



Raise[®]
2022

Making Sense of Fundraising: A Fundraiser's Guide to What's Working in 2022 & Beyond

T. Clay Buck, CFRE

Welcome!



T. Clay Buck, CFRE

Founder/Principal/Master Trainer

TCB Fundraising

Raise[®]
2022

Agenda

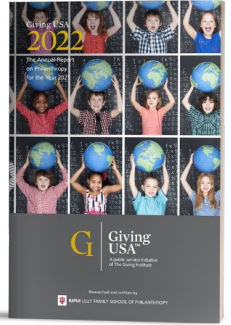
1. Myth Busting – What's Working in Fundraising
2. Hot Takes – What Isn't Working in Fundraising
3. And What To Do About It
4. **Your Plan**
5. Closing

Speed Round

ALL THE DATA

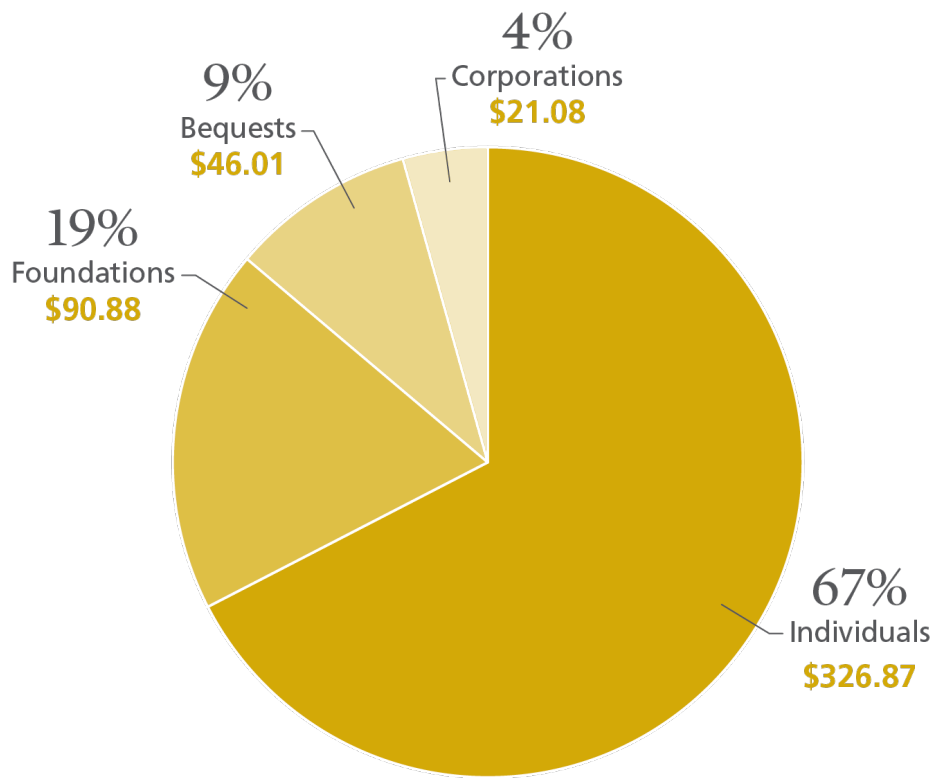
Speed round of a lot of data, statistics and numbers about what's working in the world of fundraising right now.





2021 contributions: \$484.85 billion by source of contributions

(in billions for dollars – all figures are rounded)



