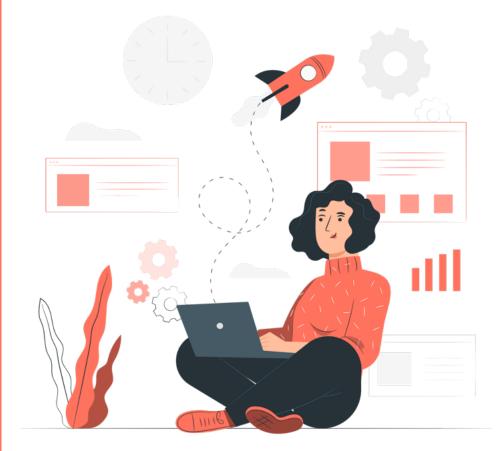
# UNDERSTANDING EMAIL MARKETING METRICS: A QUICK GUIDE FOR NONPROFITS







Data should drive every marketing decision your nonprofit makes. By studying the right metrics and applying data-driven strategies, nonprofit professionals can confidently reach out to stakeholders while knowing exactly what to say and how to say it. What's more, no marketing tool reveals the benefits of data analysis better than email marketing.

While not necessarily new, email marketing remains a staple of nonprofit marketing because it generates the best return on investment (ROI) for your marketing dollars.

In 2020, we saw North American organizations:



<u>(Source)</u>

So, before you jump into sending your next email, it's important to review the key benchmarks for success and pick some metrics to study your progress with.

Let's start by looking at some benchmarks so you know what constitutes "good" or "bad" email performance.



# **BENCHMARKS: THE KEY TO MEASURING SUCCESS**

DID YOU KNOW?

Email statistics, or metrics, are used to measure how your contacts are interacting and engaging with your communications.

<u>MailChimp</u> surveyed 46 industries to assess email marketing metrics across the North American workforce. Of the 46 industries surveyed, the nonprofit industry had the fifthhighest average email open rate.

GOVERNMENT: 28.77% HOBBIES: 27.74% RELIGION: 27.62% ARTS & ARTISTS: 26.27% NONPROFIT: 25.17%

Here's how nonprofits stack up against all industries across common email metrics:

Use these benchmarks as a general guide for your email marketing success. However, keep in mind that benchmarks can vary depending on your nonprofit's cause area.

For a more nuanced look at across different impact areas, refer to M+R Benchmarks.

			Email	message r	ates by typ	e and	sector			
		All	Cultural	Disaster/ International Aid	Environmental	Bealth	Hunger/ Powerty	Public Media	Rights	Wildlife/ Animal Welfare
Open rate	All	21%	18%	21%	20%	21%	24%	20%	18%	19%
	Advocacy	20%	-	22%	19%	28%	22%	-	15%	19%
	Newsletter	21%	19%	21%	22%	23%	23%	21%	20%	19%
	Fundraising	18%	18%	17%	18%	19%	23%	18%	16%	20%
Click-through rate	Advocacy	3.396	-	3%	3.7%	2.9%	2.5%	-	2.4%	5%
	Newsletter	2%	1.5%	2.2%	2%	1.8%	2.4%	2.4%	1.8%	2%
	Fundraising	1.7%	1.7%	2.3%	296	1.9%	1.5%	1.2%	2.1%	1.7%
Page completion rate	Advocacy	83%	-	70%	83%	75%	26%	-	84%	87%
	Fundraising	18%	14%	26%	18%	13%	35%	17%	17%	17%
Response rate	Advocacy	3.6%	-	3.6%	3.5%	3.6%	1.1%	-	2.9%	5.5%
	Fundraising	0.1%	0.03%	0.14%	0.09%	0.09%	0.42%	0.1%	0.06%	0.16%
Unsubscribe rate	All	0.18%	0.14%	0.21%	0.17%	0.21%	0.27%	0.11%	0.19%	0.18%
rate	Advocacy	0.1606	_	0.17%	0.14%	0.21%	0.25%	_	0.15%	0.16%

	Average Open Rate	Average Click Rate	Hard Bounce	Soft Bounce	Unsubscribe Rate
Nonprofits	25.17%	2.79%	33%	49%	20%
All Industries	21.33%	2.62%	40%	58%	26%

# FIVE EMAIL MARKETING METRICS TO TRACK

These five common metrics are what you should look at first to analyze your email campaigns.

OPEN RATE CLICK-THROUGH RATE (CTR) BOUNCE RATE UNSUBSCRIBE RATE LIST GROWTH RATE



### **OPEN RATE**

**OPEN RATE** is the percentage of email recipients who open your email.

This metric helps you understand whether your email recipients know and trust you, if you're sending them content they want, and whether they think your emails are worth reading.

High open rates typically correlate with <u>compelling</u> <u>subject lines</u>. Conversely, if you notice you have low open rates, it means you need to focus a little more on writing the 'hook' of your email to make sure it stands out in an inbox.

That's because the subject line of your email is the first thing people see, so it needs to make an impact or your beautiful emails will go to waste. Try testing different subject lines. For example, try a subject line with a question versus one without:

Now is the time to make a difference. Vs. Will you help make a difference?

The change in language, while subtle, is effective. It empowers donors, makes them feel involved, and shows that they're making a difference.

#### HOW TO CALCULATE EMAIL OPEN RATE

(Number of contacts who opened your emails ÷ Number of contacts who received your emails) x 100

If your open rates are far below average, reconsider your list. Did you know that it's best practice to stop emailing people who haven't opened any emails in the last year? Completely unengaged stakeholders are not who you want to spend your time on (at least not via email).

Ask them if they want to stay on your list and if you get no response, remove them and start working with your more engaged contacts.

