

# THE 2017 NONPROFIT EMAIL DELIVERABILITY STUDY

How much does spam hurt online fundraising?





# ABOUT THE AUTHOR

With more than a dozen years managing and consulting for some of the largest issue advocacy organizations in the country, **Brett Schenker** is regarded as one of the industry’s leading experts on email and deliverability. Schenker has worked on everything from advising associations, nonprofits, and multi-million dollar corporations to technology solutions and email strategy. He has been a featured speaker and panelist at NTEN’s Nonprofit Technology Conference and other industry events.



deliverability issues. His past experience includes over six years of work dedicated to nonprofit email deliverability and serving as Internet Director and Database Administrator for national and statewide campaigns, including presidential campaigns.

**Schenker is the Email Deliverability Specialist at EveryAction**, where he educates national nonprofits, associations, and labor unions on email best practices and future trends. He also supports organizations with reputation management, mitigating email blocks, and preventing other

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# ABOUT EVERYACTION

EveryAction is a unified platform offering best-of-breed fundraising, engagement, and advocacy tools for nonprofits.

National nonprofits like Greenpeace, Audubon, the Union of Concerned Scientists, NextGen Climate, and Everytown for Gun Safety use EveryAction to improve their deliverability and create substantial gains in their email fundraising.

**Unlike other providers, we’ve built specific tools and a dedicated team to work with clients on applying the latest inbox delivery trends and best practices to their email fundraising programs.**



# PART ONE: EXECUTIVE SUMMARY

**The state of charitable giving is digital.** Online fundraising figures continue to reflect growth and, for nonprofits, email remains a driving force, contributing to a full quarter of all revenue raised online<sup>1</sup>.

Unfortunately, achieving success is becoming more difficult for many nonprofits, namely due to an obscure, but highly consequential metric: the percentage of email that actually makes it to recipients' inboxes and not spam folders - we call this "email deliverability."

While nonprofit fundraising and communications teams often regard metrics like list size, open rates, click rates, page views, and money raised as the primary means to report on the health of their email programs, the significance of deliverability is generally overlooked - **and thousands of dollars are being left on the table as a result.**

For the 2017 Nonprofit Email Deliverability Study, we once again analyzed deliverability data for 55

leading national nonprofit organizations against the latest industry benchmarks to determine the impact that spam and poor deliverability practices. The nonprofits selected represent a variety of ESPs (email service providers) and email list sizes to ensure the results illustrate trends across of the nonprofit community at-large.

**Our analysis of the data reveals that, in contrast with the expansion of email programs and list sizes, diminished engagement and soaring spam rates are significantly weighing down nonprofit fundraising potential.**

In this report, we'll break down the impact of deliverability, spotlighting #GivingTuesday and end-of-year (EOY) campaigns, and show exactly how much money nonprofits could be losing out on each year because of spam. We'll also discuss common causes of poor deliverability and share tactics you can apply immediately to improve your email program.



## Email Deliverability

is a metric for the rate of success you have at getting your messages into people's inboxes. It's affected by a lot of factors, with spam and spam-related things generally being the primary ones.





## WHY WOULD YOUR MESSAGES BE SENT TO SPAM?

ESPs determine whether or not your email is delivered based on hundreds of different metrics that are constantly changing. If an ESP notices that emails you send are often marked as spam, deleted immediately without being read, never opened, or not engaged with in general, they may begin routing your email to spam folders, or worse, completely blocking you as a sender. Since our last report, ESPs have placed an increased emphasis on authentication and security, but the fundamentals like relevant content, opt-in, and list management still hold true.

Once your IP address has been flagged by an ISP as a bad sender, it can take months or even years to recover.

## COMMON CAUSES OF A HIGH SPAM RATE

### Making unsubscribing difficult.

When the process to unsubscribe from emails is difficult, exasperated users tend to simply mark messages as spam instead, which is far more harmful to email deliverability than unsubscribing. Single-click unsubscribe links should be included in every email you send.

### Using an out-of-date email list.

Email addresses change fairly regularly, and sending to lists that are bloated with abandoned or out-of-date addresses is a surefire way to worsen deliverability rates. If your messages to an email address have not been opened or engaged with in the past six months, it's likely outdated and should be removed from your regular send list.

### Sending irrelevant email.

Poor list segmentation (or none at all) can result in very different audiences all receiving the same messaging and, to many subscribers, the information will be irrelevant, resulting in lower opens and clicks and higher spam rates. Dynamic content, thoughtful list segmentation, and personalization can help mitigate this.

