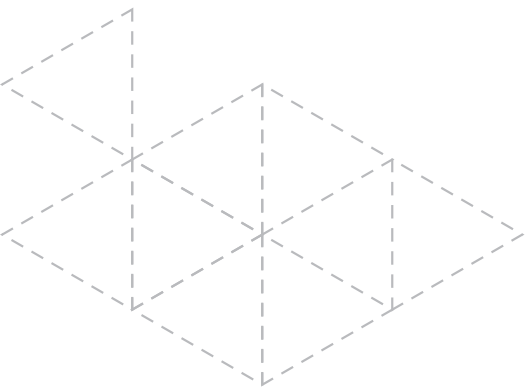


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Luminate Online[™]

BENCHMARK REPORT 2014





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2014 LUMINATE ONLINE BENCHMARK REPORT



01 About This Study

It's here: **the 2014 Luminate Online Benchmark Report!** This marks the continuation of a tradition launched by Convio eight years ago that is now proudly carried forward by Blackbaud.

Why do we produce this report each year? Because even more than we love data, we love helping our clients maximize their success. We aim to please! And this report has something for everyone: enough meaty metrics to satiate the data-hunger of our favorite marketing geeks, yet presented in a straight-forward way so that it's easily and efficiently consumed by those of us who don't dream in numbers. Simply put, the 2014 Luminate Online Benchmark Report provides nonprofits with valuable information in deciphering overall performance and trends in online fundraising. Whether you use Luminate Online or not, we hope you'll find this report useful for setting and evaluating your nonprofit's strategies and performance.

The 2014 Luminate Online Benchmark Report is based on the aggregated data of 794 nonprofit organizations. Collectively over the one-year period covered in this report, these organizations raised \$1.27 billion in 18 million transactions and sent 7.6 billion email messages. Some of these organizations are the largest, most prominent, and most recognizable names in the industry, while the majority—80.7%—are comparatively smaller, raising less than \$2 million per year online. This large sample size of data collected directly from our Luminate Online cloud-based platform affords us a unique view of the nonprofit industry's online engagement.

NEW THIS YEAR

Our loyal readers may have already noted that we've taken a different approach to the report this year, examining data from the 2013–2014 fiscal year (July 1, 2013–June 30, 2014) rather than calendar year, as we have in the past. **Why the change?**

Here are a few key reasons:

- This allows us to deliver **more timely metrics** at a critical point in the year when you're refining plans for the next year and tweaking efforts to capitalize on end-of-year giving.
- Many nonprofits follow a July–June fiscal period, making these **metrics easily consumed**.
- We can have all this **fresh and juicy data in time for BBCON**, Blackbaud's annual conference.

KEEPING A GOOD THING GOING

The methodology for obtaining each metric remains consistent with our previous methodology. You can read more specifics in the aptly titled “Methodology” section at the end of this report. Similar to previous years, in order to be included in the reported data, organizations must have been consistently using the Luminate® platform for minimum of three years through June 2014. Data from other Blackbaud online fundraising tools was not included in this analysis. All measures are also shown in medians, leveraging a consistent group of customers in all year-over-year calculations.

CLASSIFICATION OF THE ORGANIZATIONS IN THIS REPORT

This study provides separate benchmarks for the nonprofit sector as a whole and 20 cohorts, 17 of which are based on the National Taxonomy of Exempt Entities (NTEE) verticals. Canadian nonprofits are treated as one vertical. Organizations that raise 80% of their reported funds through team events are grouped into team events. Nonprofits not in Canada or team events and with more than one million email addresses are grouped as national nonprofit mailers. All other organizations are classified according to their self-reported NTEE classification.

USING THIS REPORT

So what’s this study really about? This report is intended to provide directional guidance to help organizations better understand their own performance and help inform appropriate marketing and fundraising strategies. All measures reported reflect median values—a method which is beneficial for de-emphasizing outliers and helping organizations easily identify whether they’re in the top or bottom 50% of Luminate Online clients for any particular metric. As such, this report should be viewed as a standalone analysis, using a consistent set of mature customers to provide both numbers for both this fiscal year and the year-over-year numbers offered herein.

AUTHORS' NOTE

Although we have included some selective commentary from experts on our team, we have endeavored to primarily cover “what is” rather than “why.” We’re focusing on the trends and where things are moving; however, why the numbers behave the way they do relies more on intangible aspects of how individual clients behave. It can be said that the most important metric is an organization’s own historical performance; these benchmarks shouldn’t be thought of as a strategy in and of themselves. Alone, these benchmarks are just numbers—where we use them is what’s most important.



A MIGHTY HIVE.

This report represents the aggregated data of nearly 800 nonprofits.

02 Housefile

CHART 1: CONSTITUENTS WITH EMAIL: MEDIAN TOTAL AND MEDIAN USABLE HOUSEFILE *This chart illustrates, for each vertical, the total number of constituent records (requires an email address) in an organization's housefile. Total includes all records, while usable applies only to valid email addresses that do not hard bounce.*

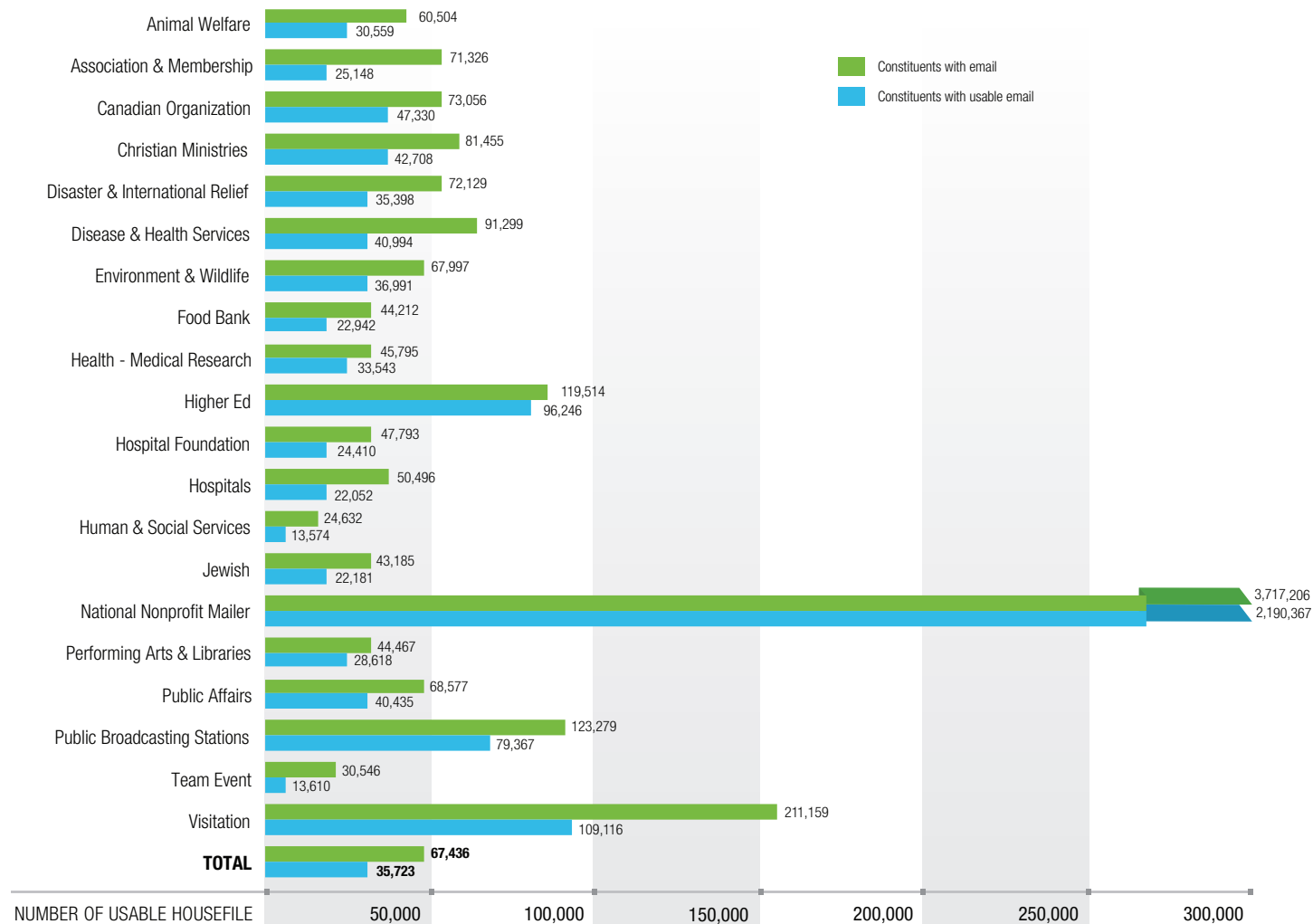


CHART 2: MEDIAN PERCENT CHANGE IN USABLE HOUSEFILE YEAR OVER YEAR BY VERTICAL *Looking specifically at usable housefile, this chart shows the percent change comparing Fiscal Year (FY) 2012–2013 vs. FY 2013–2014.*

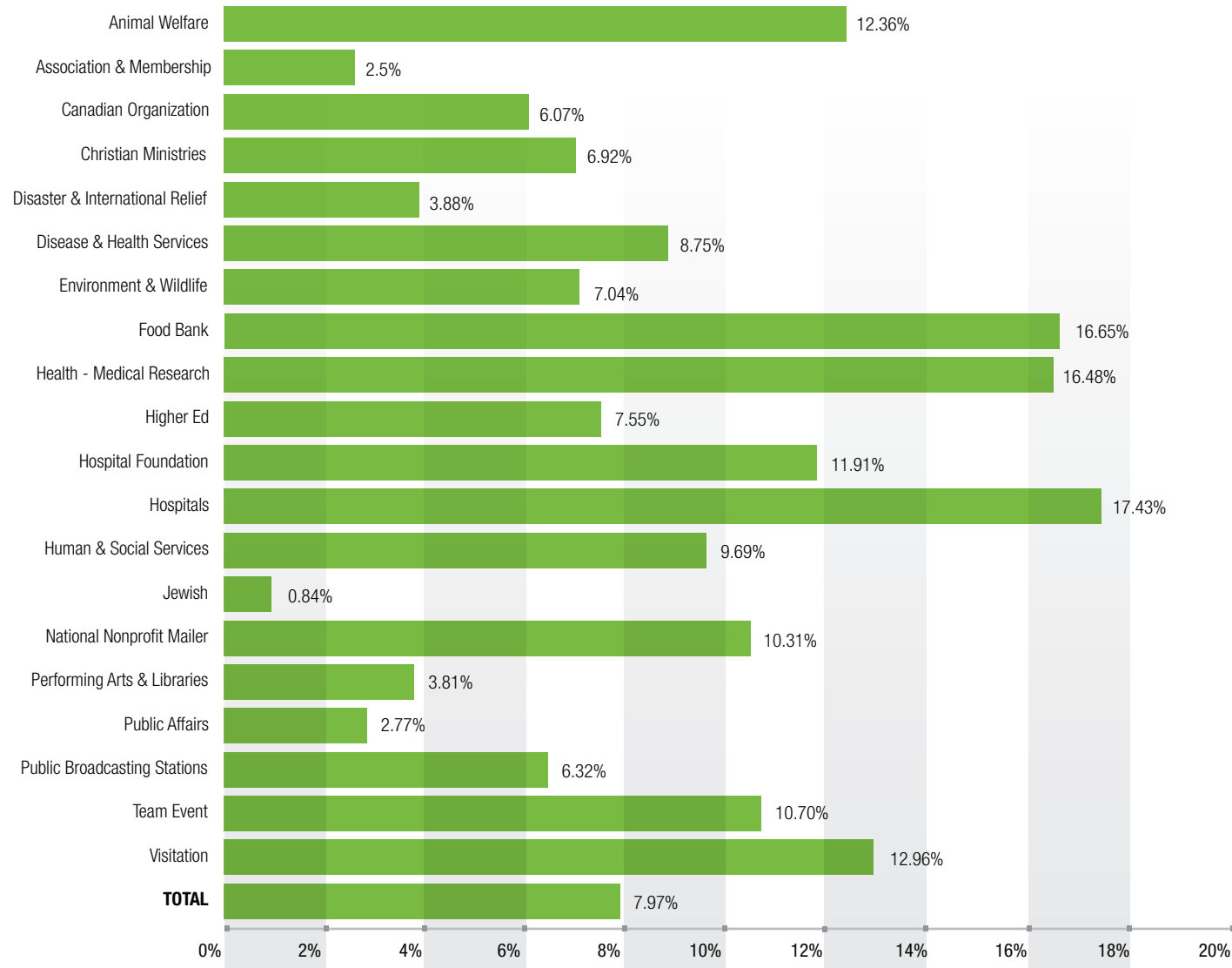


CHART 3: MEDIAN PERCENT CHANGE IN USABLE HOUSEFILE SIZE YEAR OVER YEAR BY ORGANIZATION SIZE *Similar to Chart 2, this chart illustrates percent change in usable housefile, categorized instead by the housefile size of the organizations included in this report.*

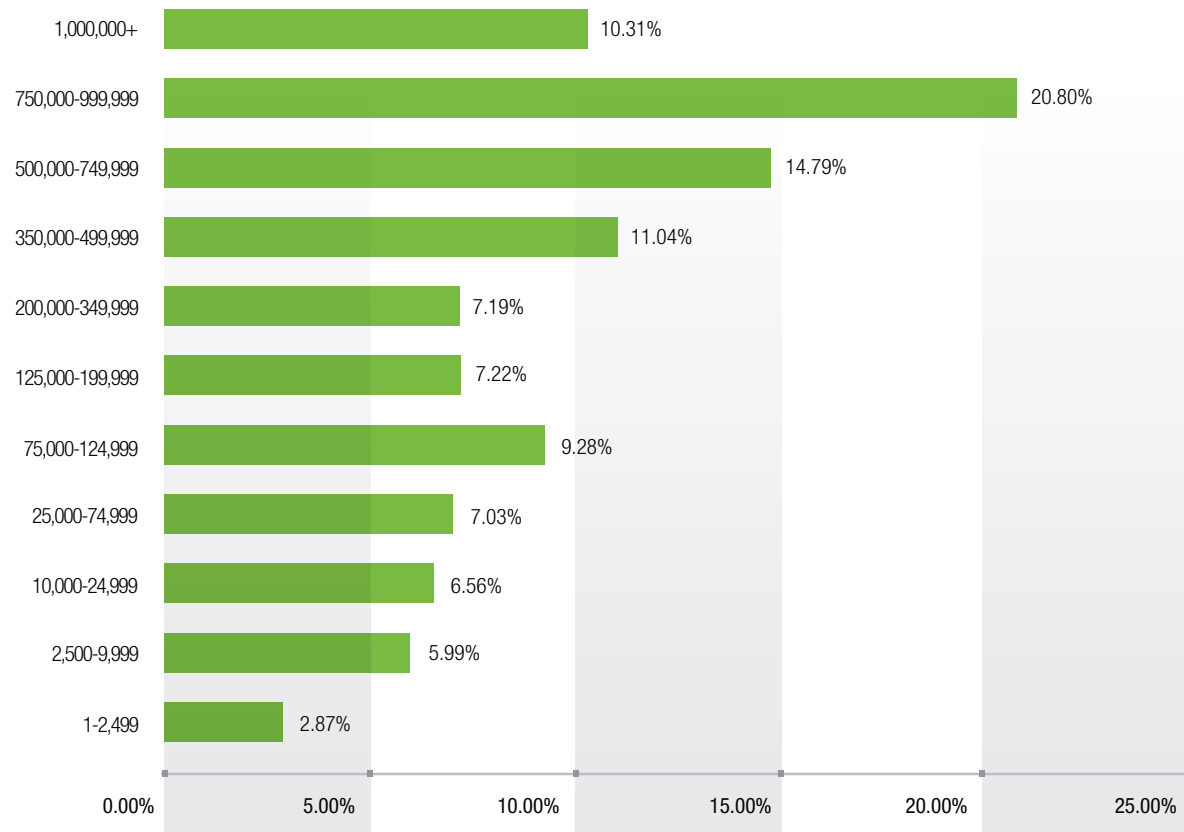


CHART 4: MEDIAN ANNUAL ONLINE REVENUE PER USABLE EMAIL ADDRESS BY VERTICAL *This metric is derived by dividing total online revenue during the fiscal year by the number of usable email addresses in a housefile.*