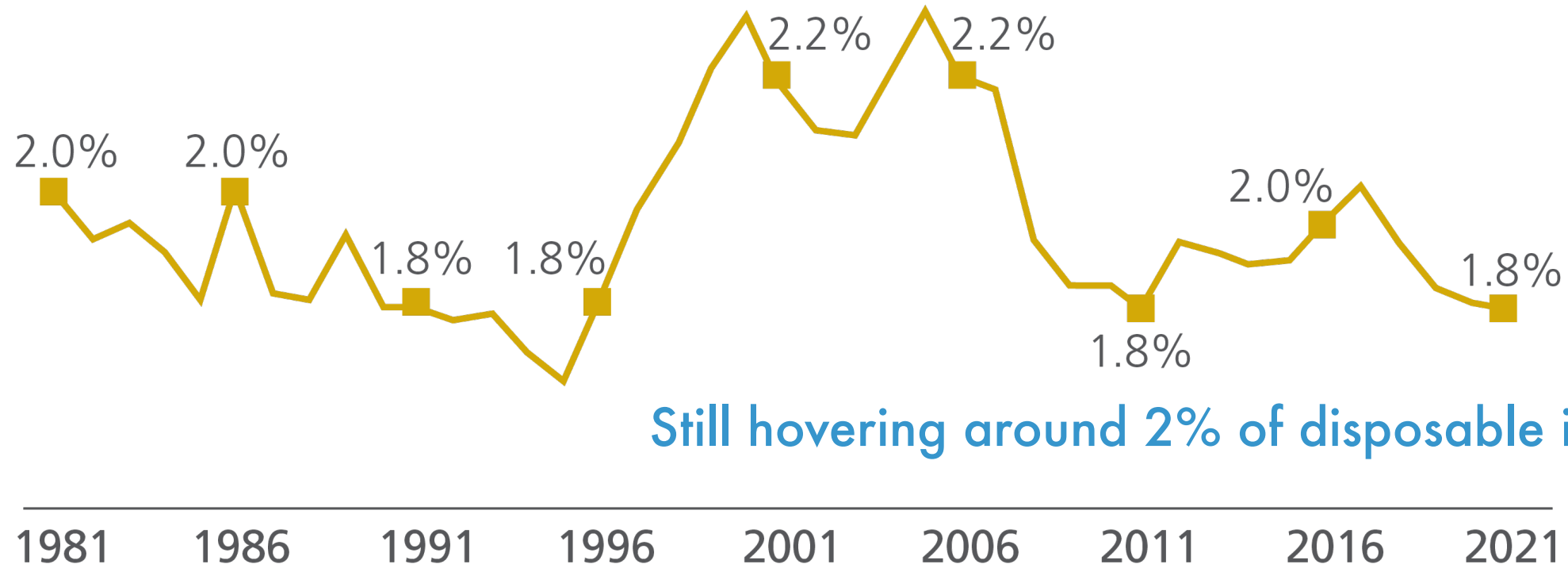
Giving was pretty solid in 2021. (Flat when adjusted for inflation, tho)

Individuals still make up the bulk of philanthropy, but now a three-year trend being below 70%.

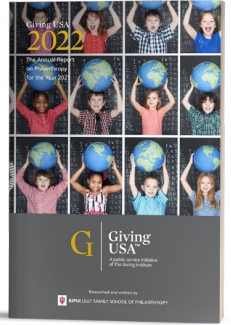


Individual giving as a percentage of disposable personal income, 1981-2021

(in current dollars)