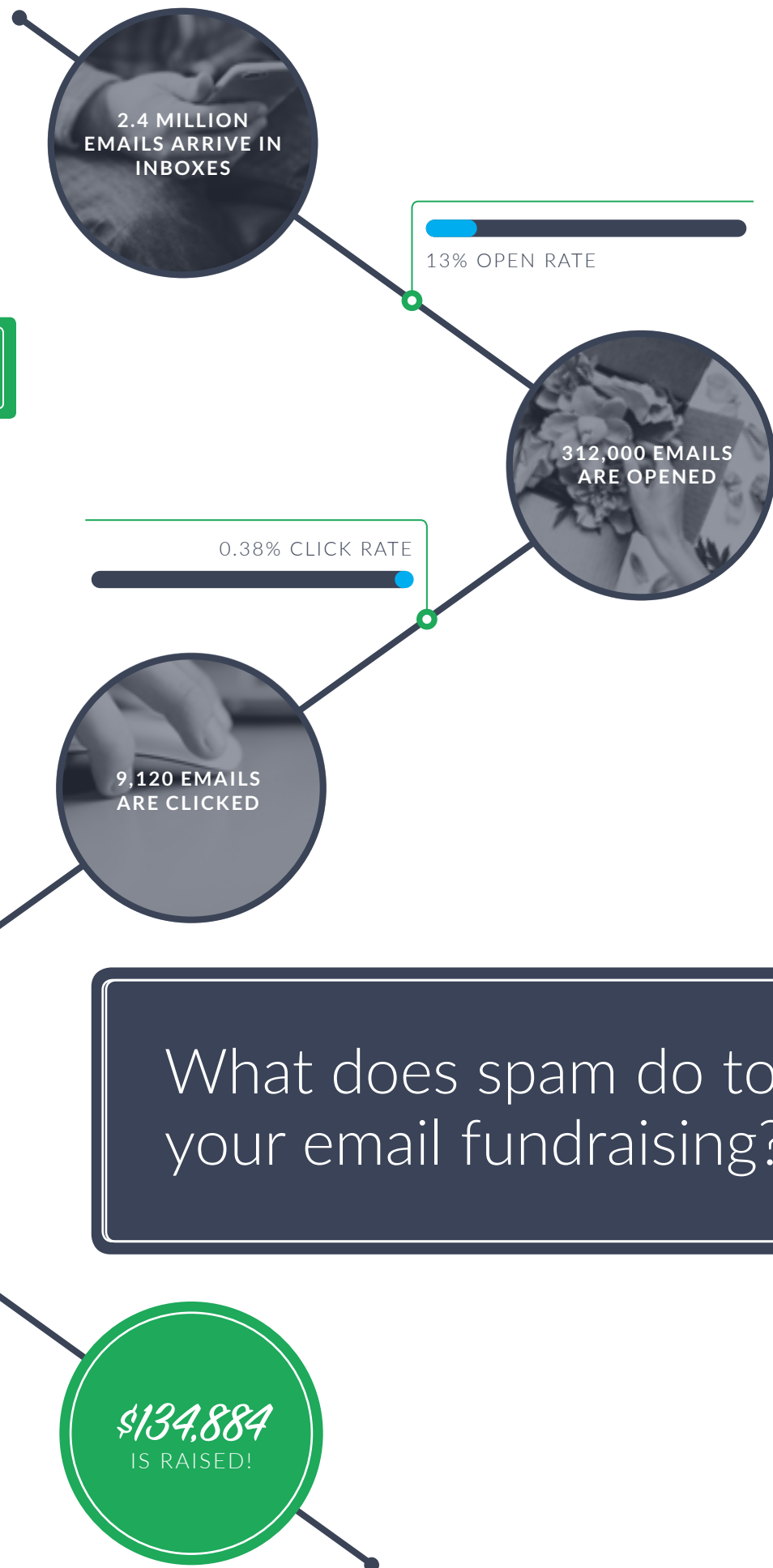
### High Complaints.

An email program is a two-way conversation that involves permission and expectations. Sending email that's not relevant, with the wrong messaging, and at a frequency or volume that the receiver finds too aggressive can all result in high complaints or people tuning you out.