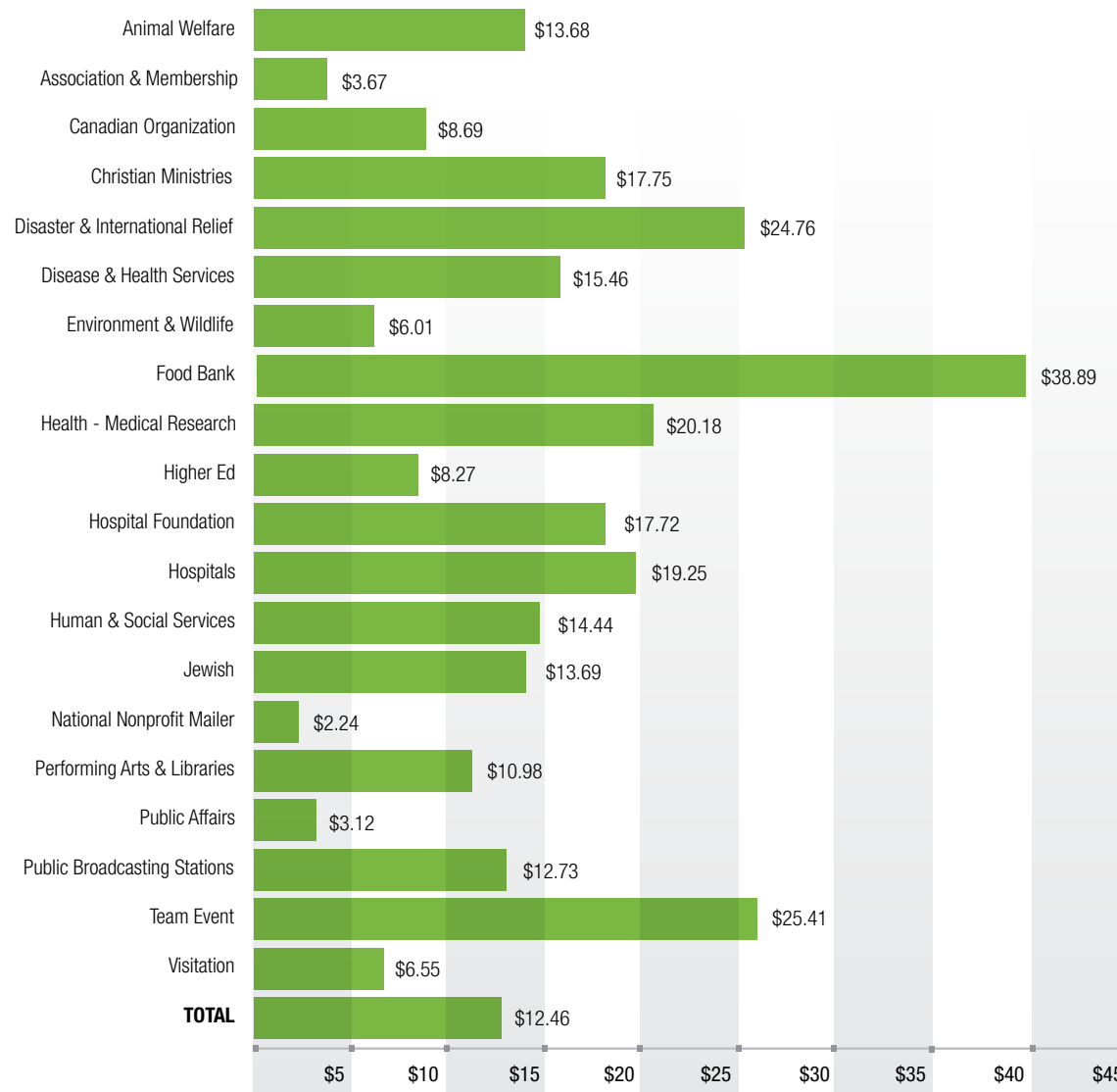
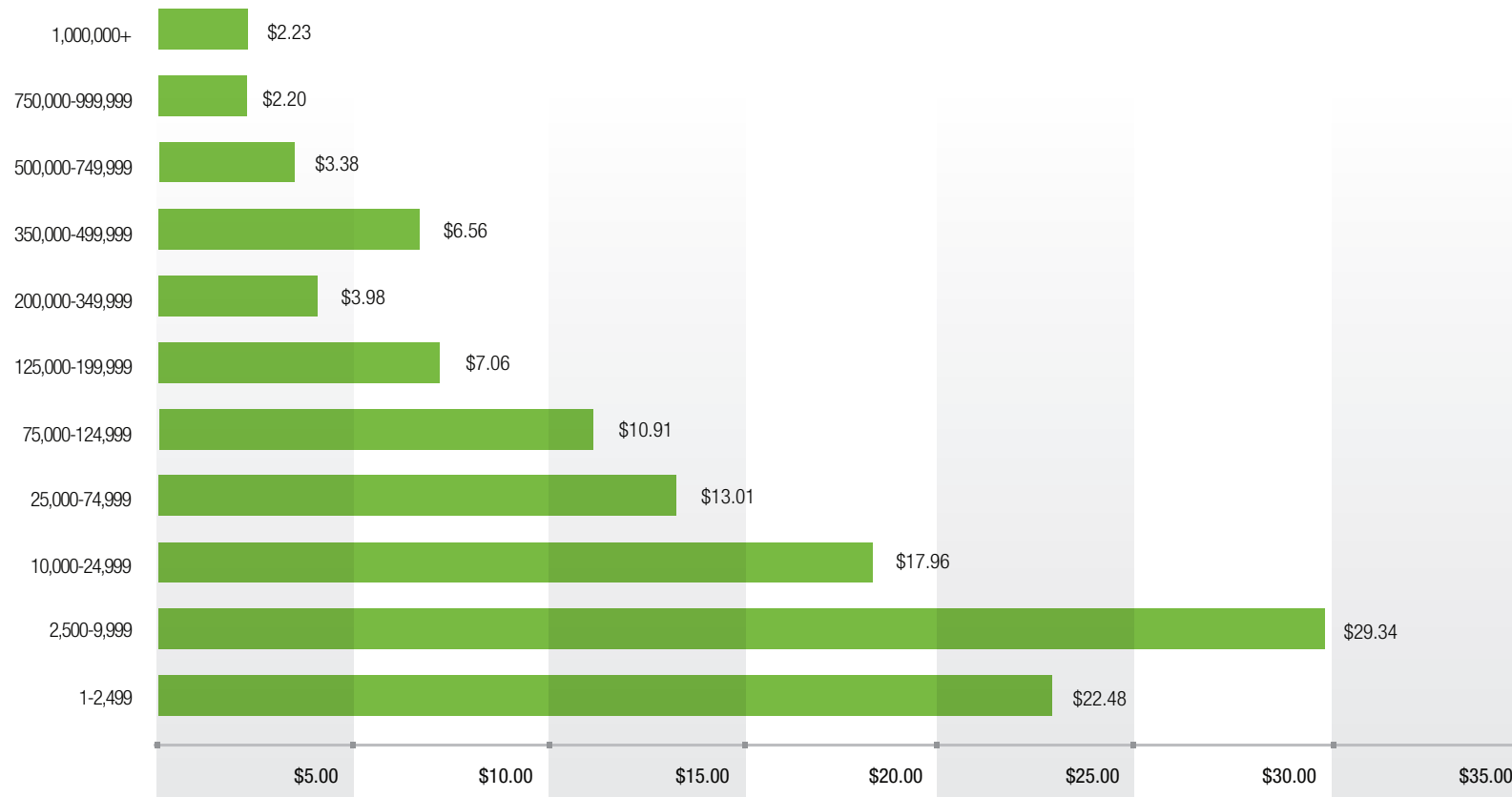


CHART 5: MEDIAN ANNUAL ONLINE REVENUE PER USABLE EMAIL ADDRESS BY ORGANIZATION SIZE Similar to Chart 4, this metric shows the total annual online revenue divided by the number of usable email addresses in a housefile, categorized instead by housefile size of the organization.

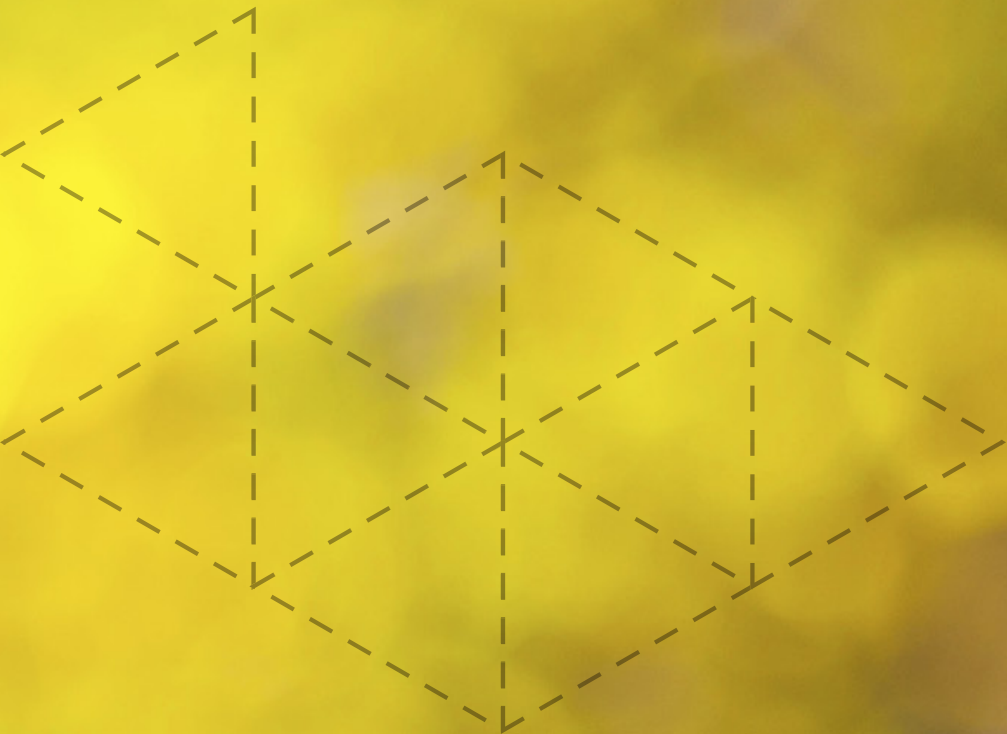


BUZZWORTHY METRICS

One metric we watch closely each year is the annual online revenue per usable email address, as illustrated in Chart 5. The annual online revenue per usable email address for FY 2013–2014 is \$12.46, down from \$13.90 in the previous FY, with a median change of -4.87%. What’s influencing this change? One possibility is that organizations are collecting higher quality email addresses at a more rapid rate, while online fundraising revenue grows at a comparatively slower pace. The same organization can see improvement in both housefile size and online revenue and still see a decline in this metric—so not necessarily bad news after all.

COMMUNICATION IS A KEY EVOLUTIONARY ADVANTAGE.

This data represents 7.6 billion email messages sent.



03 Email

In this section, we offer comparisons of four different classifications of email: fundraising, eNewsletters, advocacy, and other. The data points we've provided are subject to how organizations label their email campaigns.



BUZZWORTHY METRICS

Inboxes were all abuzz this year. When looking at distinct email messages sent—not the number of individual email recipients, the median number of email messages sent overall over the past 12 months is 144, a 60% increase over FY 2013 at 96!

CHART 6: MEDIAN TOTAL EMAILS SENT BY VERTICAL AND EMAIL TYPE *This chart shows the total number of emails sent to recipients, classified by email type and vertical.*

Industry	Appeal	eNews	Other	Advocacy
Animal Welfare	695,678	609,035	593,487	177,532
Association & Membership	181,815	125,901	570,965	154,824
Canadian Organization	86,913	655,913	570,502	5,247,915
Christian Ministries	544,041	583,029	926,693	802,980
Disaster & International Relief	565,354	184,138	518,598	2,333,176
Disease & Health Services	397,300	541,851	549,443	224,360
Environment & Wildlife	472,774	364,958	566,056	644,973
Food Bank	292,466	321,483	269,398	4,593
Health - Medical Research	77,932	615,494	335,538	
Higher Ed	341,807	981,165	1,245,774	38,892
Hospital Foundation	337,602	125,591	326,922	2,342
Hospitals	176,662	748,722	269,354	
Human & Social Services	107,994	149,858	205,265	144,944
Jewish	579,043	479,103	524,222	284,331
Performing Arts & Libraries	81,828	267,872	160,868	812,332
Public Affairs	474,797	634,072	652,570	211,427
Public Broadcasting Stations	479,791	1,652,013	689,870	209,104
Team Event	357,623	578,677	62,748	177,103
Visitation	215,128	1,419,616	792,581	286,797
Total	423,971	531,862	519,255	348,210

CHART 6: MEDIAN TOTAL EMAILS SENT BY VERTICAL AND EMAIL TYPE (Continued)

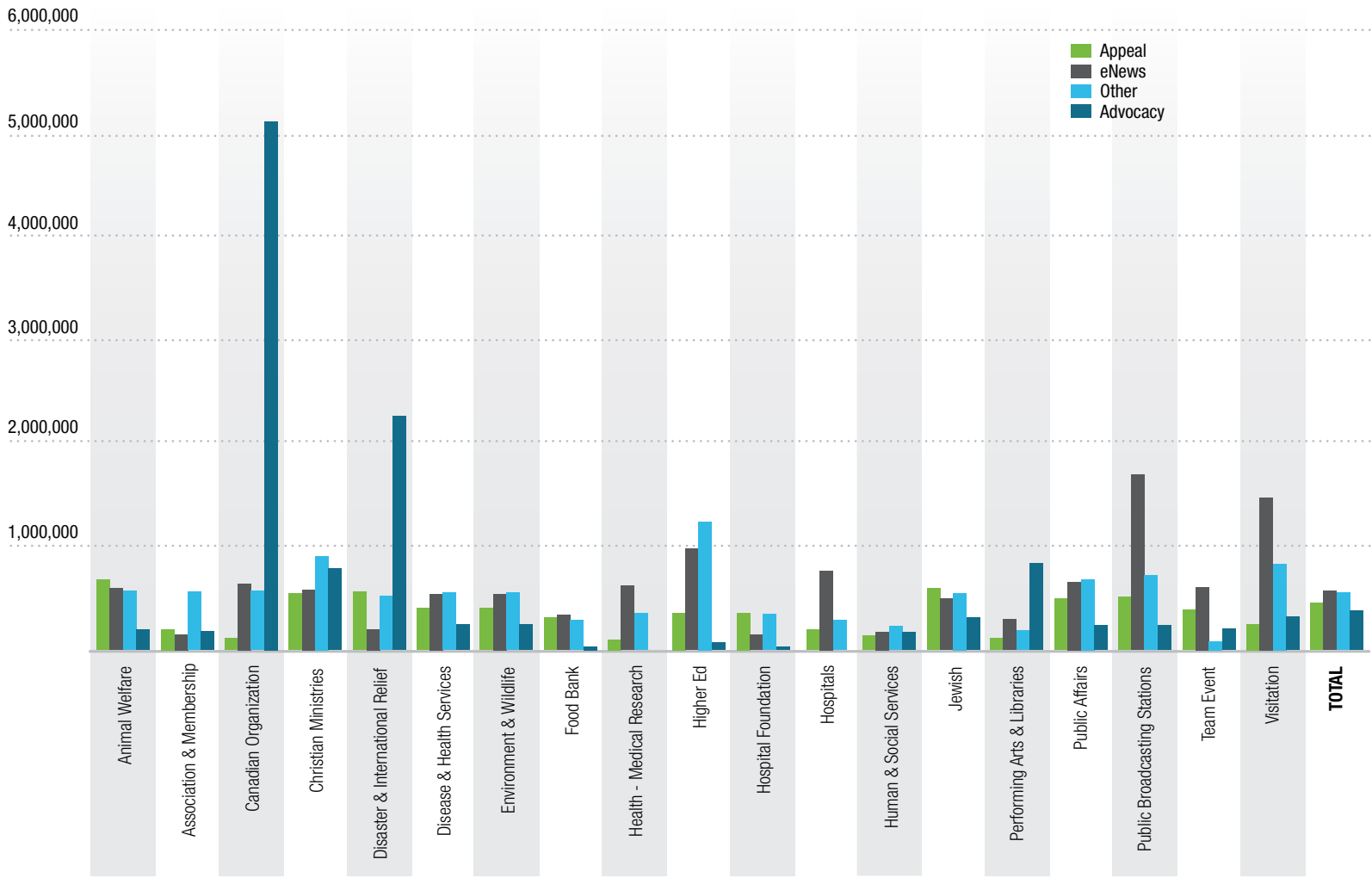


CHART 7: YEAR-OVER-YEAR CHANGE: MEDIAN TOTAL EMAILS SENT BY VERTICAL AND EMAIL TYPE

Industry	Appeal	eNews	Other	Advocacy
Animal Welfare	107.40%	92.15%	75.32%	48.10%
Association & Membership	-28.51%	40.92%	102.90%	41.25%
Canadian Organization	-8.74%	63.05%	163.78%	65.74%
Christian Ministries	129.18%	57.91%	100.23%	91.41%
Disaster & International Relief	29.95%	31.48%	29.84%	54.07%
Disease & Health Services	79.64%	58.67%	74.14%	58.52%
Environment & Wildlife	98.44%	68.93%	91.95%	55.84%
Food Bank	129.81%	100.60%	61.80%	8.64%
Health - Medical Research	-33.98%	94.07%	85.76%	
Higher Ed	112.14%	31.98%	58.73%	897.75%
Hospital Foundation	198.24%	17.67%	86.08%	3.67%
Hospitals	-30.38%	93.57%	162.41%	
Human & Social Services	79.48%	51.94%	88.45%	61.31%
Jewish	122.68%	89.07%	47.91%	29.21%
National Nonprofit Mailer	66.78%	63.39%	87.78%	80.07%
Performing Arts & Libraries	29.52%	53.47%	52.83%	25.98%
Public Affairs	48.39%	38.69%	51.22%	24.31%
Public Broadcasting Stations	58.91%	83.61%	83.81%	-56.62%
Team Event	105.94%	45.13%	102.05%	19.47%
Visitation	84.24%	67.83%	72.79%	81.60%
Total	72.30%	58.35%	77.38%	59.27%