Just like you'd prune your garden to keep it strong and healthy, you can do the same with your contact database. This will give you a more realistic understanding of your actual open and click-through rates.

### **BEST PRACTICES TO IMPROVE YOUR EMAIL OPEN RATE**

✓ <u>Segment your list</u> to send better, more targeted emails
✓ <u>Improve your subject lines</u> to better your chances of conversions
✓ Send emails <u>at optimal times</u>

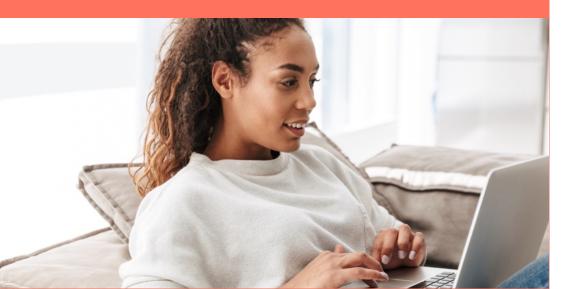


# **CLICK-THROUGH RATE**

**CLICK-THROUGH RATE (CTR)** is the number of contacts who opened your email, then clicked on your call to action (CTA).

Also known as your engagement rate, this shows how effective the content within your emails is, as well as the level of interest in your campaign or organization. If your click rates fall below the industry benchmark, it's time to consider switching something up.

Start by looking at emails that have performed well in the past (above the industry benchmark). Ask yourself: What content did we use? How did we direct our readers' attention? Critically analyze those emails and incorporate what worked into your emails going forward.



#### HOW TO CALCULATE CLICK-THROUGH RATE

(unique email clicks ÷ total emails delivered) x 100

Using action verbs will help people take well... action.

Try phrases like:

#### Plant a tree | Save a puppy | Support a mother in need

Another good approach is to frame your CTA from the perspective of the person you're helping:

Find me a home | Keep me safe | Adopt me

### BEST PRACTICES TO IMPROVE YOUR CLICK-THROUGH RATE

 $\checkmark$  Improve your email preview text to give more context to your readers

 $\checkmark$  Make sure you're using your segments to send relevant calls to action

 $\checkmark$  <u>A/B test your emails</u> to see which elements are working best.

## **BOUNCE RATE**

**BOUNCE RATE** is the percentage of emails sent that don't get delivered to an inbox, and can be categorized into two types.

A hard bounce happens when an email has failed to deliver for permanent reasons, such as an invalid email address, the sending address has been blocked, or because spambots signed up to your list.

A soft bounce is caused by a temporary delivery issue like a full mailbox or an offline server.

Whatever the reason, it's good to monitor your bounce rate so you can keep a close eye on the health of your mailing list. If yours is higher than the benchmark, it's time to clean your mailing list and investigate why.



#### HOW TO CALCULATE BOUNCE RATE

(total undelivered emails ÷ total emails sent) x 100



Most email marketing platforms charge per email volume. So the higher your bounce rate, the more you're paying for emails that aren't being delivered.



### **BEST PRACTICES TO REDUCE BOUNCE RATE**

- √ Use a CRM to update contact information automatically
- $\checkmark$  Use reCAPTCHA to cut down on spam email addresses

√<u>Increase your Sending Authority</u> to better your email deliverability

### **UNSUBSCRIBE RATE**

**UNSUBSCRIBE RATE** is the percentage of recipients who've opted out of your email communications. Often this is because your content is irrelevant, unwanted or too frequent.

How often you should communicate with your subscribers depends heavily on open and unsubscribe rates.

While there is a fine line between sharing too much and too little, statistics show that sending email campaigns 2-5 times per month is the ideal range for your audience. However, remember that no two email lists are the same, and your nonprofit's targets could be different. Experiment and find out what works best for you!



#### HOW TO CALCULATE UNSUBSCRIBE RATE

(unique unsubscribes ÷ total recipients) x 100



Your unsubscribe rate should be from 0.1 to 0.2 percent. If your rate is higher than that, you may be sending too many emails or your content isn't quite resonating with your contacts.



### **BEST PRACTICES TO REDUCE UNSUBSCRIBE RATE**

 $\checkmark$  Give readers the option to  $\underline{reduce}$  the frequency of your emails

 $\checkmark$  Set up an <u>emotionally compelling</u> unsubscribe page (usually, they're funny or of <u>really sad dogs</u>)

 $\checkmark$  Send re-engagement emails to bring unsubscribed segments back to your main mailing list

# LIST GROWTH RATE

**LIST GROWTH RATE** is the percentage of new contacts joining your mailing list.

This is an important metric to track as it's a key indicator of the success of your acquisition strategy. The more you're growing, the better your strategy is working.



#### HOW TO CALCULATE LIST GROWTH RATE

[(total new subscribers - total unsubscribes) ÷ total contacts] x 100

If you know your average yearly growth rate, you'll be able to easily predict increases in your other stats. For example, if your list rate grows at the **nonprofit average of 3%**, you can assume there will be similar increases in your CTRs and Open Rates.

### BEST PRACTICES TO IMPROVE LIST GROWTH RATE

 ✓ Include mailing list sign-ups in your printed materials for nondigital supporters

✓ Ensure your <u>content strategy</u> is well thought out to encourage sharing across networks

 ✓ Encourage email newsletter signups through social media campaigns



Continually monitoring your email marketing metrics will help you know how little or how much to contact your mailing list. Because it's not just about sending one good email, it's about optimizing your strategy and perfecting your outreach as you continue to grow.

If you want an easy place to track your email marketing efforts, <u>use our KPIs Dashboard</u> to track trends, measure results, and create robust email marketing strategies that will carry your organization forward.





**DOWNLOAD YOUR DASHBOARD**