Example 1

# A perfect deliverability spam rate

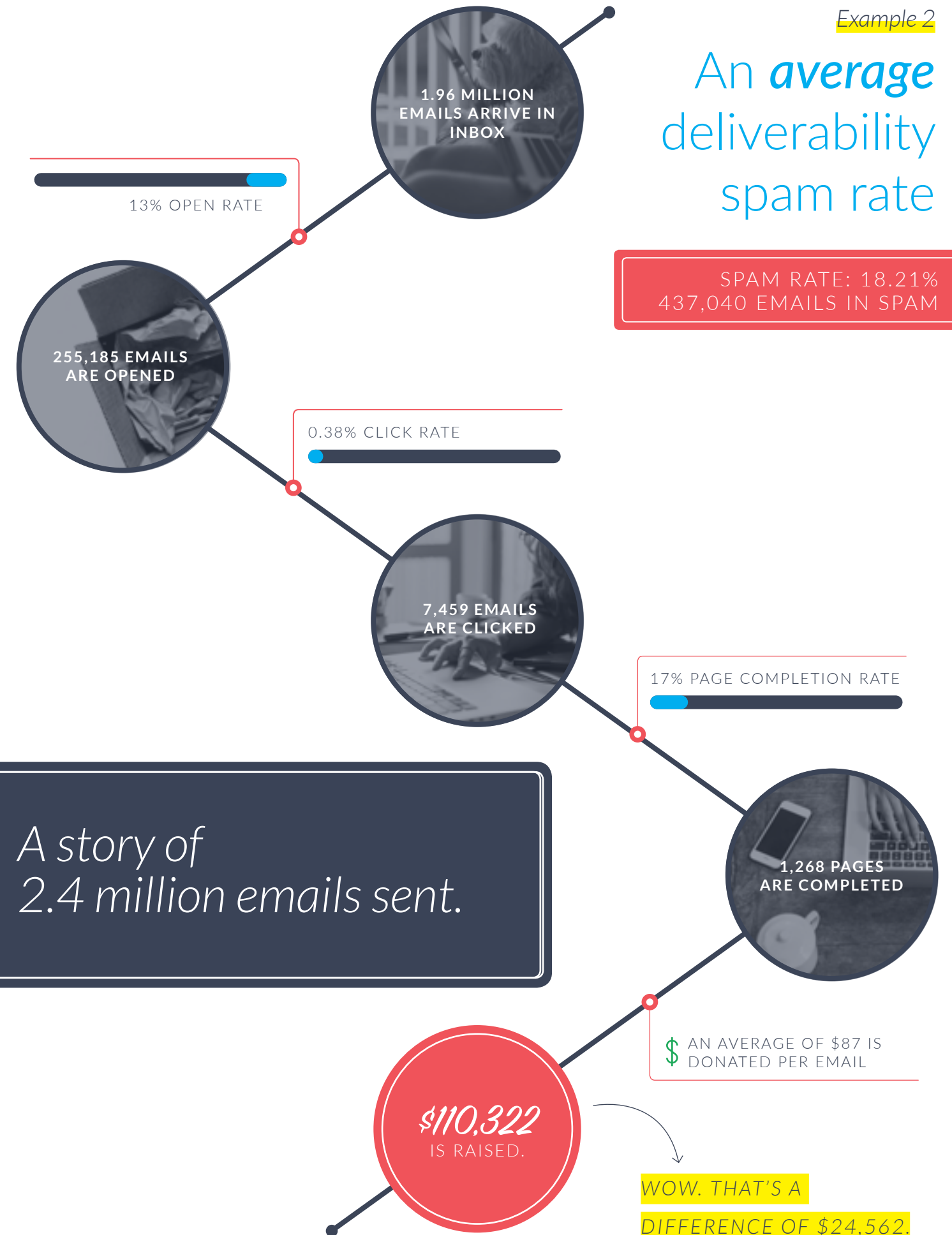
SPAM RATE: 0%  
0 EMAILS IN SPAM



Example 2

# An average deliverability spam rate

SPAM RATE: 18.21%  
437,040 EMAILS IN SPAM



What does spam do to your email fundraising?  
*A story of 2.4 million emails sent.*

# PART TWO: HOW MUCH DOES SPAM COST NONPROFITS ANNUALLY?

What's to gain from improving email deliverability?  
About 22.2% in email fundraising revenue.

