



# ANALYZE THIS:

## A NONPROFIT'S GUIDE TO EVENT FUNDRAISING ANALYTICS

A joint guide by Convio and Event 360 highlighting key metrics and best practices driving event fundraising success.

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# OVERVIEW

**N**onprofits of all sizes face many common challenges when it comes to justifying the cost of their events. Executives and board members are paying closer attention to spending across the organization, and are more focused than ever on ensuring a positive return on investment (ROI) for development programs in every department. Despite these circumstances, the popularity of event fundraising for nonprofits continues to grow. When planned and executed with a combination of analytics, best practices, strategies, and the appropriate tools, these events can contribute to your bottom line.

This guide was designed to help you better understand the scope of the challenges you may face when it comes to event fundraising; the importance of analytics; and the strategies you can employ to deliver a successful fundraising event. A case study featuring Komen Global Race for the Cure highlights how analytics helped formulate the steps the organization took to transform their highly attended event into a strong fundraising event.

After reading this guide, you should be better equipped to make strategic changes that will enable you to deliver a successful fundraising event.



# A MINEFIELD OF CHALLENGES

*The challenges – internal and external – faced by organizations place even more pressure on you to deliver a successful event.*

## Shrinking budgets and headcount

There is increased pressure to cut costs, which manifests itself not only in the form of headcount reductions, but also in leaner budgets. You are expected to do more with less, and are trying to find ways to increase efficiency so that your fundraising programs can not only survive, but thrive. Not surprisingly, budget cuts typically have a direct impact on event marketing and promotions, which in turn affects the service levels for your event. Once these trickle down effects are felt by event participants, your organization will likely see a drop in fundraising results. You will need to find more cost-effective ways (e.g., email and online peer-to-peer fundraising tools) to reach out to your prospective and current participants so that you can maintain or improve event marketing efforts, despite a smaller budget.

## Competitive events/programs for participants

Within your organization, shrinking budgets lead to increased competition between your events and programs. You and your board must examine your development portfolio from a holistic perspective. As you work collaboratively to decide where you should cut and where you should invest, your attention will inevitably be drawn to those events that have the highest cost of fundraising. The only way to make an informed decision about your future plans is to conduct a quantitative analysis of your data, including an ROI analysis. Such an in-depth assessment of historical information enables you to make an informed decision about your competing events and programs.

From an external perspective, you are not only competing for donor dollars, but also for event participants. Every year, new events surface and rarely do existing ones shut down. The result: Donor dollars and event participants are spread out over a larger number of events. In parallel to performing a quantitative analysis of your organization's events, you should conduct a qualitative analysis as well. Does your event have a unique value proposition? If there is little that differentiates it from similar events in your community, then you need to make some major changes or make an honest assessment of the event's overall viability. Are you promoting the event through multiple channels? If you are not doing this, then you are likely leaving money on the table both in terms of participants and donors. You need to reach out to your target audience both online (e.g., email, website, social media) and offline (e.g., direct mail, telephone) to ensure you have all bases covered.

## Justify funding

Fundraising investments are under the microscope more than ever. No longer is it enough to have a well attended event that garners attention from the press. The numbers need to justify the expense of the event. At the leadership level of some nonprofits, there might be an aversion to large scale events because they can be perceived as complex, time-consuming, and costly. To overcome this myopic view, you must use data to prove that special event fundraising can be a wise investment that can exceed even the most stringent measurement criteria. Do this by performing a strategic analysis that demonstrates current ROI, as well as future steps you will take and strategies you will use to improve fundraising results in the future.

## Show transparency

It's not only your organization's executives and board who are closely monitoring spending. Your donors are more interested than ever in how their donations are being spent. With this shift in focus comes an increased need for your organization to show transparency. You need to clearly communicate what percentage of a donation goes directly to the event, and what percentage is allocated to administration. This transparency will help to build credibility and give donors the confidence they need to give generously in support of your cause.

## Expectations of shorter payback

Boards are no longer interested in making an investment which has a payback period of three to five years. Many are now expecting a one to two year payback period, even for events. As such, when developing your business case for your event, you need to provide some basic level of forecasting that depicts the success measures for the first few years of an event, as well as the anticipated costs. You need to educate your investors about the realities of this investment, with a view toward showing the steps you will take to shorten the payback period. Such steps should include incentives that prompt participants to bring in donor dollars before the event, rather than the day of or after the event. You will need to communicate clearly to participants that this is a fundraising event, not an attendance event. As such, donations are collected in advance of the event, which means that gifts are available to the organization immediately. These dollars can be put to good use right away, possibly saving a life or coming one step closer to finding a cure.

