wildlife	4,084,105	17% ▲
Faith Based	1,605,482	14% ▲
Food Bank	677,473	18% ▲
Health Services & Research	1,714,294	5% ▲
Higher Ed	2,582,957	8% ▲
Hospital Foundations & Hospitals	411,099	17% ▲
Human & Social Services	547,400	14% ▲
Public Affairs	2,998,544	-1% ▼
Public Broadcasting Stations	4,666,873	22% ▲
Total	1,671,790	12% ▲

x-axis: 0K, 5,000K, 10,000K, 15,000K, 20,000K, 25,000K, 30,000K, 35,000K, 40,000K, 45,000K, 50,000K

17

Chart 8:

Fundraising Email Open Rate
(Email Donation Open Count / Email Donation Delivered Count)

| 14.40% | -5%▼ |
| 15.47% | |

0%   2%   4%   5%   7%   9%   11%   13%   15%   16%   18%   20%
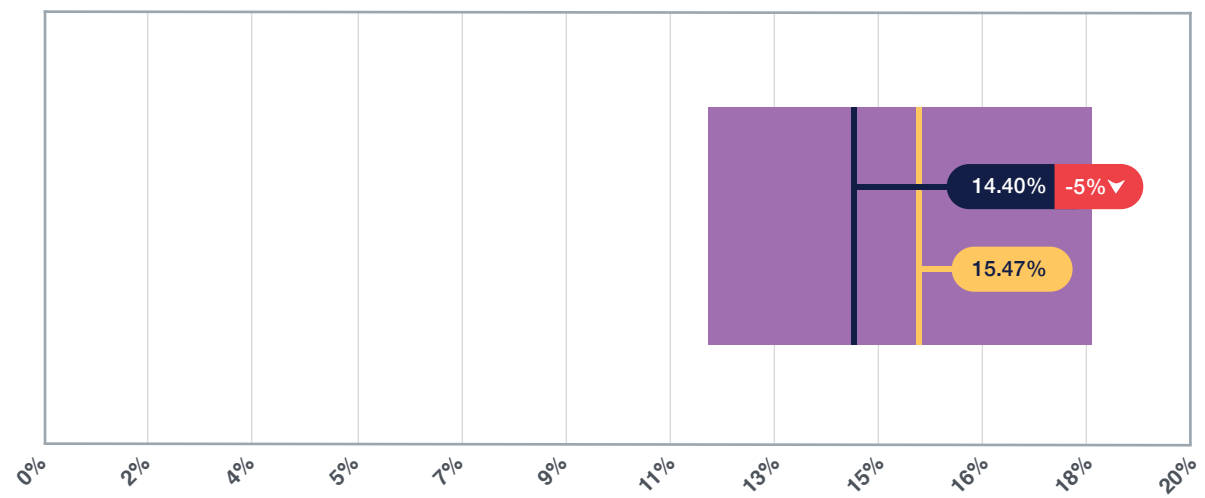
Chart 9:

Fundraising Email Open Rate
(Email Donation Open Count / Email Donation Delivered Count)

Category	Open Rate	Change
Animal Welfare	13.79%	-6% ▼
Arts & Culture	17.74%	-8% ▼
Association & Membership	12.87%	-8% ▼
Disaster & International Relief	12.79%	-0% ▼
Environment & Wildlife	13.57%	-1% ▼
Faith Based	18.12%	-2% ▼
Food Bank	14.29%	-5% ▼
Health Services & Research	12.79%	-5% ▼
Higher Ed	20.70%	-5% ▼
Hospital Foundations & Hospitals	18.49%	-1% ▼
Human & Social Services	14.65%	-7% ▼
Public Affairs	12.78%	-6% ▼
Public Broadcasting Stations	16.26%	-3% ▼
Total	14.40%	-5% ▼

Fundraising Email Click Rate
(Email Donation Click Count / Email Donation Delivered Count)

0.58% 2% ▲

0.62%

0.00% 0.09% 0.18% 0.27% 0.36% 0.45% 0.55% 0.64% 0.73% 0.82% 0.91% 1.00%

Fundraising Email Click Rate

(Email Donation Click Count / Email Donation Delivered Count)

Category	Rate	Change
Animal Welfare	0.63%	-11% ▼
Arts & Culture	0.69%	3% ▲
Association & Membership	0.57%	-10% ▼
Disaster & International Relief	0.49%	-8% ▼
Environment & Wildlife	0.54%	3% ▲
Faith Based	0.98%	-3% ▼
Food Bank	0.67%	4% ▲
Health Services & Research	0.48%	16% ▲
Higher Ed	0.73%	-6% ▼
Hospital Foundations & Hospitals	0.80%	-4% ▼
Human & Social Services	0.79%	11% ▲
Public Affairs	0.53%	4% ▲
Public Broadcasting Stations	0.57%	9% ▲
Total	0.58%	2% ▲

Fundraising Email Conversion Rate
(Email Donation Conversion Count / Email Donation Delivered Count)

Fundraising Email Conversion Rate
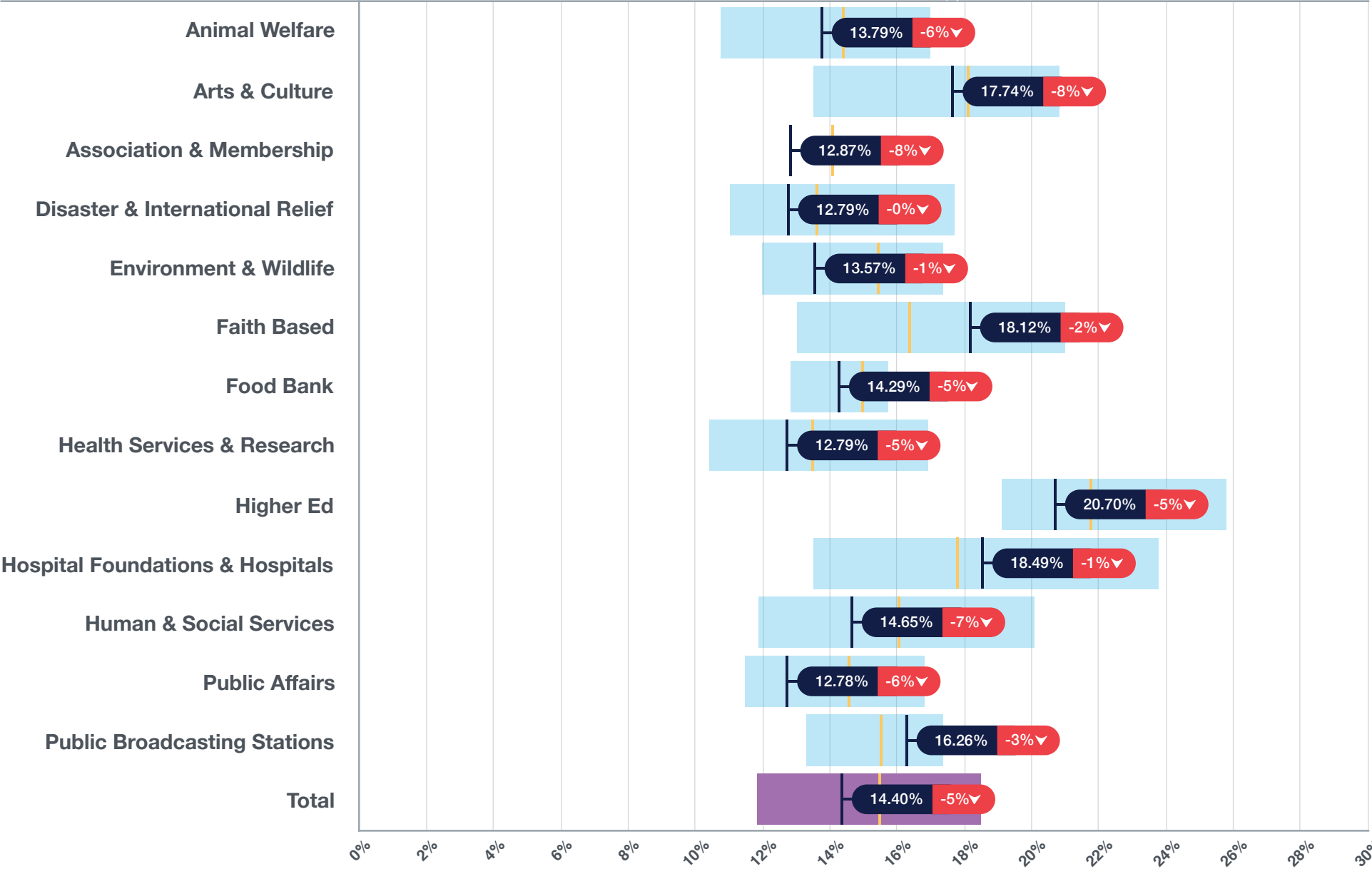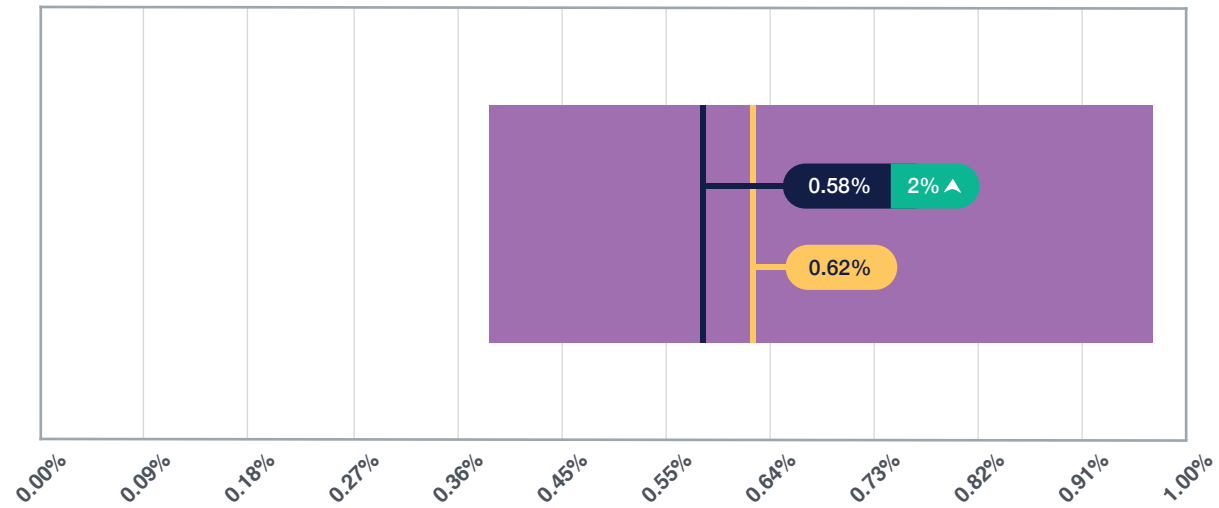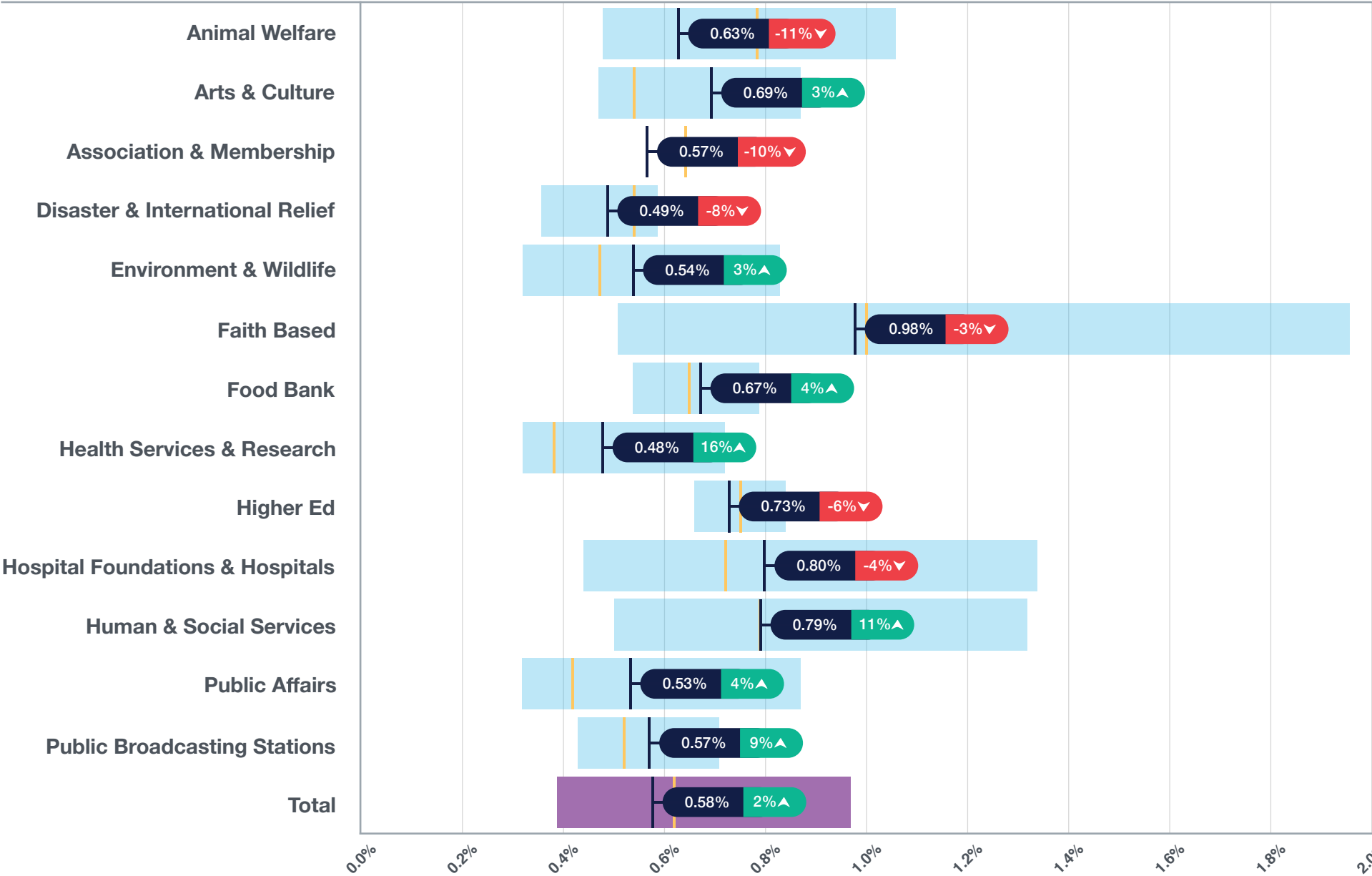(Email Donation Conversion Count / Email Donation Delivered Count)

Category	Value	Change
Animal Welfare	0.05%	-12% ▼
Arts & Culture	0.03%	-35% ▼
Association & Membership	0.02%	-56% ▼
Disaster & International Relief	0.05%	-14% ▼
Environment & Wildlife	0.05%	0% ▲
Faith Based	0.04%	0% ▲
Food Bank	0.11%	-14% ▼
Health Services & Research	0.02%	0% ▲
Higher Ed	0.02%	0% ▲
Hospital Foundations & Hospitals	0.03%	4% ▲
Human & Social Services	0.03%	-25% ▼
Public Affairs	0.03%	-5% ▼
Public Broadcasting Stations	0.06%	0% ▲
Total	0.04%	0% ▲

Chart 14:

Other Email Open Rate

(Email Other Open Count / Email Other Delivered Count)