That's the potential increase in email fundraising revenue for a nonprofit sending 24 fundraising asks a year with a 100,000 person email list. The average nonprofit missed out on a whopping \$24,562.52 last year due to spam (See Figure 2). While much of the email marketing conversation revolves around list sizes, open rates, and clicks, it's clear that ignoring the impact of deliverability is a costly oversight.

In a study of 55 organizations, EveryAction found that, on average, 18.21% of email was delivered to spam folders monthly in 2016. December saw the highest spam rate (30.25%) and January, the lowest (8.56%).

Compared with the data we explored in last year's report, nonprofits sent just over 4 more fundraising emails per month than in 2015, and open rates stayed essentially level at 15.53%, just over the benchmark rate (13%).

So what caused the massive losses? A tremendous drop in click-through rates for fundraising emails (down 14% from 2015)<sup>2</sup> combined with a steep increase in spam rates beginning in September were enough to seriously curtail EOY revenue potential.

Of the nonprofits we analyzed, spam rates during the last week of the EOY fundraising push were more than double the previous year's rates, climbing to 23.61% from 8.60%. On the very last day of 2016, open rates fell to 17.75% and spam soared to 35.99%.

Figure 1  
Spam, Opens & Sends by Month 2016

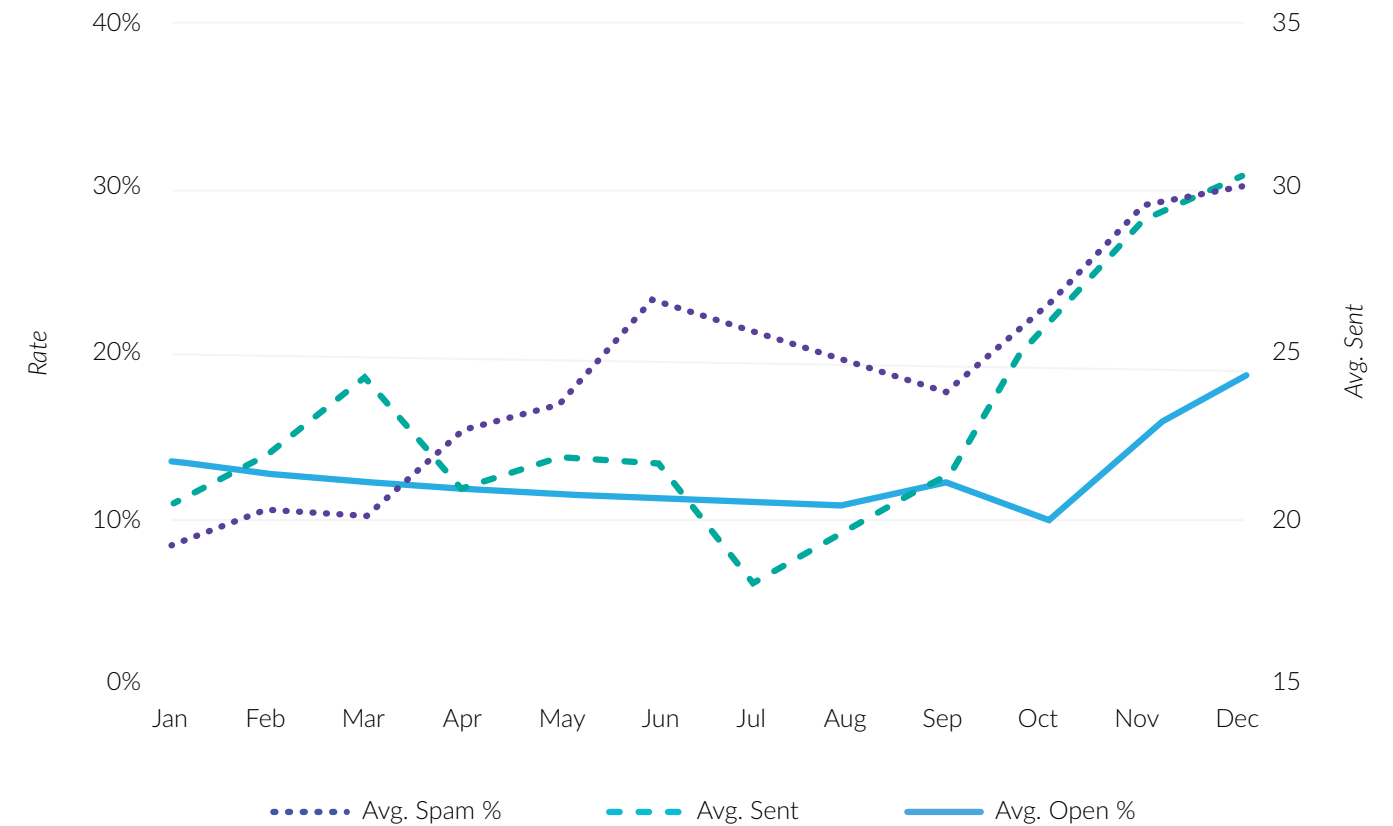



Figure 1 shows how the average spam rate of 18.21% is distributed over the course of a year, month by month. The average number of email blasts sent per month for each nonprofit is included on the right x axis, along with open rates and spam rates on the left.