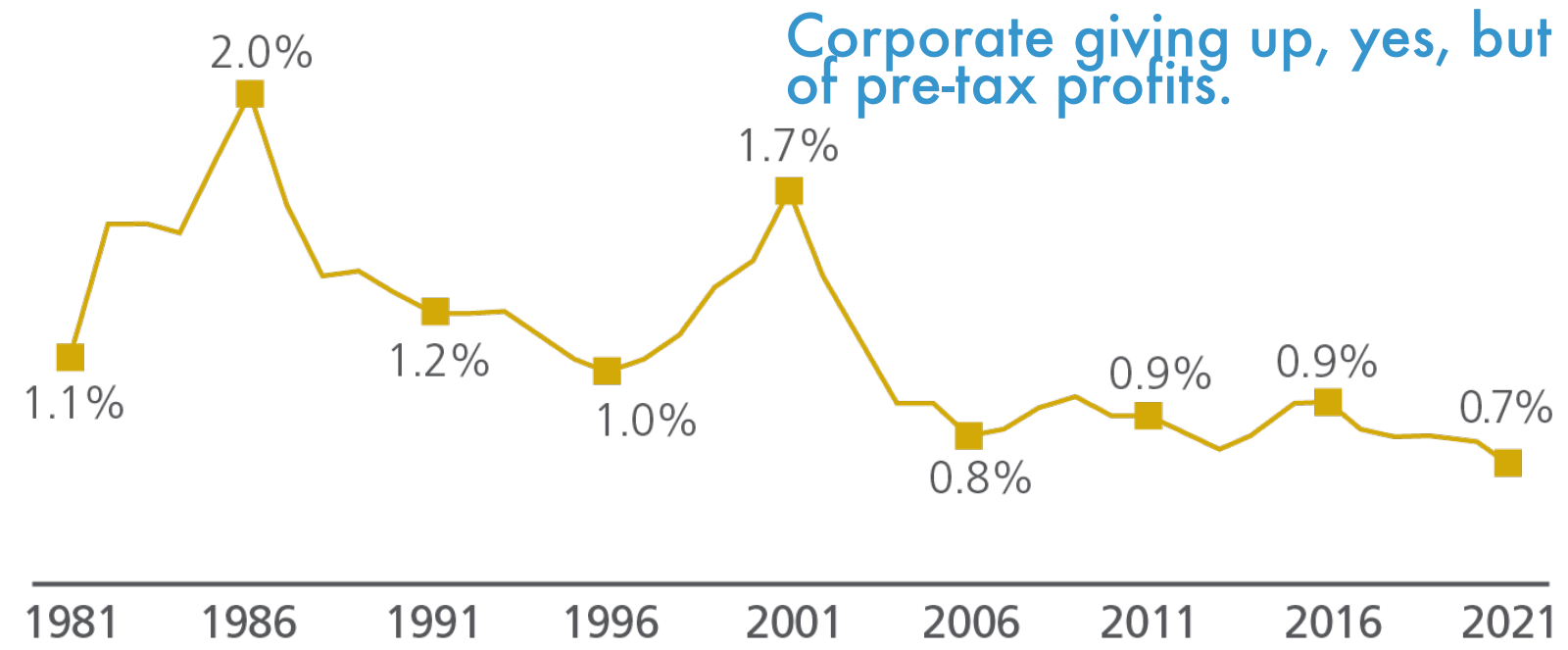


Still hovering around 2% of disposable income.



Corporate giving as a percentage of corporate pre-tax profits, 1981–2021

(in current dollars)



Corporate giving up, yes, but significantly less of pre-tax profits.

Retention is a Problem



DONORS

-5.7%

(+/- 0.5%)

YOY change



DOLLARS

2.7%

(+/- 0.5%)

YOY change



RETENTION

-4.0%

(+/- 0.5%)

YOY change

-0.8%

(+/- 1.0%)

Since 2019

11.0%

(+/- 1.0%)

Since 2019

-7.9%

(+/- 1.0%)

Since 2019

Because 2020 was such an outlier, for this edition of the report, a comparison with 2019 results has been included to these three topline metrics in order to provide a more accurate picture

Retention is a Problem

DONOR RETENTION

29%

First-Year, Offline-Only
Donor Retention Rate

60%

Multi-Year, Offline-Only
Donor Retention Rate

DONATION AMOUNTS

\$813

Average Donation
Amount

\$204

Average Online
Donation Amount

\$20

Median Donation
Amount for Gifts
Below \$1,000

\$2,500

Median Donation
Amount for Gifts
Above \$1,000

What About Digital?

Highlights

9%

ONLINE GIVING GROWTH
YOY

42%

THREE-YEAR INCREASE IN
ONLINE GIVING

12%

PERCENT OF TOTAL
FUNDRAISING FROM
ONLINE SOURCES

28%

PERCENTAGE OF ONLINE
CONTRIBUTIONS FROM A
MOBILE DEVICE

- Total online revenue grew by 3% in 2021, while the number of gifts increased by 5%. These relatively modest figures came after extraordinary revenue growth in the first year of the pandemic.
- Monthly giving increased by 24%, while one-time revenue declined by 1%. Monthly giving accounted for 22% of all online revenue in 2021.
- The average one-time gift was \$125, up from \$111 the previous year. The average monthly gift was \$25, up from \$24.
- Overall online donor retention was 36%. For donors who made their first gift in 2020, retention was 23%. For previous repeat donors, retention was 60%.

- The majority of nonprofit website traffic came from users on mobile devices – 54%, with 46% of traffic from users on desktop devices.
- Users on desktop devices made up the majority of donation transactions (65%) and revenue (76%).
- The average gift made on a desktop device was \$75; for mobile users, the average gift was \$46.
- **Organic traffic** (website traffic generated by unpaid search results) comprised 41% of all nonprofit website visits in 2021.
- Overall, 0.11% of organic website visitors made a donation, generating an average of \$0.15 per visitor.