Despite these aforementioned challenges, event fundraising is growing in effectiveness for a large number of nonprofits, particularly if the events are managed strategically using a combination of analytics, online tools, and best practices.

## “Best practices” — not always the best practice

A lot of fundraisers focus on “best practices.” *What is everybody doing that’s not stupid?*

I’m not sure that’s the right way to do it.

Because being obsessed with best practices can be the road to mediocrity.

“Best practices” are supposed to be about **not making stupid mistakes**. And that’s fine. Applying experience to the situation at hand is important.

Too often, though, “best practices” end up meaning **risk aversion and creativity avoidance**.

It’s great to know what you’re doing. But if you zero in completely on doing everything the standard way, you won’t achieve greatness. You may avoid embarrassing errors, but you won’t go beyond the middle.

Doing something innovative or amazing often means you don’t know what you’re doing. It’s not a best practice. And it might fail. But it might succeed in a breakout way.

So be aware of the best practices. Be smart and experienced (or hire someone who is). But know when to go beyond the standard way of doing things. That’s how you make a difference.

Source: Jeff Brooks has been serving the nonprofit community for more than 20 years and blogging about it since 2005. You can visit his blog at [www.futurefundraisingnow.com](http://www.futurefundraisingnow.com).

# FUNDAMENTALS OF ANALYTICS



## Event Fundraising Analytics

### Examining data to create insights

Gathering data to determine patterns and predict which donors are likely to respond favorably to a particular message

vs.



## Metrics

### Descriptive performance measures

Participants satisfaction and donors per participant

The analysis of data is critical to making an informed decision about the future of your organization's fundraising events, yet many people are intimidated by the sheer volume of data tied to an event. Data is often seen as a big mystery for many event fundraisers. They collect a lot of data, but are either not sure what to do with it or are analyzing the wrong pieces.

One of the most important pieces of information you can extract from data analysis is a better understanding of the type of event you are running. Is it an attendance event that brings out the masses? Or is it a fundraising event that brings in the dollars? If it is the former, then you will want to identify ways in which you can transform the culture of your event from one of participation to one of fundraising. Once you understand and evaluate various key metrics and corresponding benchmarks, you can use your analysis as a blueprint to think strategically about how to improve your event's future fundraising results.

By breaking down data and metrics into five main components - each one tied to achieving mission - the analysis process can be simplified significantly. The data analysis can be further streamlined if all of the event data is stored in one place, so that you can easily run reports or extract information that can be analyzed using Microsoft Excel.

When looking at your data, keep in mind that there is a significant difference between the average and the median. Because the average is skewed by participants who do no fundraising at all, you should use the median to guide your decision making instead. This approach will give you a more accurate view of your participants.

**MISSION**

**REVENUE**

**GIFTS**

**DONORS**

**PARTICIPANTS**

**EVENT**



## Event

By examining specific metrics, you can gain insight into the overall quality of your event, which can speak volumes about the care you put into your brand and your mission.

- **Number of events.** There is an obvious and direct correlation between the number of events and the dollars raised. If you notice that revenue for an event has remained flat for several years, then consider creating multiple dates for the event or adding another event in a new location to draw from a different group of potential participants and donors. When done strategically and correctly, adding a new site can have a direct and positive impact on net revenue.
- **Participant satisfaction.** This metric is a good leading indicator of registration numbers for next year's event. When event participants are satisfied with how well you delivered on the promise you made, they will likely join you again next year. Take the time to survey participants so you can gain insight into what is working well and areas for improvement.
- **Repeat attendance.** The best sign of a successful event is when participants keep coming back, year after year. Since it is more expensive to recruit a new participant than it is to retain an existing one, you need to dig into the reasons behind this number to understand how you can increase it in the future. For a healthy, mature fundraising event, 50 to 60 percent repeat attendance is a good indicator that you are delivering on your promise and providing event participants with a positive experience.

## Participants

When looking at participant data by event, you can focus on three metrics:

- **Number of participants.** In general, more participants correlate with higher revenue. However, focusing exclusively on driving attendance could create the wrong message. You want to concentrate your energy, marketing dollars and messaging on recruiting participants who will fundraise, not just show up on the day of the event.
- **Registration time (measured in days prior to the event).** The sooner a person joins an event, the sooner they start to raise money, the more donations they will likely receive. The higher the number of days, the better because this means that you have more time to reach out to these participants and encourage them to fundraise. This metric should also inform your overall communications plan. If the median registration time is 45 days, rather than 90 days, then the timeline and content of your outbound communications should be adjusted accordingly. To drive this number higher, offer incentives for early registration.

