



THE
**FUNDRAISING
OUTLOOK**

2021 Insights & Planning for Post-Pandemic Engagement

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INTRODUCTION

While 2020 was the year of the pivot, 2021 has proven to be the year of continued fundraising versatility and improved efficiency.

After more than a year of virtual fundraising, we saw a staggered return to in-person events with a mix of hybrid and virtual formats helping more nonprofits reach their fundraising goals. More organizations are integrating social and online elements into their long-standing events and campaigns than ever before to continue to meet supporters where they are.

In 2021, technology investments were crucial in helping organizations create new hybrid event experiences to engage dual audiences (both in-person and virtual supporters). These new formats are broadening reach and facilitating connection, enabling nonprofits to expand access to their events and campaigns, attracting more first-time donors and reengaging lapsed donors.

Amidst all the creativity and fundraising efficiency during the pandemic, planning for the unknown continues to plague the nonprofit sector.

In September of 2021, we conducted a survey to better understand how event and online fundraising has evolved this past year, and how nonprofits are preparing for a post-pandemic future. This report looks at some of the year's biggest challenges, where nonprofits are finding success, and the outlook for 2022. Results are based on an online survey of 1,954 nonprofit professionals* representing a wide cross section of organization sizes and industries.

Let's dive into the key findings!

*The sample of 1,954 nonprofit professionals surveyed represent a cross section of nonprofits (details on page 14) and were not limited to users of OneCause fundraising solutions.

KEY FINDINGS

Nonprofits are becoming more successful with their pandemic fundraising.

Success rates across all types of fundraising are improving, especially with online giving campaigns and events. Almost half of those surveyed generated 20% or more of their annual operating budget from their event and online fundraising efforts.

Fundraising events are back in a big way for most nonprofits.

Ninety percent of organizations held at least one fundraising event in 2021, with 79% meeting or surpassing their event fundraising goals. The number of organizations surpassing their goals (28%) has more than doubled in the past year.

Hybrid event experiences grew by 3x over the past year, with 57% of nonprofits engaging both online and in-person supporters at their events. A mix of in-person and virtual event experiences will continue in 2022, with 69% planning at least one in-person only event, 50% hybrid, and 31% virtual-only.

Online and event fundraising are helping nonprofits expand their donor base.

Approximately 27% of nonprofits are reaching a greater percentage of first-time donors and 16% are seeing growth in re-engaged lapsed donors. Only 18% report a decrease in retention rates.

Planning around the pandemic continues to be a top challenge for nonprofits.

Other top challenges impacting nonprofits this year include donor engagement, donor fatigue, and maintaining year-over-year fundraising growth (especially with recurring giving).

More than a third of nonprofits plans to create new hybrid experiences to continue engaging virtual supporters post-pandemic.

Seventy-five percent will be back to in-person events by Spring 2022. About a quarter of those surveyed have no plans to incorporate virtual supporters in their events at this time.

Nonprofits are increasing technology budgets to support a variety of giving experiences.

Thirty-three percent of nonprofits increased their technology budget in 2021, while only 3% reported a decrease. Smaller organizations are more likely to continue increasing technology investments in 2022.



2021 FUNDRAISING SNAPSHOT

In 2021, nonprofits relied on a diversified strategy to continue fundraising during the pandemic. Approximately 96% of nonprofits surveyed held at least one online fundraiser, while 90% held at least one fundraising event. **Figure 1** shows the different types of fundraising efforts that the surveyed nonprofits executed or planned to execute in 2021. Online giving campaigns and traditional events were most prevalent. Only 17% of those surveyed did not launch an online giving campaign in 2021. A little over a third of nonprofits held virtual Peer-to-Peer or supporter-driven (DIY) campaigns.

