How to Measure What Matters for Nonprofit Revenue

Do you find yourself asking how to make more progress faster?

We hear all the time from nonprofit leaders that they want to run a data-driven fundraising program so they can increase their return on investment, but more often than not, they struggle to know which data points actually drive revenue.

The thing about Key Performance Indicators (KPIs) is that they are "key" — meaning fewer is more. Instead of focusing on a dozen indicators of performance, we find it better to track what matters most for the nonprofit sector.

At CauseMic, **we define the most important KPIs for nonprofits as website traffic, conversion rate, and average gift amount**. If you can increase one of these metrics, your organization will see growth. **Increase all three, and you'll see rapid growth.**

Before you expand what you measure, get these three right...

1. Website traffic

How are people finding your nonprofit online?

Typically, there are three key pathways:

- From an organic search by googling a specific service or key word.
- From direct links you've shared through channels you own such as email.
- From paid media on platforms like Facebook and Instagram.

You'll want to track each of these to identify which content on which channel is driving the most traffic. If one is outperforming the other, consider why. Is short video content from your Executive Director landing better than a long-form story of impact or vice versa? Discovering what motivates your audience to visit your website allows you to finetune your strategy to get the biggest ROI.

PRO TIP:

Invest in these two areas to optimize your website.

We encourage all of our clients to use SEO best practices and invest in paid media (a small budget can go a very long way) to optimize website traffic.

2. Conversion rate

Conversion is all about getting supporters and site visitors to make a gift. These handy formulas from Nonprofit Pro can help you determine your rate:

- For campaign-specific conversion, find out the number of donors who gave in response to a specific call-to-action and divide that number by the total donors who were prompted. Then multiply by 100.

- For online website visitors, it would be the total number of donors divided by total unique visitors, and then multiply by 100. For example, if you receive 50 donors out of 1000 visitors, your donor conversion rate is 5%.

PRO TIPS:

Reduce the friction.

We often see nonprofits ask for incredibly detailed information from a new subscriber or donor before they are prompted to donate. This is a deterrent and hurts donor conversion rates. Reducing the friction means simplifying the process to make it as easy as possible for a donor to make a gift.

Improve your value proposition.

What makes you a leader in your industry? Too often, we find that nonprofits have general mission statements and minimal details about where a donation actually goes. You can improve your conversion rate by writing a unique value proposition that includes 5-7 sentences of supporting copy explaining what service a donation supports and why it will have a meaningful impact.

Display your transparency badges.

Seals of approval for transparency such as Guidestar and Charity Navigator lend credibility that drive up conversion rates. Make sure these are prominently displayed on your website if you have them.

3. Average gift amount

This is a simple metric to calculate; just take your annual revenue and divide it by the number of gifts received. By comparing the amount to previous years, you can track if your gift size is growing, shrinking, or experiencing a lull.

PRO TIPS:

Adjust your Call to Action.

Try experimenting with asking for specific gift amounts that are tied to programmatic outcomes or with sharing the most common gift amount with a prospective donor.

Streamline your donation landing page and form.

We conducted research to find out the gold star formula that increases donations.

Download Donation Page Optimization Report

Email address

--- [submit triggers download of PDF]

Email to all

From: Matt Scott / Matt@causemic.com
Subject: **How Does Your Nonprofit Measure Up?**
Preview:
Track these three Key Performance Indicators to see how you're doing. Increase them, and you'll experience rapid growth.

Hi Friend,

Depending on your technical capabilities and/or level of general overwhelm (no judgement, we've been in your shoes), It's tempting to track nothing, or everything under the sun. Having

helped numerous nonprofits grow exponentially, we've zeroed in one what's most important to your overall success.

In our most recent blog post, I share three Key Performance Indicators (KPIs) that I recommend you focus on to grow your nonprofit's impact and reach.

Plus, I share an invaluable resource that compiles all of CauseMic's research on how to optimize your donation page to drive conversions and increase gift amount!

Oh, did I mention it doesn't cost you a cent to download?

You'll definitely want to check it out.

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CONTINUE READING

Until next time,
Matt Scott

Email to people who opted to download the report

From: Matt / Matt@causemic.com
Subject: A Better Donation Page

Preview:

Thanks for downloading our Donation Page Optimization Report. Now let's put it to good use.

H [FNAME],

We're glad you found our Donation Page Optimization Report useful! If you want to see better, bigger, and more frequent donations, you likely need to make some changes to your content and donation page layout.

We can help.

Would you like us to audit your current donation page and offer concrete improvements?

First Name:

Last Name:

Email:

Organization Name:

Organization URL:

We look forward to it.

All the best,
Matt Scott

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Social

Facebook
Stay focused on the few performance metrics that will give you the largest return. Find out what data we recommend our clients pay close attention to.

Twitter
Here's what measuring success looks like for nonprofits.

LinkedIn

A data-driven approach is great as long as you know what data is meaningful to track, because not all KPIs are. Our latest post breaks down the three areas we advise our clients to pay close attention to and includes a free downloadable Donation Page Optimization Report you won't want to miss. Check it out!