- **Team participation.** Nearly all participants who belong to a team raise more money than those who don't. Additionally, team members are more likely to stay engaged until the day of the event, and become repeat participants. Examine overall team participation to determine the current and potential role of teams in your event. To boost fundraising results, strive to have 75 percent of your event participants on a team. Consider implementing marketing campaigns that convey to individual participants the benefits of joining a team (e.g., camaraderie, training partners, encouragement, friendly competition, and fundraising tips).

## Donors

One of the factors that makes special event fundraising attractive is that it enables organizations to expand their reach by leveraging the networks of event participants. Tracking the metrics associated with donors will provide you with insight into the type of participants you are recruiting.

- **Number of donors.** This metric is a key indicator of the number of participants who are fundraisers. If your participants are fundraising successfully, then this metric should be at least three to four times higher than your number of participants.
- **Donors per participant.** By looking at these two metrics, you will better understand the extent to which participants are reaching out to contacts, if at all. Ideally, the median number of donors per participant should be at least three to four. If the majority of participants have only one donor, then you should examine how effectively you are using tools to encourage participants to ask for money. Are you providing participants with templates of fundraising letters? Examples of mission impact? Advice about how to fundraise? Tips on how to upload your address book into the online fundraising tools? By sharing ideas and implementing best practices around soliciting donations, this number can increase.
- **Percentage of participants with zero donors.** If this number falls above 75 percent, then you have an event built on attendance, rather than a fundraising event. In this case, you need to make fundamental changes to create a fundraising culture.
- **Percentage of self-donations and a fundraising goal.** Those participants who make a donation to themselves are typically very committed to fundraising for the event. Similarly, goal activity is a signal that a participant understands the importance of fundraising. The more participants with goals, the stronger the fundraising culture of your event. Automatically populating the personal fundraising goal field at registration helps to set the expectation of fundraising and encourages the participant to either accept it or change it to a level they are more comfortable with.



- **Number of emails sent per participant.** There is a strong correlation between the number of emails sent and funds raised. If you notice a large percentage of participants who are not sending any emails, then consider sending this group targeted messages that break down the fundraising tasks into specific actions (e.g., Send five emails today to your closest friends, this week ask three family members to donate \$20 each).

## Gifts

Participants bring gifts, and gifts are the main purpose for organizing your fundraising event. Examine the following two metrics closely to better understand how gifts are tied to event success.

- **Number of gifts.** This metric is the single best predictor of overall revenue for your event, and is mainly influenced by effective participant communication. Similar to the “donors per participant” metric, this number is influenced by how effectively fundraising tools are being used to solicit donations.
- **Amount per gift.** These numbers can be influenced directly by donors in various ways, such as making it easy for donors to give (e.g., online giving) and suggesting donation levels.

## Revenue

Most organizations tend to focus heavily on the costs of an event. However, closer attention should be paid to the revenue, especially net revenue. After all, it is an event's contribution to your organization's bottom line that is the most important, not the top line impact. You also need to consider the following metrics associated with revenue:

- **ROI:** Although your event is a great way to engage the community, and create awareness for your cause or mission, it needs to have a positive ROI in order to justify the expense. If this isn't the case, then you need to implement best practices to improve your return.
- **Compounded annual growth rate:** Each year should lead to event growth, unless there are factors that limit attendance. Look at growth over time, rather than just year-to-year growth. Calculating compounded annual growth will show you what long-term trajectory you are on, and may expose weaker growth than you realize.
- **Growth against national benchmark:** Set a target for this metric according to historical results and market trends. You can start by referring to data available on the Run Walk Ride website as a point of comparison.

METRIC	BENCHMARK
Number of Participants	2,500
Fundraising Per Participant	2008 average was \$859, median \$110
Fundraising Growth	2008 average was 280%, median 15%
Attendance Growth	2008 average was 45%, median 11%
Registration Fees	75% of events have a registration fee; average fee is \$27

## If you are struggling to build a reliable analytics program, start by looking at these key questions:

- What metrics are most important to your nonprofit?
- How does event fundraising impact those metrics?
- What are you currently measuring?
- How can you change those to take advantage of more information for more insight?
- What decisions will you make as a result of those metrics?
- What behavioral change is required?