2021 Nonprofit Fundraising Snapshot

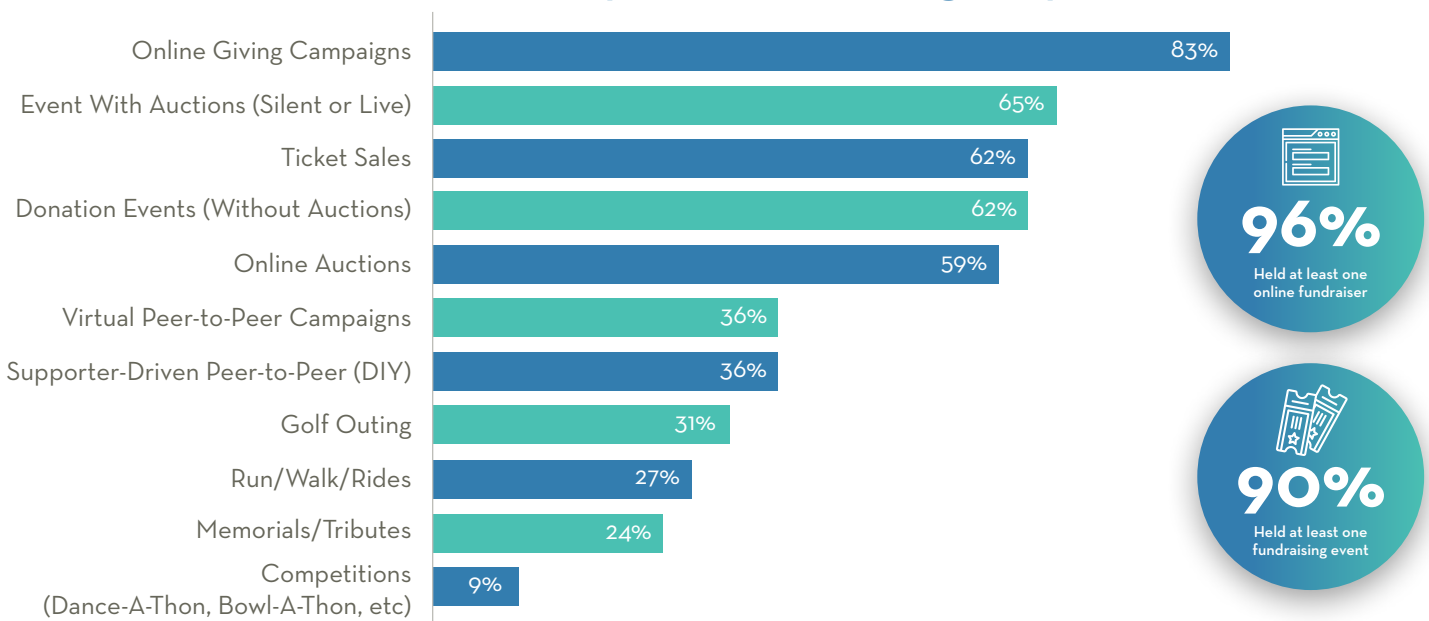


Figure 1: How many of the following online fundraisers/fundraising events did you or will you hold in 2021? (% who held at least 1)

After a year of postponed and cancelled events, nonprofits returned to fundraising events with a mix of in-person and virtual formats (**Figure 2**). Hybrid event experiences grew by 3x over the past year, with 57% of nonprofits having a mix of online and in-person participants at their events.

How Supporters Participated in 2021 Fundraising Events

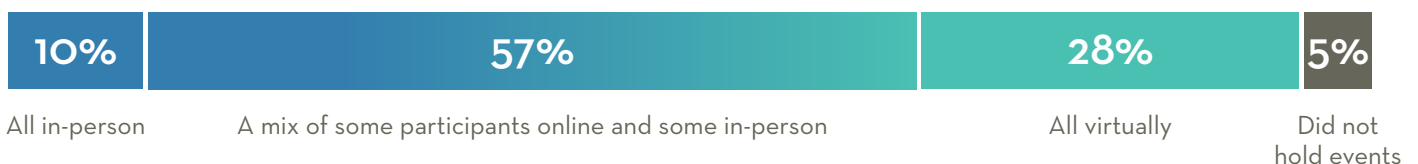


Figure 2: How did supporters participate in your 2021 events?

2021 FUNDRAISING SUCCESS

The success of event and online fundraising is critical to sustain many nonprofit organizations. In 2021, almost half of the nonprofits surveyed (47%) generated 20% or more of their annual operating revenue from their event and online fundraising efforts (**Figure 3**). Greater percentages of youth development (64%) and animal-related organizations (58%) were more reliant on event and online giving, generating more than 20% of their annual revenue through these types of fundraising. A quarter of those surveyed depend on events and online campaigns to raise half or more of their annual budget.

Nonprofit Reliance on Event and Online Fundraising

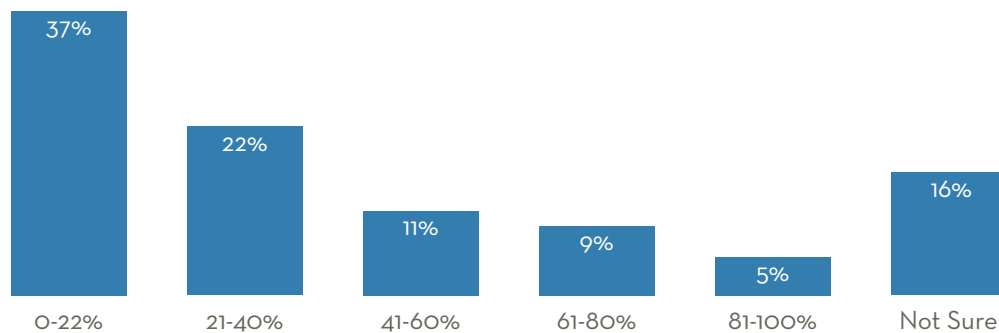


Figure 3: What percentage of your annual operating revenue comes from your event and/or online fundraising?

New event formats are helping more nonprofits surpass or meet their fundraising goals (**Figure 4**). Approximately 51% of those surveyed report raising in line with their budget, while the number of organizations surpassing their budgets (28%) has more than doubled in the past year. Only 21% reported raising less than budgeted, a large shift compared to the 56% who did not meet their event fundraising goals in 2020.