According to 2016 benchmark online giving data<sup>3</sup>, every percentage of email going to spam annually results in a loss of \$1,348.85 (up from \$833.34 in 2015). This startling figure only reinforces the point that every undelivered email is lost opportunity for supporters to take action, raise their voices, volunteer their time, and, most critically, donate to your cause.

 1% spam equals \$1,348.85 lost per year





## THE DATA

To determine how much money nonprofits lose annually from fundraising emails going to spam, we began with the scenario of a nonprofit with a 100,000 person email list sending two fundraising email asks per month. This methodology was chosen to remain consistent with previous years' analyses and industry trends.

We then referenced M+R's 2017 Nonprofit Benchmarks Study to determine the established click rate, page completion rate, and average one-time email donation amount to calculate the

expected revenue from a year's worth of email fundraising.

The spam rate affects the amount of emails that actually make it to the inbox, which then subsequently affects the total money raised. The chart below illustrates three scenarios for email lists of 100,000 people sending 24 fundraising messages annually: 0% spam rate (or 100% inbox deliverability), 1% spam rate, and the average 18.21% spam rate.

Figure 2  
How Spam Impacts Revenue

	0% SPAM	1% SPAM	18.21% SPAM
<b>INBOX</b>	2,400,000	2,376,000	1,962,960
<b>OPEN RATE (13%)</b>	312,000	308,880	255,185
<b>CLICK RATE (0.38%)</b>	9,120	9,029	7,459
<b>PAGE COMPLETION (17%)</b>	1,550	1,535	1,268
<b>TOTAL RAISED (AV. DONATION \$87)</b>	\$134,884.80	\$133,535.95	\$110,322.28

Some organizations may have a smaller list, send more fundraising asks, or have different opens, clicks, page completions, or average email donation amount from the chosen benchmarks. However, the figures below demonstrate that spam has a direct relationship to total money raised from email fundraising.

According to 2016 data<sup>4</sup>, #GivingTuesday saw yet another record-breaking year with \$168 million raised in online donations. Meanwhile, U.S. Black Friday<sup>5</sup> brick-and-mortar net sale totals dropped by 5% in contrast to Cyber Monday sales, which surpassed the \$3 billion mark for the first time ever. Clearly, consumers are opting to shop online more and more, a trend we're also seeing with donors in the nonprofit space.

For #GivingTuesday specifically, the data showed modest growth in email sends and open rates, but the spam figures revealed something shocking: **the rate at which fundraising emails were rerouted to junk folders nearly quadrupled.**

In 2016, for the 55 organizations studied, #GivingTuesday saw an average of 36.68%

of fundraising messages go to spam, up from 9.27% in the year prior. When you consider that nonprofits sent an average of 3 emails that day (only 0.65 higher than 2015) and open rates actually increased by 3.14%, the unfortunate reality is that poor deliverability caused organizations to leave thousands of dollars in fundraising revenue unrealized.

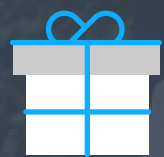
Using our research and benchmark figures, we found that a nonprofit with a list of 100,000, the average spam rate of 36.68%, and sending the average of 3 emails loses an incredible \$6,184.47 on #GivingTuesday as a result of spam.

For 2016, we also considered the immense impact that the General Election in the U.S. had on nonprofit fundraising. Donor fatigue in the runup to November 8 followed by the tumultuous weeks after the results produced interesting data: in November and December 2016, rates jumped across the board when compared to the rest of the year - send rates (+8.16%), open rates (+5.14%), and spam rates especially (+13.04%).

## WHAT DOES THIS MEAN FOR YOUR ORGANIZATION?

#GivingTuesday remains a key giving day in the nonprofit fundraising calendar. Organizations that send a significant volume of email around #GivingTuesday have a higher donation per email amount for that campaign could be losing even more money than they realize from spam rates.