CHART 7: YEAR-OVER-YEAR CHANGE: MEDIAN TOTAL EMAILS SENT BY VERTICAL AND EMAIL TYPE (Continued)

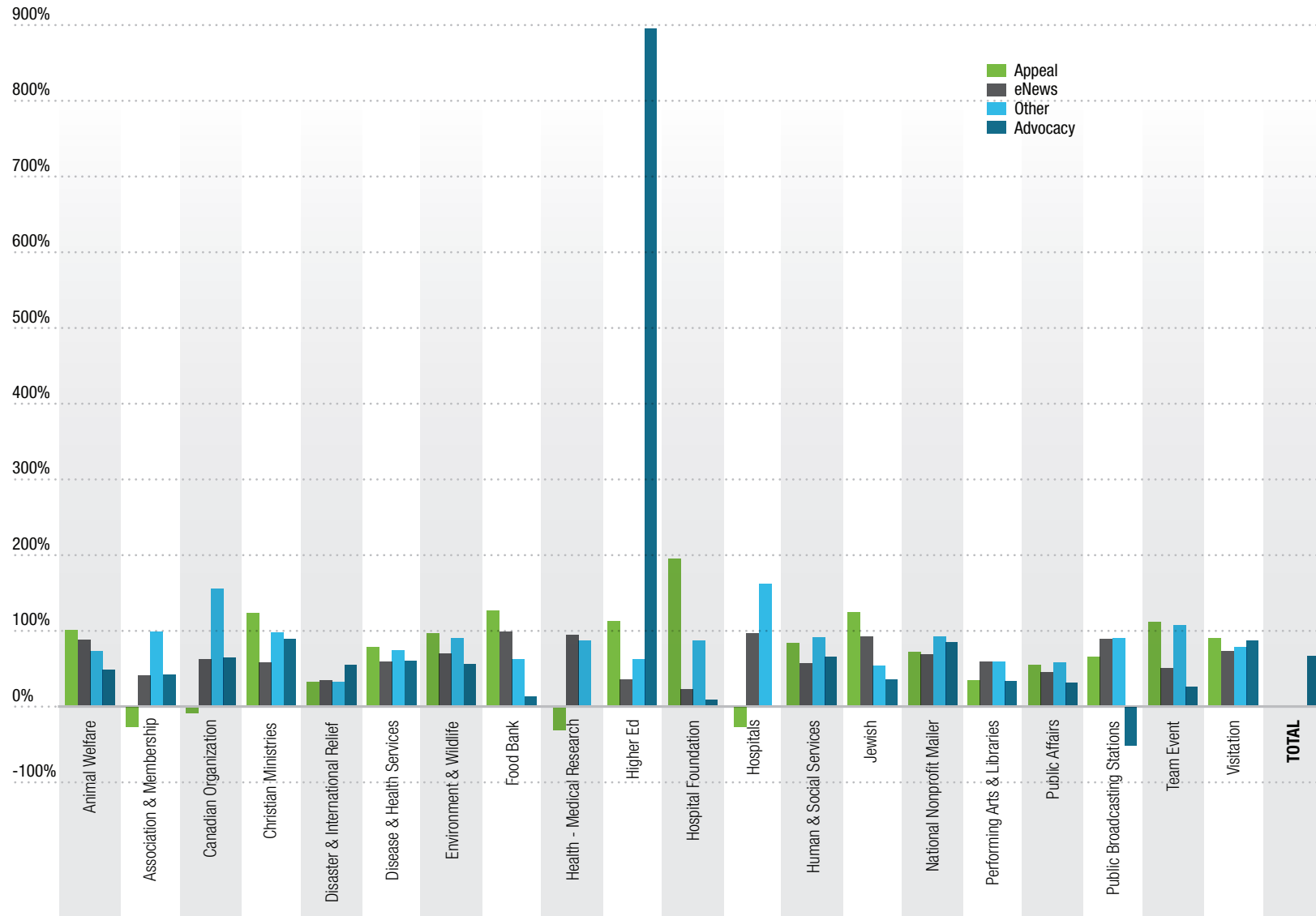


CHART 8: MEDIAN OPEN RATES BY VERTICAL AND EMAIL TYPE

Industry	Appeal	eNews	Other	Advocacy
Animal Welfare	15.11%	16.30%	18.01%	16.82%
Association & Membership	18.27%	20.21%	18.76%	22.74%
Canadian Organization	23.44%	21.53%	21.75%	19.34%
Christian Ministries	15.56%	15.42%	17.48%	21.74%
Disaster & International Relief	12.35%	14.19%	13.76%	13.97%
Disease & Health Services	12.75%	13.50%	14.51%	14.85%
Environment & Wildlife	16.40%	15.92%	19.06%	17.59%
Food Bank	16.09%	15.52%	16.79%	24.29%
Health - Medical Research	18.42%	20.71%	22.94%	
Higher Ed	22.79%	23.00%	22.25%	39.15%
Hospital Foundation	16.11%	21.47%	16.56%	40.82%
Hospitals	15.09%	15.87%	20.50%	
Human & Social Services	14.46%	15.95%	16.99%	13.86%
Jewish	16.36%	21.33%	20.56%	20.48%
National Nonprofit Mailer	12.44%	13.26%	14.12%	14.94%
Performing Arts & Libraries	18.85%	22.54%	23.76%	22.05%
Public Affairs	15.02%	14.77%	16.82%	17.09%
Public Broadcasting Stations	18.13%	17.90%	19.83%	18.37%
Team Event	20.90%	24.57%	25.78%	13.99%
Visitation	20.28%	18.27%	20.90%	24.29%
Total	15.36%	16.26%	17.60%	16.89%

BUZZWORTHY METRICS

The stabilization of open rates is good news for nonprofits. There are a number of factors that may contribute to this trend, such as organizations' dexterity at sending differentiated messages, the adoption of mobile, or how email providers display emails, but one thing is for sure: with more eyes on your email, you better make sure it is timely, relevant, and personal.

CHART 8: MEDIAN OPEN RATES BY VERTICAL AND EMAIL TYPE (Continued)

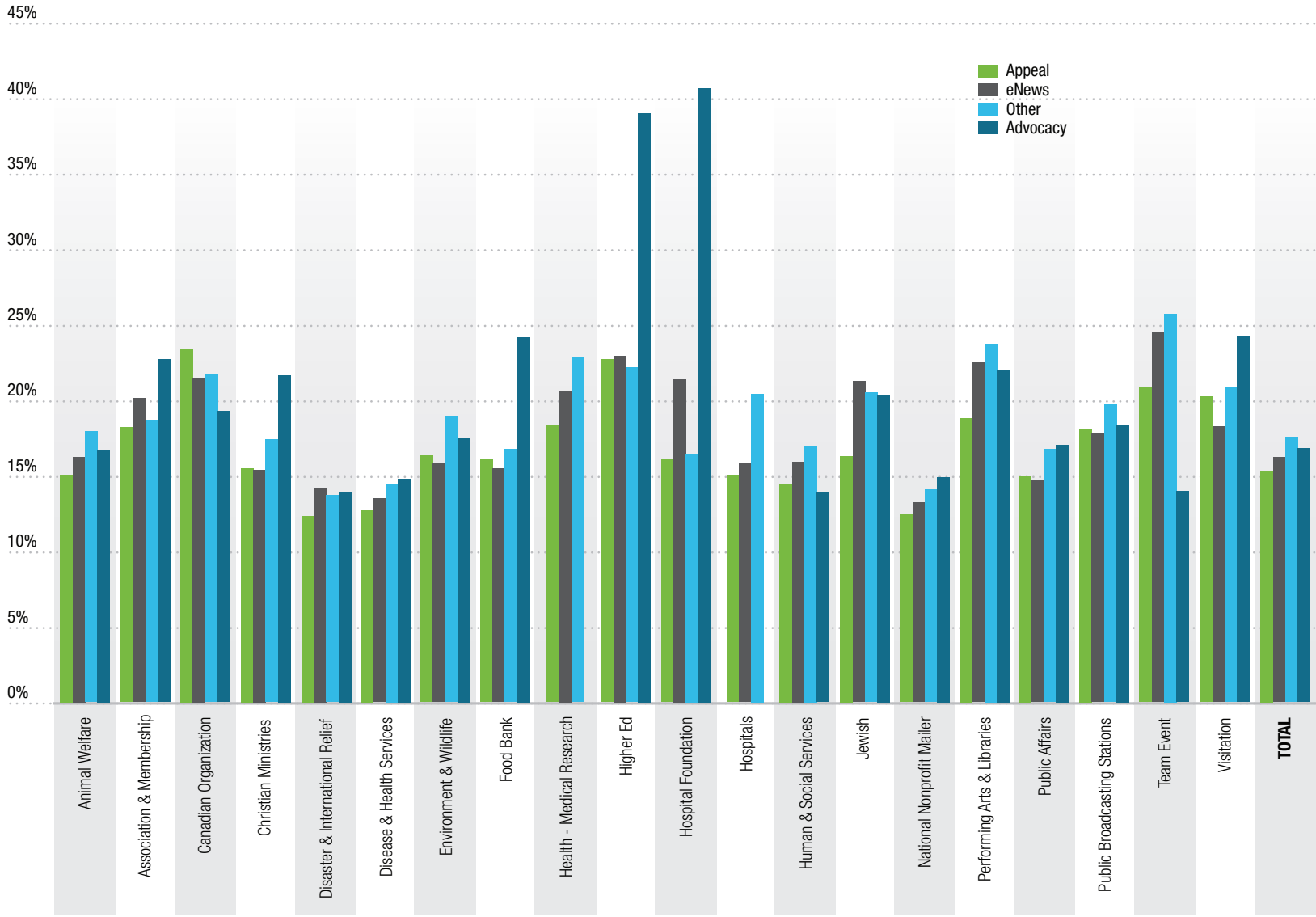


CHART 9: YEAR-OVER-YEAR CHANGE: MEDIAN OPEN RATES BY VERTICAL AND EMAIL MESSAGE TYPE

Industry	Appeal	eNews	Other	Advocacy
Animal Welfare	-4.48%	-3.75%	0.25%	-14.27%
Association & Membership	-4.16%	5.92%	5.05%	5.77%
Canadian Organization	28.09%	-9.31%	-0.57%	4.65%
Christian Ministries	-2.11%	-2.47%	-1.69%	5.84%
Disaster & International Relief	5.28%	1.09%	7.84%	31.83%
Disease & Health Services	1.90%	1.48%	0.32%	-0.54%
Environment & Wildlife	-0.20%	-1.87%	-1.61%	-2.93%
Food Bank	1.78%	2.02%	0.16%	-4.04%
Health - Medical Research	4.58%	26.98%	9.99%	
Higher Ed	8.91%	7.34%	6.26%	60.51%
Hospital Foundation	28.96%	3.79%	4.59%	-0.85%
Hospitals	7.10%	6.13%	-10.41%	
Human & Social Services	-0.58%	5.26%	0.83%	7.46%
Jewish	0.52%	13.52%	3.17%	22.09%
National Nonprofit Mailer	2.67%	2.49%	-1.20%	-5.63%
Performing Arts & Libraries	-1.63%	14.29%	10.17%	43.27%
Public Affairs	5.57%	0.45%	1.70%	1.22%
Public Broadcasting Stations	2.52%	6.33%	6.31%	8.25%
Team Event	-5.53%	-0.84%	-4.73%	1.49%
Visitation	-3.01%	0.55%	5.56%	5.29%
Total	0.82%	1.76%	0.94%	0.42%

CHART 9: YEAR-OVER-YEAR CHANGE: MEDIAN OPEN RATES BY VERTICAL AND EMAIL MESSAGE TYPE (Continued)

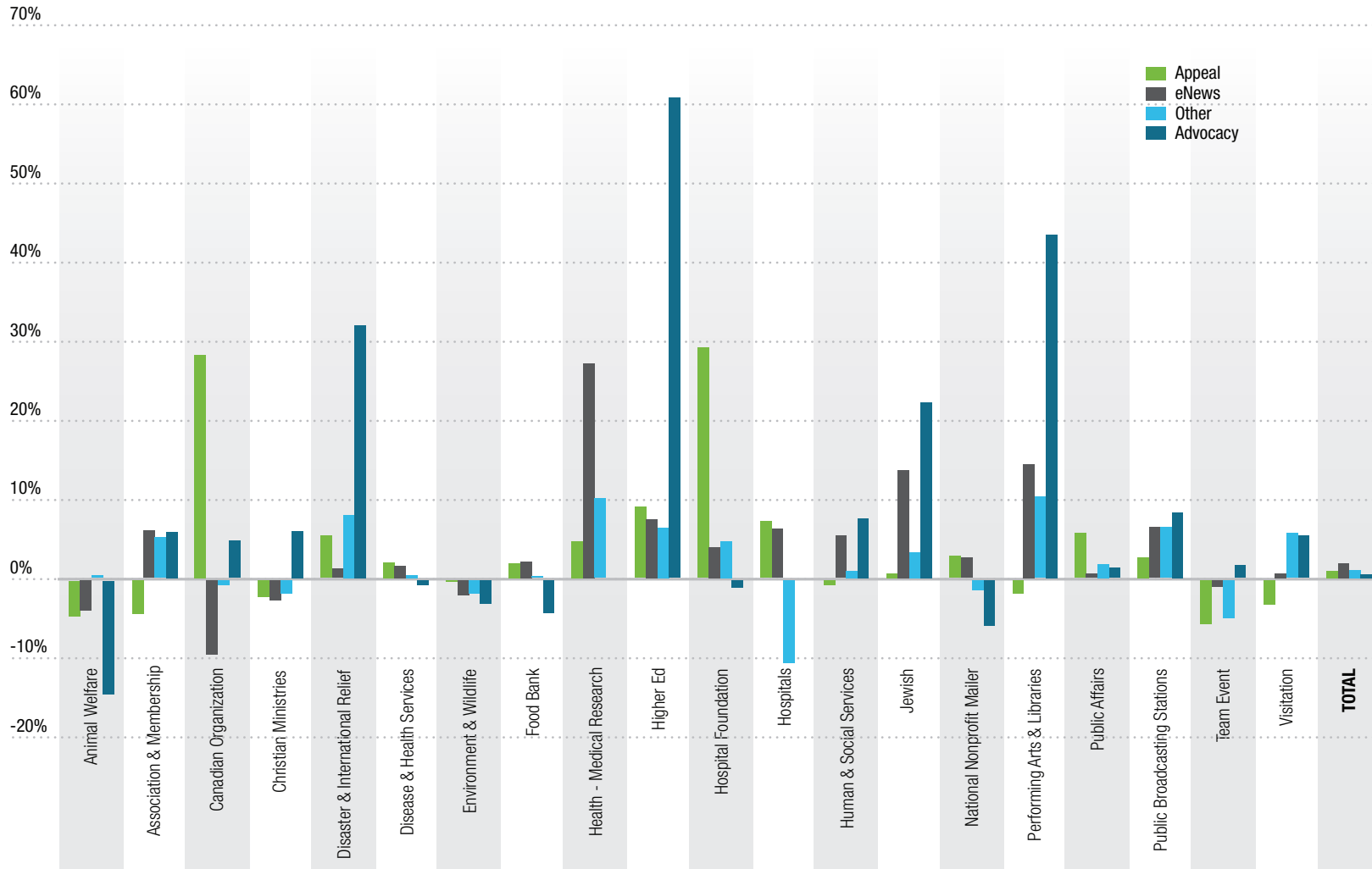


CHART 10: MEDIAN CLICK-THROUGH RATES BY VERTICAL AND EMAIL MESSAGE TYPE

Industry	Appeal	eNews	Other	Advocacy
Animal Welfare	1.03%	2.27%	1.73%	1.48%
Association & Membership	0.74%	2.36%	1.40%	2.61%
Canadian Organization	1.30%	2.74%	1.85%	1.66%
Christian Ministries	0.56%	1.40%	1.89%	4.15%
Disaster & International Relief	0.47%	0.80%	0.85%	1.76%
Disease & Health Services	0.49%	1.55%	1.14%	1.39%
Environment & Wildlife	0.64%	2.20%	1.67%	3.64%
Food Bank	0.67%	1.24%	1.02%	1.61%
Health - Medical Research	1.31%	2.49%	2.51%	
Higher Ed	1.10%	2.02%	1.74%	4.04%
Hospital Foundation	0.49%	2.72%	1.26%	8.28%
Hospitals	0.50%	1.43%	1.60%	
Human & Social Services	0.68%	1.50%	1.24%	1.00%
Jewish	0.48%	1.51%	1.04%	1.51%
National Nonprofit Mailer	0.45%	1.39%	1.13%	1.85%
Performing Arts & Libraries	1.00%	2.47%	2.10%	2.05%
Public Affairs	0.56%	1.35%	1.69%	2.21%
Public Broadcasting Stations	0.62%	1.44%	1.32%	3.48%
Team Event	0.65%	2.32%	1.79%	1.94%
Visitation	0.56%	1.85%	1.51%	0.59%
Total	0.61%	1.61%	1.39%	2.05%