Fundraising Budget Performance

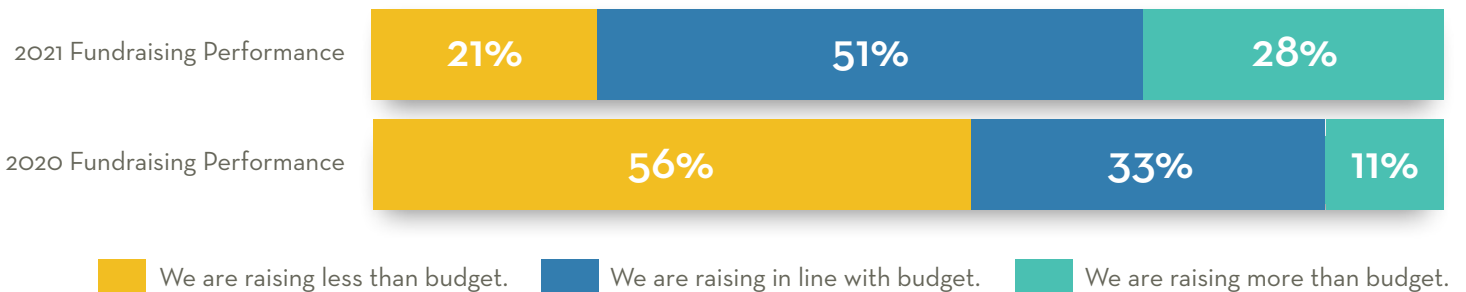


Figure 4: Considering both ONLINE and IN-PERSON fundraising, how are you performing against your 2021 event fundraising goals?

2021 FUNDRAISING SUCCESS

When looking at the success rates for different types of fundraisers, in-person and virtual events were some of the most successful fundraisers for nonprofits in 2021 (**Figure 5**). Overall success with virtual events remains consistent even in a year of zoom fatigue. In fact, we saw a 5% increase in the number of organizations reporting their virtual event as very successful than what we saw in the 2020 report. More organizations are having success with online giving campaigns (60%), compared to the 43% that reported success in 2020. Success rates stayed fairly consistent for peer-to-peer fundraising.

2021 Fundraising Success

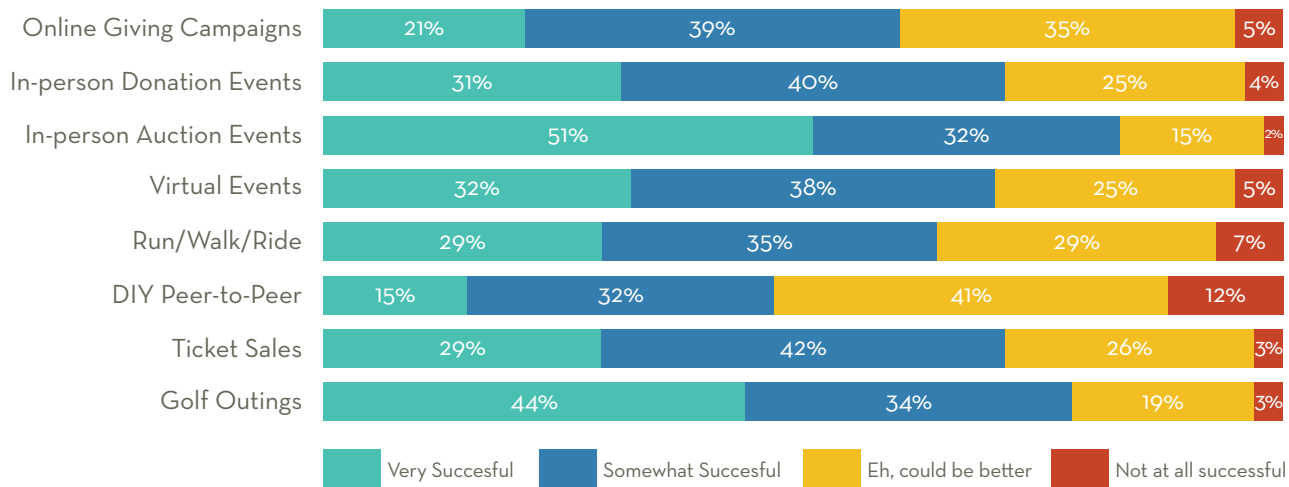


Figure 5: How successful do you feel your org has been with the following fundraising campaigns? (Percentages based on those that did this type of fundraising)

Overall success with online and event fundraising is helping organizations expand their donor base, with 27% reaching a greater percentage of first-time donors and 16% seeing growth in reengaged lapsed donors (**Figure 6**). The pandemic has not had a significant donor impact for about a quarter of nonprofit respondents, while 13% of those surveyed are retaining more donors. Only 18% of those surveyed report a decrease in their retention rates.

Donor Shifts During the Pandemic

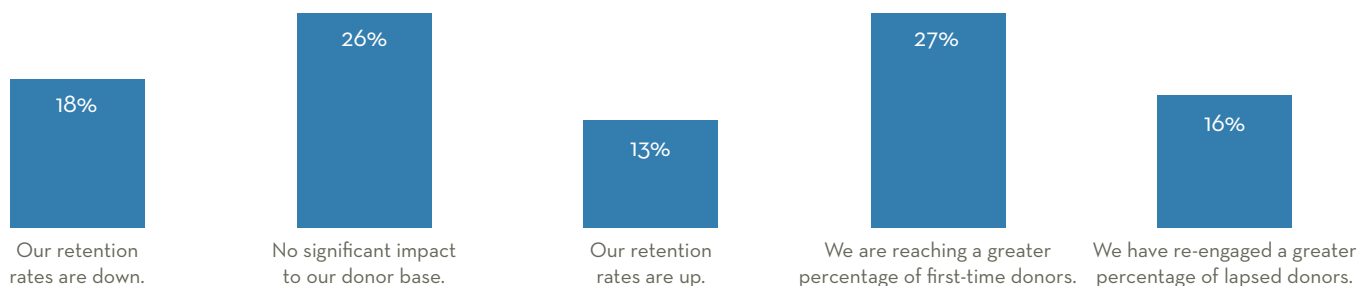


Figure 6: How has the pandemic impacted your donor base? (Select all that apply)