17.56%   -6% ▼

18.04%

0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22% 24% 26% 28% 30%

Chart 15:
Other Email Open Rate
(Email Other Open Count / Email Other Delivered Count)

Category	Rate	Change
Animal Welfare	17.28%	-7% ▼
Arts & Culture	21.20%	-6% ▼
Association & Membership	17.88%	3% ▲
Disaster & International Relief	19.06%	-3% ▼
Environment & Wildlife	16.50%	-5% ▼
Faith Based	20.46%	-4% ▼
Food Bank	17.52%	-11% ▼
Health Services & Research	14.15%	-6% ▼
Higher Ed	26.32%	-2% ▼
Hospital Foundations & Hospitals	20.06%	-8% ▼
Human & Social Services	16.53%	-7% ▼
Public Affairs	15.91%	-3% ▼
Public Broadcasting Stations	18.22%	-4% ▼
Total	17.56%	-6% ▼

0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22% 24% 26% 28% 30% 32% 34% 36% 38% 40%

Other Email Click Rate

(Email Other Click Count / Email Other Delivered Count)

Other Email Click Rate
(Email Other Click Count / Email Other Delivered Count)

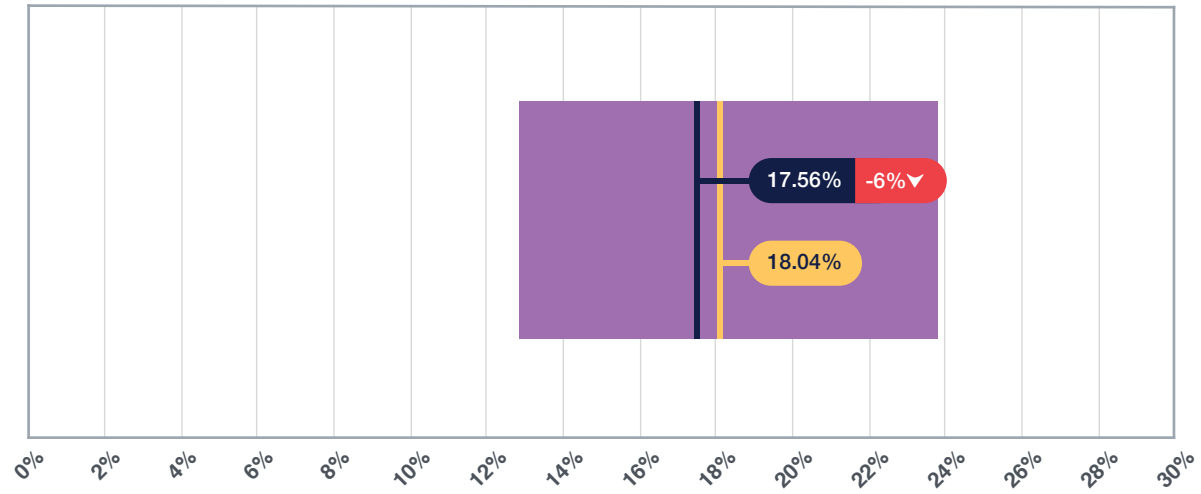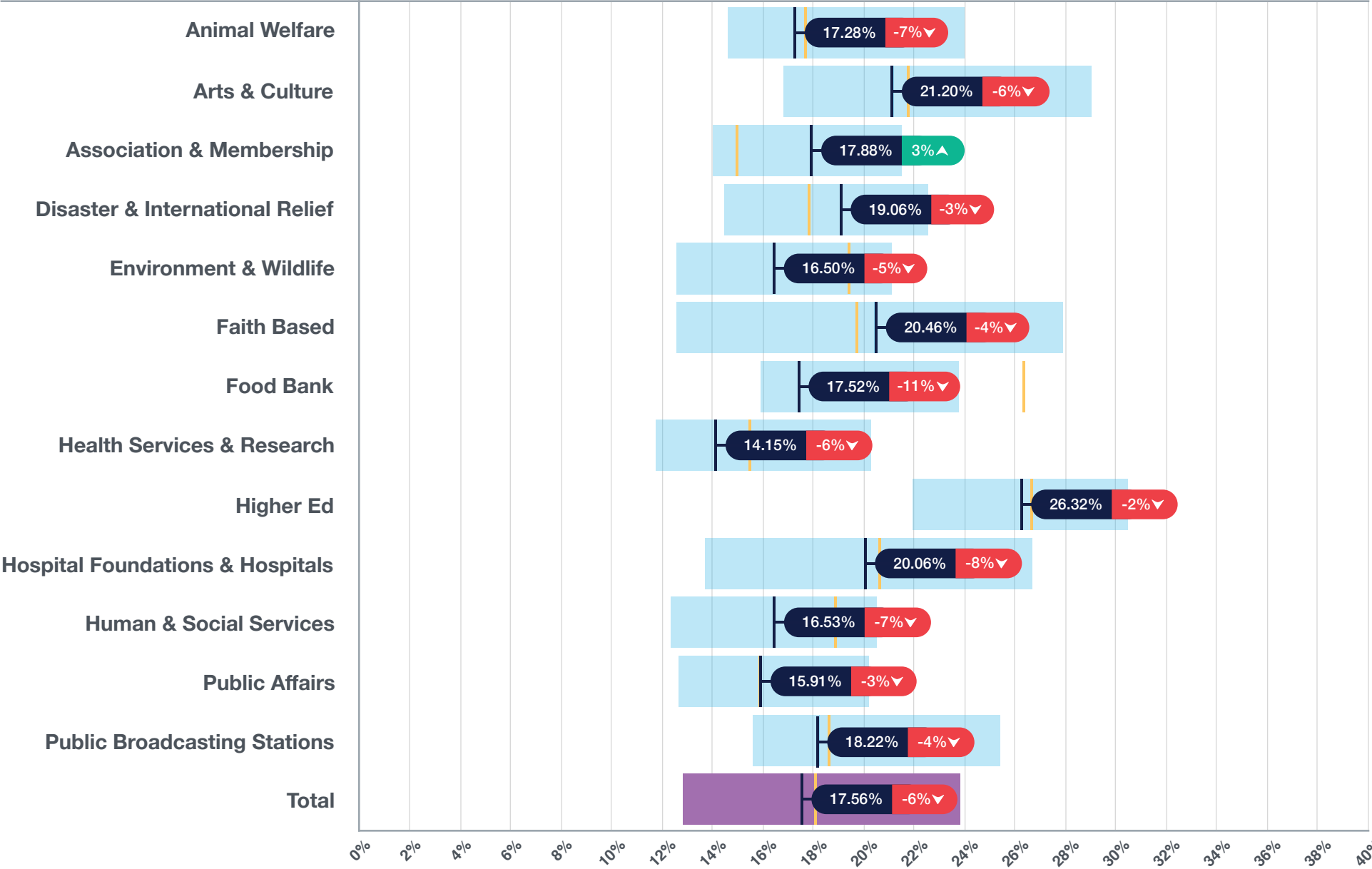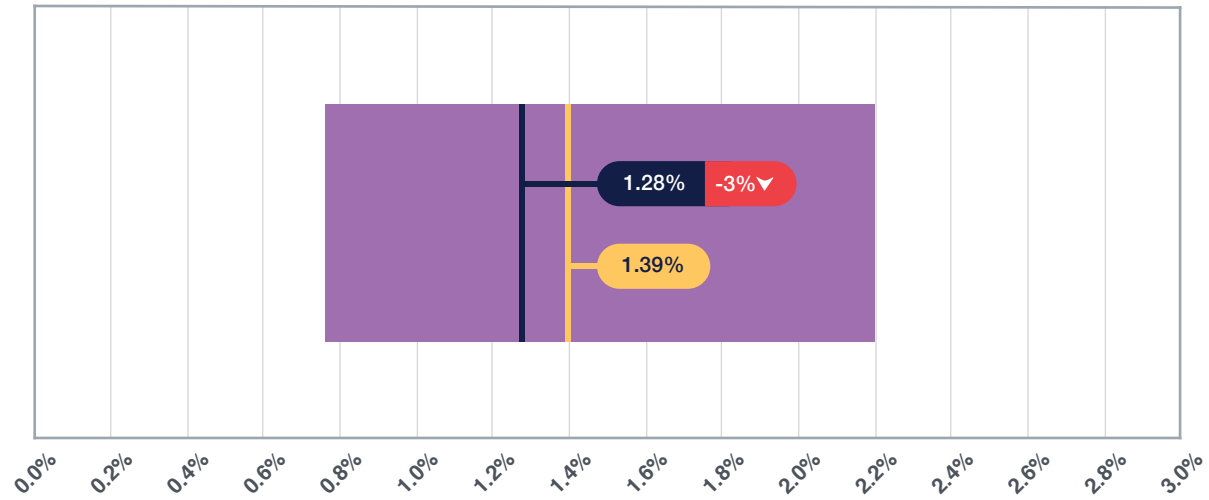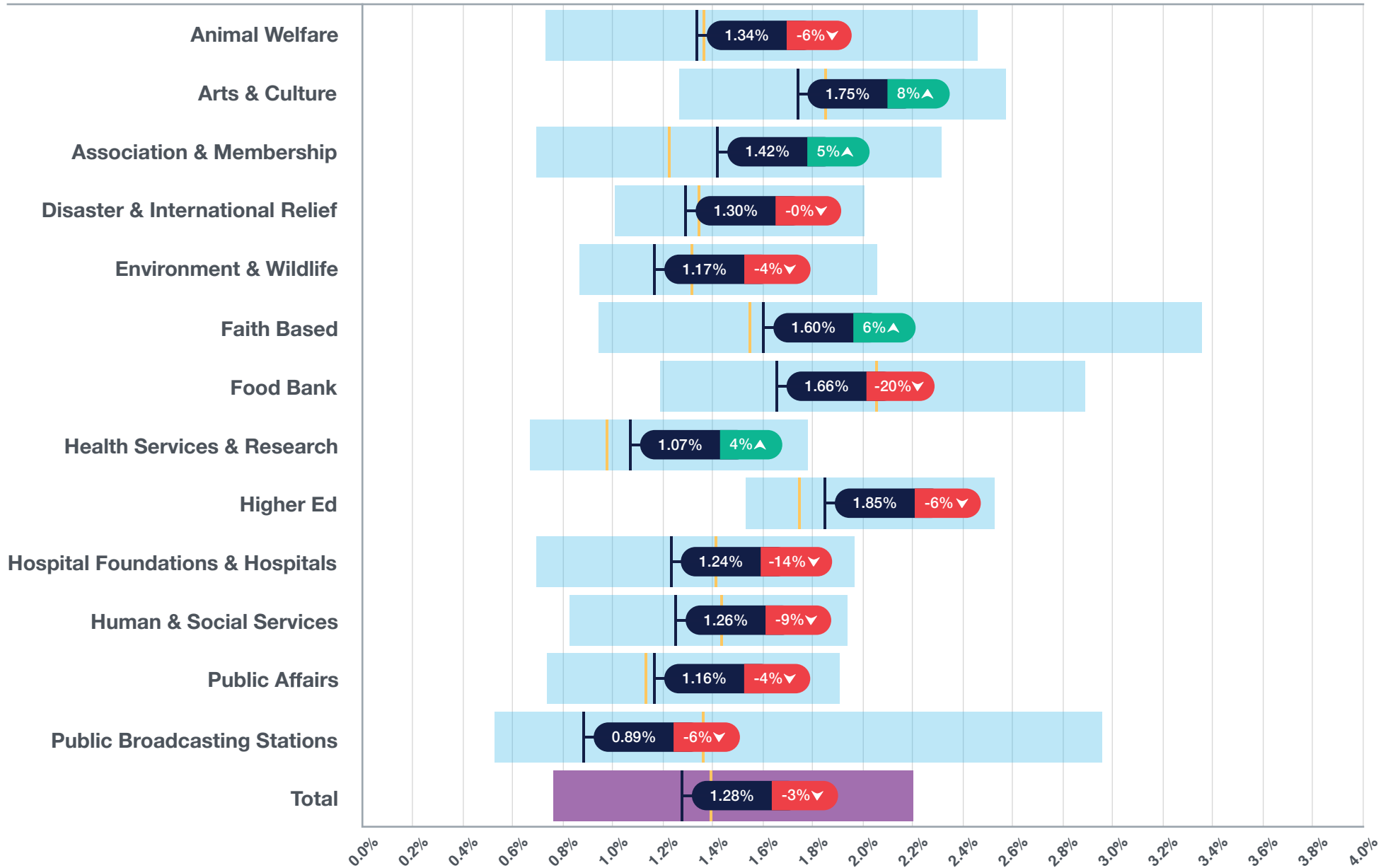| Category	Value	Change
Animal Welfare	1.34%	-6% ▼
Arts & Culture	1.75%	8% ▲
Association & Membership	1.42%	5% ▲
Disaster & International Relief	1.30%	-0% ▼
Environment & Wildlife	1.17%	-4% ▼
Faith Based	1.60%	6% ▲
Food Bank	1.66%	-20% ▼
Health Services & Research	1.07%	4% ▲
Higher Ed	1.85%	-6% ▼
Hospital Foundations & Hospitals	1.24%	-14% ▼
Human & Social Services	1.26%	-9% ▼
Public Affairs	1.16%	-4% ▼
Public Broadcasting Stations	0.89%	-6% ▼
Total	1.28%	-3% ▼

0.0% 0.2% 0.4% 0.6% 0.8% 1.0% 1.2% 1.4% 1.6% 1.8% 2.0% 2.2% 2.4% 2.6% 2.8% 3.0% 3.2% 3.4% 3.6% 3.8% 4.0%

Chart 18:

eNewsletter Open Rate
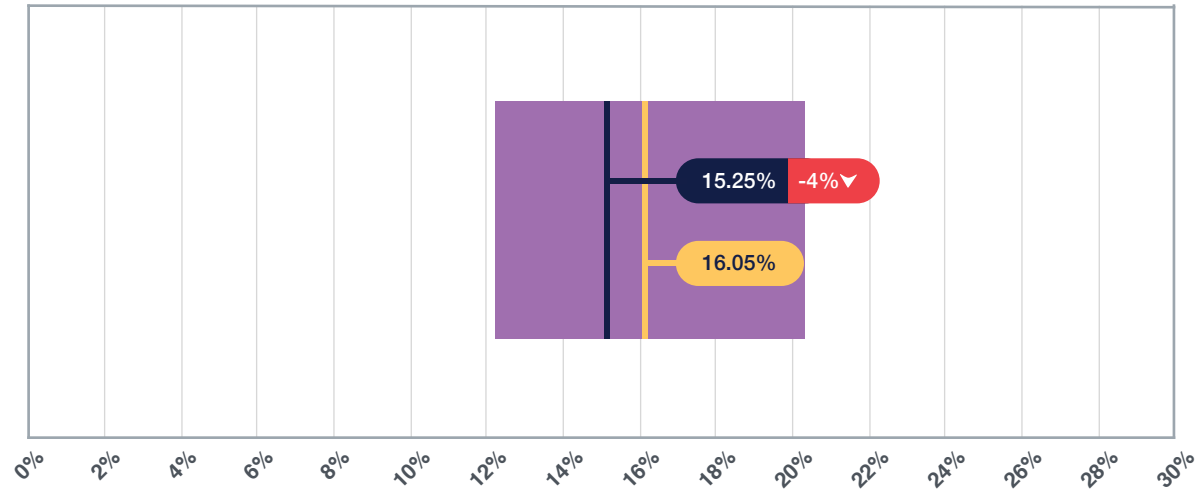
(Email Newsletter Open Count / Email Newsletter Delivered Count)