With higher open rates and lower spam rates in the weeks before and after #GivingTuesday, it's worth building a multi-day, multi-channel fundraising campaign rather than banking on a single day.



Nonprofits could increase email revenue by

**\$1,348.85**

for every percentage of email that goes to spam.



**18.21%**

of email went to spam on average in 2016.

# EMAIL DELIVERABILITY



A nonprofit loses

**\$24k**

on average, each year because of spam.



The average spam rate increased to

**36.68%**

on #GivingTuesday 2016.

## PART THREE: WHAT CAN ORGANIZATIONS DO TO IMPROVE DELIVERABILITY?

### OPT-IN AND CONFIRM.

Not only should you be explicitly asking individuals to opt-in to your email list, you should also send a follow up email to confirm their address is correct. People mistype addresses. Sometimes they feel forced to provide an address which results in their ignoring your messages or providing a fake email address. By opting-in addresses and confirming them, you ensure the person on the other end absolutely wants to hear from you.

### RAMP UP YOUR MESSAGING WITH A "WELCOME SERIES".

A welcome series is a great indication of what you can expect from your subscribers in the future. A study by Return Path<sup>6</sup> says that, "People who read all three messages [in a welcome series] read 69% of the brands' email going forward; people who read none continued to ignore the brand's messages, reading only 5% [of future emails]." With this information, you can determine how to best message new contacts going forward.

### LOOK BEYOND OPENS AND CLICKS.

Email senders have only a few metrics to go by when determining success for email campaigns: opens, clicks, and conversions. ESPs, however, monitor these metrics and many more to a much more precise degree - and, most importantly, down to the individual. Every nonprofit should focus more on how individuals react, testing engagement with subject lines and content, and looking at how various segments perform.

### FOCUS ON BOUNCES.

Explore why bounces are occurring, and what you can do to remedy them. If they happen more than 2 or 3 times, remove them. Repeated bounces can cause alarm bells to ring with email service providers.

### PAY ATTENTION TO INACTIVES.

Inactive email addresses are individuals who have not opened or clicked an email in some time. Individuals who drop off in interaction, or don't interact at all, should be messaged differently, focusing on getting them to re-engage with a win back series. If they continue to be inactive for more than a year, remove them from your list. ESPs can turn dead email addresses into spam traps, marking all emails to that address as spam and seriously hurting your sender reputation.

### CHECK YOUR HTML.

Tidy HTML is a sign of a good sender. Some email providers look at how "clean" your HTML is and that things are coded properly. With enough issues in your coding, you could wind up having problems getting your email to the inbox.

### CHOOSE THE BEST PROVIDER.

Nonprofits deserve a technology partner that's as dedicated to their success as they are. With EveryAction, nonprofits can work directly with expert staff that monitor key deliverability metrics, keep up with the latest best practices, and provide information about sender reputation, helping them raise more money and inspire more action. Choose an email tool with best-in-class features and a support team to match.



# PART 4: A CASE STUDY IN DELIVERABILITY

**At EveryAction, we strive to address any email deliverability issues with our new clients and help them increase their revenue potential with actionable advice and best practices.**

Figure 3 shows how one EveryAction client, a major nonprofit with an email list of over 100,000 addresses, drastically improved its deliverability and open rates in less than a year with expert guidance from our team.

**Overall, the client saw a 53% decrease in emails delivered to spam and a 24% increase in opens. Here's how they approached the issue:**

**STEP 1** - the EveryAction deliverability team researched and monitored the client's email send data and identified the underlying issue that was causing high spam delivery.

**STEP 2** - the client arranged a convenient time for a personal consultation with a deliverability specialist to discuss their concerns, review the email send research findings from Step 1, and strategize around the organization's sending habits and email sign up process.

**STEP 3** - together with their EveryAction deliverability contact, the client created an action plan to employ best practices in managing their list, conducting A/B tests for with personalization and messaging to different audiences, and strengthening weak points in their email signup forms.

**STEP 4** - upon launch of the action plan, EveryAction support continued to monitor the

results as they worked to optimize the email program performance by maximizing sign ups while minimizing the amount going to spam.