2021 FUNDRAISING CHALLENGES

While many nonprofits are finding fundraising success in 2021, planning around the pandemic continues to be a top challenge for the overwhelming majority (**Figure 7**). Other top challenges impacting nonprofits this year include donor engagement, donor fatigue, and maintaining year-over-year fundraising growth (especially with recurring giving). Interestingly, these top fundraising challenges have remained consistent year-over-year.

Top Fundraising Challenges

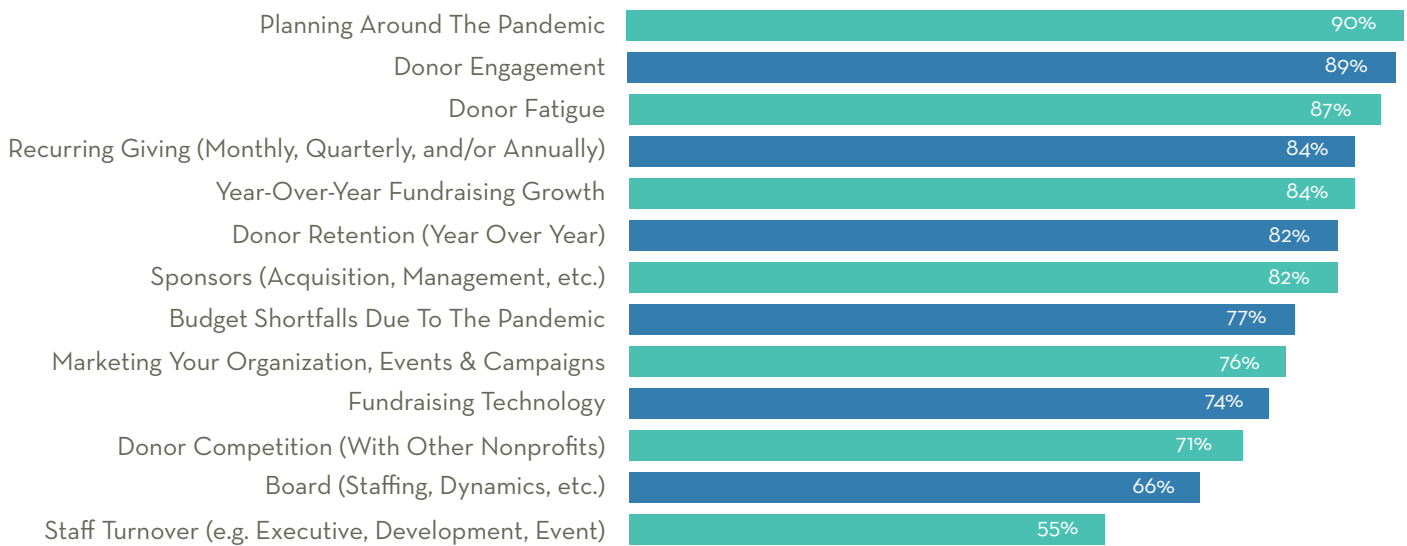


Figure 7: Rate the following fundraising challenges your org could be facing. (Percentage that said critical concern, definitely concern, or somewhat a problem)

When looking specifically at virtual events, nonprofits report having the most challenge with supporters not being interested, the staff effort required, and the lack of return on investment (**Figure 8**). The overall cost and technology tools needed to execute virtual events is less of a challenge for organizations.

Top 3 Virtual Event Challenges



Figure 8: What are the top three challenges with holding virtual events? (% that ranked in their top three challenges)

2021 FUNDRAISING OUTLOOK

While uncertainty with the pandemic is expected to continue in 2022, the majority of surveyed nonprofits are planning for a mix of in-person, hybrid, and virtual fundraising events for next year (**Figure 9**). Hybrid event experiences are expected to continue to be important, even as we see more organizations return to in-person fundraising.

2022 Fundraising Event Formats



Figure 9: How many of the following fundraising events do you plan to hold in 2022? (% at least one in 2022)

Figure 10 shows the pace that nonprofits are returning to in-person events. Approximately 48% of those surveyed are already back to in-person events, while 27% are preparing for a return to in-person in the Spring of 2022. Interestingly, donors were more comfortable returning to in-person events at a faster rate according to an April 2021 donor survey, the *Giving Experience Study*.

At the time of this survey in September 2021, 16% of nonprofits surveyed remained undecided on when they would be back in-person. Only 2% do not plan to host events in 2022. Youth development and arts, culture, and humanities organizations were most likely to return to in-person events at a faster pace—with 82% returning to events by Spring 2022.