- For every 1,000 fundraising messages sent, nonprofits raised \$78. This marks a 3% decrease from 2020.
- The average response rate for fundraising email was 0.08%, an 11% decrease from 2020.
- The average open rate across all email messaging was 22%, a 16% jump from the previous year.

What About Mail?

DIRECT MAIL



70% of consumers prefer traditional mail for cold, unsolicited offers

Source: ANA/DMA Response Rate Report 2018



59% of US respondents say they enjoy getting mail from brands about new products

Source: Epsilon



Print advertising (8%) and direct mail (6%) are listed among top sources generating sales and marketing leads

Source: B2B Marketing Mix Report 2018



Consumers claim that they are 46% more likely to respond to an offer from a familiar company

Source: Tax Marketing HQ



23.4% of consumers will respond to a postcard if the offer was relevant and of interest to them

Source: ANA/DMA Response Rate Report 2018



70% of consumers say direct mail is more personal than online interactions

Source: Funders



48% of people retain direct mail for future reference

Source: DMR



77% of people sort through their mail immediately

Source: USPS

600%



DIRECT MAIL OUTPERFORMS ALL DIGITAL CHANNELS COMBINED BY 600%

Source: DMA Response Rate Report

What About Mail?

NON-PROFIT

In the non-profit sector, sending more emails does not equal more click-through rates (CTRs) as shown in the statistics below:

- Animal welfare groups sent 16.8% more emails and had click-through rates decrease by 17.7%
- Disaster organizations sent 18% more emails and had click-through rates decrease by 20.7%
- Human and social services sent 12.8% more emails and had click-through rates decrease by 16.1%
- Public broadcasting sent 27.6% more emails and had click-through rates decrease by 18.3%

Source: DMA Statistical Factbook, 2018



At 54%, measuring content effectiveness is the top challenge for non-profit content marketers, followed closely by the ability to produce engaging content at 53%

Source: 2016 Nonprofit Content Marketing Trends – North America: Content Marketing Institute/Blackbaud.



**DIRECT MAIL
INCREASES ONLINE
DONATIONS BY
40% TO NON-PROFITS**

Source: Dunham+Company



TIP

Communication volume or list size alone will not save you. Therefore, make sure that each communication you send out is relevant to the person receiving it. For example, if you are an animal welfare organization, you likely have cat people and dog people in your database. Cat people want to hear about cat things. Information about dogs would be irrelevant, and vice versa.

Solution: Segment your audience and build a content library that is relevant to the different sections. You can segment your audience in different tiers, for example:

TIER 1: Cat People

TIER 2: Cat People: Sustaining Donations | Cat People: Repeat Donations | Cat People: First-time Donations

TIER 3: Cat People: Last Donated 5+ Years Ago

RESPONSE RATE BY SELECTED MEDIA



Source: 2018 ANA/DMA Response Rate Book | *CTR x Conversion Rate

How About Events?

Events are back, and they're reigniting donor generosity

Annual events made a comeback in 2021, with many nonprofits deciding between virtual formats, in-person experiences, and a hybrid mix of both. As events returned as a stable income stream, we explore the way they've impacted lasting donor relationships through recurring giving in the next decision-making stage.

Here are the campaign types with the most growth in overall donation volume between 2020 and 2021:

- Ticketed events (49% growth)
- Events with peer-to-peer fundraising* (23% growth)
- Peer-to-peer (10% growth)

Classy - donationtrends.classy.org

*An event with peer-to-peer fundraising is an in-person, virtual, or hybrid Classy event where registrants can fundraise on the organization's behalf.

ALL THE DATA

We Haven't Even Talked About

The huge variety of options, ideas, tools, tricks, technology, and tactics that are being used in fundraising right now. For every one example of a tool that doesn't work anymore, there are three that show that it does!

- Phone calls – still VERY effective
- Face-to-Face – huge interest in virtual/hybrid experiences
- Text-To-Give – big increase last year
- Recurring Giving – major strides – donors love it!
- Crypto – it's happening
- DAFs – still massive
- Online Giving Pages



What Does It All Mean?

What do I DO with all this?

It means generosity is alive and well, donors of all ages and backgrounds need choice and options, and the best approach is based on fact and data not assumptions and guess work.

It means your message is more important than ever before.