Chart data:
- 15.25% -4% ▼
- 16.05%

X-axis: 0%, 2%, 4%, 6%, 8%, 10%, 12%, 14%, 16%, 18%, 20%, 22%, 24%, 26%, 28%, 30%

eNewsletter Open Rate

(Email Newsletter Open Count / Email Newsletter Delivered Count)

Category	Open Rate	Change
Animal Welfare	16.11%	-5% ▼
Arts & Culture	23.81%	-3% ▼
Association & Membership	21.19%	1% ▲
Disaster & International Relief	14.32%	-8% ▼
Environment & Wildlife	15.27%	-4% ▼
Faith Based	16.14%	-3% ▼
Food Bank	14.86%	-7% ▼
Health Services & Research	12.60%	-3% ▼
Higher Ed	24.87%	-2% ▼
Hospital Foundations & Hospitals	15.45%	-2% ▼
Human & Social Services	15.02%	-5% ▼
Public Affairs	13.92%	-5% ▼
Public Broadcasting Stations	15.35%	-4% ▼
Total	15.25%	-4% ▼
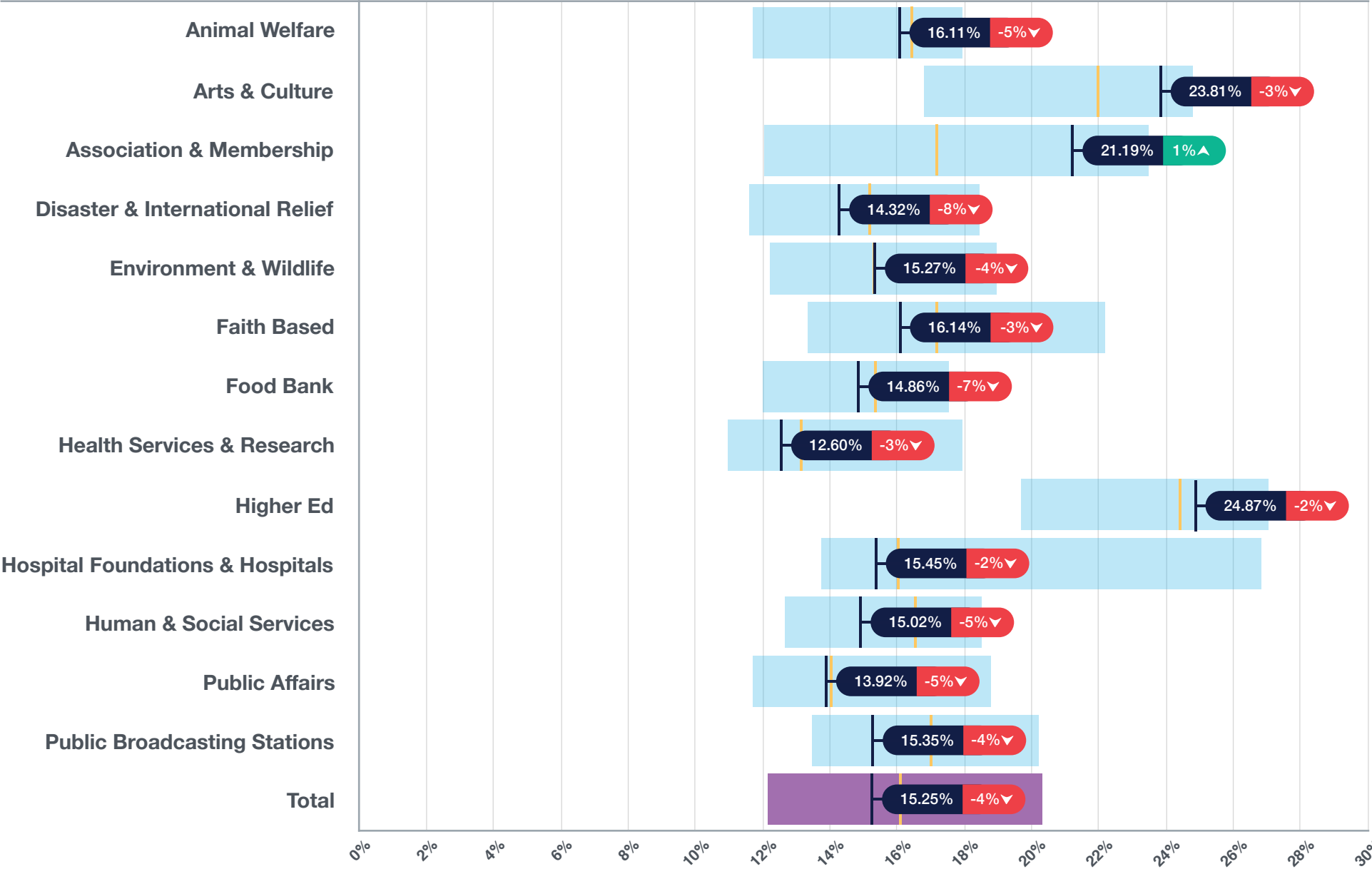
Chart 20:

eNewsletter Click Rate
(Email Newsletter Click Count / Email Newsletter Delivered Count)

1.39% -7%▼

1.52%
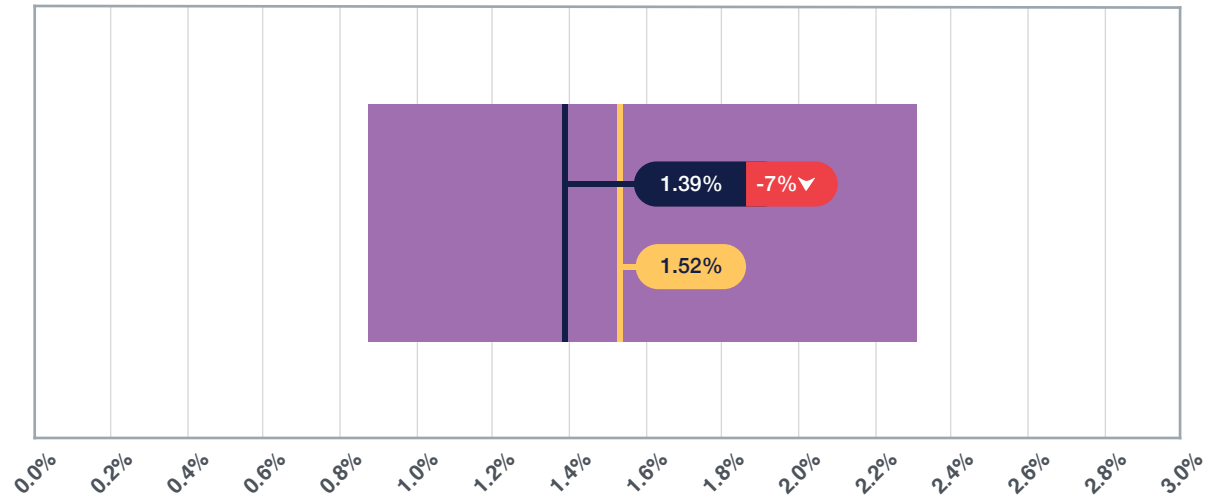
**Chart 21:**

eNewsletter Click Rate
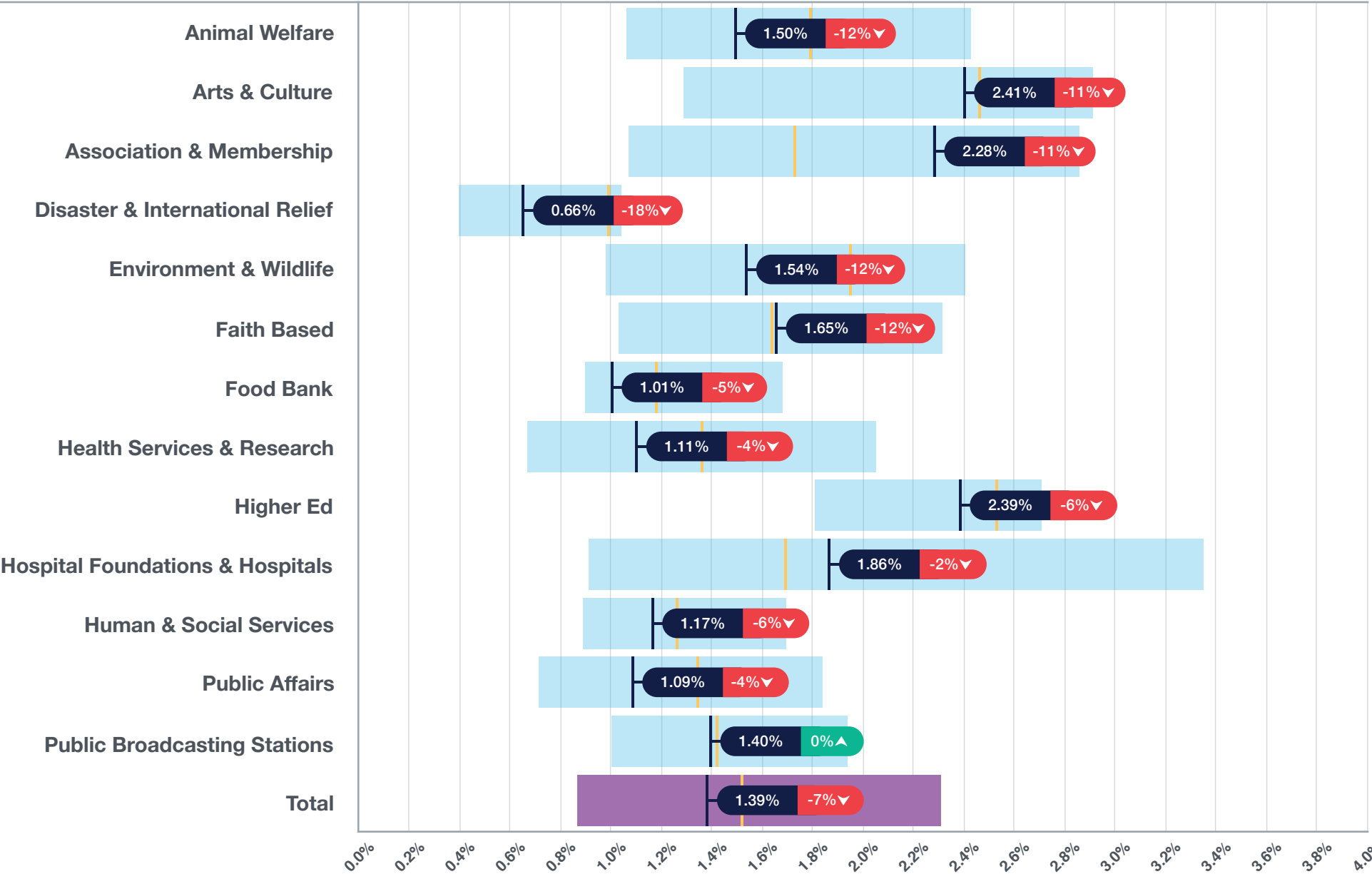
(Email Newsletter Click Count / Email Newsletter Delivered Count)

Category	Value	Change
Animal Welfare	1.50%	-12% ▼
Arts & Culture	2.41%	-11% ▼
Association & Membership	2.28%	-11% ▼
Disaster & International Relief	0.66%	-18% ▼
Environment & Wildlife	1.54%	-12% ▼
Faith Based	1.65%	-12% ▼
Food Bank	1.01%	-5% ▼
Health Services & Research	1.11%	-4% ▼
Higher Ed	2.39%	-6% ▼
Hospital Foundations & Hospitals	1.86%	-2% ▼
Human & Social Services	1.17%	-6% ▼
Public Affairs	1.09%	-4% ▼
Public Broadcasting Stations	1.40%	0% ▲
Total	1.39%	-7% ▼

0.0% 0.2% 0.4% 0.6% 0.8% 1.0% 1.2% 1.4% 1.6% 1.8% 2.0% 2.2% 2.4% 2.6% 2.8% 3.0% 3.2% 3.4% 3.6% 3.8% 4.0%

Advocacy Email Delivered Count
(Total number of emails delivered)

412,397 -9%▼

554,344

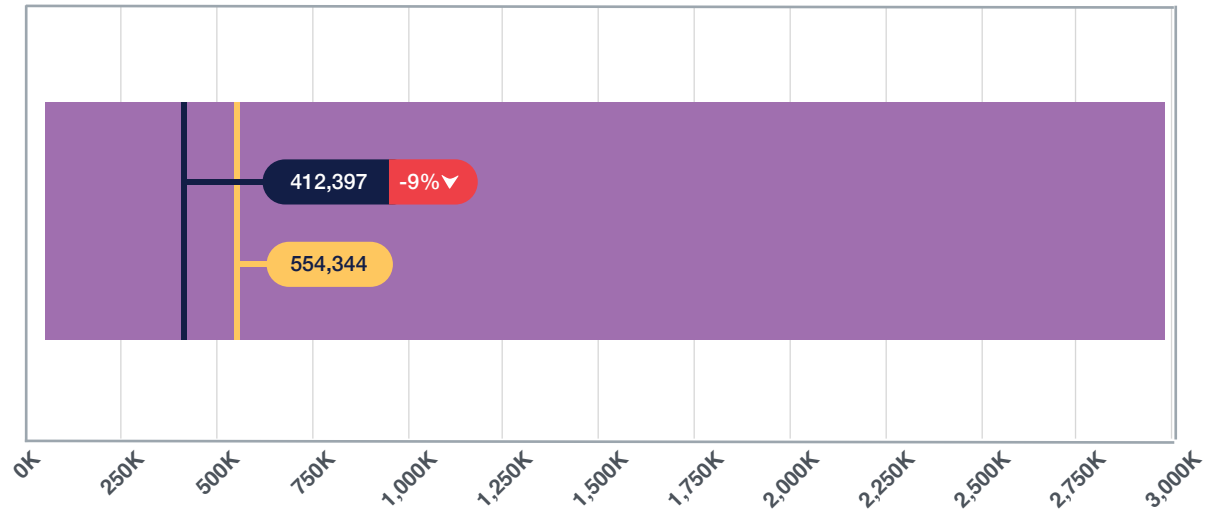0K 250K 500K 750K 1,000K 1,250K 1,500K 1,750K 2,000K 2,250K 2,500K 2,750K 3,000K

Advocacy Email Delivered Count

(Total number of emails delivered where email campaign type = "Advocacy Appeal")