Getting Back to In-person Fundraising Events

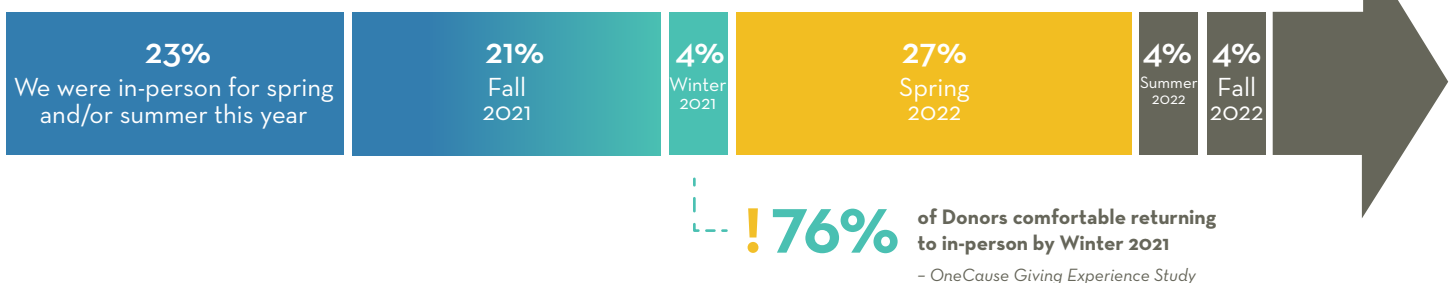


Figure 10: When do you anticipate returning to in-person fundraising events?

POST-PANDEMIC ENGAGEMENT

When looking beyond the pandemic, the majority of nonprofits surveyed are planning to continue providing in-person and virtual engagement opportunities for donors (**Figure 11**). Approximately, 41% are planning to return to mostly in-person fundraising events with some virtual engagement, while 37% anticipate a balance of in-person and virtual giving opportunities once the pandemic is over. Only 8% are planning to host only in-person fundraisers and 6% only virtual fundraisers.

Planned Engagement Post-Pandemic

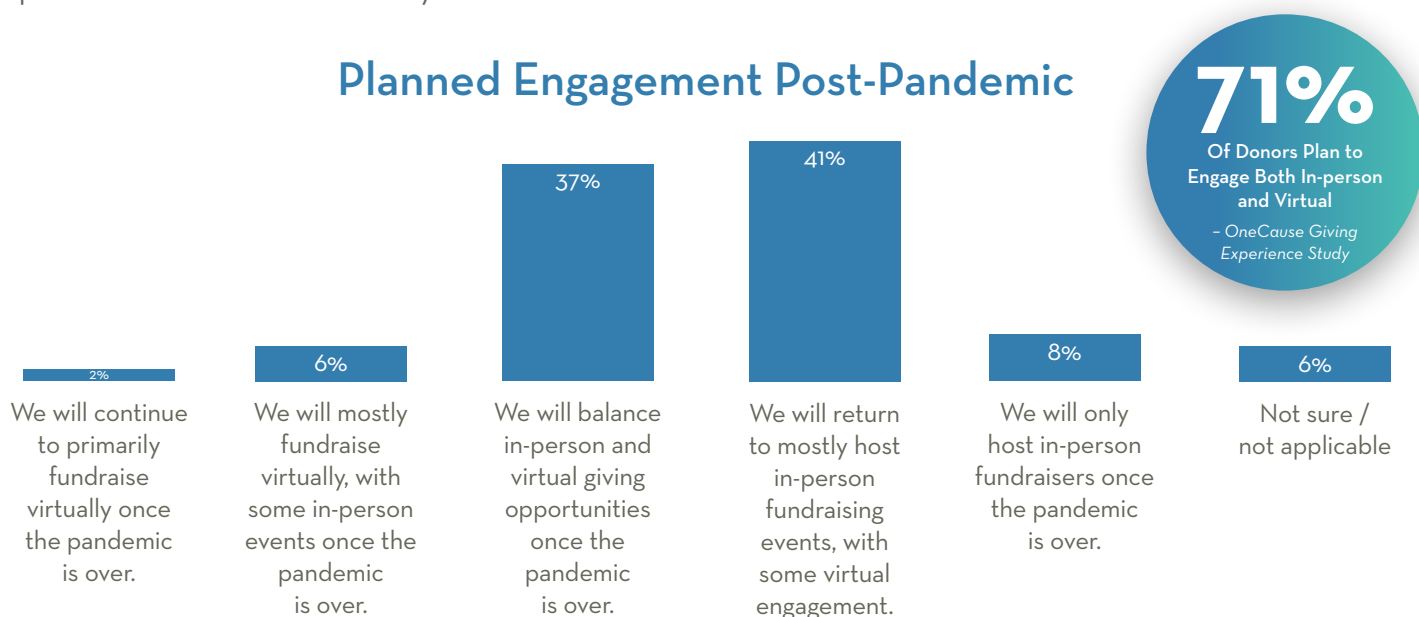


Figure 11: Once the pandemic is over, how do you think you will engage with your supporters?

According to the *Giving Experience Study*, donors had more of a mix of preferences for post-pandemic engagement with 38% leaning towards virtual, 22% with a preference for in-person, and 30% anticipate engaging in a mix of both. More than a third of nonprofits are exploring building new hybrid experiences to continue engaging supporters who wish to stay virtual (**Figure 12**). Twenty-three percent of those surveyed had no plans at this time.