So be aware of the best practices. Be smart and experienced (or hire someone who is). But know when to go beyond the standard way of doing things. That's how you make difference.

## SUCCESS STRATEGIES FOR ENSURING ROI

In 2009, Convio and Event 360 with support from the Run Walk Ride Council, published a joint study, [Join the Race: 5 Proven Success Strategies of the Top Run Walk Ride Events](#), which analyzed the best practices for increasing performance of nonprofit team fundraising events. These five proven success strategies continue to hold true and can play a fundamental role in ensuring the financial viability of

your special fundraising event. Below is a brief overview of these strategies for boosting fundraising results, in keeping with the goal of instilling a strong fundraising culture in event participants.

## Recruit participants effectively

Not surprisingly, there is a strong correlation between better fundraising performance and growth in gift count. This relationship reinforces the need to drive participation for your event in order to maximize fundraising results. However, because participation growth does not guarantee fundraising growth, your organization needs to focus on recruiting participants who are most likely to become fundraisers. The best way to identify these individuals is to look at your current constituent data. Reach out to those people who have demonstrated their support and passion for your mission, either through donations, past participation in your events, or other actions. The cost of recruiting these individuals who have established a connection with your organization already should be lower than the cost of recruiting new participants who need to be educated about your mission and cause.

After you have identified the target audience for your recruiting efforts, you need to understand their connection with your organization in order to recruit them effectively. This information will help you to tailor the language you use in your communications so that it resonates with the target audience. By establishing this connection and speaking to these individuals' passion, you are more likely to motivate them to participate, become fundraisers, and engage donors.

## Charge a registration fee or require a minimum fundraising fee

One of the critical success factors in a fundraising event is a strong fundraising culture. One of the best ways to build and reinforce this culture is to charge a registration fee. Not only does a registration fee generate income for the event, but it also sets fundraising expectations early in the process and ensures that registrants are sincerely interested in participating and committed to fundraising. The average amount raised is significantly higher for organizations that charge a registration fee. Be warned that a registration fee does not guarantee a participant will be a fundraiser. However, by reducing the number of non-performing participants, you should be able to boost your ROI.

## Create several points of entry

You must cast a wide net if you want to reach more participants and turn them into fundraisers. You can use a combination of email, website content, social media, "Tell-A-Friend" functions, and advertisements on partner or industry websites to spread the word about your event. Think strategically when determining the placement of your content and links. By creating several points of entry, you will reach a broader range of prospective participants, while reinforcing your message and brand across multiple channels.

## Encourage team participation and love your team captains

The formation of teams can be key to your event's success. Belonging to a team makes participants feel

more accountable for their individual fundraising, and will motivate them to engage donors. In turn, their efforts will increase overall fundraising performance.

The use of team captains can also be an effective way to boost your return on investment. These individuals serve as valuable resources for your organization, particularly if they are trained in advance as fundraising coaches. Equip them with the knowledge and tools they need to decrease the complexity of fundraising and serve as an intermediary between your organization and the participants. They can relay messages in a way that is customized to their particular team. To keep your team captains engaged, you'll need to acknowledge their efforts with recognition and reward programs that demonstrate your appreciation for all they do for your organization.

## Craft your participant center emails carefully and encourage participants to send them

Providing your participants with the email tools they need to raise money is a key first step. Next, you need to encourage them to use the email tools to reach out to prospective donors and make “the ask”. The best way to move people from being participants to becoming fundraisers is to ensure they understand how to use the tools, personalize emails and send them to their friends, family, and contacts. As a starting point, offer email templates with meaningful subject lines and carefully crafted messages. Different groups will likely need different templates, depending on their connection with your organization.

For additional information about these best practices, including findings and quantitative data, please download, “[Join the Race: 5 Proven Success Strategies of the Top Run Walk Ride Events.](#)”

## CASE STUDY: SUSAN G. KOMEN GLOBAL RACE FOR THE CURE

**C**elebrating its 26th anniversary in 2010, the Susan G. Komen Race for the Cure Series is the world's largest and most successful education and fundraising event for breast cancer. The series of 5K runs/fitness walks raises significant funds and awareness for the breast cancer movement, celebrates breast cancer survivorship and honors those who have lost their battle with the disease. Since its origination in 1983, the Komen Race for the Cure Series has grown from one local Race in Dallas with 800 participants to a global series of 120 Races with more than 1.5 million people expected to participate in the Race series annually. The Komen Race for the Cure Series has grown internationally with events in Germany, Italy and Puerto Rico.