CHART 10: MEDIAN CLICK-THROUGH RATES BY VERTICAL AND EMAIL MESSAGE TYPE (Continued)

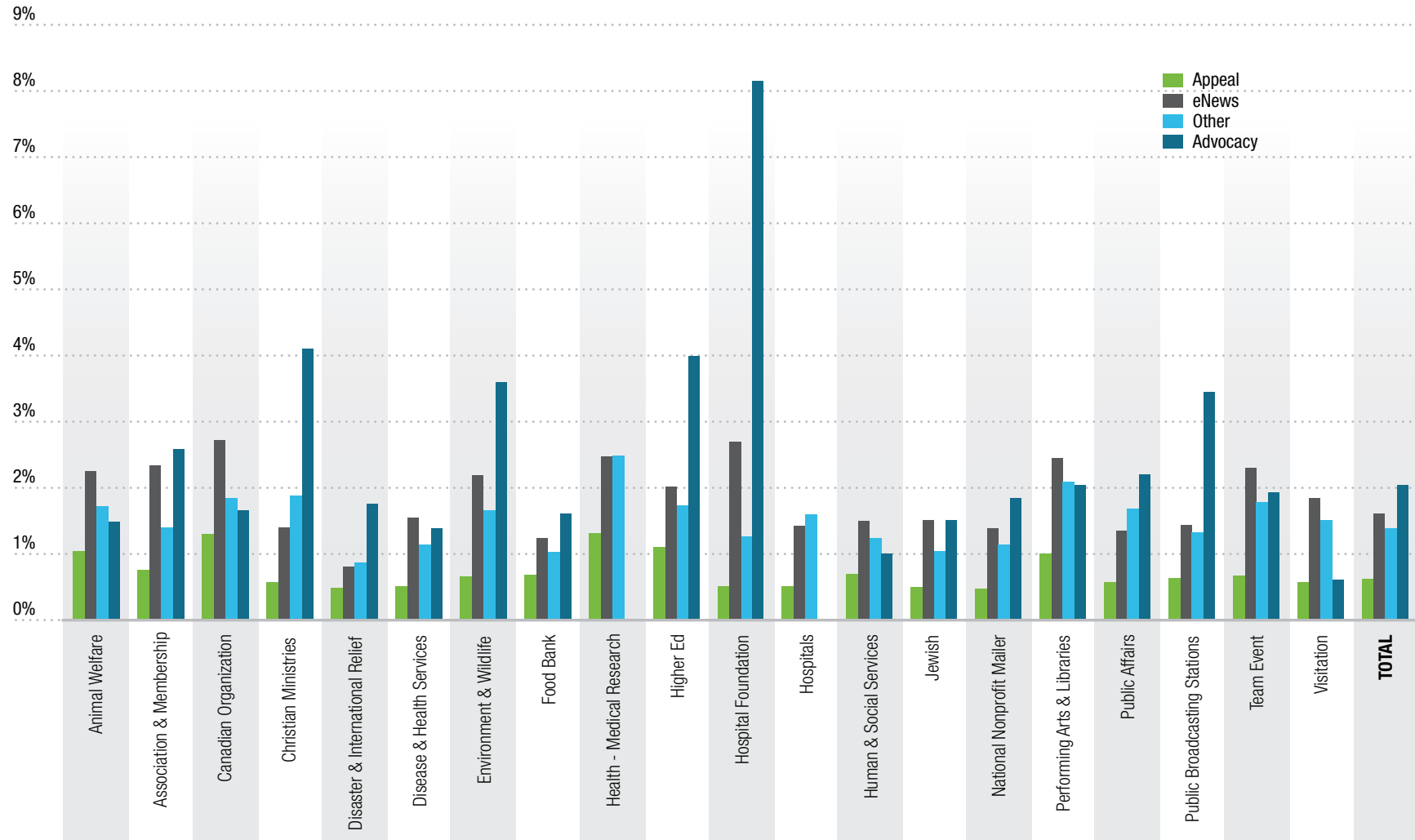


CHART 11: YEAR-OVER-YEAR CHANGE: MEDIAN CLICK-THROUGH RATES BY VERTICAL AND EMAIL MESSAGE TYPE

Industry	Appeal	eNews	Other	Advocacy
Animal Welfare	-18.10%	-13.11%	-12.71%	-29.45%
Association & Membership	-16.44%	-0.36%	-6.18%	3.36%
Canadian Organization	32.26%	-24.05%	-20.48%	0.61%
Christian Ministries	-4.10%	-14.55%	-8.10%	-0.72%
Disaster & International Relief	-12.50%	-20.31%	-5.71%	26.47%
Disease & Health Services	0.00%	-9.09%	-21.43%	-27.34%
Environment & Wildlife	-19.36%	-16.91%	-14.51%	4.60%
Food Bank	-14.74%	-15.00%	-13.11%	-22.91%
Health - Medical Research	82.06%	-13.02%	16.59%	
Higher Ed	9.60%	-7.15%	-9.49%	92.77%
Hospital Foundation	-7.74%	43.16%	-3.15%	14.05%
Hospitals	6.12%	-2.32%	-26.31%	
Human & Social Services	-8.00%	-9.27%	-17.38%	4.81%
Jewish	-4.52%	-1.02%	-4.14%	53.15%
National Nonprofit Mailer	2.24%	-16.53%	-23.91%	-8.16%
Performing Arts & Libraries	1.60%	-16.08%	-6.71%	21.30%
Public Affairs	8.47%	-10.00%	-7.78%	-9.18%
Public Broadcasting Stations	-24.16%	-13.10%	-8.20%	146.81%
Team Event	-18.60%	-4.00%	-20.73%	-31.94%
Visitation	-11.77%	3.61%	-11.31%	2.32%
Total	-6.40%	-10.85%	-12.02%	-5.75%

CHART 11: YEAR-OVER-YEAR CHANGE: MEDIAN CLICK-THROUGH RATES BY VERTICAL AND EMAIL MESSAGE TYPE (Continued)

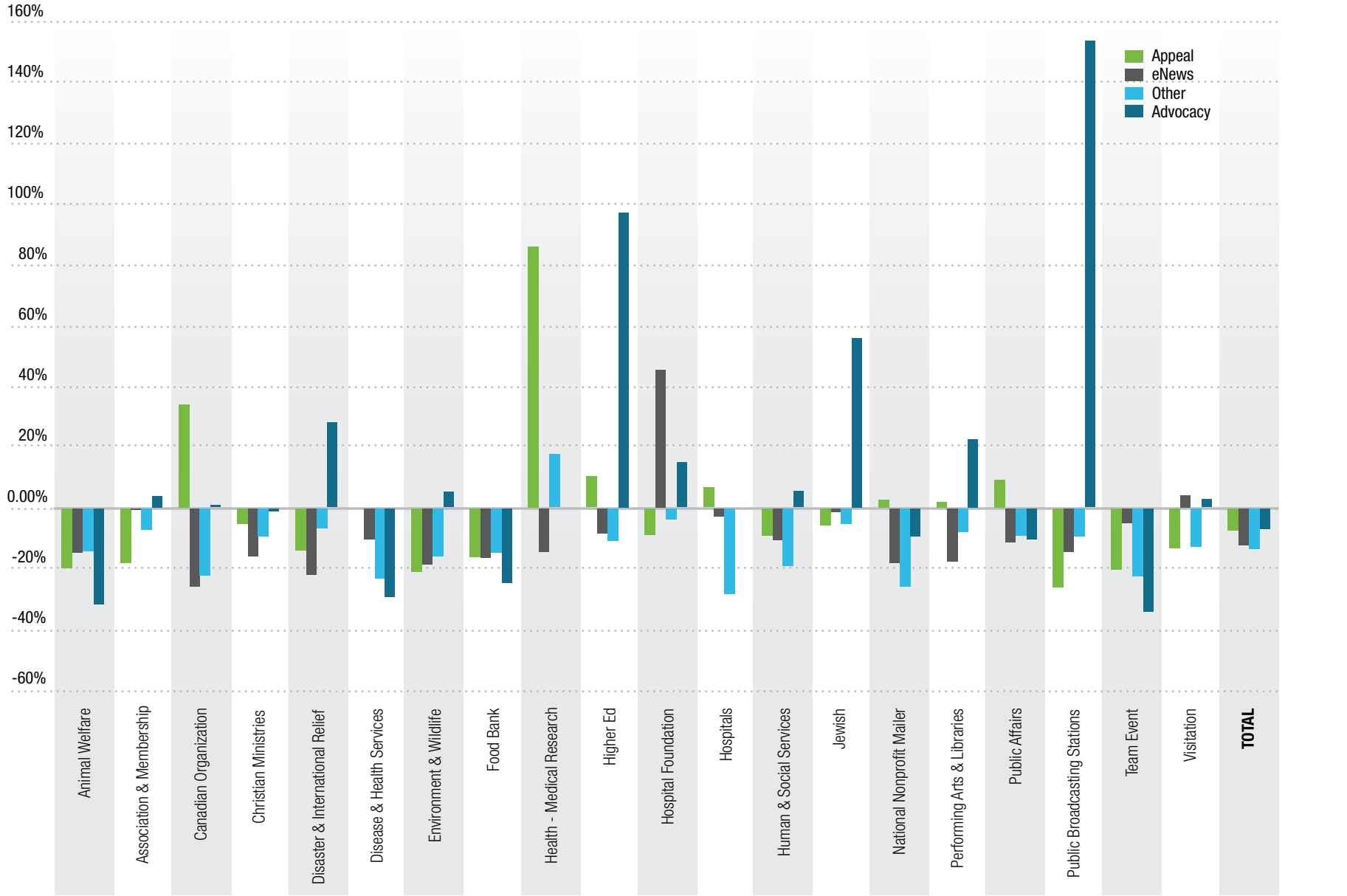
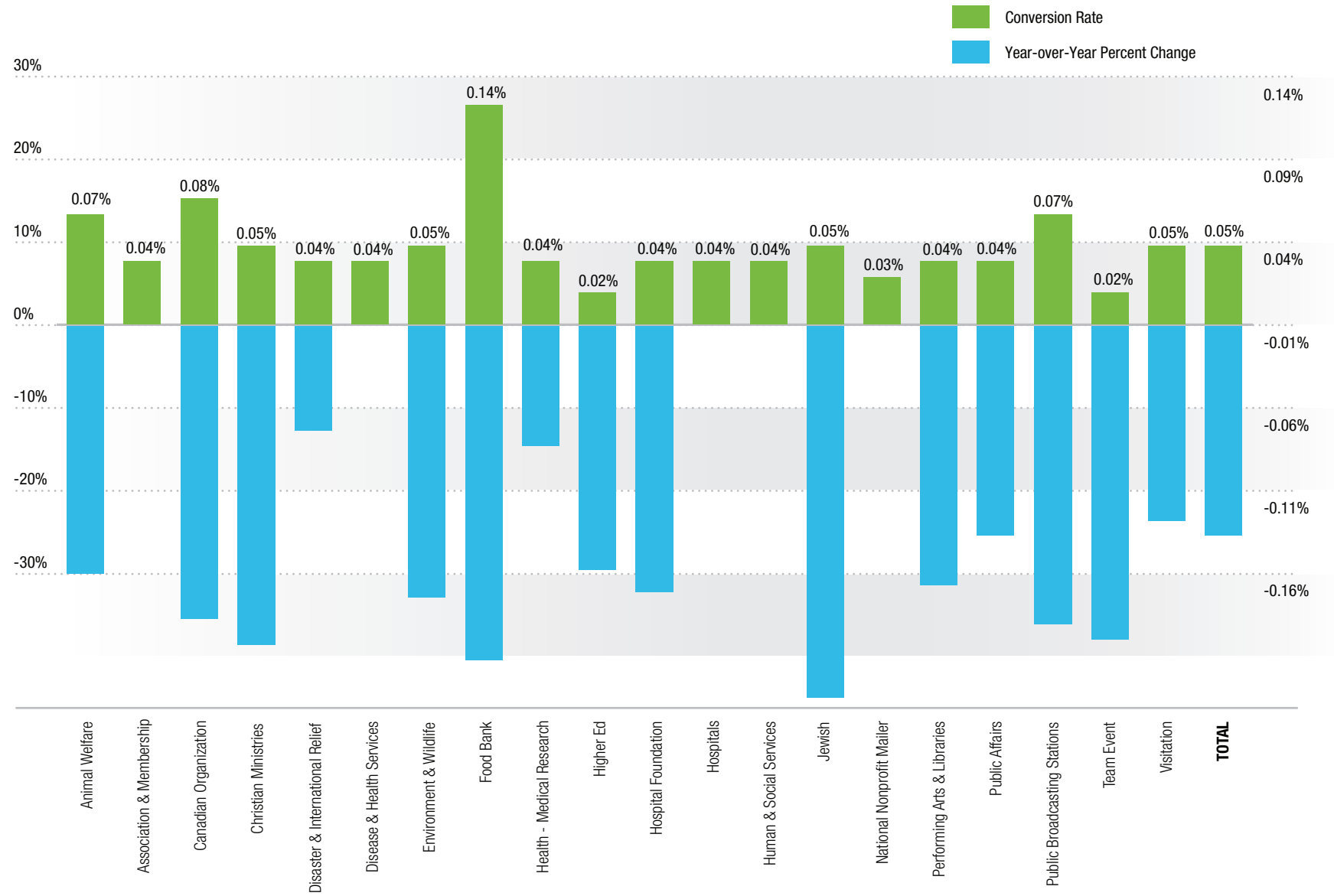


CHART 12: MEDIAN CONVERSION RATES FOR DONATION EMAILS AND YEAR-OVER-YEAR PERCENT CHANGE

Industry	Fundraising Email Conversion Rate FY14 Median	Fundraising Email Conversion Rate Change FY13 FY14 Median
Animal Welfare	0.07%	-29.63%
Association & Membership	0.04%	0.00%
Canadian Organization	0.08%	-35.00%
Christian Ministries	0.05%	-38.10%
Disaster & International Relief	0.04%	-12.50%
Disease & Health Services	0.04%	0.00%
Environment & Wildlife	0.05%	-32.47%
Food Bank	0.14%	-40.00%
Health - Medical Research	0.04%	-14.29%
Higher Ed	0.02%	-29.17%
Hospital Foundation	0.04%	-31.82%
Hospitals	0.04%	0.00%
Human & Social Services	0.04%	0.00%
Jewish	0.05%	-44.44%
National Nonprofit Mailer	0.03%	0.00%
Performing Arts & Libraries	0.04%	-30.95%
Public Affairs	0.04%	-25.00%
Public Broadcasting Stations	0.07%	-35.63%
Team Event	0.02%	-37.50%
Visitation	0.05%	-23.33%
Total	0.05%	-25.00%

CHART 12: MEDIAN CONVERSION RATES FOR DONATION EMAILS AND YEAR-OVER-YEAR PERCENT CHANGE (Continued)



JUST LIKE THE SYMBIOTIC RELATIONSHIP
BETWEEN BEES AND FLOWERS, NONPROFITS
GIVE BACK TO THE COMMUNITIES THAT
SUPPORT THEM.