Engaging Virtual Donors

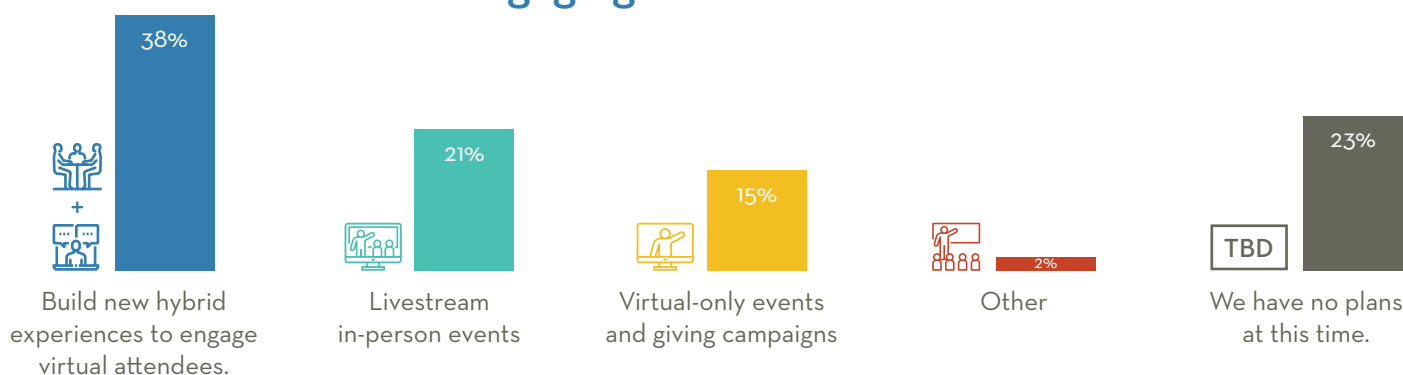


Figure 12: Once the pandemic is over, how are you planning to engage supporters who ONLY want to engage VIRTUALLY? (Select all that apply).

SHIFTS IN TECHNOLOGY INVESTMENT

Nonprofits are continuing to invest in technology to help support giving experiences that reach donors where they are. A majority of organizations are allocating 10% or less of their annual budget to technology (**Figure 13**). Only 5% of those surveyed allocate more than 15% of their budget to technology. **Figure 14** shows the breakdown of technology investment by organization size. Interestingly, smaller nonprofits are more likely to invest a larger percentage of their operating budget in technology than larger organizations.

Nonprofit Technology Investment

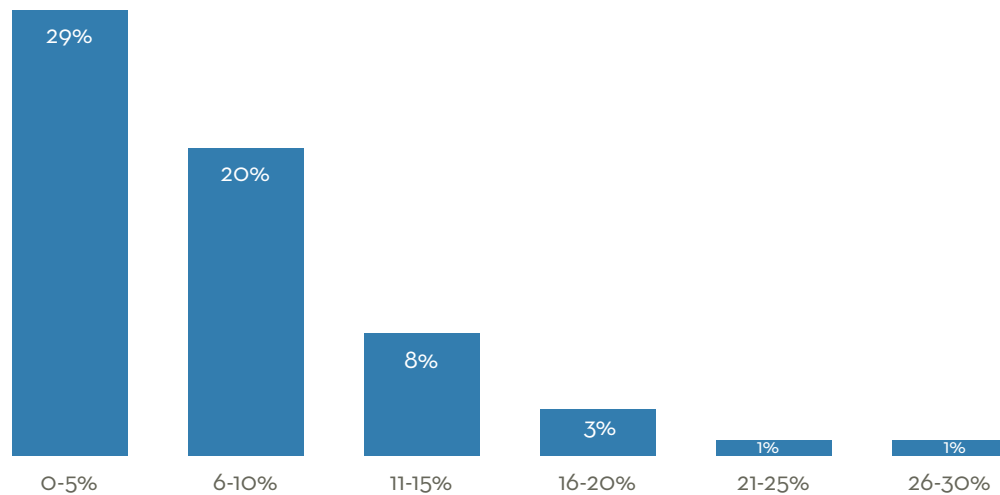


Figure 13: What percentage of your overall budget goes to TECHNOLOGY? (Note: 38% of respondents were not sure)

