

Email Appends: The Good, the Bad, and The Realistic

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As with any new industry, the early days of online fundraising were filled with both success and failure. Some organizations quickly found a new stream of revenue... while others found themselves struggling to get out of that black hole known as the spam filter.

Now in 2008, a year where political donors broke every record for online giving – even raising \$10 million on a website in one night – organizations can move forward with online outreach knowing that others have blazed the online trail before them.

Over the last five years fundraisers have found a successful model for reaching out to their donors online - in the form of the well-coordinated email append.

Email Append- A Definition

The email append at its best takes a portion of your donors and activists – those with whom you have established relationships – finds corresponding email addresses and gives these donors a chance to decide whether they want to hear from you via email – and *then* appending these names to your files.

Common Fears About Email Appends

Before I outline the difference between a good email append and the type likely-to-relegate-you-to-the-spam-folder-for-all-time, let's address the immediate concerns most non-profits raise when considering an email append.

1. I'm afraid an email append will make me spam!

- This fear speaks to the difference between a good email append and a bad email append. The early days of email append certainly generated a few horror stories! Fortunately, the industry has really learned from its mistakes. Today, most reputable vendors send welcome emails on your behalf – on their own servers – and only return the valid email addresses that did *not* opt-out of email communication. This way when you start emailing these addresses you are in the good graces of your donors and the Internet Service Providers (ISPs).

2. I'm afraid I'll be wasting my money!

- The average worth of an email address on you file is \$7.86, per Convio's recently published benchmark study on ecommerce between July 2006 and June 2007.¹ In fact, many nonprofits bring in \$5 to \$10 in contributions for every \$1 spent on email append processing.²

¹ Non Profit Times, Paul Clolerly, "Get An Email Address, Generate Income," April 15, 2008

² Non Profit Times, Diana Estremera, "Email Appnd: Is it a hot online marketing strategy or too hot to handle?" March 15, 2008

Considering that you can append multiple email addresses for \$1, there is a low level of investment required to find out how valuable your email addresses will be – and the research is in your favor.

3. I'm afraid I'll anger my donors!

- An email append that gives your donors the chance to say no (i.e. opt-out) to hearing from you via email shows your donors that you respect their preferences.
- Complaint rates for email appends are often as low as half of one percent. Ask your vendor if they use the DMA do-not-email list. What's more – if you work with a vendor who has an aggressive suppression file, taking out those people who have hit the spam button or complained on email appends for other clients, you may just get down to your friendliest donors.
- Remember, these people are your donors because they care about your mission – getting an email update from you – in between fundraising emails - is a great way to show your donor that you don't just write when you need something, but you value their participation. In reality, email will strengthen your donor relationships, not weaken them.

4. I'm afraid an email append will hurt my direct mail program!

- Think of it this way.... There are two organizations in the same field – one has sent you a mail piece. The other has sent you a mail piece and emailed you a reminder and an enewsletter highlighting their successful use of donations. It's likely that the organization making the extra touch will stick out in your mind. What's more, many non-profits are doing matchback analyses to keep track of how online and mail campaigns are working in tandem – and are thrilled with the results! In an increasingly competitive market, email can bolster your direct mail results.

The Good Email Append: Questions you'll be glad you asked your vendor!

1. Is their database permission based?
 - a. Email addresses should NEVER be guessed or deduced. Your vendor may not be able reveal every source of the data, but they should be able to confirm that every email address has opted-in to third party email messages.
2. Are they CAN-SPAM compliant?
 - a. Breaking the law is generally a bad way to kick off a fundraising campaign! Congress passed the CAN SPAM compliance act in 2003 to protect consumer email rights. Make sure your working with a partner who complies!
3. Do they send a welcome message or just add the data to my file and ship it back to me?
 - a. If anyone offers to slap some email addresses onto your file and then hand them back to you... run like the wind! A welcome message protects your

server score with the ISPs and ensures that you only add valid permission based email addresses to your file. Plus, no one wants to pay for bad email addresses!

4. What is their typical match rate?
 - a. This will help you set realistic expectations and strategies for your campaign. It is also an opportunity to find out if your vendor can do a name *and* postal address match. If your vendor is able to link postal information this typically increases the number of ways you can find a new email address.
5. Do they have a multi-vendor approach?
 - a. No vendor has all the email addresses in the United States! See if your vendor is able to pass your file against multiple databases, remove duplicates, and handle the process for you and your staff.
6. Do they charge based on all matches or just valid matches (post-welcome message)?
 - a. Again no one wants to pay for bad email addresses. Make sure you find out upfront if the vendor charges for every match found or every valid match returned to you post-welcome message.
 - b.
7. Is this a household match or an individual level match?
 - a. Household match is an email found for the postal address of your donor. An individual match is linked specifically to your donor. If your cause is political or controversial, an individual match is critical.
 - b.
8. What type of a suppression file do they use?
 - a. Ask the vendor if they maintain a suppression file of complainers, bad addresses, or spam-button pushers. Also ask if your vendor uses the DMA do-not-email file as suppression.

Managing Your Expectations:

Before you pitch the email append to your boss or your board, make sure you are managing your expectations.

9. **Fantasy #1: I will immediately make money with an email append!**
 - Yes, the average value of an email address on your file is \$7.86. Yes, many organizations are recovering five to ten times what they invested - but this did not happen with one email nor did it happen without a strategy. When you mail a 48 month lapsed donor, what type of response rate are you expecting? Look at your audience and determine realistic response rates. Email is a fantastic way to cultivate your lapsed donors at a low cost.
10. **Fantasy #2: Once I have an email address it will be good for all time!**
 - Email Updates are critical to the health of your file. When's the last time you considered mailing a file that you hadn't NCOA'd in the last six months? Out of the question, right? Well, it's estimated that people change email addresses

at a rate of 20% per year. Continuing to email addresses that ISPs have bounced back to you is a recipe for spam.

- *Side note: How does an email update work?*
 - Similar to an email append, you send a file of hard-bouncing email address to a reputable vendor. They will search their permission-based databases for a new email address that is linked to your record. Then the vendor will send a “welcome back” message to these email addresses on their server. They will return only those email addresses that are valid and have not opted-out of hearing from you at this new email address.

11. Fantasy #3: If they didn’t opt-out the first time, I don’t have to use an opt-out link in the future!

- Not so fast! Giving donors an escape hatch in *every* e-mail is the best way to keep them from hitting the spam button.
- What’s more – DMA guidelines (see box) require that you give your donors the chance to opt-out with each email.

The final question: Why do I need to email my donors?

Our donors are critical to the health of our organizations but this is not an exclusive relationship. They are donating to other organizations and increasingly your donors are being approached online for gifts.

In fact, FY 2009 budgets for most direct marketers – on average – have planned for a 55% increase in their email prospecting budgets.³ Staying at the forefront of your donors mind with email has gotten much easier – and far more critical.

Plus, didn’t you hear? The average value of an email address on your file is \$7.86!

DMA Guidelines For Email Append

1. There is an established business relationship with that consumer either online or offline; and
2. The data used in the append process are from sources that provided notice and choice regarding the acceptance of receiving third-party e-mail offers and where the consumer did not opt out; and
3. Reasonable efforts are taken to ensure the appending of accurate e-mail addresses to the corresponding consumer records.

See.: <http://www.the-dma.org/cgi/disppressrelease?article=552> for the complete policy

³ Direct magazine, DM Outlook, Richard. H. Levey, “Less for More” June 2008