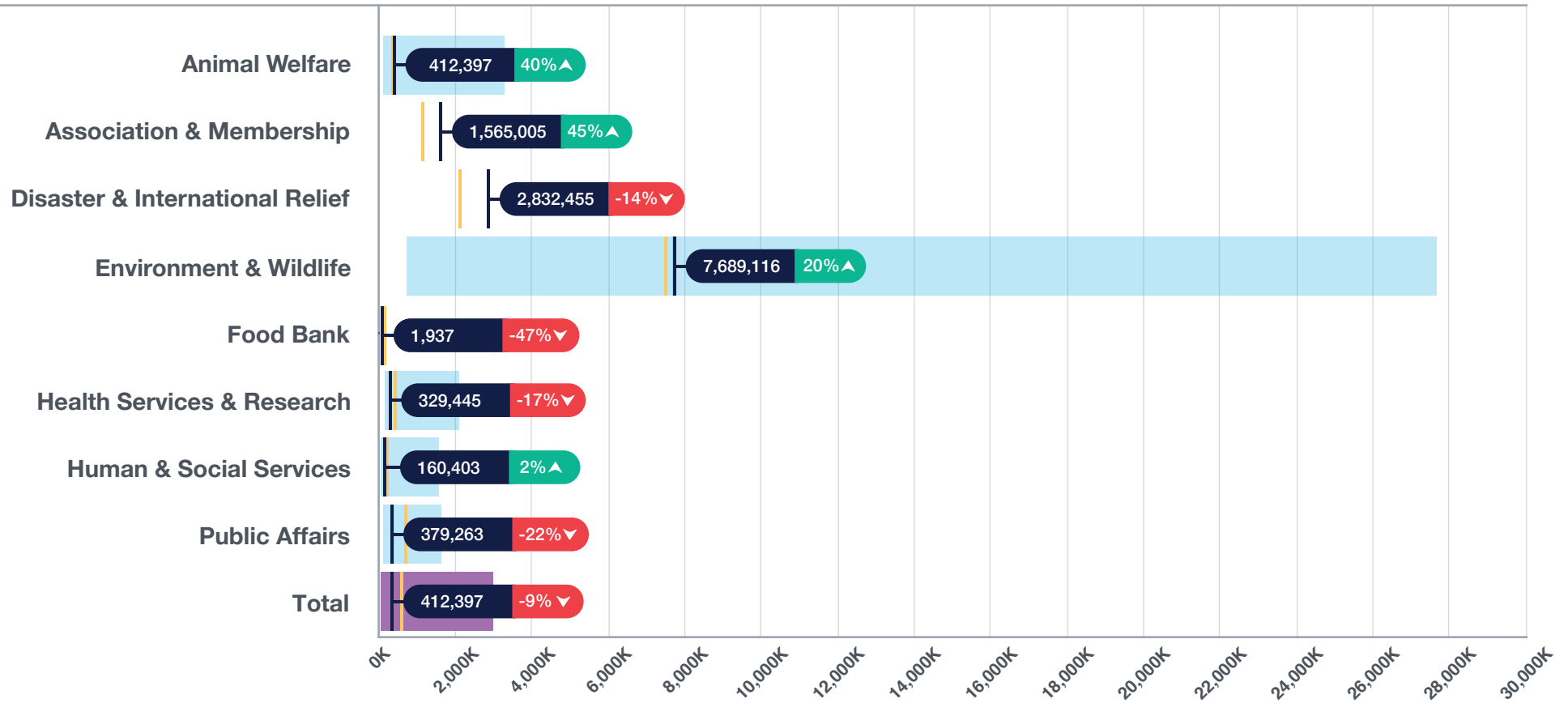| Category	Value	Change
Animal Welfare	412,397	40% ▲
Association & Membership	1,565,005	45% ▲
Disaster & International Relief	2,832,455	-14% ▼
Environment & Wildlife	7,689,116	20% ▲
Food Bank	1,937	-47% ▼
Health Services & Research	329,445	-17% ▼
Human & Social Services	160,403	2% ▲
Public Affairs	379,263	-22% ▼
Total	412,397	-9% ▼

Chart 24:

Advocacy Email Open Rate

(Email Advocacy Open Count / Email Advocacy Delivered Count)

15.64% -4%▼

16.61%

0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22%
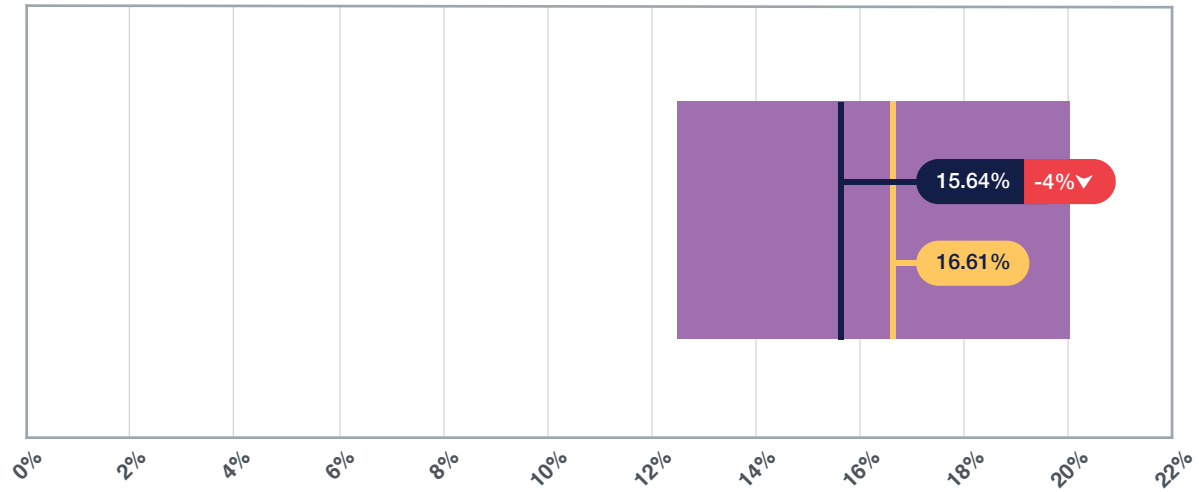
Chart 25:
Advocacy Email Open Rate
(Email Advocacy Open Count / Email Advocacy Delivered Count)

Category	Rate	Change
Animal Welfare	16.44%	2% ▲
Association & Membership	18.87%	2% ▲
Disaster & International Relief	14.45%	-39% ▼
Environment & Wildlife	14.60%	-5% ▼
Food Bank	23.22%	-5% ▼
Health Services & Research	13.81%	-2% ▼
Human & Social Services	14.73%	-8% ▼
Public Affairs	14.88%	-3% ▼
Total	15.64%	-4% ▼

0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22% 24% 26% 28% 30%
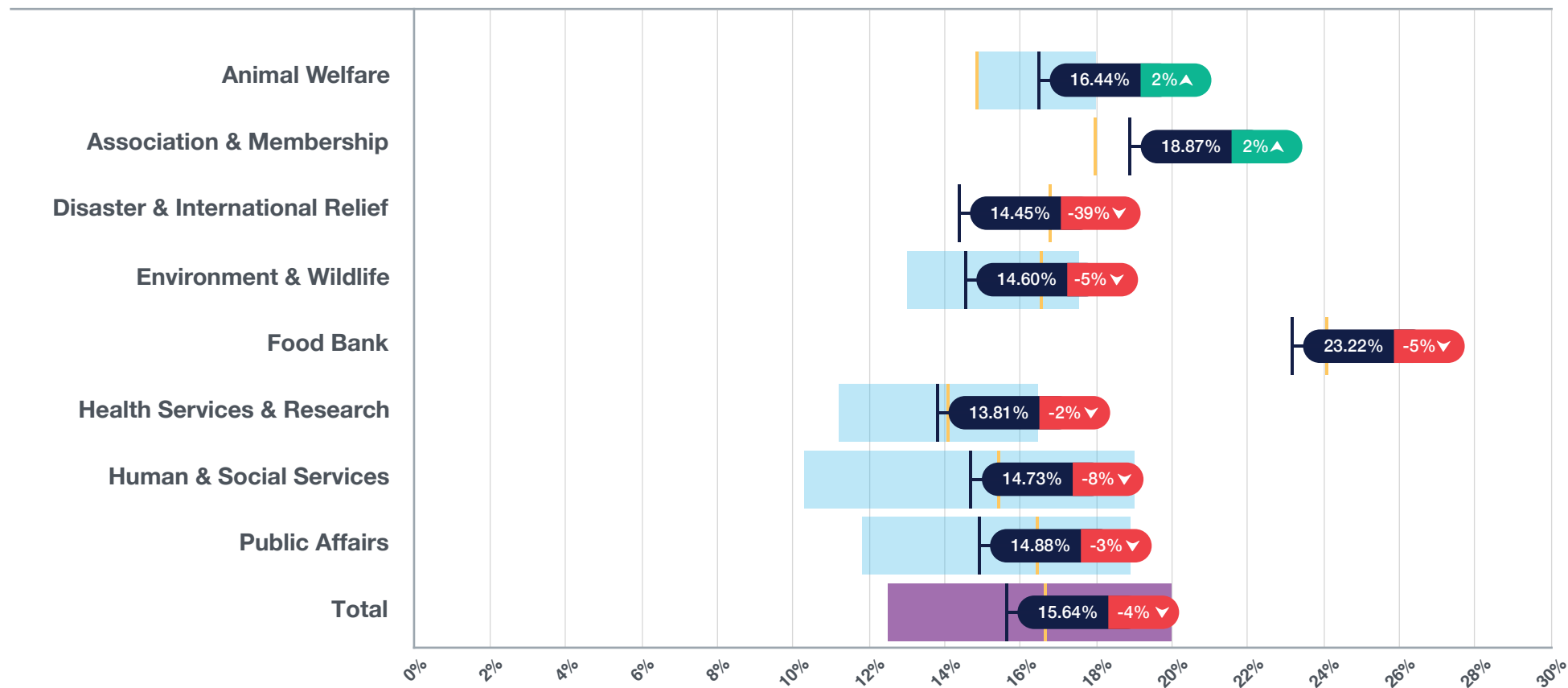
Chart 26:

Advocacy Email Click Rate

(Advocacy Email Click Count / Advocacy Email Delivered Count)

0.0%	0.4%	0.7%	1.1%	1.5%	1.8%	2.2%	2.5%	2.9%	3.3%	3.6%	4.0%

1.97%   -4%▼

2.01%
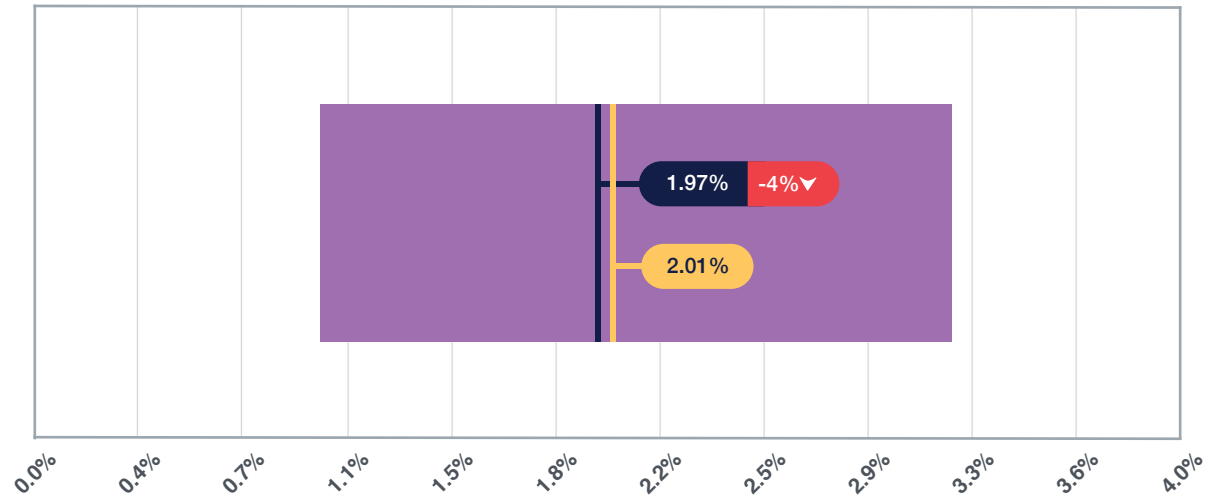
Chart 27:

Advocacy Email Click Rate

(Email Advocacy Click Count / Email Advocacy Delivered Count)

Category	Value	Change
Animal Welfare	3.49%	-4% ▼
Association & Membership	2.12%	16% ▲
Disaster & International Relief	1.40%	-7% ▼
Environment & Wildlife	2.34%	-9% ▼
Food Bank	2.03%	72% ▲
Health Services & Research	1.00%	-20% ▼
Human & Social Services	1.09%	-11% ▼
Public Affairs	2.01%	5% ▲
Total	1.97%	-4% ▼

Axis: 0.0% 0.5% 1.0% 1.5% 2.0% 2.5% 3.0% 3.5% 4.0% 4.5% 5.0% 5.5% 6.0%
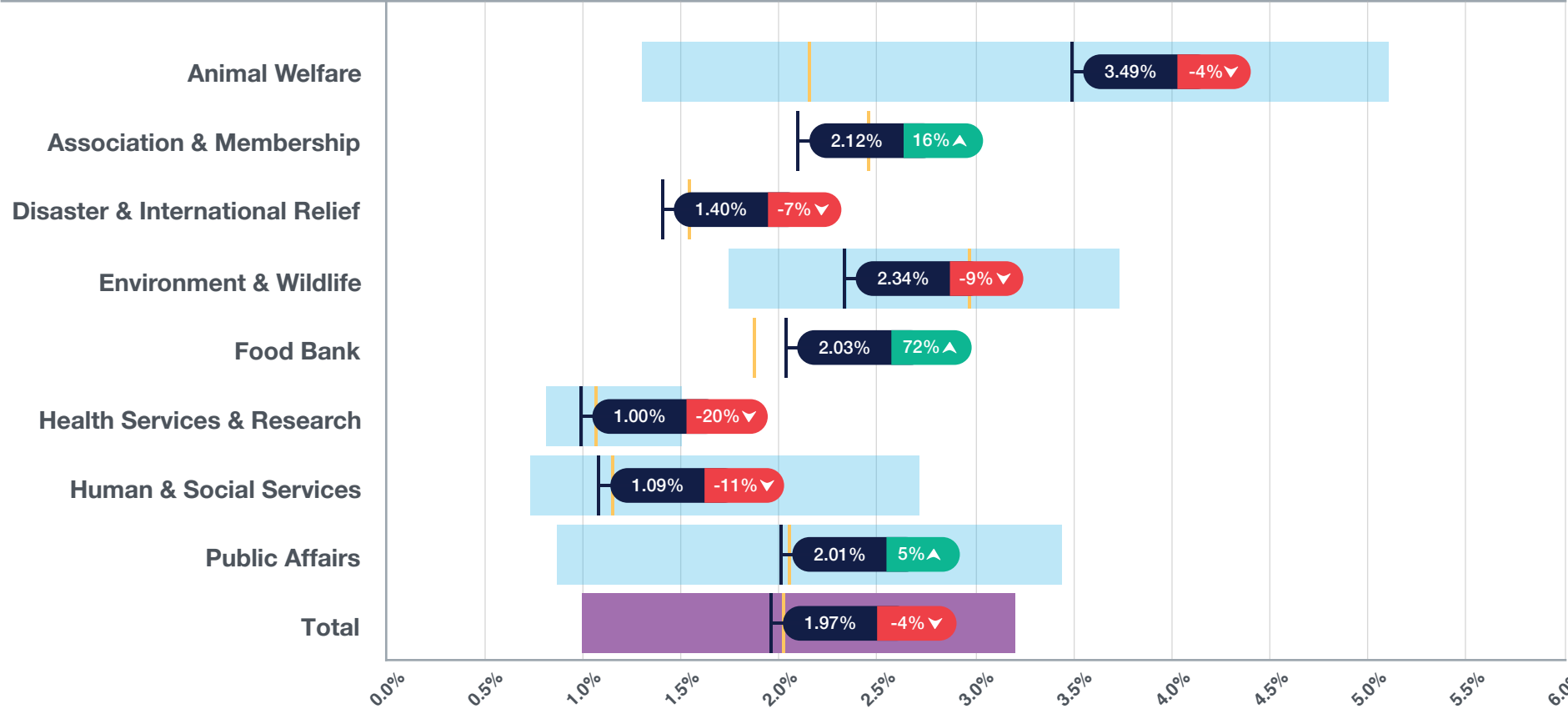
GIVING

GIVING

Total online revenue grew by 4.89%, growing significantly faster than giving overall but still modest compared to previous years. During the same time period, the Blackbaud Charitable Index (covering the full nonprofit sector) also showed slower growth, especially among larger organization sizes.