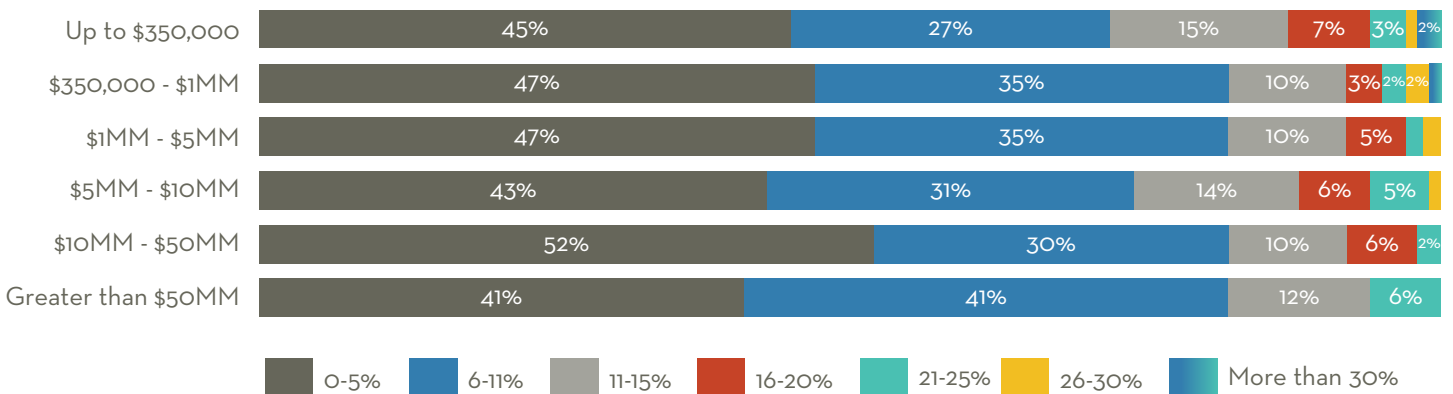


Figure 14: What percentage of your overall budget goes to TECHNOLOGY? (By org. annual revenue) (Note: Excluding 38% of respondents who were not sure)

SHIFTS IN TECHNOLOGY INVESTMENT

Thirty-three percent of nonprofits increased their technology budget in 2021 (**Figure 15**). Only 3% of organizations spent less on technology this year. The majority of those surveyed aren't expecting big shifts in their technology budget for 2022 (**Figure 16**). The biggest increase in anticipated technology spend are for in-person and virtual event software. Smaller organizations with revenue less than \$5 million were more likely to be anticipating increased technology spend. Very few organizations are anticipating spending less in technology next year.

2021 Shifts in Nonprofit Technology Investment

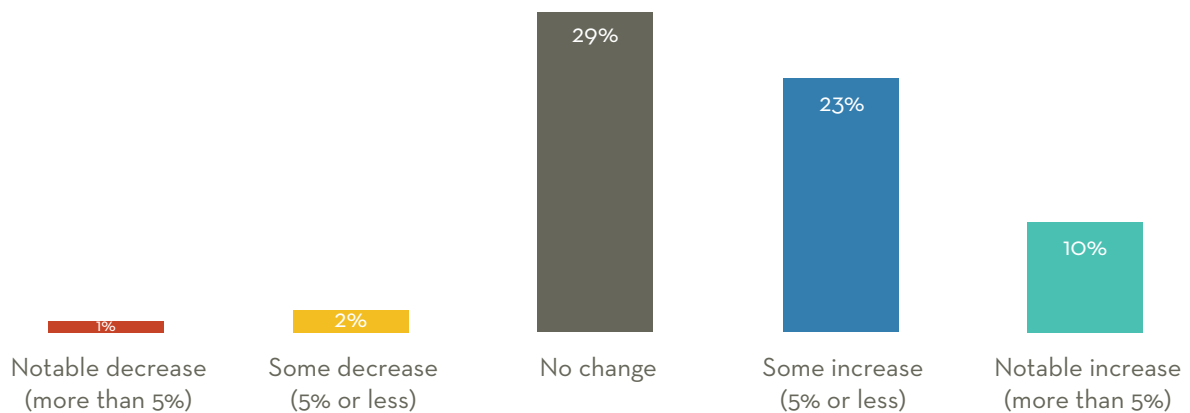


Figure 15: How does this percentage (budget devoted to technology) compare to the prior 12 months? (Note 35% of respondents were not sure)

Anticipated 2022 Shifts in Nonprofit Technology Investment

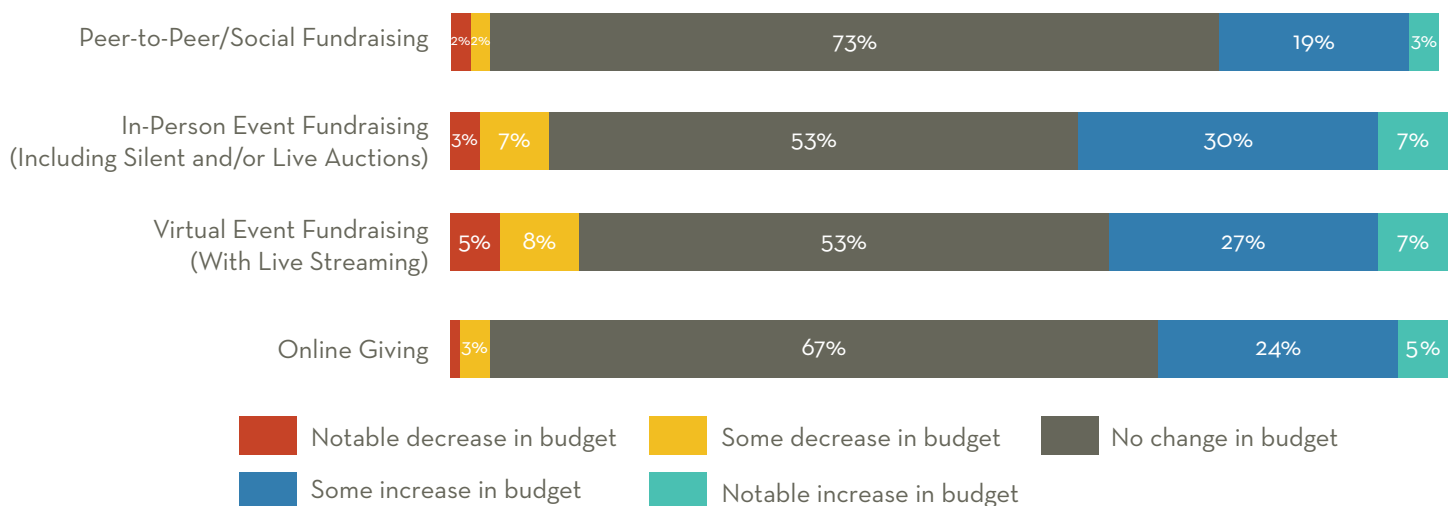


Figure 16: What shifts do you anticipate in your tech budget for the following types of fundraising software?