The organizations represented in this report alone raised \$1.27 billion last year, immeasurably improving their communities and the world.

04 Giving

BUZZWORTHY METRICS

Despite a decrease in fundraising email conversion rates, the number of gifts, total revenue, and average gift amount are all up. The median number of constituents who donate was up 15% in FY 2014 compared to the previous year. Donors are online, they are giving, and they are giving more. This doesn't mean email is dead. It indicates a continued trend of the multi-touch, multichannel donor experience.

CHART 13: MEDIAN ONLINE FUNDRAISING REVENUE GROWTH IN ALL VERTICALS YEAR OVER YEAR

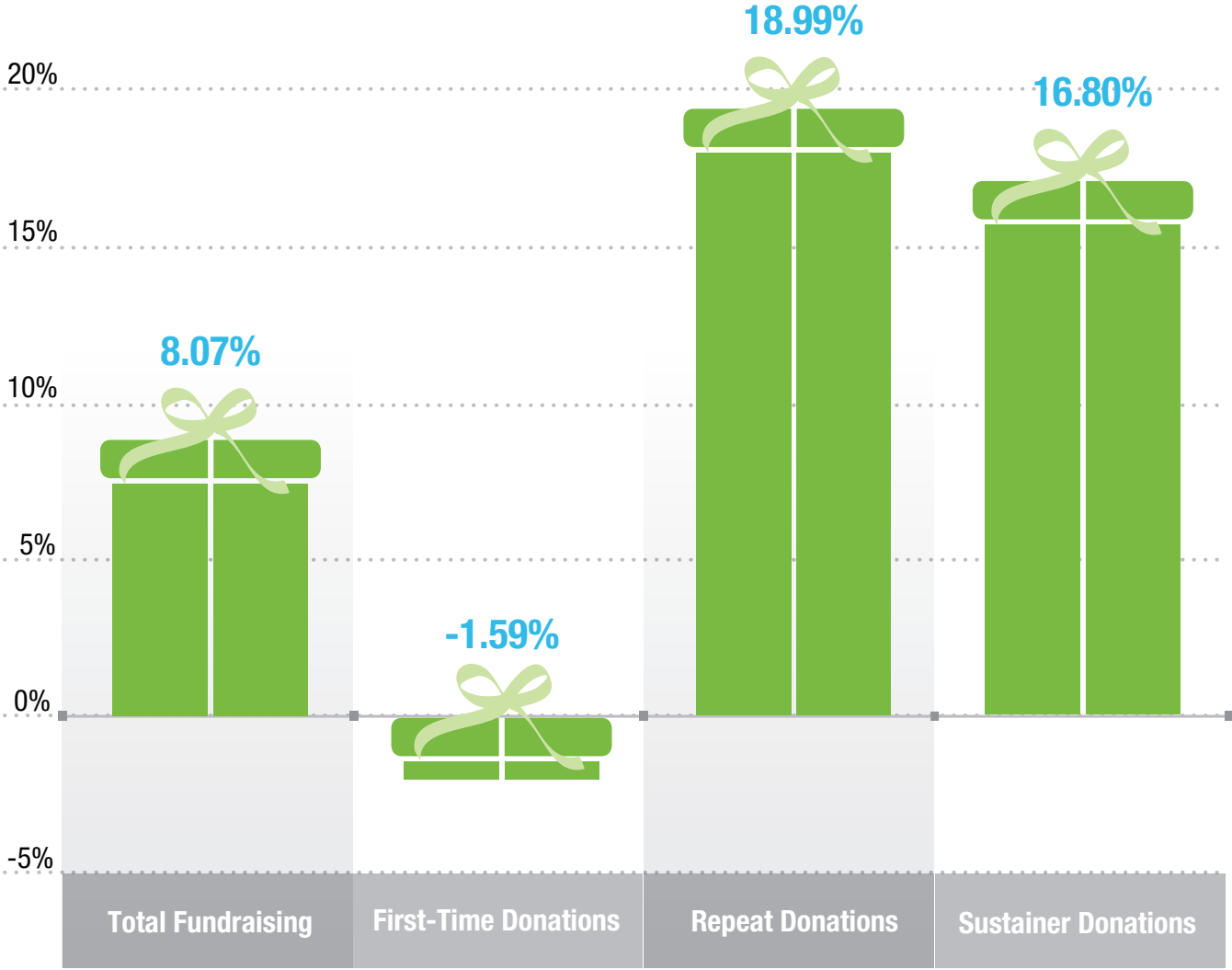


CHART 14: MEDIAN ONLINE REVENUE BY VERTICAL



CHART 15: YEAR-OVER-YEAR CHANGE: MEDIAN ONLINE REVENUE BY VERTICAL

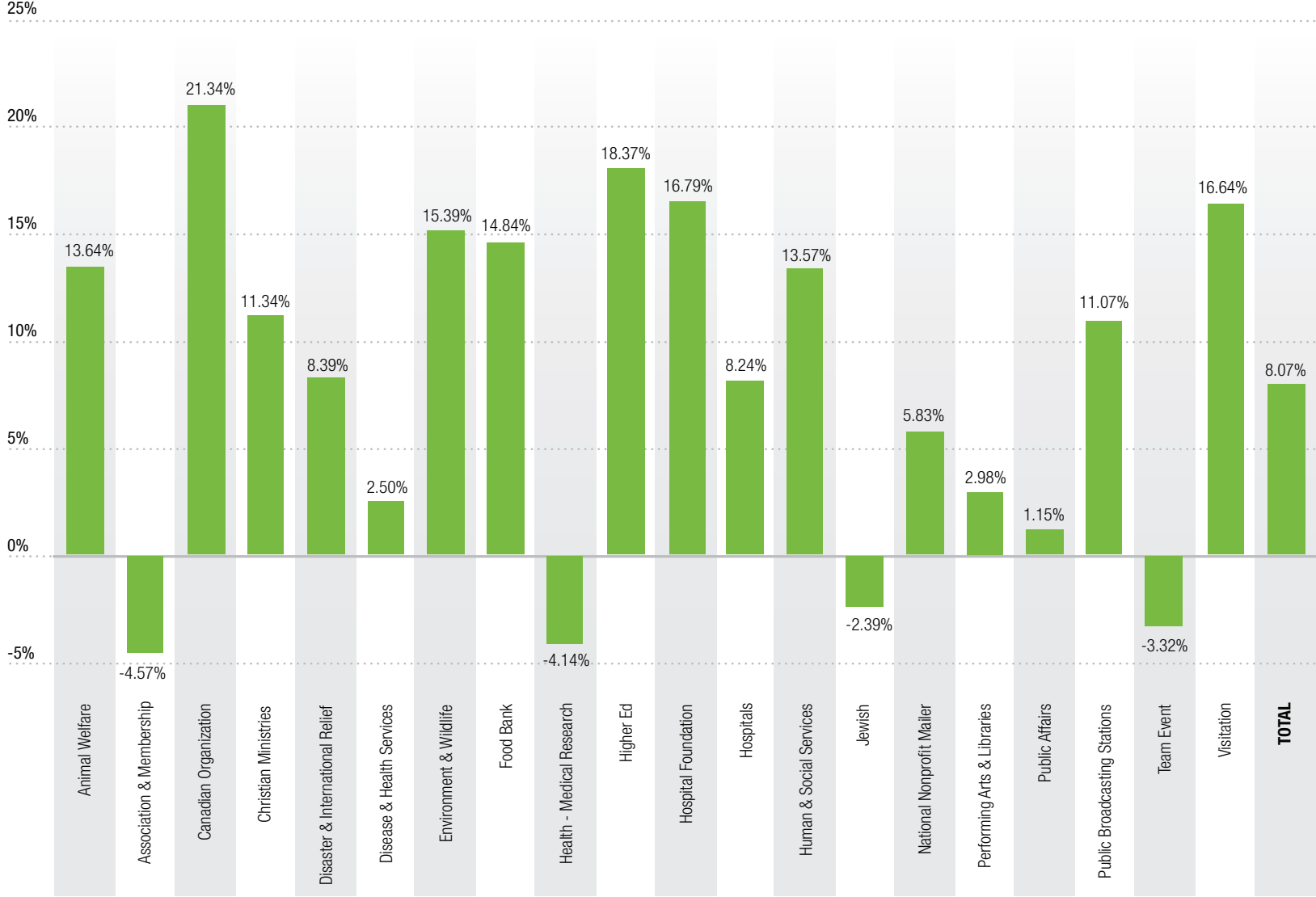


CHART 16: MEDIAN TOTAL ONLINE REVENUE BY ORGANIZATION SIZE

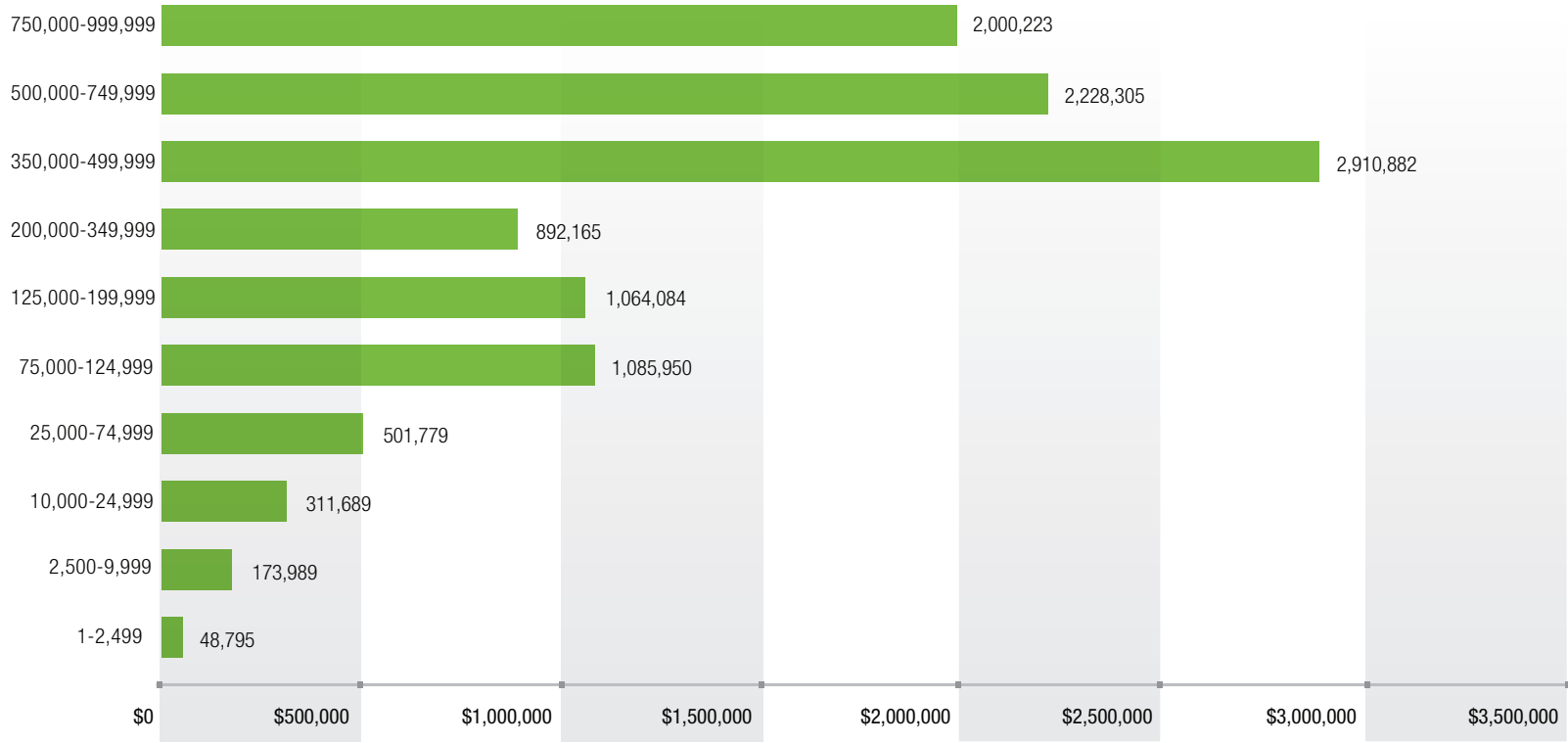


CHART 17: YEAR-OVER-YEAR CHANGE: MEDIAN TOTAL ONLINE REVENUE BY ORGANIZATION SIZE *Organization size is based on total housefile.*

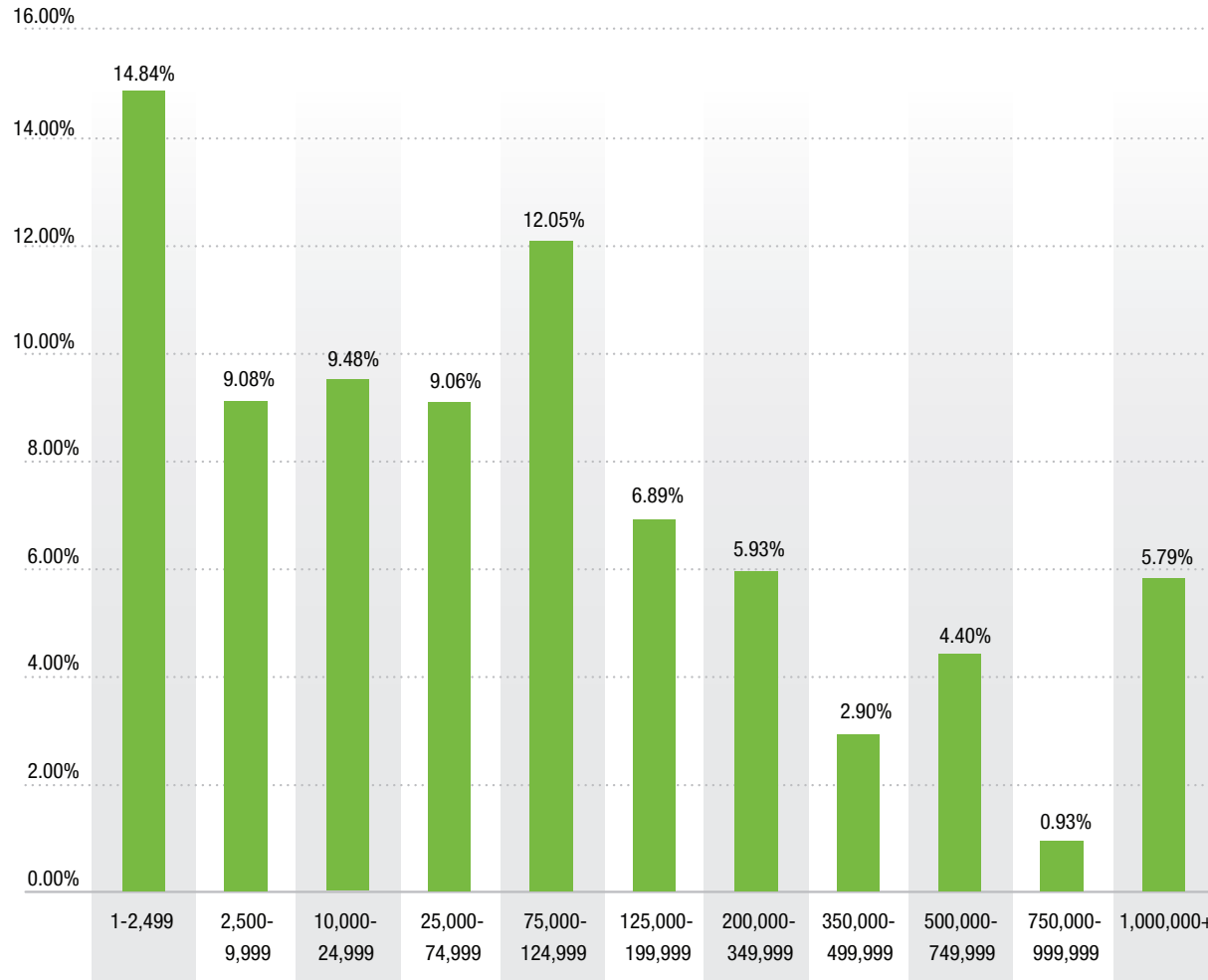
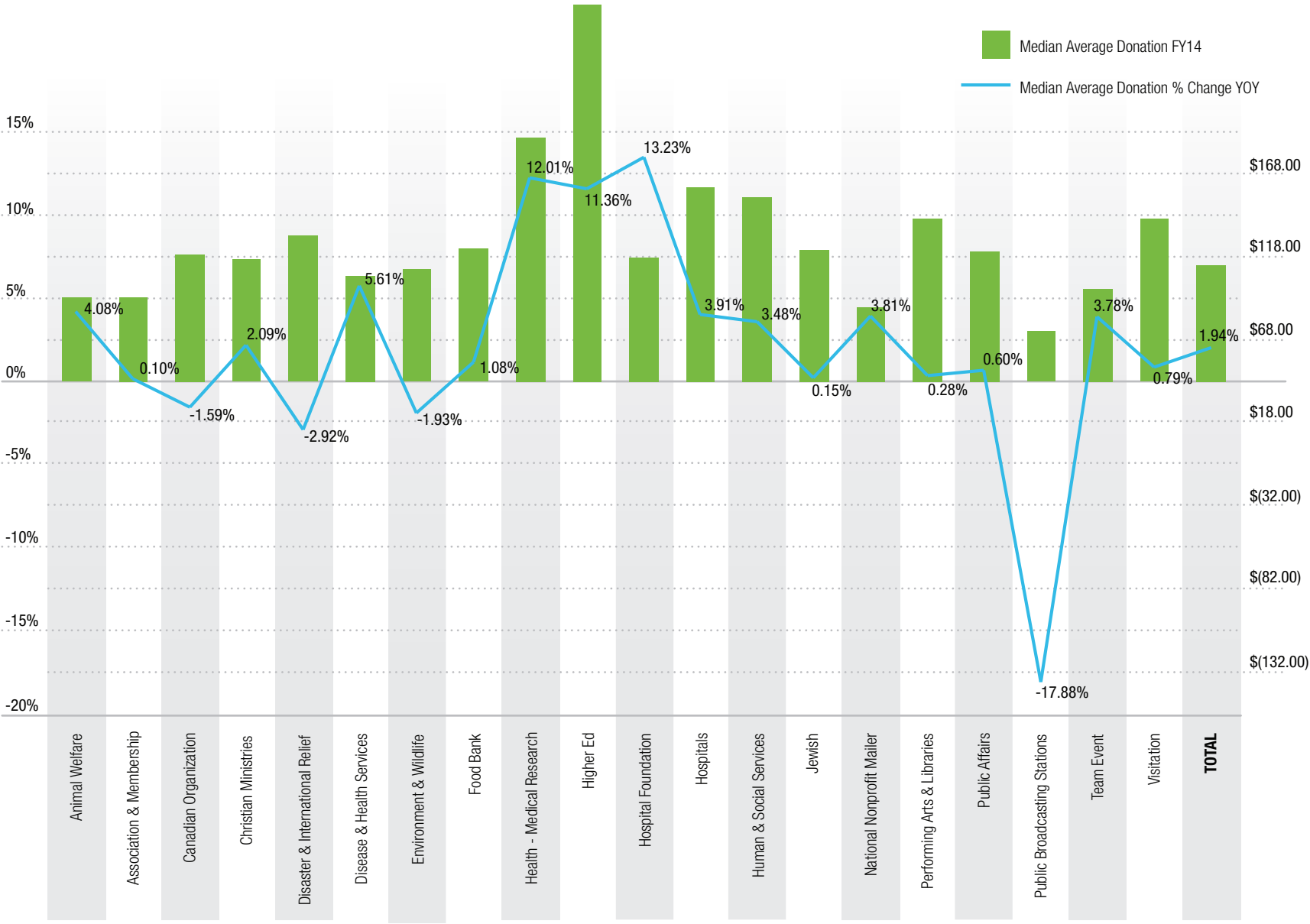