The slower growth seems to be most impacted by a few factors. First-time giving decreased 1.3% year over year, which was felt most by disaster and international relief organizations, who experienced 19% less revenue from first-time gifts year over year. Keep in mind, there weren't any major natural disasters during the year covered in this report, and such events commonly drive first-time giving.

FIRST VS. REPEAT GIVING

While first-time gifts decreased slightly by 1.3% year over year, there was an encouraging increase in repeat gifts. Year-over-year repeat gift revenue increased by 8.36%, and total number of transactions also increased by almost 8%. Total revenue per email address remains strong at $12.30 per email address.

What's exciting is that organizations are putting more effort into retention, honing their strategy behind recognition, stewardship, and conversion of their supporters using tailored digital communications. In offline fundraising, we've known for years that the smartest nonprofits invest heavily in supporter retention.

Relationships rule, and we're betting this emphasis on getting to know supporters and keeping them around for the long haul will pay off. Plus, as organizations become more sophisticated with their engagement strategies and technology, we think repeat giving will continue to grow.

SUSTAINER GIVING

Sustainers FTW! Yet again, we are seeing significant increases in monthly giving. Sustainer giving grew over 14% year over year, and although this only represents 11% of total online revenue, it grew almost 10% year over year. That's a big deal! Organizations are creating strong programs to attract and retain sustaining givers with compelling value propositions. And guess what? It's working.

To keep the momentum going, the next challenge will be upgrading and retaining these uber valuable supporters while building strategies to engage them for life.

Chart 28:
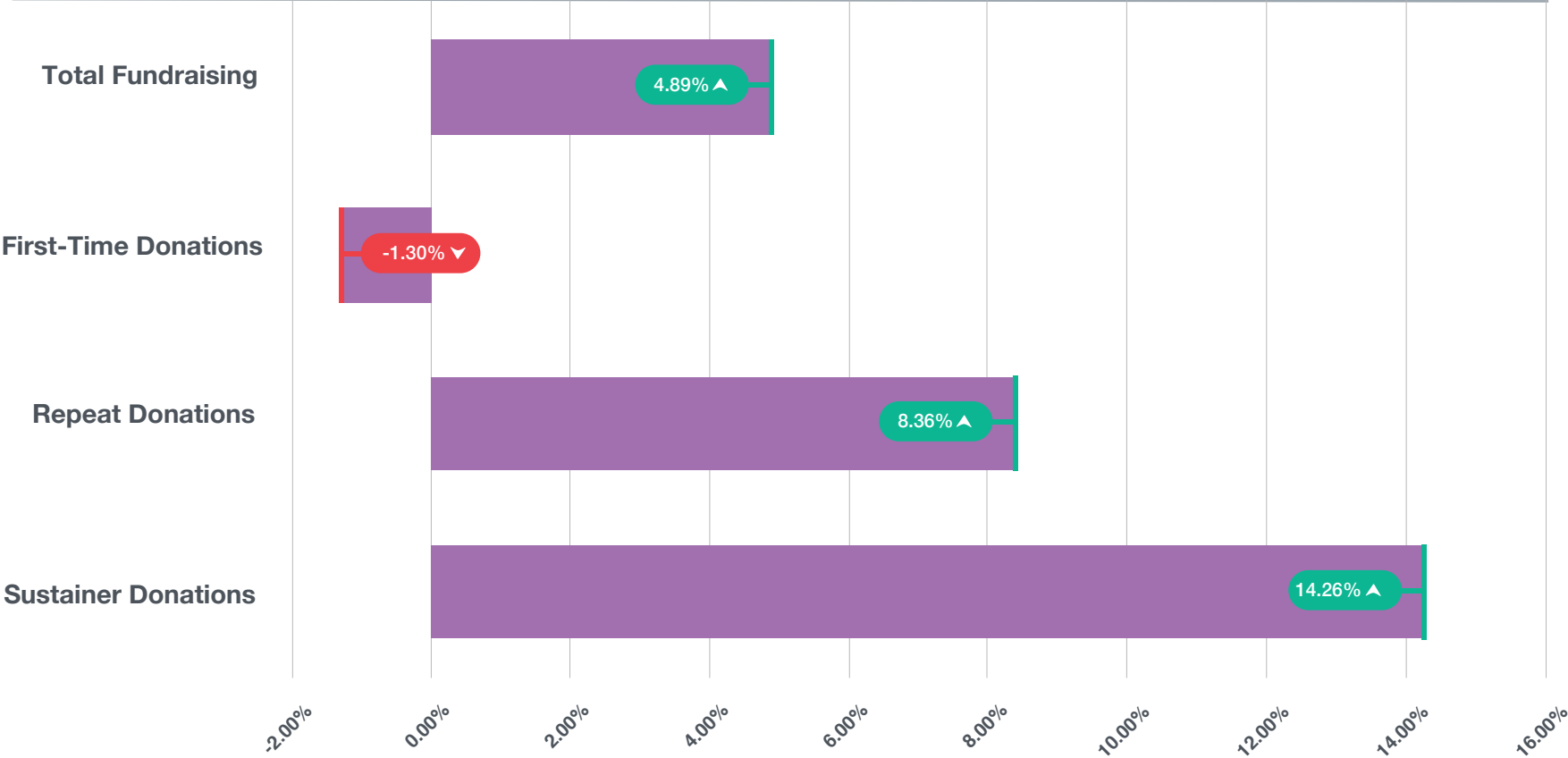
Total Online Revenue
(Total Online Revenue YOY)

Category	YOY
Total Fundraising	4.89% ▲
First-Time Donations	-1.30% ▼
Repeat Donations	8.36% ▲
Sustainer Donations	14.26% ▲

Total Online Revenue by Vertical
(Total Online Transaction Revenue YOY Change)

Vertical	Value	YOY Change
Animal Welfare	$609,623	9% ▲
Arts & Culture	$811,719	5% ▲
Association & Membership	$371,076	-2% ▼
Disaster & International Relief	$1,512,905	-1% ▼
Environment & Wildlife	$612,195	16% ▲
Faith Based	$1,204,791	3% ▲
Food Bank	$907,399	6% ▲
Health Services & Research	$566,757	-3% ▼
Higher Ed	$1,240,411	-6% ▼
Hospital Foundations & Hospitals	$822,954	3% ▲
Human & Social Services	$264,162	7% ▲
Public Affairs	$233,392	0% ▲
Public Broadcasting Stations	$1,373,970	10% ▲
Total	$587,369	5% ▲

$0K $200K $400K $600K $800K $1,000K $1,200K $1,400K $1,600K $1,800K $2,000K $2,200K $2,400K $2,600K $2,800K $3,000K $3,200K $3,400K $3,600K $3,800K $4,000K

Total Revenue Per Usable Email

(Transaction Amount / Constituents with Usable Email)

Transaction Total Revenue Per Usable Email
(Transaction Amount / Constituents with Usable Email)

Category	Value	Change
Animal Welfare	$11.23	-2% ▼
Arts & Culture	$9.15	-2% ▼
Association & Membership	$2.60	-11% ▼
Disaster & International Relief	$22.79	-17% ▼
Environment & Wildlife	$3.89	-2% ▼
Faith Based	$27.36	0% ▲
Food Bank	$32.71	-7% ▼
Health Services & Research	$16.17	-14% ▼
Higher Ed	$9.08	-10% ▼
Hospital Foundations & Hospitals	$21.01	-7% ▼
Human & Social Services	$11.37	-7% ▼
Public Affairs	$3.56	-7% ▼
Public Broadcasting Stations	$13.78	0% ▲
Total	$12.30	-7% ▼

First Online Transaction Amount

(Total First-time Online Transaction Revenue)

$206,619   -1%▼

$199,328
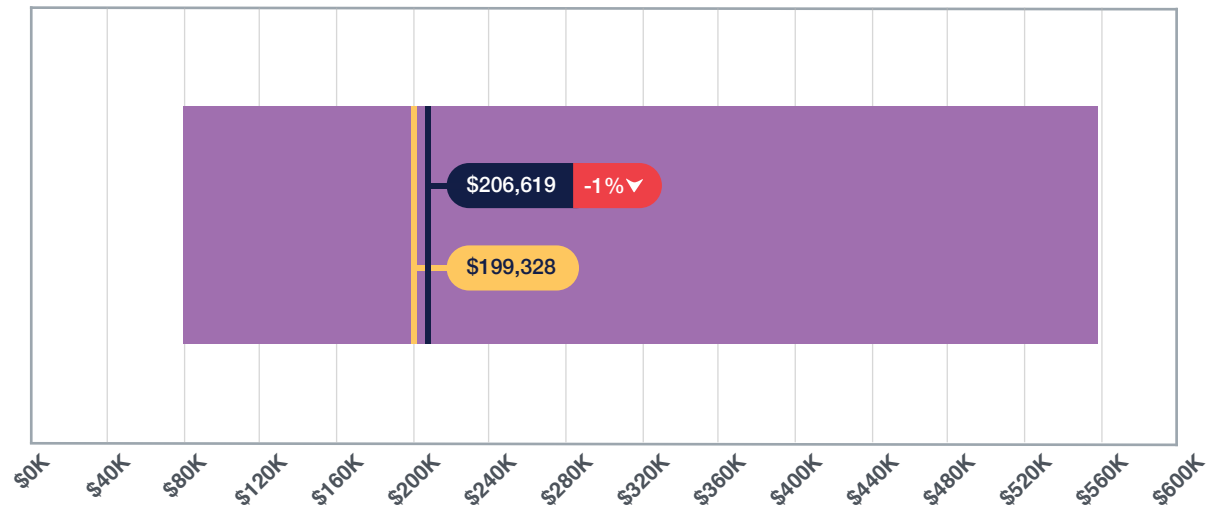
First Online Average Transaction

(First Time Transaction Amount / First Online Count)

$105.81 3% ▲

$105.78
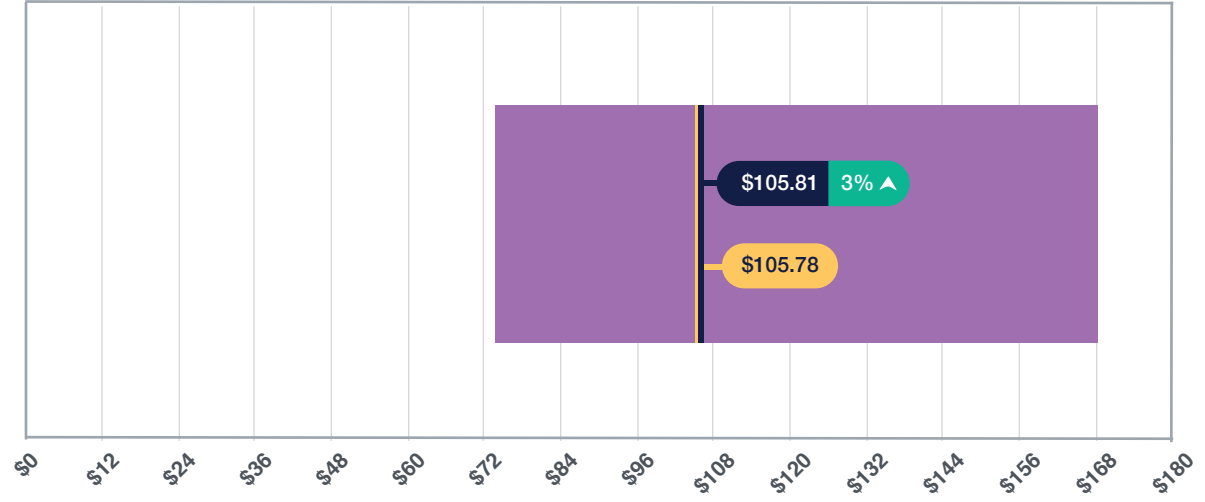
Chart 34:

First Online Revenue as a Percent of Total Fundraising
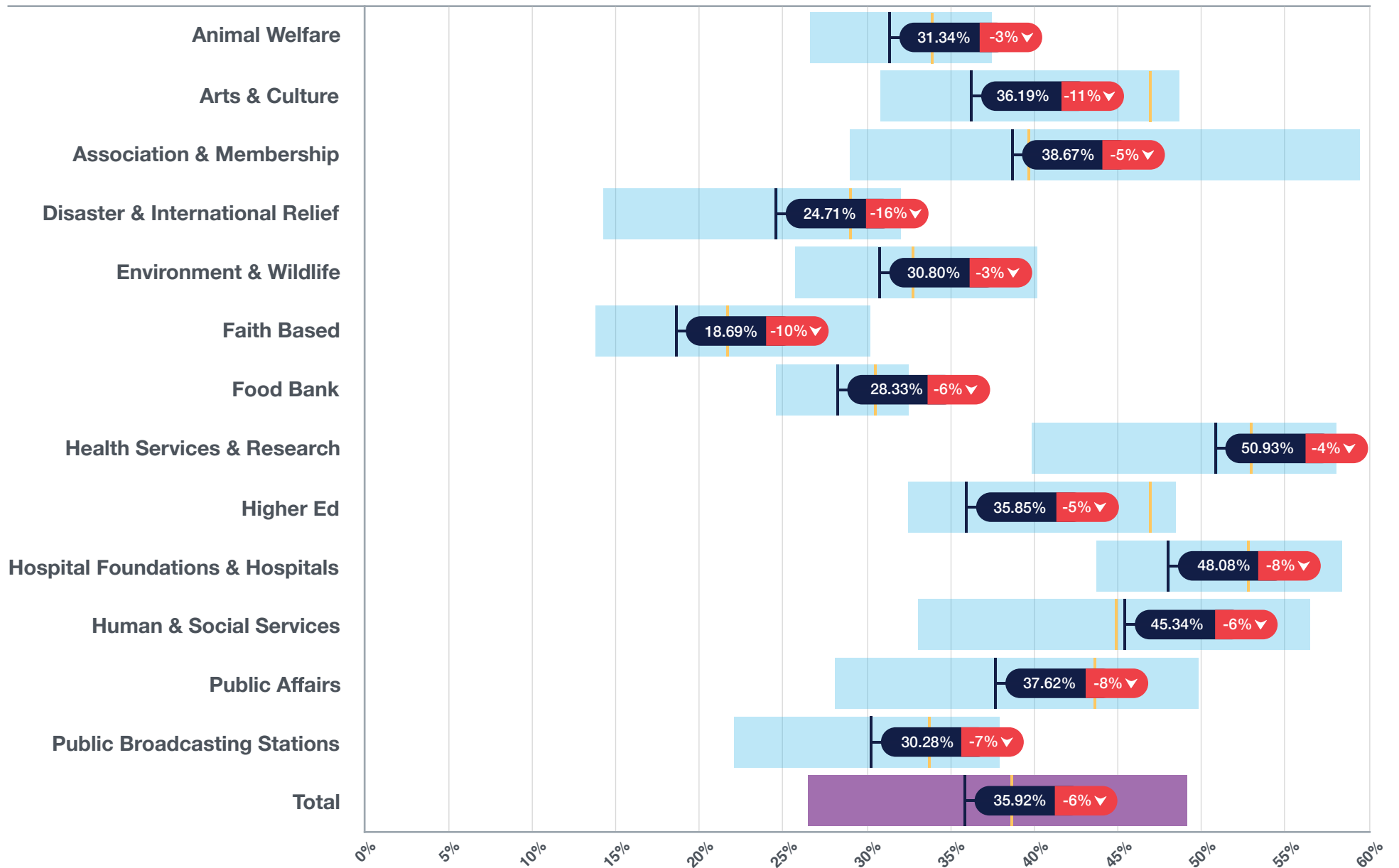
(First Time Transaction Amount / Transaction Amount)