CONCLUSION

2021 has been a year of great strides in fundraising efficiency, while also laying the foundation for future giving experiences. We've continued to see the power of versatility and new fundraising formats that are helping more nonprofits reach their goals.

In light of the COVID-19 variants, nonprofits must remain agile in their fundraising with the ability to quickly move in-person events to virtual, embrace hybrid solutions, and provide options for supporters to engage how they feel most comfortable. We hope this report provides important insights into overall nonprofit sector trends to help organizations in their planning for post-pandemic fundraising.

Benchmark your success and identify opportunities to improve.

This report provides a great snapshot of where nonprofits are finding success and today's biggest challenges. Take this opportunity to evaluate your own campaign and event mix. Identify opportunities to improve your existing activities and expand into new fundraising strategies.

Incorporate a mix of virtual and in-person giving opportunities in your future fundraising strategy.

Even as the majority of nonprofits prepare for a return to in-person events, it will be important to have an engagement plan in place for supporters who wish to remain virtual, whether that's livestreaming, investing in new hybrid experiences, or creating virtual-only giving opportunities.



Keep a pulse on emerging donor expectations and technology innovations.

Donors have become accustomed to increased optionality and self-service in their personal lives. As nonprofits reimagine their 2022 fundraising, technology can play an important role in helping to deliver experiences that meet their changing expectations. Budget accordingly for any increased technology support you might need in 2022 and beyond.

ABOUT THE SURVEY

The online survey of 1,954 nonprofit professionals was conducted between September 7 - October 1, 2021. Survey respondents represent a wide spectrum of organization sizes and verticals. The majority of respondents identify their roles within development, executive leadership, and events. Nonprofits surveyed use a wide range of technology solutions and vendors to power their fundraising, not limited to OneCause customers. All data is self-reported, not transactional.

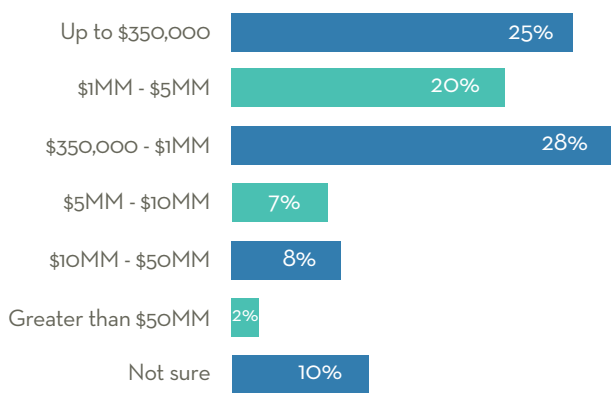


Figure 17: What is your organization's annual operating revenue?

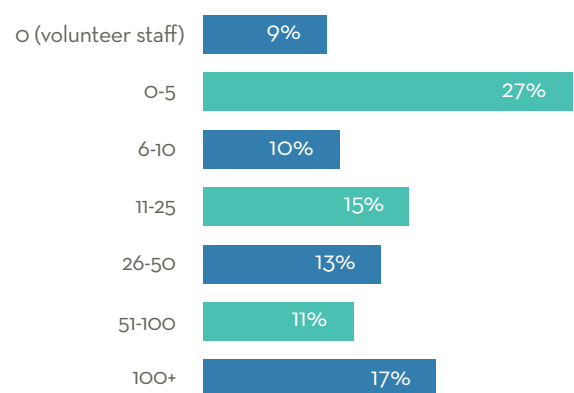


Figure 18: How many FULL-TIME EMPLOYEES are in your organization?



Figure 19: Which of the following most closely aligns with your role (Select one)?

Additional Resources

[Giving Experience Study](#)

[Fundraising through A Pandemic Study](#)

[Nonprofit Success Plan](#)

[Virtual Fundraising Resource Center](#)

About OneCause

OneCause is driving the future of fundraising with easy-to-use online and event fundraising solutions that help nonprofits improve the giving experience and raise more money. OneCause builds technology that optimizes everyday philanthropy, making it easier for nonprofit organizations to fundraise and for nonprofit supporters to give. Since 2008, OneCause has helped more 6,000 nonprofits raise \$3.5 Billion for their missions. Headquartered in Indianapolis, OneCause is committed to driving innovation in the charitable sector bringing together nonprofit professionals across the world for the annual [Raise Conference](#) to exchange ideas that further fundraising. For more information, visit www.onecause.com or follow us on LinkedIn, Twitter, Instagram, and Facebook.