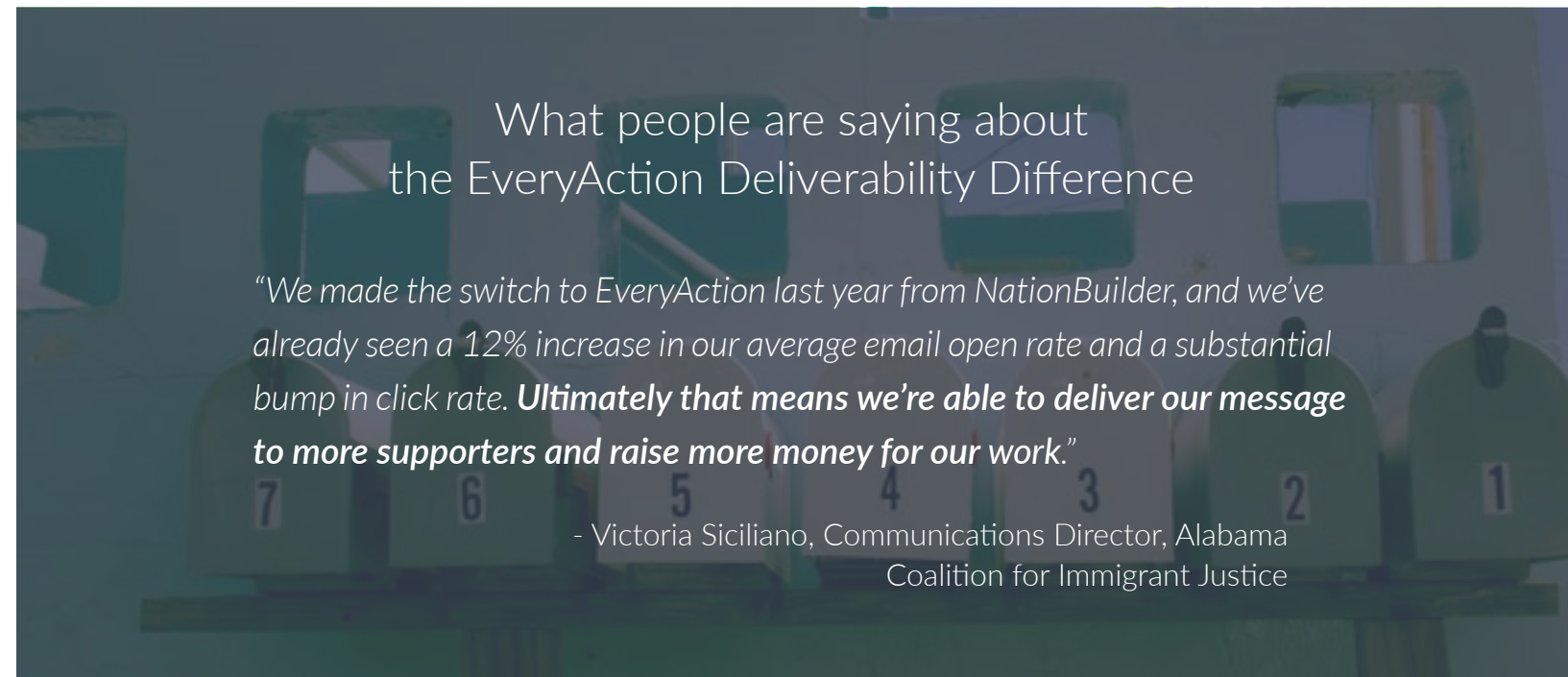
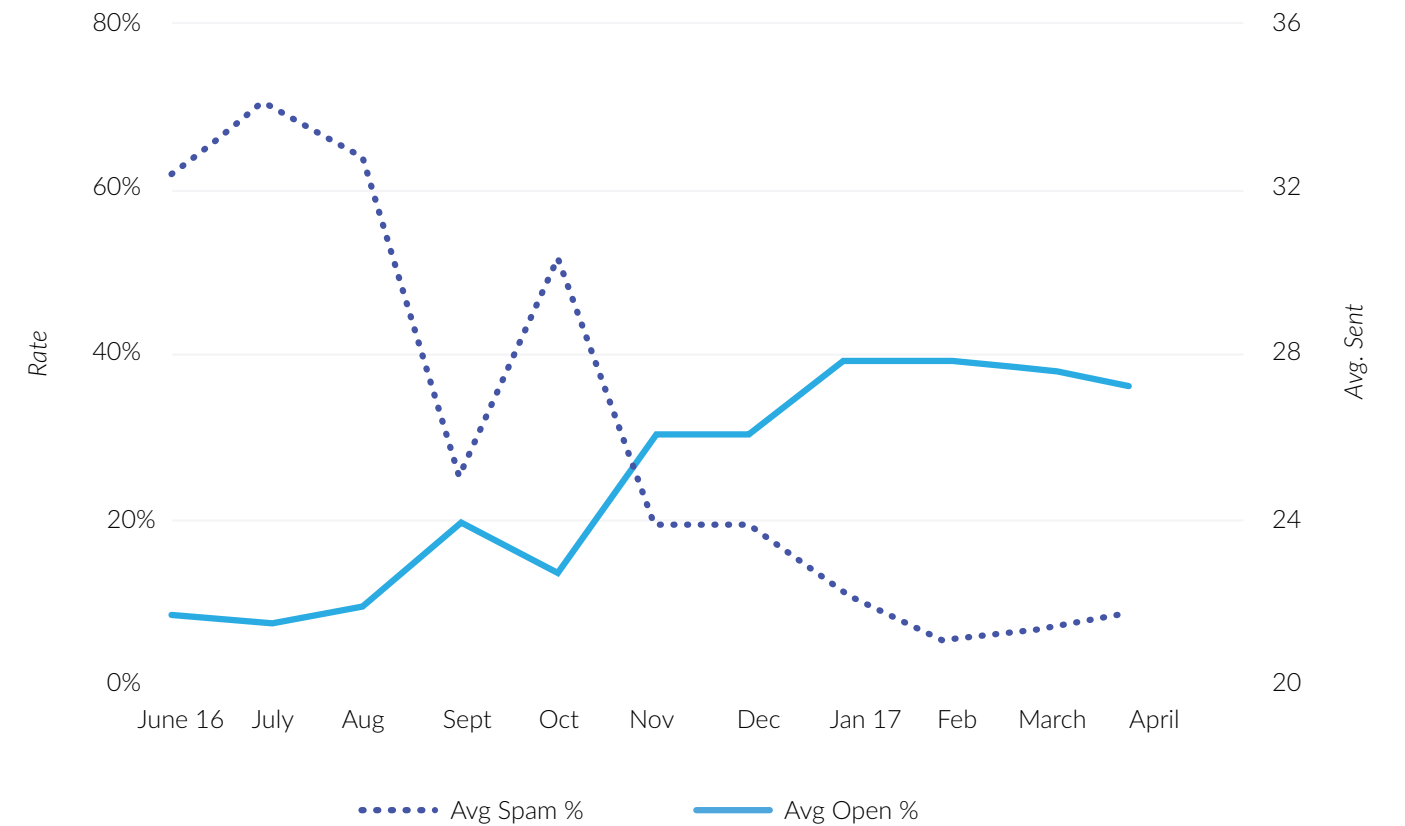
In addition to taking these steps, the client also experienced better conversion rates thanks to EveryAction's industry-leading forms, one-click email donations, and the convenience of over 40 million FastAction profiles that pre-fill forms, making giving and action easier for donors.