35.92% -6%▼

38.55%

0% 3% 6% 9% 13% 16% 19% 22% 25% 28% 31% 34% 38% 41% 44% 47% 50%

46

First Online Revenue as a Percent of Total Fundraising
(First Time Transaction Amount / Transaction Amount)

Animal Welfare	31.34% -3% ▼
Arts & Culture	36.19% -11% ▼
Association & Membership	38.67% -5% ▼
Disaster & International Relief	24.71% -16% ▼
Environment & Wildlife	30.80% -3% ▼
Faith Based	18.69% -10% ▼
Food Bank	28.33% -6% ▼
Health Services & Research	50.93% -4% ▼
Higher Ed	35.85% -5% ▼
Hospital Foundations & Hospitals	48.08% -8% ▼
Human & Social Services	45.34% -6% ▼
Public Affairs	37.62% -8% ▼
Public Broadcasting Stations	30.28% -7% ▼
Total	35.92% -6% ▼

0% 5% 10% 15% 20% 25% 30% 35% 40% 45% 50% 55% 60%
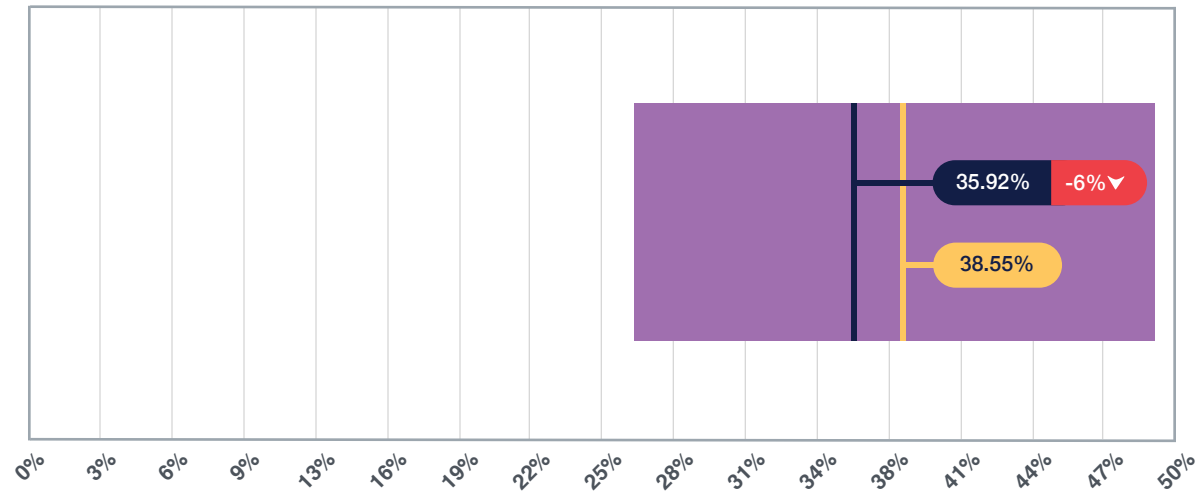
Chart 36:

Repeat Online Transaction Amount

(Total Online Transaction Revenue)

$371,824 8%▲

$340,570

$0K $80K $160K $240K $320K $400K $480K $560K $640K $720K $800K $880K $960K $1,040K $1,120K $1,200K
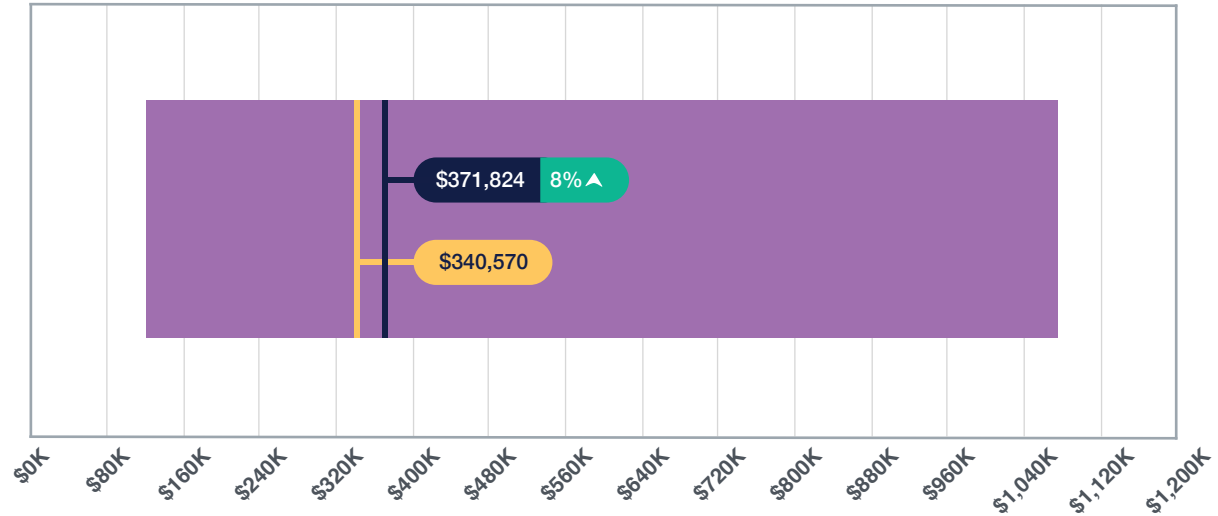
Chart 37:

Repeat Online Average Transaction

(Repeat Transaction Amount / Repeat Online Transaction Count)

$0 $10 $20 $30 $40 $50 $60 $70 $80 $90 $100 $110 $120 $130 $140 $150 $160

$95.30 0%▼

$96.95
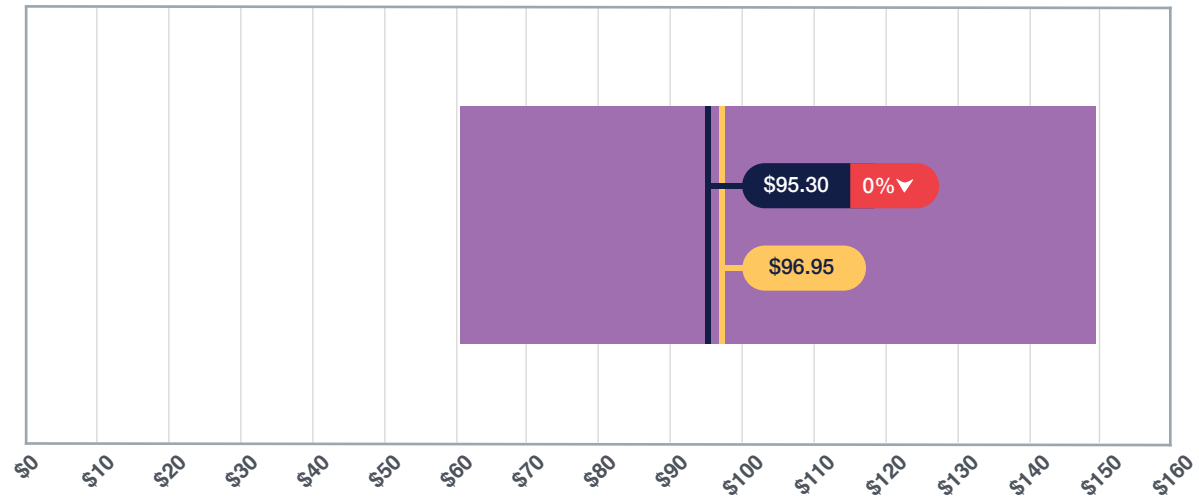
Chart 38:

Repeat Online Revenue as a Percent of Total Fundraising

(Repeat Transaction Amount / Transaction Amount)

64.15% 3%▲

61.50%

0% 5% 10% 15% 20% 25% 30% 35% 40% 45% 50% 55% 60% 65% 70% 75% 80%
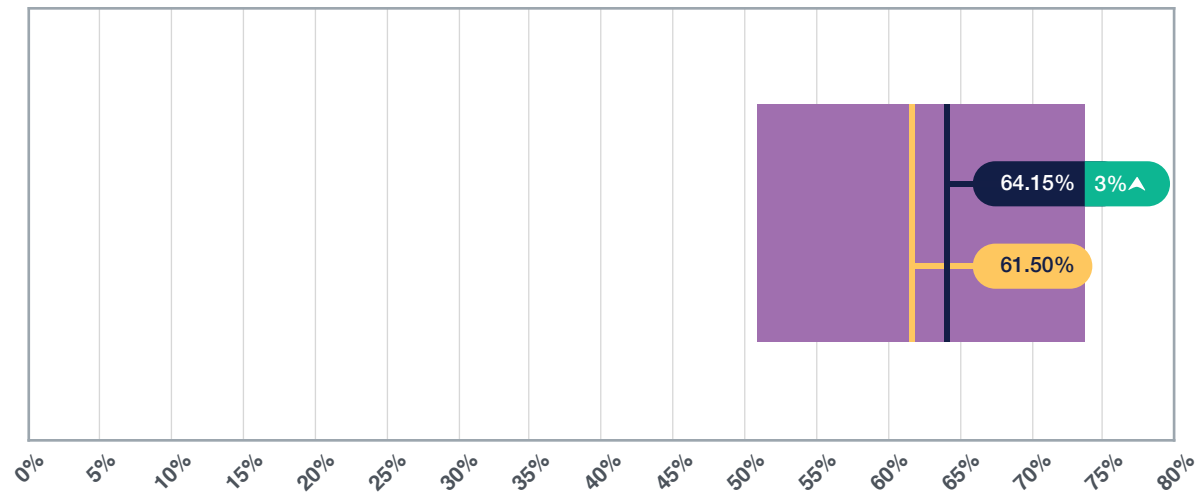
Chart 39 :

Repeat Online Revenue as a Percent of Total Fundraising
(Repeat Transaction Amount / Transaction Amount)

Category	Value	Change
Animal Welfare	68.66%	1% ▲
Arts & Culture	63.81%	8% ▲
Association & Membership	61.34%	4% ▲
Disaster & International Relief	75.30%	6% ▲
Environment & Wildlife	69.21%	1% ▲
Faith Based	81.32%	3% ▲
Food Bank	71.67%	2% ▲
Health Services & Research	49.07%	4% ▲
Higher Ed	64.15%	4% ▲
Hospital Foundations & Hospitals	51.92%	8% ▲
Human & Social Services	55.18%	4% ▲
Public Affairs	62.38%	4% ▲
Public Broadcasting Stations	71.12%	3% ▲
Total	64.15%	3% ▲

0% 5% 10% 15% 20% 25% 30% 35% 40% 45% 50% 55% 60% 65% 70% 75% 80% 85% 90%
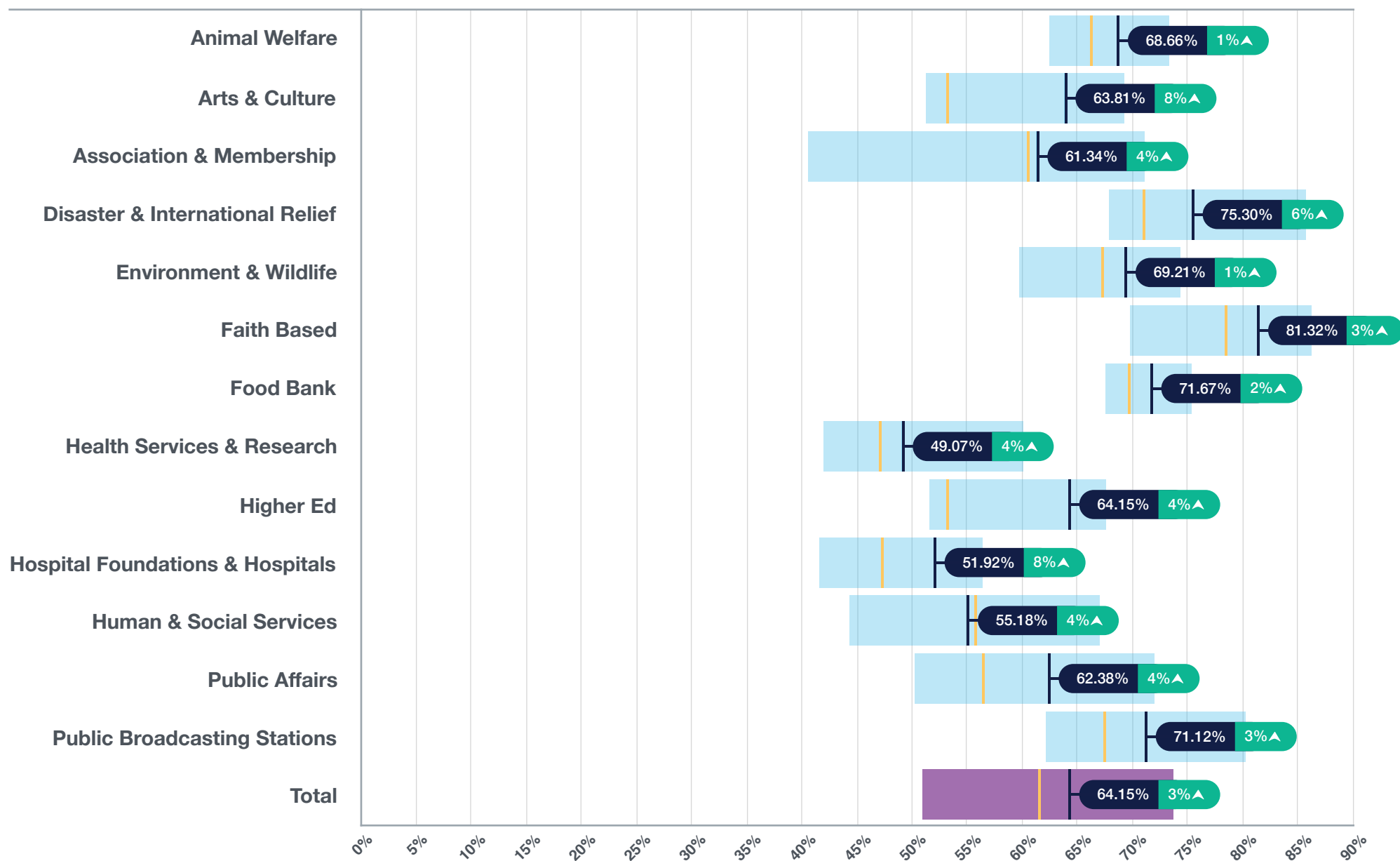
Chart 40:

Sustainer Transaction Amount

(Sum of online revenue from transactions that are recurring)