Held annually in Washington, DC, the Komen Global Race for the Cure is the flagship event of the Susan G. Komen Race for the Cure Series. In just 20 years, the global race has granted more than \$21 million to the Washington, DC area. It attracts over 50,000 participants who join together as living testament to the power of the individual to make a difference. In spite of the economy, the 2009 event raised \$4.3 million to fund breast cancer programs for the medically underserved throughout the Washington, DC area and abroad. This event contributes to the Komen organization's mission of saving lives, empowering people, ensuring quality care for all and energizing science to find the cures.

### Challenge

The Susan G. Komen Global Race for the Cure has a 20 year history, a strong brand name, and has garnered the attention of press worldwide. Despite this success, the event lacked a strong fundraising culture. In 2008 alone, more than 30,000 of the event's participants did not raise any money for the cause. Of those participants who did fundraise, the average raised was only \$60. Moreover, the average donation amount was \$60, with a median of \$25. With only 30 percent of registrants fundraising for the event, there was an opportunity to transform the event's culture and dramatically increase fundraising results.

### Strategies

With strategic consulting provided by Event 360, the Komen Global Race for the Cure designed and executed comprehensive strategies to convert more participants into fundraisers, and to make its existing fundraisers more successful. The main strategies implemented in 2009 were:

- **Created a targeted, segmented online communication campaign.** Rather than sending the same email to all participants, messages were customized based on the target audience. To do this, Event 360 took the Komen Global Race for the Cure's list and segmented it into smaller groups based on various criteria (e.g., relationship with the cause, team status,

fundraising performance, etc). This strategic approach to outreach increased the likelihood that each message would resonate with the recipient.

- **Test different clear calls to action.** The key to creating a fundraising culture is getting participants to ask. Test messages showed that more participants took action when given specific instructions. For example, one of the calls-to-action tested was “Send emails today to your five closest friends”.
- **Improved use of online tools.** In order to raise more funds, each participant needs more donors. They get more donors by asking more people. The easiest way to ask in this day and age is online via email. By making it easy and simple to use online tools (e.g., sending clear calls to action as part of the online communications strategy, providing email templates for participants, and encouraging the use of the Convio Participant Center by sharing tips and tools), participants can reach more potential donors.
- **Leveraged the network of veteran team captains.** Many team captains from past events were also highly successful fundraisers. By utilizing these seasoned fundraisers as mentors to other captains, the organization shared best practices and tips efficiently and effectively to a large number of participants.
- **Change registration fee structure.** The registration fee was restructured to recoup some of the administrative costs tied to the event. The cost of mailing the race kit was included in the registration fee, but each registrant was offered the option to ‘offset’ the cost of the postage with an additional \$5 donation.
- **Lowered suggested fundraising goal.** Past participants seemed intimidated by the suggested \$250 fundraising goal. By decreasing this goal to \$125, the organization hoped to make it seem more attainable which would in turn boost registration and convert participants into fundraisers.
- **Provide one-on-one recognition of top fundraisers.** For those individuals who qualified as top fundraisers (i.e., raised more than \$2,000 in 2008 or 2009), special efforts were made to acknowledge their accomplishments. For example, organization executives reached out by phone to have one-on-one conversations with the fundraisers, thanking them for their dedication and commitment to the cause.