**The combination of personalized expert guidance and the best nonprofit email tool on the market helped this organization realize incredible gains in its fundraising program - we call this the EveryAction Difference.**

## THE EVERYACTION DELIVERABILITY DIFFERENCE.

- Daily monitoring of client deliverability, sender information, reputation data, email success rates
- Dedicated staff to both react quickly to troubleshoot issues and guide clients through preventative maintenance to ensure they experience the best deliverability rates possible in today's emailing environment.
- Commitment to continuous education and trainings with authorities in the deliverability community to maintain the highest awareness of trends and best practices
- World-class client support that monitors and maintains EveryAction email tools 7 days a week, 365 days a year

**Figure 3**  
Case Study Spam and Opens By Month



Have questions about the health of your program and how to increase your email fundraising revenue? [Talk with one of our experts.](#)

# Resources

**1,2,3 // M+R's 2017 Benchmarks Study**

<http://mrbenchmarks.com/>

**4 // #GivingTuesday Data Project**

<https://www.givingtuesday.org/data-project>

**5 // Thanksgiving, Black Friday store sales fall, online rises**

<http://www.reuters.com/article/us-usa-holidayshopping-idUSKBN13LOZH>

**6 // A New Welcome Message Study - Find Your Best Customers, Return Path**

<http://blog.returnpath.com/blog/stephanie-colleton/new-welcome-message-studyfind-your-best-customers>