$59,209   14% ▲

$52,617

$0K $20K $40K $60K $80K $100K $120K $140K $160K $180K $200K $220K $240K $260K $280K $300K
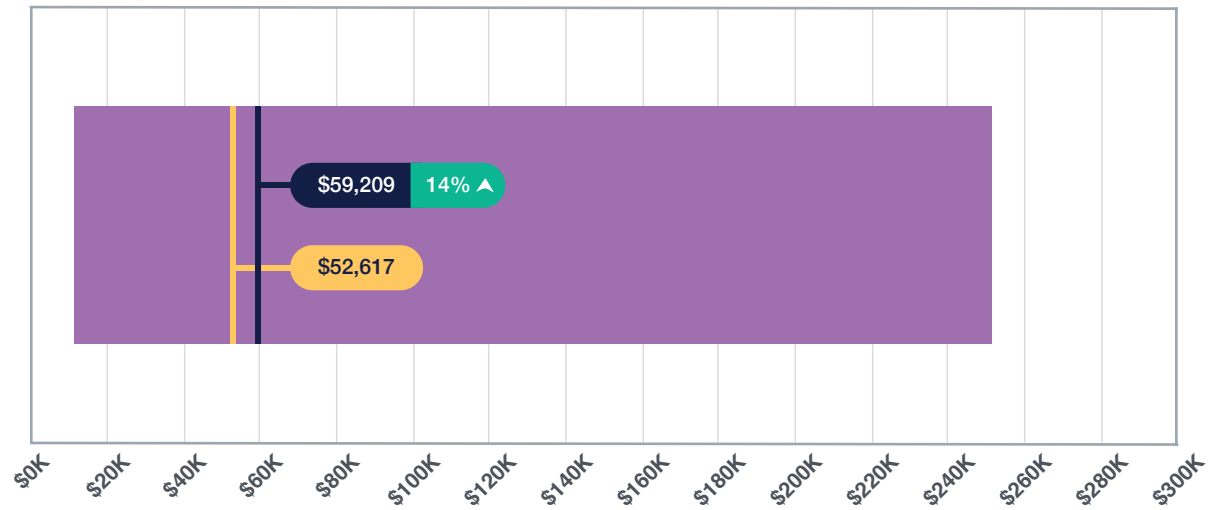
Chart 41:

Sustainer Revenue as a Percent of Total Fundraising
(Sustainer Transaction Amount / Transaction Amount)

11.26% 10%▲

9.54%

0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22% 24% 26% 28% 30%
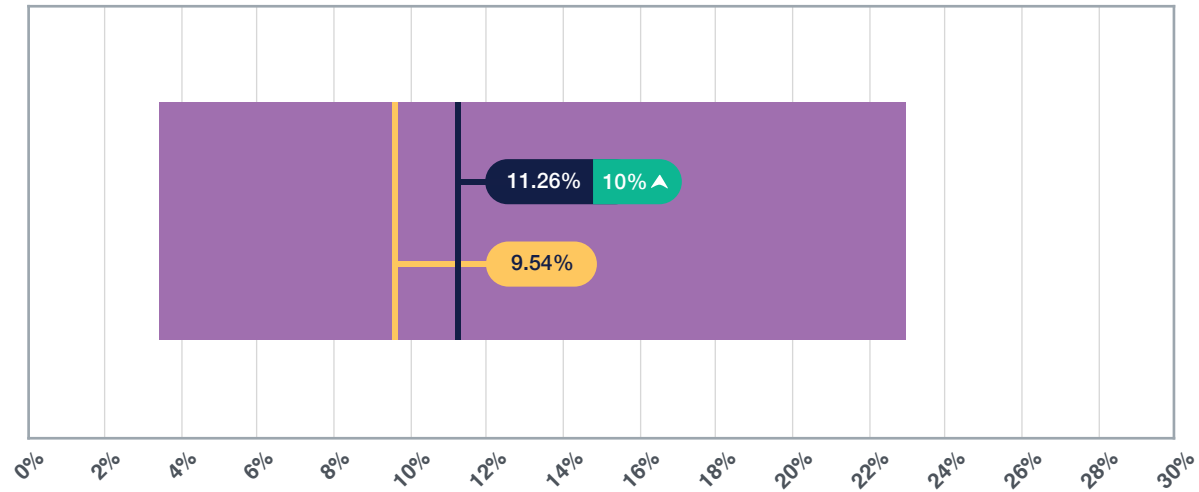
Chart 42:

Sustainer Revenue as a Percent of Total Fundraising
(Sustainer Transaction Amount / Transaction Amount)

Category	Value	Change
Animal Welfare	21.16%	5% ▲
Arts & Culture	7.23%	1% ▲
Association & Membership	9.15%	-2% ▼
Disaster & International Relief	17.60%	26% ▲
Environment & Wildlife	13.37%	7% ▲
Faith Based	29.09%	13% ▲
Food Bank	16.88%	10% ▲
Health Services & Research	2.37%	17% ▲
Higher Ed	4.90%	-4% ▼
Hospital Foundations & Hospitals	3.43%	-4% ▼
Human & Social Services	5.74%	9% ▲
Public Affairs	9.25%	9% ▲
Public Broadcasting Stations	36.16%	10% ▲
Total	11.26%	10% ▲
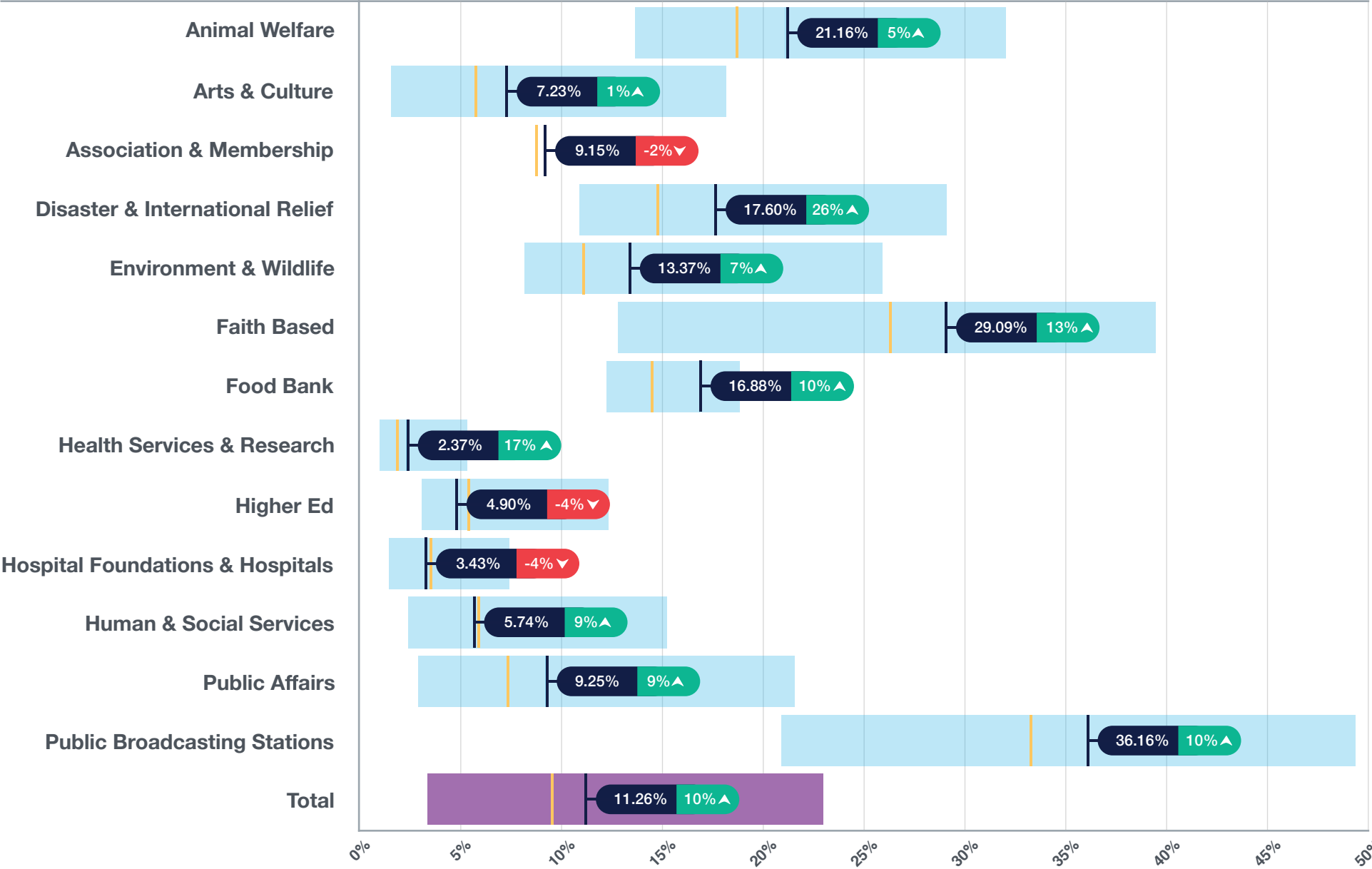
Chart 43:

Sustainer Transaction Total Revenue Per Usable Email
(Sustainer Transaction Amount / Constituents With Usable Email)
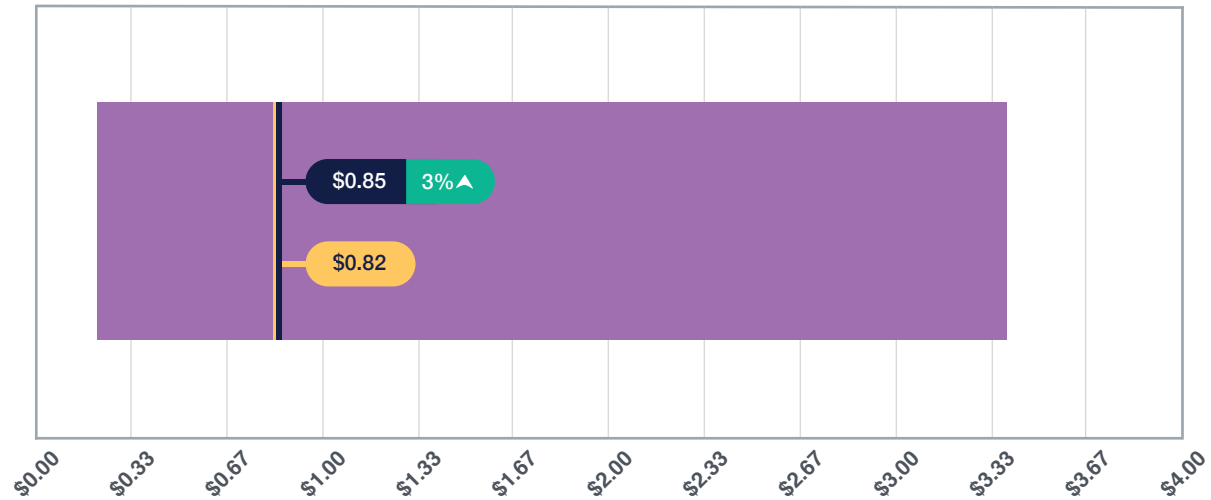
ADVOCACY

Advocacy organizations had a busy year; with several landmark Supreme Court decisions and a presidential election ramping up during the timeframe covered. These organizations coped with the double-edge sword of increased but unpredictable news coverage driving the conversation.

This flurry of activity resulted in a year-over-year increase of more than 6% of constituents who advocate and nearly 4% more constituents who advocate (via action alert) and also donate money. It's encouraging to see organizations that engage in advocacy surpassed the already-strong median sustainer revenue growth with an increase greater than 15% year over year.

We've got more insight about advocacy organizations in our white paper, Giving in an Election Year: How Political Giving Impacts Nonprofit Support. The data shows that among political donors, charitable giving increases during a presidential election year.

Please note: We excluded the verticals that contained zero or very few Luminate Advocacy customers due to the small sample size. These verticals include: arts and culture, higher education, hospitals, and public broadcasting.

Constituents Who Advocate
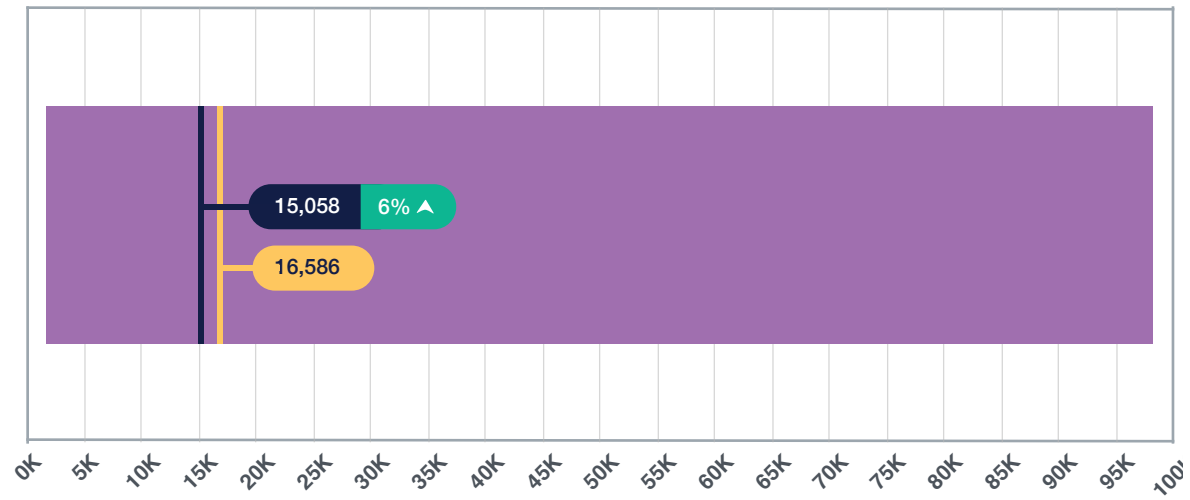
(Constituents who advocate as of fiscal year end)

15,058   6% ▲

16,586

Chart 45:

Constituents Who Advocate as Percent of Total
(Constituents Who Advocate / Constituents With Email)

Category	Value	Change
Animal Welfare	14.51%	-5% ▼
Association & Membership	10.96%	-1% ▼
Disaster & International Relief	9.61%	0% ▲
Environment & Wildlife	30.43%	1% ▲
Faith Based	2.34%	6% ▲
Food Bank	0.32%	-17% ▼
Health Services & Research	2.59%	-1% ▼
Human & Social Services	1.72%	0% ▲
Public Affairs	18.25%	0% ▲
Total	9.11%	0% ▲

