

## **Building and Updating your Email Database: Best practices for establishing online relationships with your donors and advocates**

By Rita Allen, Manager/Nonprofit Group, [FreshAddress, Inc.](#)

If you are responsible for maintaining your well deserved and valued relationships with your donors and advocates, you should step into the waters of building your email files with serious caution. With the available social networking opportunities exploding daily, it's difficult to know how best to develop online relationships with your constituents without alienating them in the process.

According to M&R Strategic Services "eNonprofit Benchmark Study",

- *While social media gets most of the buzz lately, email clearly is still king, at least for now.*
- *The number of online gifts and total dollars raised online continue to increase; the increase in number of gifts helped to offset a decline in average gift from \$86 to \$71*
- *Email lists continue to grow, but at a slower rates than in past studies; almost 20% of email addresses go bad every year due to bounces or unsubscribes*

Fortunately, there are proven means of building and updating your email databases and keeping your organization's brand in the forefront of your valued donors' attention. Each can be a brilliant marketing tactic or a customer relations debacle. This article is a frank look at ten critical issues to be considered by savvy marketers trying to grow and update their lists.

### **Direct List-Building Options**

Before you even consider other options, are you already asking *everywhere* for email addresses? On your website or landing pages? At all points of sale? Through your call centers? Via social networks? Have you attempted to request an email address or reconnect via direct mail?

Organically-grown email addresses are the least costly to obtain and will provide you with the low-hanging fruit. But even doing everything right will probably only yield email addresses for approximately 25% of your constituent or donor base, and your growth rate, while steady, might not meet your marketing goals.

**Once you have optimized your web site and constituent contact points for the above, here are a couple of other time-tested methods for building your email address database.**

**Email appending** is a quick and effective way to build an email database by utilizing a vendor who will match opt-in email addresses to your donor/advocate postal records. An email appending vendor will match your input file to opt-in email addresses from licensing websites and then send a permission message on your organization's behalf (with the look and feel of coming from your organization) to confirm deliverability. In approximately twenty business days, a reputable vendor will provide to your organization guaranteed deliverable email addresses for 10% to 20+% of your donor/advocate postal records so that you can begin to build an online relationship with them.

**Email Change of Address (ECO A)** can help you reconnect with those with whom you have lost contact due to a bouncing or inactive email address. Re-engaging with your valued constituents online is typically a welcomed reconnection, by matching volunteered updates to your bouncing and inactive records. An ECOA process will provide matches from one unique electronic identifier (i.e. bouncing/inactive email

address) to another unique electronic identifier (current preferred email address), thereby providing you with greater assurance that the updated email address is the right email address for your existing donor/advocate.

## **Doing Your Homework When Evaluating Vendors**

Before you decide on a service partner, take time for a little sleuthing. Find out who they are, what their industry reputation is, who their clients are, and where they're located. Ask for references. Be wary of vendors with incomplete contact information, match rates that seem too good to be true, or unverified clients, employees, or testimonials on their website.

Knowledge, expertise, and hands-on experience may sometimes be difficult to determine so it's best to use reputation and integrity as your initial screens. Ask the vendor how long they've been in business, which professional associations they belong to, what kind of industry presence they have, who their partners and clients are, and what other services they offer. Don't risk being a guinea pig for some fly-by-night company.

## **Selecting a Vendor**

Ever heard the expression "a penny wise and pound foolish?" The least expensive solution is not always the best solution. If you do opt for a low-cost provider, be sure you know *exactly* how that vendor is providing you quality service and results for that bargain-basement price. A poorly-performed email append can bring down your entire email program and the few pennies you saved per address will pale in comparison to the revenues lost and damaged reputation you'll incur by picking up invalid email addresses and spamtraps.

As for ECOA services, check to make sure your provider operates a website where these old and new email address updates are collected. Again, in purchasing any email address services, let "buyer beware" be your mantra as there are many companies offering ECOA and other opt-in email database services that are doing something altogether different behind the curtain.

## **Appending and ECOA Best Practices**

Yikes! Watch out! Building or updating a third-party or prospect list is not recommended unless you want a high spam complaint rate. And a high spam compliant rate will ruin your email reputation and result in your emails getting blocked or blacklisted. When utilizing email database services, be sure you only use only your donor or member lists (i.e. individuals with whom you have a relationship that never got around to giving you their email addresses for one reason or another or have forgotten to update their email address with your organization).

## **Insist on 100% Opted-In Data**

A high-quality, trustworthy vendor should be able to promise you 100% opt-in (volunteered) email addresses (with detailed opt-in info, including source information and date & time stamp). Your vendor should be able to tell you *exactly* where their data came from.

On a related note, insist that your vendor send a permission message to their email address matches to confirm deliverability and provide your donors and advocates with an opportunity to opt out before results are returned to you. Most vendors' opt-in databases have bounce rates of 30% to 50% or more. We've seen some as high as 80%. Without the added screen of a permission message, you or your ESP risk

experiencing these same high bounce rates when messaging raw results. Doing so could result in your being blocked or blacklisted by the ISPs: not pretty...