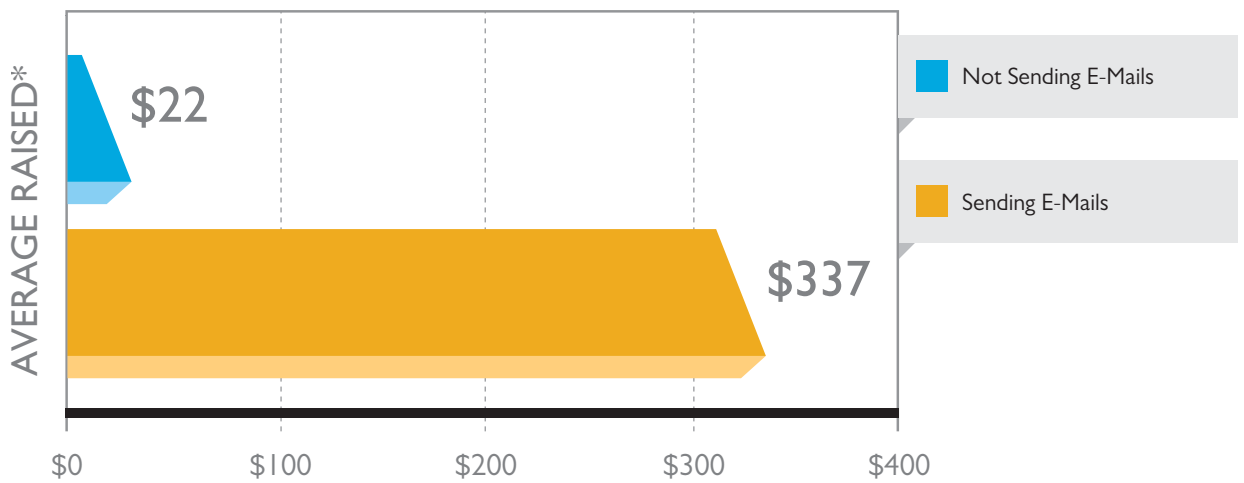


## Results

After implementing the aforementioned strategies, Komen Global Race for the Cure analyzed results from January to July 2009 and compared them to those from 2008.

### Impact of asking

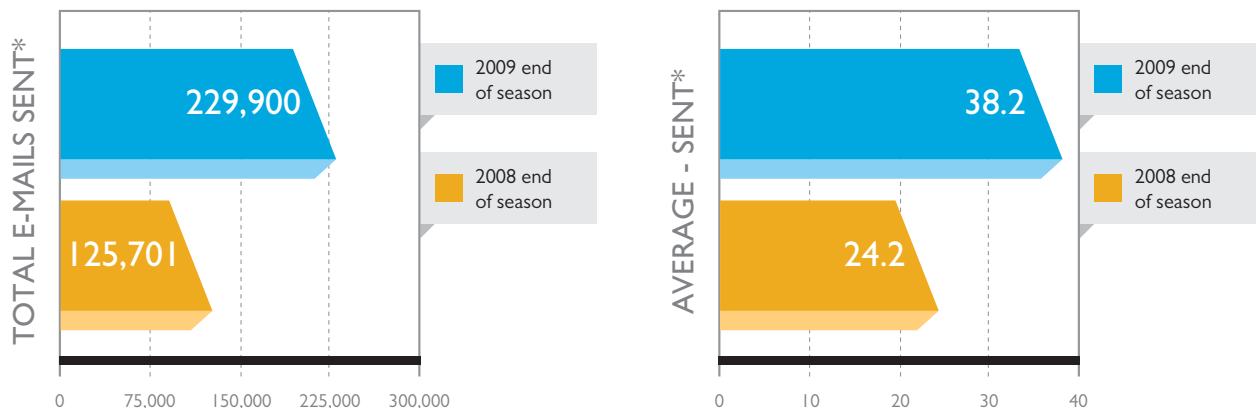
Sending a consistent call-to-action that encouraged registrants to send fundraising emails through the Participant Center of Convio TeamRaiser™, led to an impressive jump in average dollars raised. Specifically, the number rose from \$22 for those participants who did not send emails to \$337 for those individuals who did send emails.



\* Through Convio

### Impact on emails sent

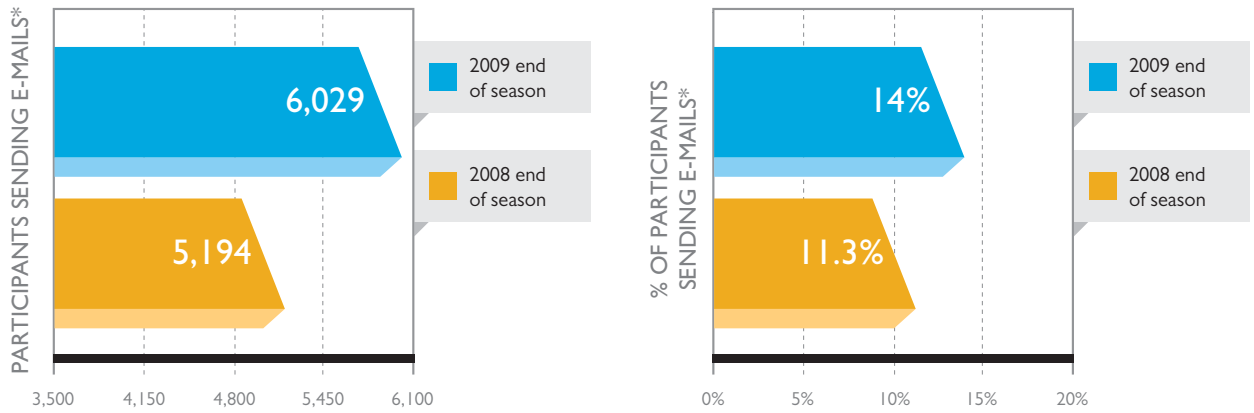
By implementing the strategies developed by Event 360, the average number of emails sent increased by 82 percent, from 125,701 to 229,900. In parallel, the average number of emails sent per participant jumped from 24.2 to 38.2.