0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22% 24% 26% 28% 30% 32% 34% 36% 38% 40%
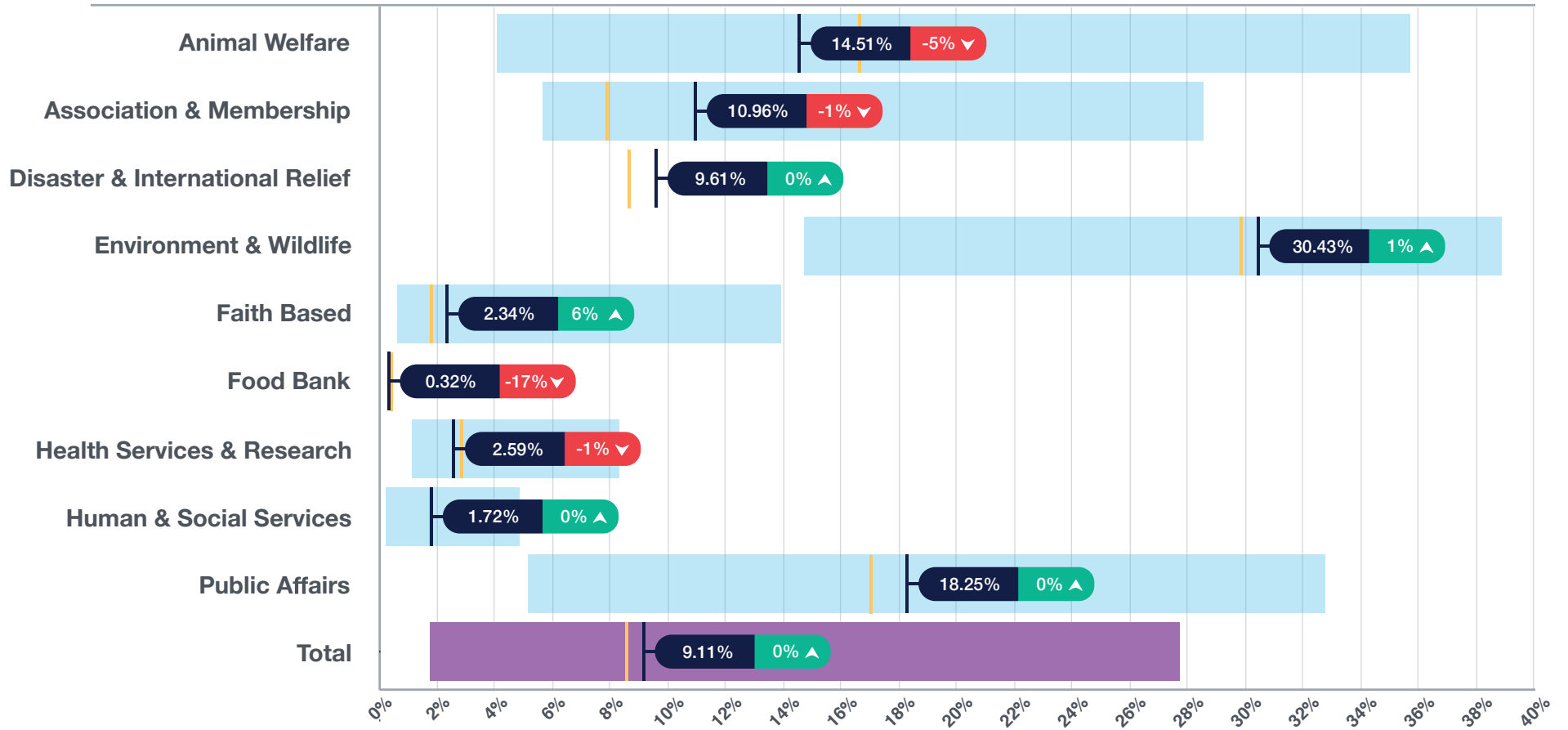
Chart 46:

Constituents Who Advocate And Donate

(Number of constituents who advocate and donate as of fiscal year end)

0K 0.5K 1K 1.5K 2K 2.5K 3K 3.5K 4K 4.5K 5K 5.5K 6K 6.5K

1,056   4% ▲

938
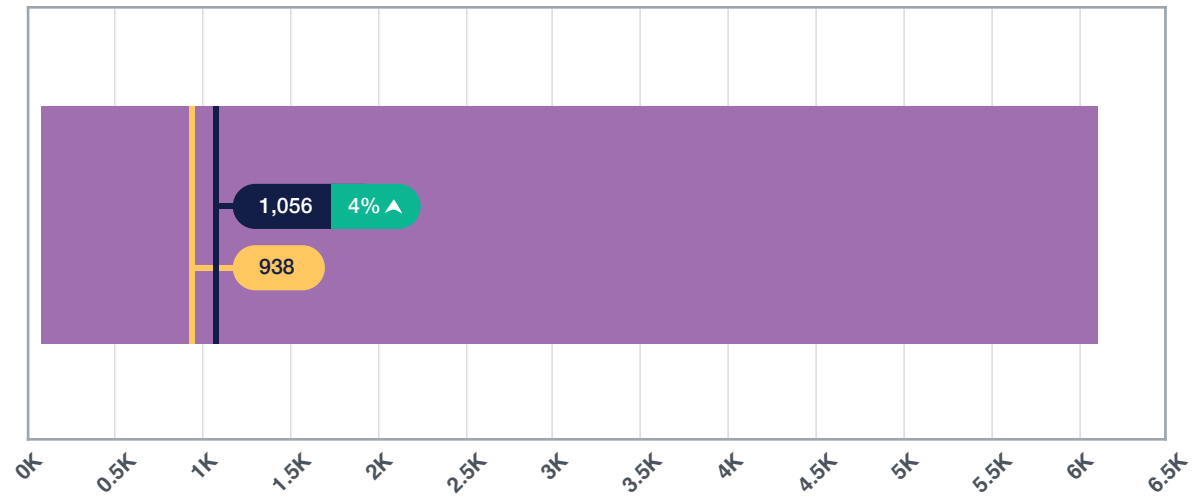
Constituents Who Advocate and Donate As Percent Of Advocates

(Constituents Who Advocate and Donate / Constituents Who Advocate)
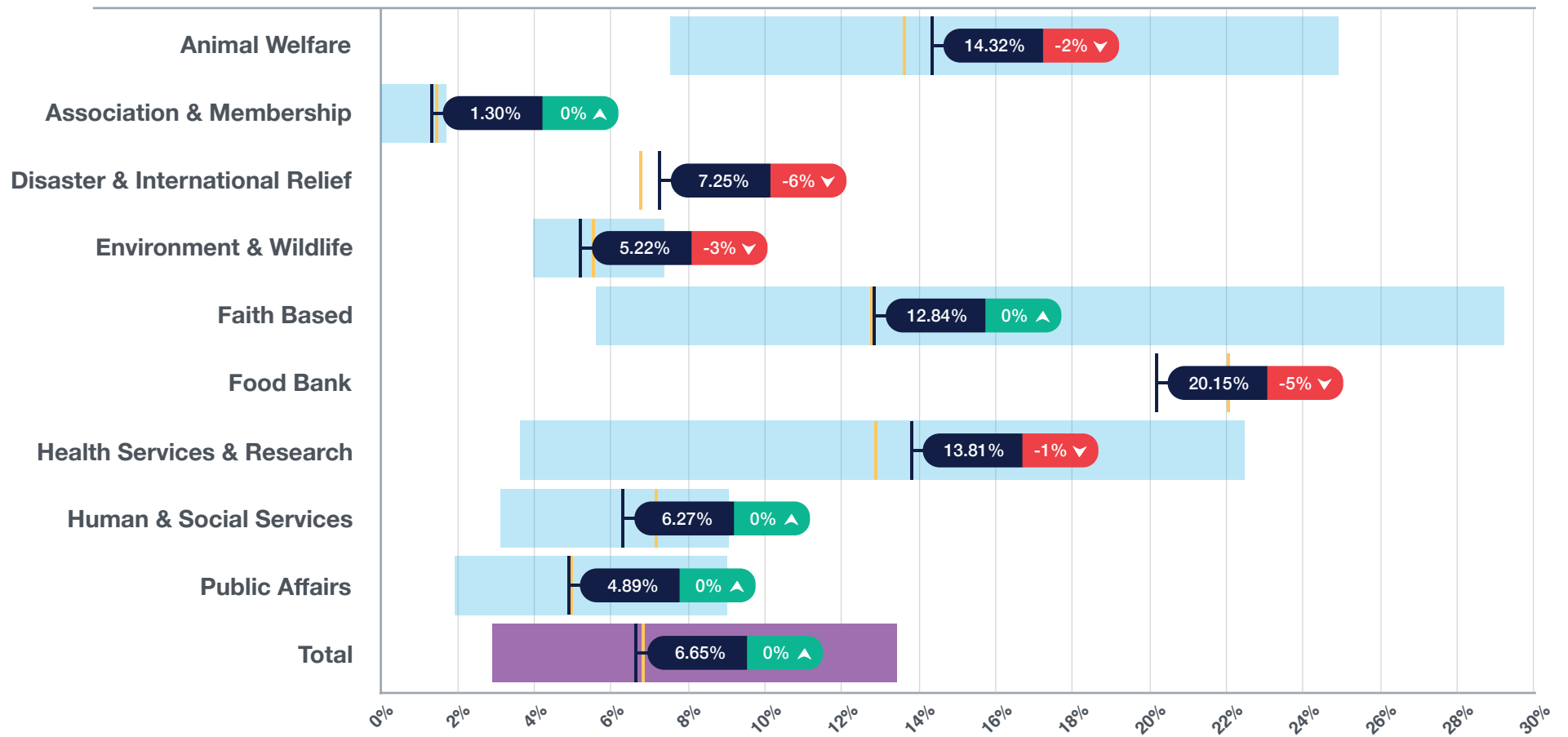
Category	Value	Change
Animal Welfare	14.32%	-2% ▼
Association & Membership	1.30%	0% ▲
Disaster & International Relief	7.25%	-6% ▼
Environment & Wildlife	5.22%	-3% ▼
Faith Based	12.84%	0% ▲
Food Bank	20.15%	-5% ▼
Health Services & Research	13.81%	-1% ▼
Human & Social Services	6.27%	0% ▲
Public Affairs	4.89%	0% ▲
Total	6.65%	0% ▲

CONCLUSION

FINAL WORDS

From the looks of the data, nonprofit organizations seem to be on to something. They're building strong bases of repeat donors through stronger, more thoughtful, and engaging content. It's now about quality over quantity in all areas of donor outreach. And with better email lists, it's less about adding more and more about building stronger connections and relationships. This way, there's a solid foundation that gets nurtured and built upon and donors stick around for good.

Pretty neat, right? Well, it's all in the data. And now that you know, use it. But don't worry—we can help. Let's do this together.

METHODOLOGY

STUDY PARTICIPANTS

Similar to previous years, to be included in the reported data, organizations must have been consistently using the Luminate platform for a minimum of three years through June 2016. Data from other Blackbaud online fundraising tools was not included in this analysis.

Using the transaction data from 631 nonprofit organizations using the Luminate Online platform allows us to avoid two major sources of research bias common in many studies.

The first, called referral bias, occurs when groups who volunteer to participate in a study often perform differently than non-volunteers. The second, called measurement bias, occurs when comparing organizations' results from different sources and measuring them in different ways. This is commonly seen when different organizations selectively include or exclude various sources of online fundraising data, such as eCommerce, ticket sales, event registration fees, and donation form giving when defining their online revenue. Making valid comparisons is difficult when the data is volunteered or when sources are self-selected or normalized to look better.

As much as we would have liked to include every Blackbaud customer in this year's study, our objective is to provide nonprofits the best and most accurate insight into how the industry fared in Fiscal Year 2015–2016. As such, we excluded organizations that did not have at least 36 months of data on the Luminate Online platform, as organizations that are newer to online fundraising tend to perform differently than those with more mature online marketing programs. As a result of this exclusion, the number and composition of organizations in our study will always vary slightly depending on when they join Blackbaud and when they deploy additional modules.

SOME USEFUL DEFINITIONS

This year's study included results from 631 organizations grouped by self-selected NTEE vertical designations, with the exception of Canadian nonprofits. We reviewed online fundraising by focusing on multiple types of donations that have their ownddinfluence on the overall metrics. They are:

Total Fundraising:

Every online financial transaction

One-Time Donations:

Traditional email campaign and web form donations, excluding all monthly sustainer transactions

Sustainer Donations:

Monthly recurring transactions

First-Time Donations:

Donations flagged as a person's first online transaction with the respective organization

Repeat Donations:

Donations not flagged as a person's first online transaction with the respective organization

In this year's report, we prepared a summary of metrics by the following views:

NTEE Assigned Vertical (with some consolidation):

Shows how organizations with similar missions compare to one another

Organization Size–Valid Email Address Bands:

Allows us to see if growth or contraction is being led by large or small organizations based on the size of the email file

We provided more consolidated views on key reporting metrics, such as email types and donation types. These will help organizations better understand and assess what email and donation performance metrics really mean.

INDUSTRY VERTICALS

Organizations with at least 36 complete months of data on the Luminate platform were combined into groups that we believed to be similar based on a common organizational mission or vertical within the nonprofit sector. In the NTEE verticals, similar cohorts are combined with other organizations that are believed to perform similarly. In other cases, the mission was so narrow that the resulting sample was too small to be statistically significant. Verticals that did not have at least 10 similar organizations with a common mission were excluded from this study.

There are 45 data visualizations contained in this report. The only time a vertical would not be represented in a particular metric would be if a very small sample size (or zero) customers in that vertical met the criteria. For example, advocacy is a metric that is not as relevant for a public broadcasting station as it might be for an environmental organization. As a result, none of the public broadcasting stations in this study had results for the advocacy-related metrics. Other verticals that were removed from the advocacy-related charts include hospitals and faith based organizations.

Some charts display both breakdowns by vertical and a total (industry) year over year change. The year over year total change represents the median change for all organizations, not a calculation based on results for vertical medians. This is why some metrics show YoY declines in the vertical breakouts, yet the total for all organizations shows a YoY increase.

STUDY UNIVERSE

The Luminate Online Benchmark Study identifies the median and quartile organization's performance within key metrics, allowing Luminate Online customers to identify whether their organization is within the top 75th, median, or bottom 25th quartile of Luminate Online customers within each key performance indicator.

This study observes mature Luminate Online users only. These are organizations that have been using the Luminate Online product for a full three years (July 2013 through June 2016). This three-year rule is applied within each type of activity within Luminate Online. For example, to be included fundraising organizations must have had at least three full years of monthly fundraising revenue to represent mature fundraisers on the Luminate Online product.

SUMMARY OF OBSERVED UNIVERSES

House File	Organization with operating Luminate Online site for 36 months July 2013–June 2016	**631**
Advocacy	Organization with advocates on file in each fiscal year period July 2013–June 2016	**189**
Total Transactions	Organization with online transaction activity within each month for the 36 months July 2013–June 2016	**514**
First Transactions	Organization with first-time donors giving within each month for the 36 months July 2013–June 2016	**511**
Repeat Transactions	Organization with repeat donors giving within each month for the 36 months July 2013–June 2016	**514**
Sustainer Transactions	Organization with sustainer donations within each month for the 36 months July 2013–June 2016	**489**
All Email	Organization with any emails sent in each fiscal year period July 2013–June 2016	**486**
Advocacy Email	Organization with advocacy email activity in each fiscal year period July 2013–June 2016	**123**
Donation Email	Organization with donation emails sent in each fiscal year period July 2013–June 2016	**361**
eNews Email	Organization with eNewsletters sent in each fiscal year period July 2013–June 2016	**383**
Other Email	Organization with unclassified emails sent in each fiscal year period July 2013–June 2016	**358**

THANK YOU

With the release of this study, we've officially been benchmarking for a decade! Over the past ten years, we've relied on the creativity and online marketing genius of so many customers, colleagues, and collaborators. We couldn't be happier or prouder to celebrate this milestone with fellow fundraisers and data nerds. We look forward to sharing and analyzing many more decades of data with you!

ABOUT BLACKBAUD

Blackbaud (NASDAQ: BLKB) is the world's leading cloud software company powering social good. Serving the entire social good community—nonprofits, foundations, corporations, education institutions, and individual change agents—Blackbaud connects and empowers organizations to increase their impact through software, services, expertise, and data intelligence. The Blackbaud portfolio is tailored to the unique needs of vertical markets, with solutions for fundraising and relationship management, digital marketing, advocacy, accounting, payments, analytics, school management, grant management, corporate social responsibility, and volunteerism. Serving the industry for more than three decades, Blackbaud is headquartered in Charleston, South Carolina and has operations in the United States, Australia, Canada, Ireland, and the United Kingdom. For more information, visit www.blackbaud.com.