### **Insist on List Cleaning and Suppressions as Part of Your Database Process**

Your vendor should automatically perform robust hygiene services on your list—scrubbing and eliminating typos, errors, and other problematic addresses from their raw matches—to ensure your results are clean and deliverable. In addition, your vendor should adhere to all CAN-SPAM regulations and run all required suppressions, including FCC Wireless Domains, the DMA's Do Not Email list, and your own unsubscribe list. They should also discuss other optional suppressions that may be legally required for your industry, such as the Utah and Michigan Child Protection Acts. Bottom line, your vendor should be as vigilant with your data as it is with its own.

### **Insist on 100% Guaranteed Deliverable Results**

Any emails you pay for should be deliverable. Period. Not only that, but they should also be the *preferred* email addresses of your specific donors and/or advocates. If they bounce (within a reasonable post-append grace period)—and 1%-3% of results typically do—your vendor should credit your account immediately. Don't settle for a credit towards a future project that you might never want to do with this vendor.

### **Pay attention to the Importance of Your Opted-Out Email Results**

As previously mentioned, part of your email append process and Email Change of Address service should include permission messaging, where the newly-appended email addresses of your donors and advocates are presented the opportunity to opt out of an email relationship with your organization. Respect and protect their privacy rights as well as your organization's reputation by ensuring your deliverable email results file is accompanied by a list of any recipients who opted out. And honor those unsubscribes!

### **Sending Personalized Email Messages to Household Append Results**

A marketer's nightmare is a personalized email flub (e.g. sending bill\_kippers@hotmail.com an email with the salutation "Dear Beth"). Not only might it give poor Bill an identity crisis, but it probably completely alienates you from any future email relationship with that household. Be careful. If your email appends are the result of a *household* match, skip the personalization. On the other hand, if your emails are a result of an *individual* append, go for it.

### **Segmenting New Data from your House list**

Just because you now have the email addresses of your donors and/or advocates doesn't necessarily mean they're ready to donate or sign that petition! Yes, they are familiar with your organization, but they didn't ask you directly to solicit them via email. So, how do you handle these newly-appended and/or updated email addresses?

- Send an unobtrusive "welcome message" to your newly appended email addresses that introduces them to this new mode of communication with you and explains its value— what kinds of information, offers, and/or ideas you'll be sending them, and how often
- Explain that the cost savings for you translates into more monies available for those that truly need help

- Re-engage your constituents with value added text and any new offerings (e.g. newsletters, company highlights, online opportunities to contribute or engage, etc.)
- Don't just begin by asking them to make a contribution; build your online relationship first like you would build any relationship

### **A word to the Wise:**

Don't expect your appended emails to immediately start performing as well as those in your house file. Have realistic expectations. Marketing studies have shown that it takes anywhere from 7-10 impressions to get someone to notice. Email is no different than any other marketing medium. Eventually, these emails will perform as well as those on your house list.

**Excerpt from: [The Convio Online Marketing Nonprofit Benchmark Index™ Study](#)**

*“In a world of increasing email spam, geographical mobility, and job hopping, the rate of attrition for most nonprofits’ email files will likely increase unless they continue to engage with their constituents and proactively provide ways for constituents to update their email addresses and communication preferences.”*

### **Like fish in the refrigerator...some things begin to spoil after time:**

Be ready to message your new and updated email addresses as quickly as your vendor provides them to you. With an approximately 20-30% attrition rate each year...be cautious. When you first start messaging your appended email addresses, you should expect a few bounces due to unpaid accounts, full mailboxes, and everyday Internet issues. A handful of complaints are also not unusual as you are messaging recipients at an email address they didn't *directly* provide to you. You can prepare for this in advance by alerting your member response department and putting extra effort into crafting your welcome message.

***If you decide to pursue an Email Append or Email Change of Address service, play by the rules. Be sure to pay serious attention to planning, pricing, and process. When performed in an ethical, conservative, and conscientious manner, Email Change of Address and Email Appending services can provide you with guaranteed deliverable email addresses for up to 15- 25% or more of your donor/advocate base on your first project. The potential gains in revenue growth, market penetration, and deeper relationships with your constituents are yours for the taking... and yours for the losing. Just be careful to tread carefully and work with a partner that shares a similar philosophy!***



**Rita Allen, Manager of Nonprofit Group;  
Senior Account Executive**

In addition to servicing Fortune 1000 clients, Rita is responsible for managing the Nonprofit Group at FreshAddress, Inc. She is an active member of the DMA Nonprofit Federation (including a seat on the Membership Committee), a contributor to the DMA Nonprofit Federation Journal, author of industry white papers, and a frequent participant at national Nonprofit Technology Network events as well as a participant and speaker at local and DMA Nonprofit Federation conferences.

Rita's previous experience includes national sales with the Art Institutes and American Showcase as well as corporate marketing and sales with The Chocolate Dipper/Boston. She earned her BS in Art Education from SUNY Buffalo.