\* Through Convio

### Impact of using online tools

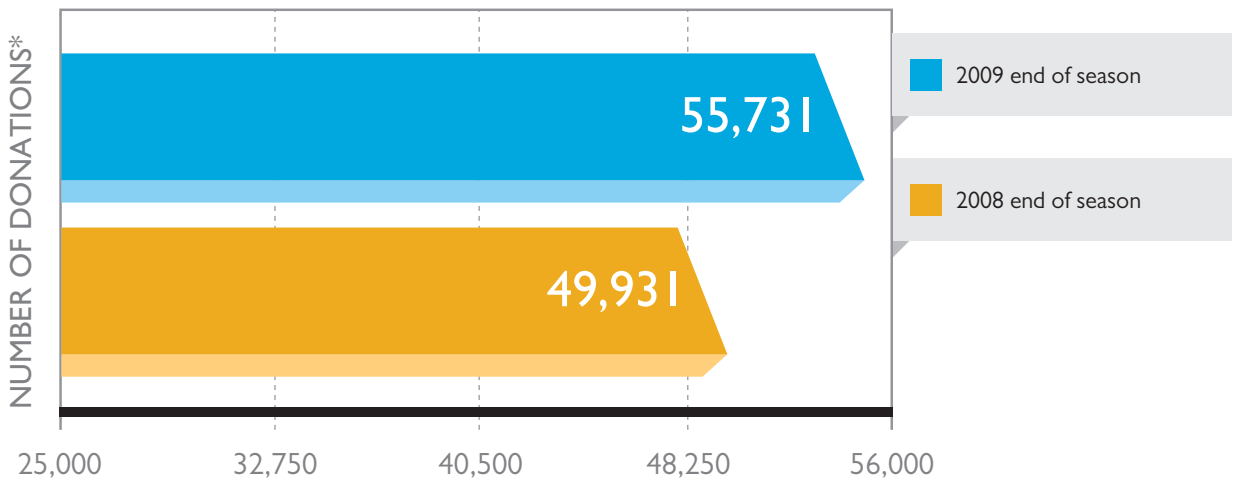
Placing more emphasis on leveraging the power of Convio's online tools, Komen Global Race for the Cure increased participants from 5,194 to 6,029. Additionally, the percentage of registrants who sent emails rose from 11.3 percent to 14.0 percent.



\* Through Convio

### Impact on number of donations

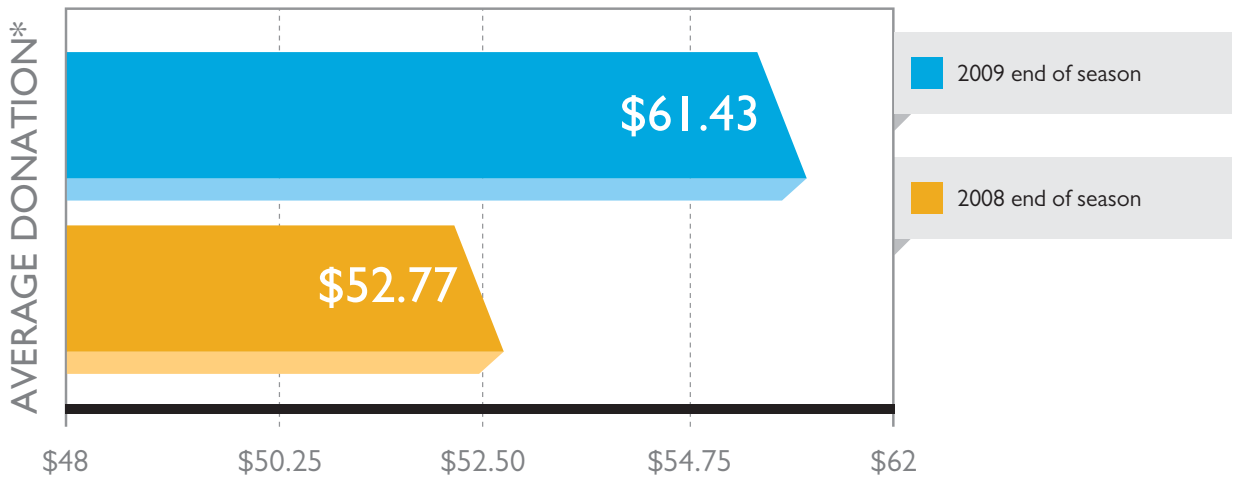
The combination of steps taken to boost fundraising results yielded the desired effect. The number of donations grew from 49,931 to 55,731, representing an increase of more than 10 percent.