CHART 18: MEDIAN AVERAGE ONLINE DONATION BY VERTICAL AND PERCENT YEAR-OVER-YEAR CHANGE



In the following series of charts (19–25), we break down median average gift by vertical and in two dichotomies: first online donation vs. repeat online donation, and sustainer online donation vs. non-sustainer online donation. Each online gift is either first time or repeat, and each gift is also either sustainer or non-sustainer.

CHART 19: MEDIAN AVERAGE GIFT BY VERTICAL AND DONATION TYPE

Industry	First Online Donation	Repeat Online Donation	Non-Sustainer Online Donation	Sustainer Online Donation
Animal Welfare	\$72.84	\$64.02	\$84.32	\$26.66
Association & Membership	\$58.96	\$102.51	\$69.33	\$25.27
Canadian Organization	\$106.19	\$67.36	\$129.95	\$24.79
Christian Ministries	\$153.05	\$89.26	\$150.61	\$50.11
Disaster & International Relief	\$162.31	\$102.67	\$213.56	\$43.75
Disease & Health Services	\$80.52	\$98.95	\$88.85	\$37.24
Environment & Wildlife	\$106.74	\$75.96	\$115.81	\$21.18
Food Bank	\$118.26	\$104.82	\$131.56	\$41.22
Health - Medical Research	\$345.00	\$167.53	\$194.17	\$60.66
Higher Ed	\$258.48	\$341.71	\$310.34	\$74.04
Hospital Foundation	\$105.95	\$94.24	\$137.80	\$30.09
Hospitals	\$130.75	\$140.75	\$164.03	\$34.94
Human & Social Services	\$163.28	\$135.57	\$174.78	\$40.97
Jewish	\$151.50	\$123.64	\$109.77	\$55.31
National Nonprofit Mailer	\$58.25	\$66.37	\$66.09	\$21.78
Performing Arts & Libraries	\$115.70	\$120.29	\$166.15	\$59.28
Public Affairs	\$125.66	\$94.12	\$137.40	\$25.94
Public Broadcasting Stations	\$72.41	\$28.35	\$71.77	\$14.00
Team Event	\$63.09	\$86.82	\$74.87	\$38.58
Visitation	\$132.70	\$139.04	\$132.47	\$41.05
Total	\$101.62	\$93.82	\$118.74	\$33.01

CHART 19: MEDIAN AVERAGE GIFT BY VERTICAL AND DONATION TYPE (Continued)

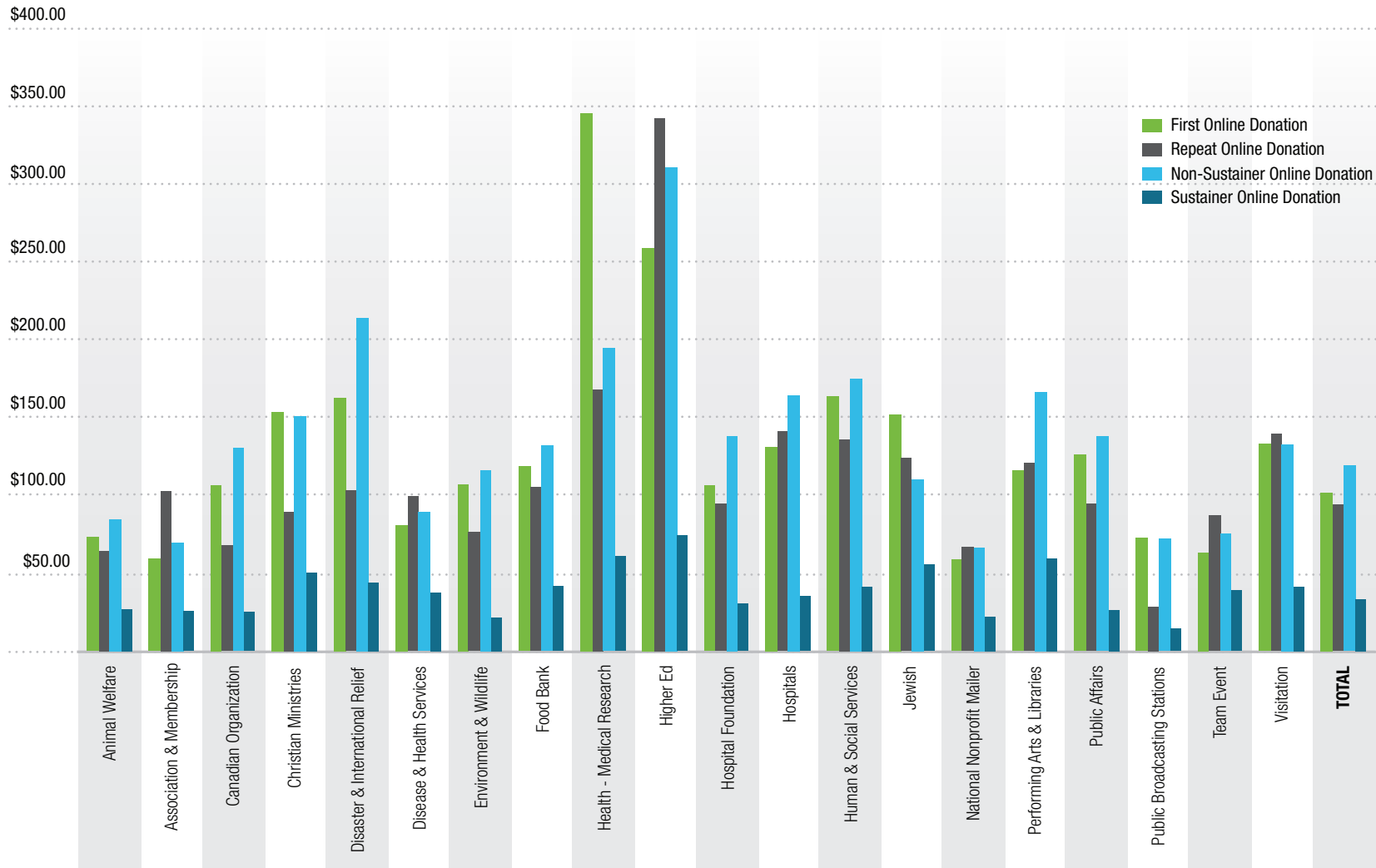


CHART 20: YEAR-OVER-YEAR CHANGE: MEDIAN AVERAGE GIFT BY VERTICAL AND DONATION TYPE

Industry	First Online Donation	Repeat Online Donation	Sustainer Online Donation	Non-Sustainer Online Donation
Animal Welfare	3.08%	3.88%	1.84%	4.19%
Association & Membership	1.76%	-2.90%	-0.63%	-2.82%
Canadian Organization	-3.78%	8.59%	0.47%	-2.03%
Christian Ministries	-0.40%	2.82%	1.51%	-1.43%
Disaster & International Relief	-5.53%	1.02%	1.14%	-11.44%
Disease & Health Services	8.61%	6.67%	3.75%	7.68%
Environment & Wildlife	2.58%	2.29%	0.06%	-5.81%
Food Bank	-1.86%	1.86%	1.65%	-4.42%
Health - Medical Research	9.45%	3.83%	0.83%	12.20%
Higher Ed	3.04%	14.39%	-1.82%	13.14%
Hospital Foundation	0.21%	13.63%	7.56%	23.96%
Hospitals	2.67%	18.07%	-3.51%	3.93%
Human & Social Services	1.18%	3.17%	3.08%	3.81%
Jewish	2.60%	2.66%	11.55%	-7.58%
National Nonprofit Mailer	2.55%	1.19%	-1.11%	4.63%
Performing Arts & Libraries	23.53%	-5.28%	-1.12%	0.30%
Public Affairs	0.26%	1.84%	7.63%	0.00%
Public Broadcasting Stations	-3.23%	-14.00%	-0.29%	-34.76%
Team Event	0.41%	2.57%	0.67%	3.76%
Visitation	-8.47%	1.02%	-3.29%	0.76%
Total	1.98%	2.60%	1.84%	0.79%

CHART 20: YEAR-OVER-YEAR CHANGE: MEDIAN AVERAGE GIFT BY VERTICAL AND DONATION TYPE (Continued)

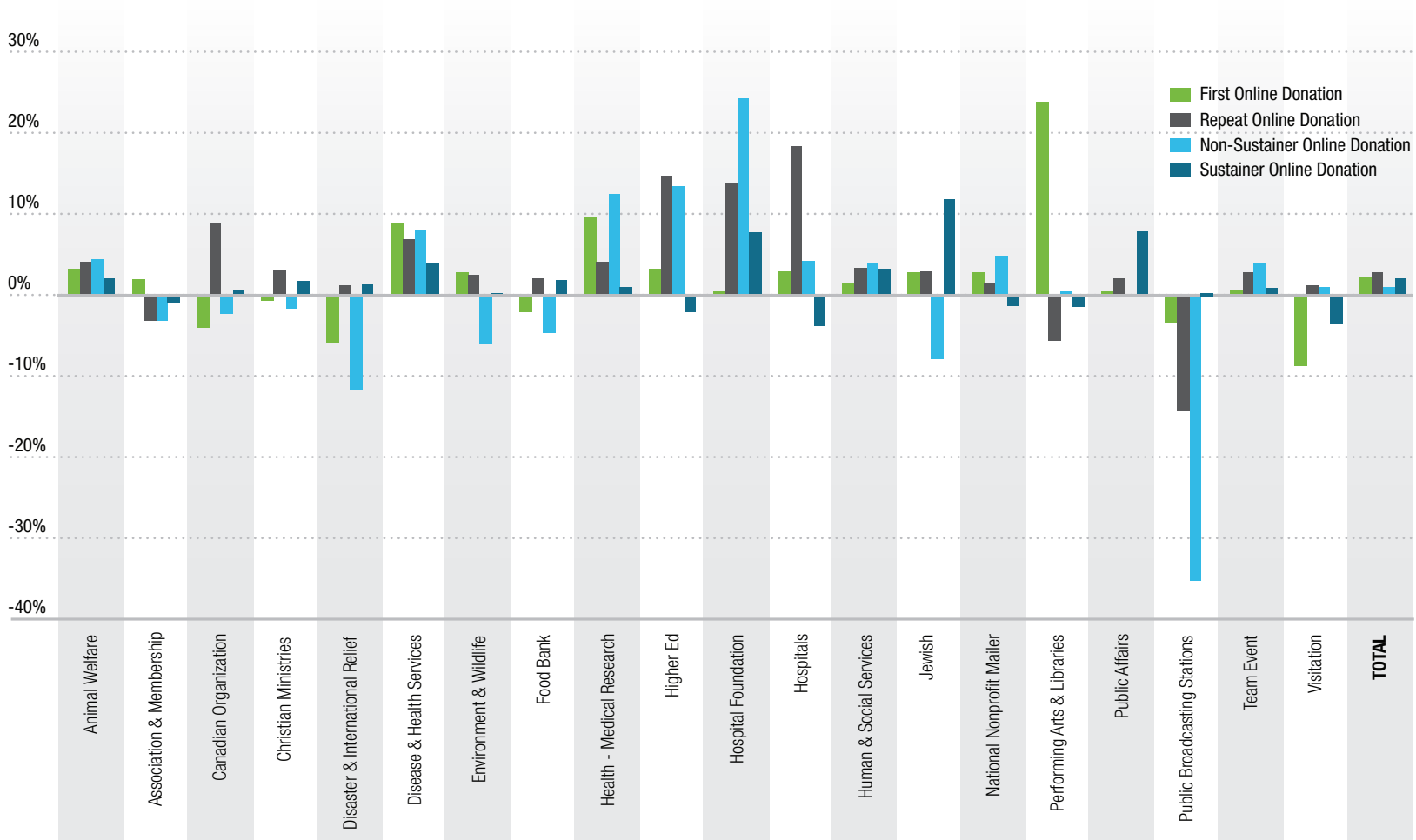


CHART 21: MEDIAN PERCENT CHANGE OF TOTAL GIVING AMOUNTS BY VERTICAL AND GIFT TYPE

Industry	First Online Donation	Repeat Online Donation	Sustainer Online Donation	Non-Sustainer Online Donation
Animal Welfare	-1.20%	20.26%	20.35%	15.00%
Association & Membership	-19.82%	4.87%	24.09%	-4.62%
Canadian Organization	-2.19%	28.81%	7.05%	23.50%
Christian Ministries	7.69%	20.21%	16.28%	13.31%
Disaster & International Relief	1.89%	13.61%	11.44%	10.57%
Disease & Health Services	-2.11%	8.67%	12.24%	2.51%
Environment & Wildlife	0.30%	24.75%	16.65%	17.13%
Food Bank	-1.79%	25.08%	28.97%	19.25%
Health - Medical Research	2.33%	11.07%	15.26%	-4.20%
Higher Ed	5.99%	18.21%	-10.34%	18.70%
Hospital Foundation	-11.35%	27.56%	11.61%	16.79%
Hospitals	0.90%	35.26%	21.21%	8.27%
Human & Social Services	5.75%	21.41%	20.10%	13.58%
Jewish	13.28%	11.27%	19.23%	-2.41%
National Nonprofit Mailer	-1.56%	14.09%	16.24%	5.93%
Performing Arts & Libraries	-0.09%	6.21%	10.24%	3.16%
Public Affairs	-11.07%	17.34%	20.63%	1.19%
Public Broadcasting Stations	-14.92%	21.24%	45.13%	14.26%
Team Event	-10.89%	18.00%	-13.78%	-3.38%
Visitation	-6.40%	24.18%	28.01%	17.13%
Total	-1.59%	18.99%	16.80%	9.36%

CHART 21: MEDIAN PERCENT CHANGE OF TOTAL GIVING AMOUNTS BY VERTICAL AND GIFT TYPE (Continued)

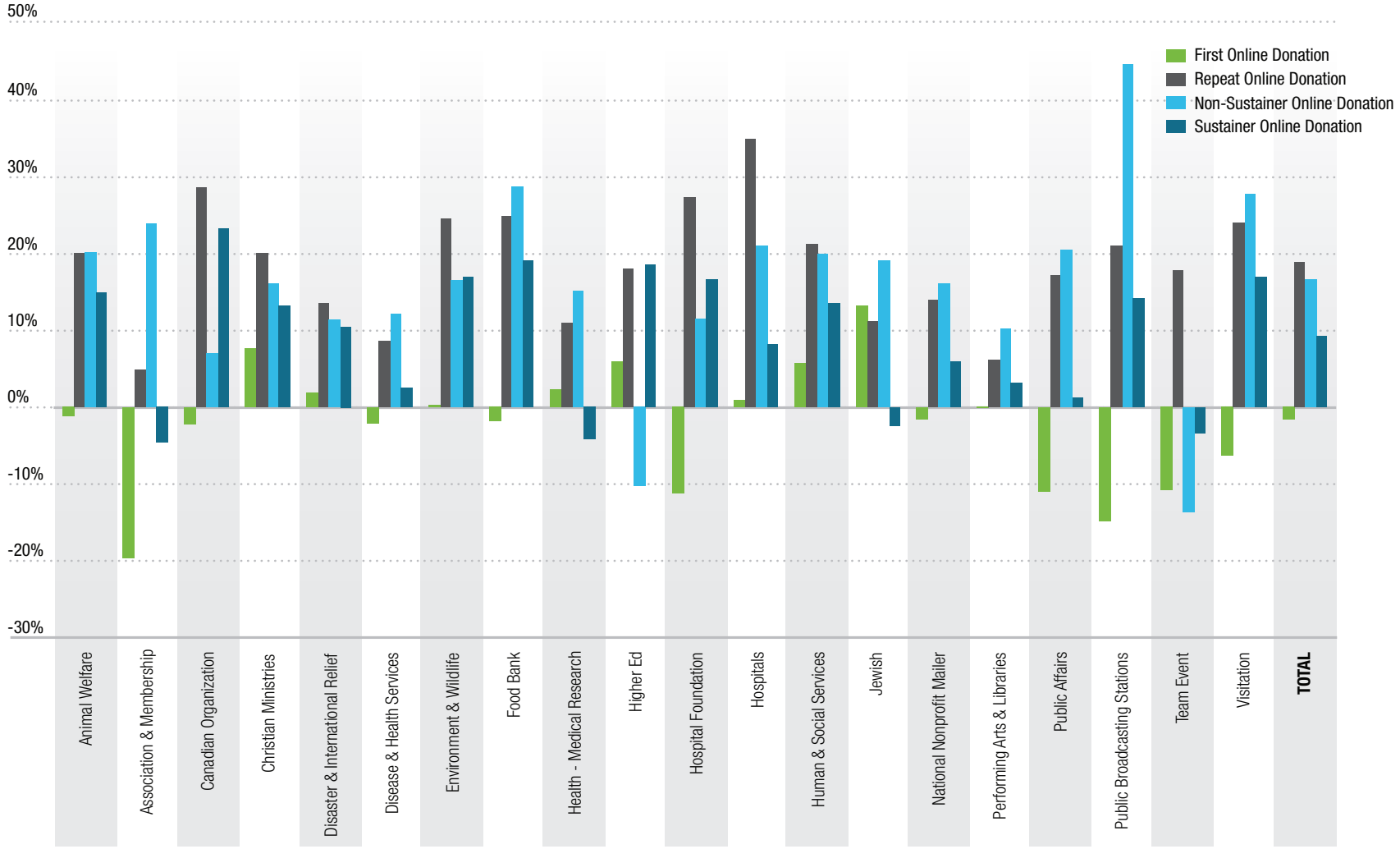


CHART 22: MEDIAN PERCENT CHANGE OF GIFT COUNT BY VERTICAL AND GIFT TYPE

Industry	First Online Donation	Repeat Online Donation	Sustainer Online Donation	Non-Sustainer Online Donation
Animal Welfare	-4.54%	15.27%	16.17%	12.93%
Association & Membership	-5.36%	-1.58%	26.76%	5.12%
Canadian Organization	13.80%	19.86%	19.34%	22.55%
Christian Ministries	4.60%	16.56%	17.11%	14.29%
Disaster & International Relief	23.93%	11.45%	9.20%	36.50%
Disease & Health Services	-13.16%	4.13%	11.32%	-6.50%
Environment & Wildlife	-7.24%	24.69%	19.42%	19.64%
Food Bank	-1.14%	23.31%	31.63%	22.26%
Health - Medical Research	-6.50%	18.48%	7.60%	3.77%
Higher Ed	-3.72%	14.61%	-8.68%	-1.40%
Hospital Foundation	-10.30%	-0.26%	-8.04%	-3.13%
Hospitals	2.35%	16.63%	12.18%	4.18%
Human & Social Services	-1.78%	15.86%	19.59%	12.48%
Jewish	-8.06%	10.35%	5.29%	-3.05%
National Nonprofit Mailer	-7.90%	12.05%	14.41%	0.66%
Performing Arts & Libraries	-12.90%	5.33%	17.71%	0.11%
Public Affairs	-6.43%	14.64%	10.30%	-0.56%
Public Broadcasting Stations	-8.05%	37.34%	48.53%	64.88%
Team Event	-11.23%	1.19%	-11.82%	-7.85%
Visitation	-0.67%	29.18%	19.82%	11.81%
Total	-5.19%	14.79%	16.17%	7.24%

BUZZWORTHY METRICS

As a proportion of total online revenue, first-time gifts are down a median of 1.59% in revenue and 5.19% in gift count this year, whereas repeat donations are up 18.99% in revenue and 14.79% in count. The first assumption one might make is that acquisition efforts are down, but this isn't necessarily true, as it may simply be an indication that repeat donations have grown at a faster rate to a larger proportion of the total fundraising.

In fact, the number of returning donations may be a result of acquisition efforts that have happened in previous years. Any large acquisition year should naturally lead to a focus in retention of those donors in the following year.

CHART 22: MEDIAN PERCENT CHANGE OF GIFT COUNT BY VERTICAL AND GIFT TYPE (Continued)

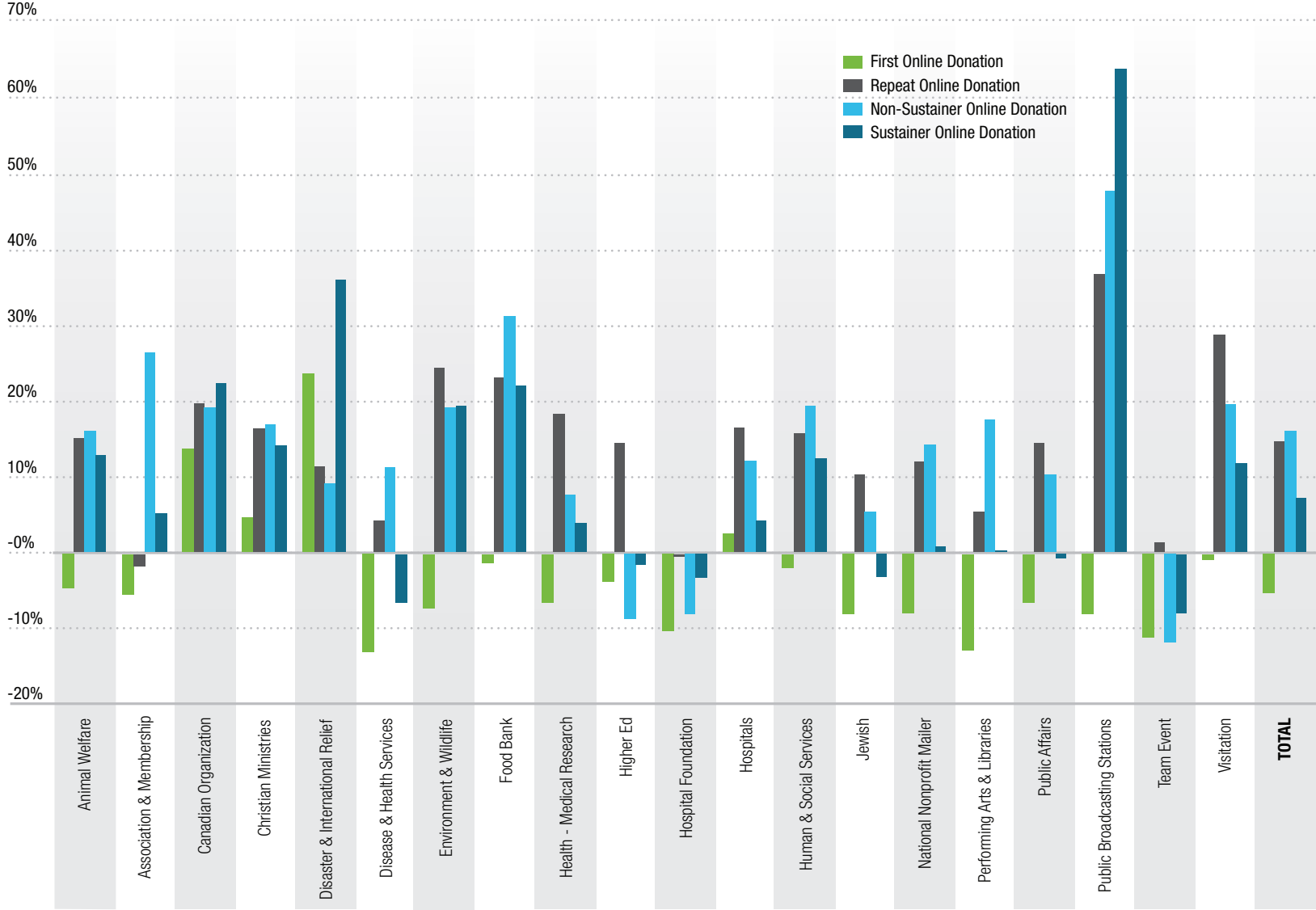


CHART 23: MEDIAN PERCENT OF TOTAL ONLINE REVENUE PER GIFT TYPE

Industry	Percent of Total Online Revenue from First Online Donations	Percent of Total Online Total Revenue from Repeat Online Donations	Percent of Total Online Revenue from Sustainer Online Donations	Percent of Total Online Revenue from NonSustainer Online Donations
Animal Welfare	36.37%	63.64%	14.10%	91.52%
Association & Membership	48.47%	51.53%	16.71%	98.03%
Canadian Organization	40.27%	59.74%	10.26%	89.77%
Christian Ministries	20.96%	79.04%	30.08%	80.07%
Disaster & International Relief	26.44%	73.56%	20.16%	89.86%
Disease & Health Services	55.00%	45.00%	2.65%	98.86%
Environment & Wildlife	40.60%	59.41%	7.11%	95.57%
Food Bank	31.37%	68.63%	12.66%	93.33%
Health - Medical Research	55.87%	44.13%	4.81%	96.97%
Higher Ed	49.66%	50.34%	2.48%	98.78%
Hospital Foundation	53.65%	46.35%	10.00%	95.46%
Hospitals	56.46%	43.54%	2.50%	98.48%
Human & Social Services	46.02%	53.98%	6.10%	96.51%
Jewish	37.51%	62.49%	9.29%	99.33%
National Nonprofit Mailer	43.87%	56.14%	10.78%	96.00%
Performing Arts & Libraries	31.61%	68.39%	10.30%	94.38%
Public Affairs	40.50%	59.02%	9.46%	94.47%
Public Broadcasting Stations	30.82%	68.99%	27.53%	89.76%
Team Event	52.99%	47.01%	1.19%	99.58%
Visitation	50.88%	49.12%	2.04%	99.71%
Total	41.44%	58.48%	8.59%	95.31%

CHART 23: MEDIAN PERCENT OF TOTAL ONLINE REVENUE PER GIFT TYPE (Continued)

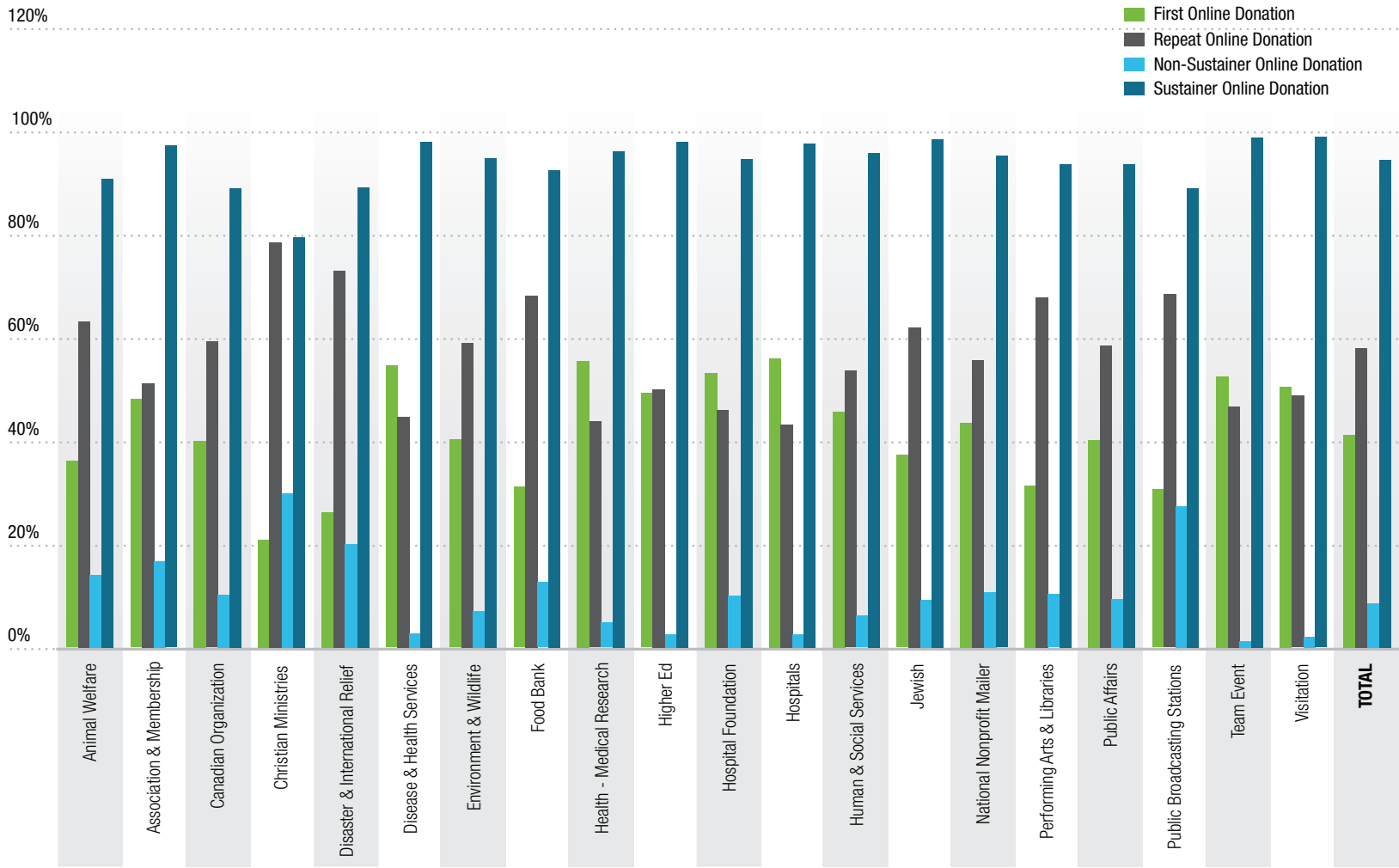


CHART 24: YEAR-OVER-YEAR CHANGE: MEDIAN PERCENT OF TOTAL ONLINE REVENUE PER GIFT TYPE

Industry	Percent of Total Online Revenue from First Online Donations	Percent of Total Online Revenue from Repeat Online Donations	Percent of Total Online Revenue from Sustainer Online Donations	Percent of Total Online Revenue from NonSustainer Online Donations
Animal Welfare	-11.56%	7.99%	4.17%	0.75%
Association & Membership	-2.95%	3.21%	18.47%	0.00%
Canadian Organization	-15.98%	14.70%	-7.20%	1.47%
Christian Ministries	-12.17%	2.69%	6.75%	1.56%
Disaster & International Relief	-7.94%	3.68%	2.79%	0.73%
Disease & Health Services	-6.91%	11.64%	17.64%	0.01%
Environment & Wildlife	-14.44%	11.83%	1.07%	0.37%
Food Bank	-15.62%	7.61%	16.67%	0.87%
Health - Medical Research	-6.66%	10.54%	4.52%	0.00%
Higher Ed	-16.80%	16.92%	-2.94%	0.07%
Hospital Foundation	-8.37%	17.11%	-6.27%	0.00%
Hospitals	-8.71%	19.78%	-3.45%	0.27%
Human & Social Services	-9.59%	11.27%	5.68%	0.20%
Jewish	-3.96%	2.18%	12.19%	0.00%
National Nonprofit Mailer	-6.42%	6.96%	9.78%	0.02%
Performing Arts & Libraries	-8.50%	3.08%	8.19%	0.00%
Public Affairs	-12.85%	6.58%	12.94%	0.00%
Public Broadcasting Stations	-24.82%	12.78%	38.86%	0.51%
Team Event	-8.26%	11.93%	-8.74%	0.00%
Visitation	-9.96%	16.79%	9.18%	0.01%
Total	-9.85%	7.87%	8.08%	0.12%