\* credited to a participant or team

### Impact on number of donation size

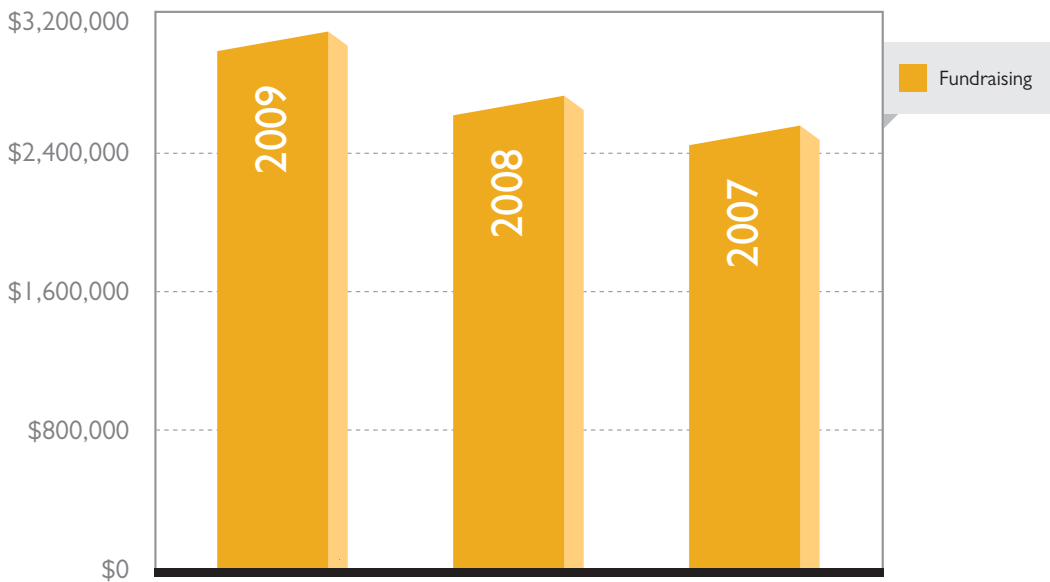
The average donation amount increased by six percent, rising from \$52.77 in 2008 to \$61.43 in 2009.



\* credited to a participant or team

### Impact on fundraising

Despite unfavorable economic conditions and a slight decrease in registrations, fundraising increased an impressive 17 percent from 2008 to 2009.



From the notable improvements across numerous metrics, it is clear that the strategies were effective in transforming Komen Global Race for the Cure's event culture and boosting its overall fundraising results.

# NEXT STEPS

**T**he last year has been a difficult one for many nonprofits. Now, more than ever, your board and leadership team will likely have significant focus on quantifying the return from your events. Make sure you understand how to make a strong case based on the best-practices and analytics described in this paper. Convio and Event 360 are always ready to partner with you on event optimization strategies to ensure you get the most out of your event.



## About Convio

Convio is the leading provider of on-demand constituent relationship management (CRM) software and services that give nonprofit organizations a better way to inspire and mobilize people to support their organization. Convio Online Marketing, the company's online marketing suite, offers integrated software for fundraising, advocacy, events, email marketing and web content management, and its Convio Common Ground™ CRM system helps organizations efficiently track and manage all interactions with supporters. All Convio products are delivered through the Software-as-a-Service (SaaS) model and are backed by a portfolio of best-in-class consulting and support services and a network of partners who provide value added services and applications focused on the unique needs of nonprofit organizations. For more information, please visit [www.convio.com](http://www.convio.com).



## About Event 360

Event 360 helps nonprofits use the art and science of event fundraising to create powerful experiences that drive giving, loyalty and awareness. Our strategic consulting services encompass analytics, event fundraising and production, online fundraising and communications, social media and IT, among other capabilities. Event 360 has developed and executed event fundraising programs for organizations such as the AIDS Healthcare Foundation, Alzheimer's Association, Church World Service, National Wildlife Federation, PetSmart Charities and Susan G. Komen for the Cure. Visit [www.event360.com](http://www.event360.com) to learn how Event 360 can help your organization manage the art and science of event fundraising.

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