CHART 24: YEAR-OVER-YEAR CHANGE: MEDIAN PERCENT OF TOTAL ONLINE REVENUE PER GIFT TYPE (Continued)

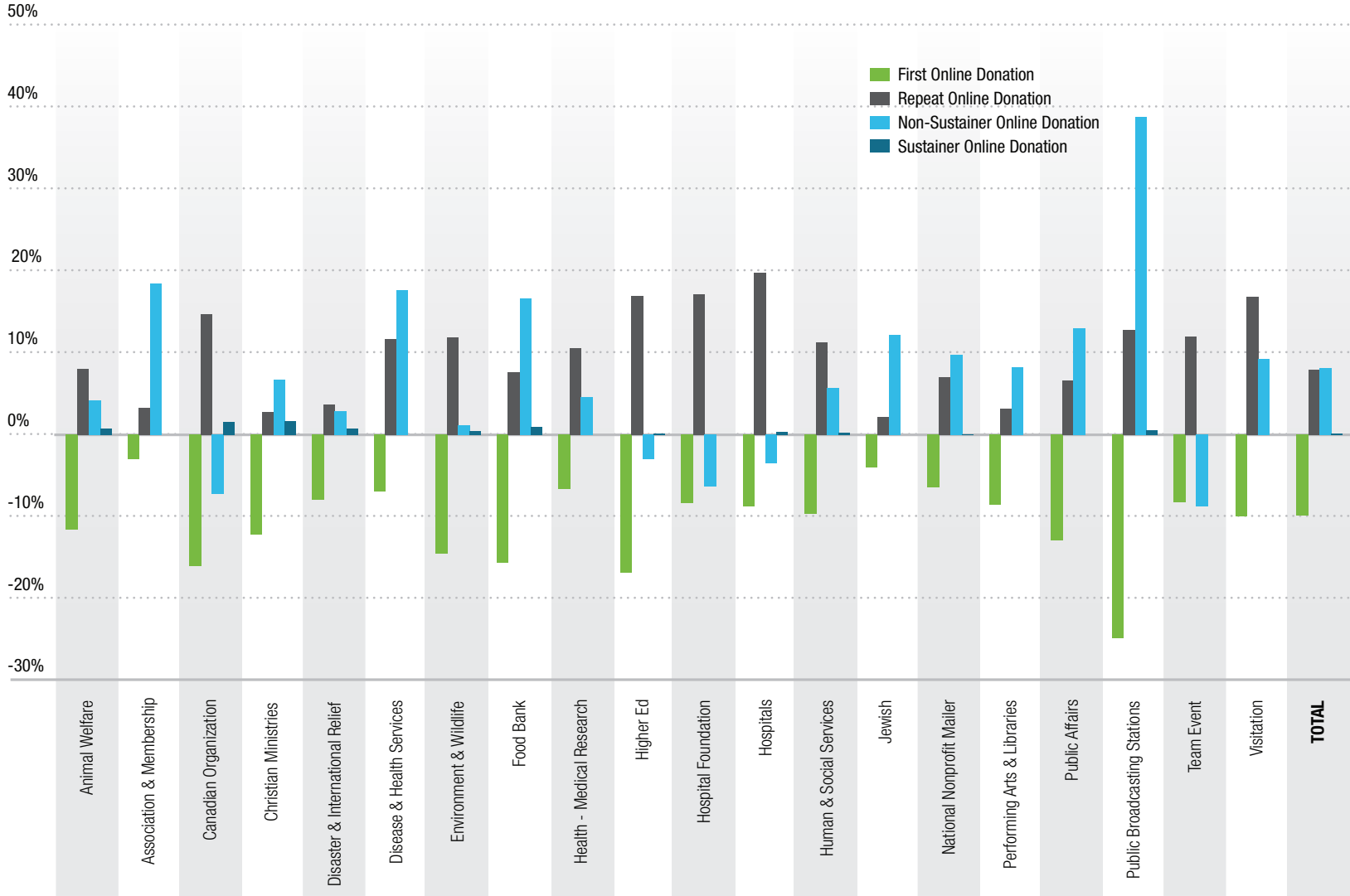
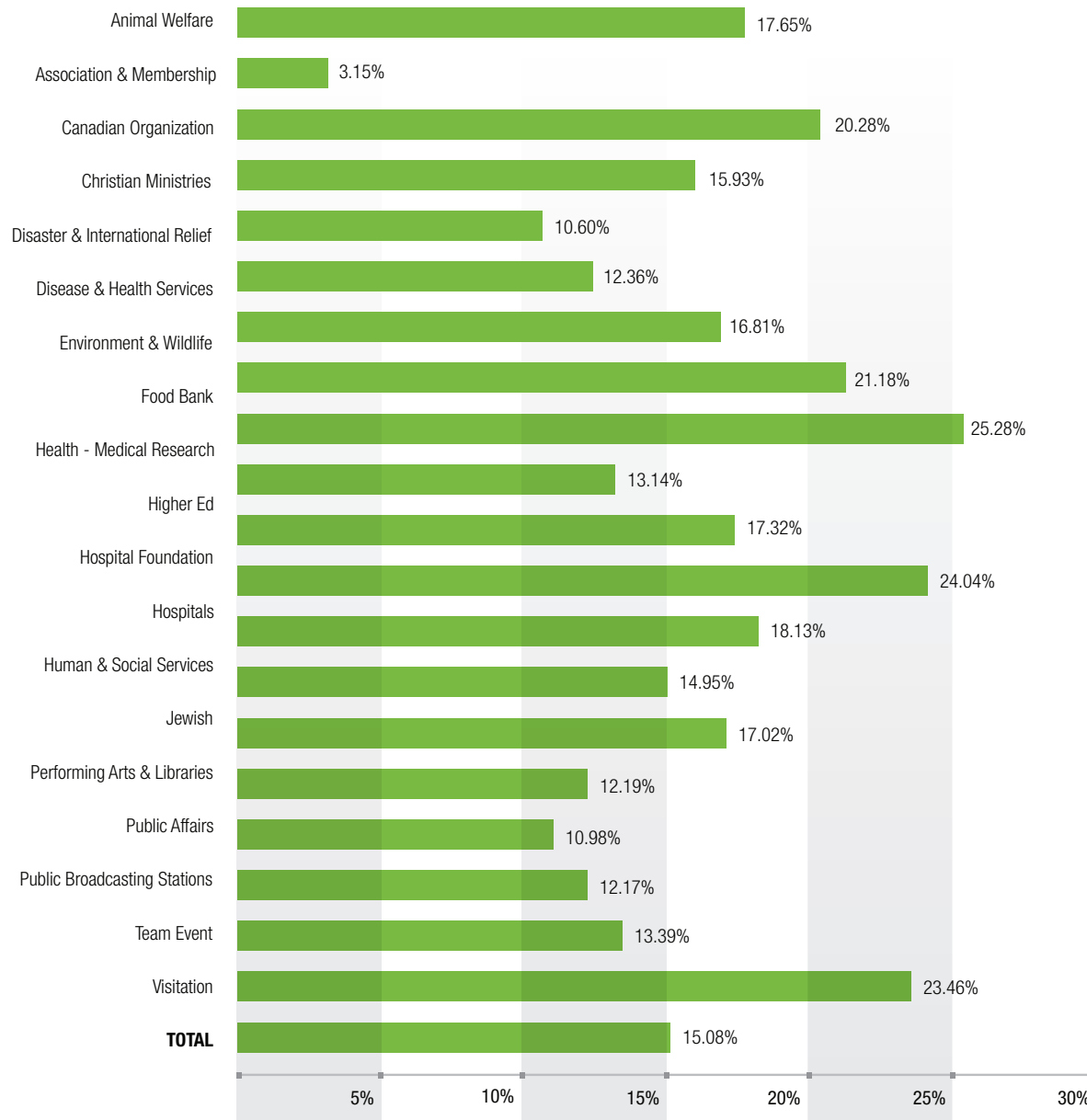


CHART 25: YEAR-OVER-YEAR CHANGE: MEDIAN PERCENT OF HOUSEFILE THAT DONATES



BEATING THE BENCHMARKS


The right tools are only part of the equation; using them in smart and creative ways to drive a strategy is what sets top performers apart. Inland Valley Humane Society and SPCA, a full-access animal shelter in Pomona, California, needed a strategy to cultivate online sustained giving. But a limited staff size and unfamiliarity with comprehensive fundraising software complicated the organization's ability to craft and execute a dedicated sustained giving program. This made them an ideal fit for the strategic guidance in Blackbaud's Go! program.

With help from Blackbaud's Go! team, Inland Valley created a strategic framework for developing a successful sustained-giving program, building visually compelling email templates, clearly articulating giving options and impact of sustained giving, and incorporating sustained giving into its standard donation form.

As a result, Inland Valley Humane Society increased its number of online sustainer donors by 43% in less than 6 months. Motivated by its success, the organization has continued to develop its sustainer program, growing the total number of sustaining donors by more than 78% from pre-Go! program levels.

ABOUT THE GO! PROGRAM

Blackbaud's award winning Go! program takes the mystery out of online fundraising and marketing by combining the functionality of Luminate Online with guidance and support from industry leaders. To find out more about how Go! can help your organization, please visit www.blackbaud.com.



CROSS-POLLINATION HELPS THE ECOSYSTEM FLOURISH.

With 5.66% of advocates also donating, this highly engaged group offers ample opportunity for growth with proper cultivation.

05 Advocacy

We've excluded the verticals that contained zero or very few Luminate Advocacy clients due to the small sample size. These verticals include hospitals, public broadcasting, visitation, Canadian organizations, and hospital foundations.

BUZZWORTHY METRICS

Advocacy email messages continue a strong showing for open rates at 16.89%, representing a .42% increase year over year. Furthermore, where click-through rates decreased year over year across the board, advocacy emails saw the smallest decrease of the email types we examined, at -5.75%. However, this relative success with email communication did not appear to significantly impact the median percent of a housefile that advocates, with 11.88% of a housefile taking advocacy action. This is a -.06% year-over-year change. This may be attributed to housefile growth rates exceeding the rate at which organizations convert constituents to advocates.

CHART 26: MEDIAN CONSTITUENTS WHO ADVOCATE AS PERCENT OF TOTAL HOUSEFILE AND YEAR-OVER-YEAR CHANGE



CHART 27: MEDIAN PERCENT OF ADVOCATES WHO DONATE BY VERTICAL AND YEAR-OVER-YEAR CHANGE



A small black and green bee is flying towards the right, following a path of dashed lines that form a series of connected triangles. The background is a light green and yellow gradient with a pattern of overlapping triangles.

THE MOST IMPORTANT METRIC IS AN ORGANIZATION'S OWN HISTORICAL PERFORMANCE.

These benchmarks shouldn't be thought of as a strategy in and of themselves. Alone, these benchmarks are just numbers – where we use them is what's most important.

06 Appendix

METHODOLOGY

STUDY PARTICIPANTS

Looking at the transaction data from nearly 800 nonprofit organizations using the Luminate 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 can often be seen in how different organizations may selectively include or exclude different 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 like to include every Blackbaud client 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 2013–2014. As such, we excluded organizations that did not have at least 36 months of data on the Luminate platform, since 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 those organizations join Blackbaud and when they deploy additional modules.

SOME USEFUL DEFINITIONS

This year's study included results from almost 800 organizations grouped by the NTEE vertical designations. The exceptions are National Nonprofit Mailers (email files larger than 1,000,000) and Canadian nonprofits. We reviewed online fundraising by focusing on multiple types of donations that have their own influence 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 within the respective organization

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

NTEE Assigned Vertical: Shows how organizations with similar missions compare to one another

Organization Size–Valid Email Address Bands: Shows if growth or contraction is being led by large or small organizations based on the size of the email file

We have 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. For example, the Christian, Catholic, and other Christianity-affiliated organizations were combined into a common vertical cohort that we call Christian Ministries. 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 based on their common mission were excluded from this study.

There are 27 charts contained in this study. The only time a vertical would not be represented in a particular metric would be if a very small sample size of clients in said vertical meets the criteria. For example, advocacy is a metric that is not as relevant for a public broadcasting station as it might be for a public affairs 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 are hospitals and visitation.

Previous studies conducted by Blackbaud and Convio have shown that larger organizations perform dramatically differently from organizations with smaller email files. This is partly because email files of this size allow these organizations to drive fundraising and advocacy communications to a large number of constituents. We are illustrating the difference of these organizations with a view of performance strictly by organization size.

Organizations that are able to build email files of this size also tend to have major offline programs, such as direct mail, and increased organizational resources that allow them to achieve higher levels of success. The performance of any benchmark can be significantly skewed by organizations of this magnitude; therefore, they have been broken out into a separate category called National Nonprofit Mailer.

STUDY UNIVERSE

The Luminate Online benchmark study identifies the median performance for an organization within key metrics, allowing Luminate Online clients to identify whether their organizations fall in the top or bottom 50%.

This study observes mature Luminate Online users only. These are organizations that have been using the Luminate Online product for a full three years prior to June 2014. This three-year rule is applied within each type of activity within Luminate Online. For example, fundraising organizations have at least three full years of monthly fundraising revenue so that they represent mature fundraisers on the Luminate Online product.

SUMMARY OF THE OBSERVED UNIVERSES

MEASURE GROUP	DEFINITION OF "MATURE"	# OF ORGANIZATIONS
HOUSEFILE	Operating Luminate Online site for 36 months, July 2011–June 2014	794
ADVOCACY	Has advocates on file in each fiscal year period, July 2011–June 2014	270
TOTAL TRANSACTIONS	Has online transaction activity within each month for the 36 months, July 2011–June 2014	548
FIRST TRANSACTIONS	Has first-time donors giving within each month for the 36 months, July 2011–June 2014	546
REPEAT TRANSACTIONS	Has repeat donors giving within each month for the 36 months, July 2011–June 2014	548
NON-SUSTAINER TRANSACTIONS	Has transactions outside of sustainer donations within each month for the 36 months, July 2011–June 2014	548
SUSTAINER TRANSACTIONS	Has sustainer donations within each month for the 36 months, July 2011–June 2014	501
ALL EMAIL	Has any email messages sent in each fiscal year period, July 2011–June 2014	669
ADVOCACY EMAIL	Has advocacy email activity in each fiscal year period, July 2011–June 2014	149
DONATION EMAIL	Has donation email messages sent in each fiscal year period, July 2011–June 2014	380
ENEWSLETTERS	Has eNewsletter email messages sent in each fiscal year period, July 2011–June 2014	473
OTHER EMAIL	Has unclassified email messages sent in each fiscal year period, July 2011–June 2014	617

THANK YOU

Lots of brain power, love, and elbow grease went into the production of this report. The authors wish to extend a hearty thanks to everyone whose efforts, large and small, helped make this publication possible.