Hot Takes

WHAT ISN'T WORKING IN FUNDRAISING

There are still some challenges – things we should maybe leave behind.



WHAT'S NOT WORKING

Think for a minute – and respond:

What did all of that data that we just looked at have in common? What did it measure?

More importantly, what did it not measure?

- Giving
- Response Rates
- Retention Rates
- Channel/Methodology

WHAT'S NOT WORKING

We're Good at Measuring What Donors Do

But not so much good at measuring why they did it.

e.g. How many of those online gifts came because of a mailed ask? Or an event?

WHAT'S NOT WORKING

We're Also Not Great at Fixing Philanthropy's Historical Problems

We have an obsession with revenue and wealth that often excludes or minimizes active generosity from historically underrepresented and disenfranchised donors.

Creating Equity & Inclusion in Fundraising

WHAT'S NOT WORKING

The definition of equity in philanthropy is the donor standing **WITH** the beneficiary.

The story they're telling us through the data and information they provide informs the data practices for our organization.

Creating Inclusivity in Giving

WHAT'S NOT WORKING

Are all donors welcome? Regardless of gift size? Is every gift valued?

Does your community see themselves in your organization? In your leadership? In your messaging?

Is the "Big Check" picture alienating people who care?

- Eliminate Honorifics
- Cis Males are not always head of household
- Tracking age, gender, ethnicity
- Capture names correctly
- Especially non-colonial names
- Ethical acquisition, storage, and handling of data



What's Coming?

2022 and BEYOND

Mid-term elections, uncertain economy,
Recession(?), prices and cost-of-living,
and Covid is still around

STAY THE COURSE

WHAT'S COMING?

Fundraising/Philanthropy is generally a lagging economic indicator.

Right now, pent-up demand is outweighing price and cost increases.

Q4 will be volatile, but not insurmountable

- Charitable Giving usually goes UP during an election year – Values are Front and Center
- HNW individuals may be impacted by stock market and postpone giving decisions until later in the year
- MOST donors will still find ways to afford the things important to them

Don't make decisions for your donors

WHAT'S COMING?

"We shouldn't ask right now because . . . "

Invest in storytelling and compelling
INVITATION to join an important cause (not
an ask to fund a mission)

Keep momentum and cadence

Diversify – methodologies and funding

- Don't let leadership do it either – you've got the data to support you now. 😊
- Slow and steady wins the race in Q4 – watch out for knee-jerk response
- Plan, Plan, Plan – Set the Plan/Work the Plan

T R Y I T O U T !

Interactive Activity

Raise[®]
2022



OK, Your Turn!

LET'S DO SOME
WORK!

This is like a 1980s "All-Skate" – let's dig into creating a plan that works for you.

You Have About 10 Minutes

GROUP WORK!

Get in a small group – 2-3 people, whoever’s around you – but NOT people you work with already!

Nobody’s grading you. You can work alone if you prefer. 😊

- Introduce yourself – quickly!
- Describe what you do in fundraising – what methodologies do you currently use?
- Of the things we’ve talked about, what do you NOT use?
- Is there anything you’ve been wanting to add?

What would you do now? Why?

GROUP WORK!

Were there any data points/research that surprised you?

Any that challenged something you believed?

Would you change your plan now? What would you add? What would you take away?

Why?

- MOST IMPORTANT – Can I do it and can I do it well?
- Is it really an effective tool to increase fundraising or is it a bright/shiny object?
- HOW DOES IT ADVANCE THE RELATIONSHIP?
- Can I measure the impact of OUR work?

Your Plan

GROUP WORK!

What is the goal?

Does this tactic help me reach the goal?

How will I use it exactly? Give details

Can it be effectively managed?

- The goal is more specific than “more donors giving more dollars”
- How does a methodology help you reach specific goal?
- What is your #1 Priority?

A blue-tinted photograph of three women smiling and laughing together. The woman on the left is wearing a light-colored sweater, the woman in the middle is wearing a dark sweater, and the woman on the right is wearing a dark polka-dot top. A thin yellow horizontal line is positioned above the text.

Q U E S T I O N S ?

Now's my time to
hear from you!

Raise[®]
2022



Raise[®] 2022

FOLLOW US ON SOCIAL

#2022RAISE



fb.com/onecause



[@onecauseteam](https://twitter.com/onecauseteam)



[@onecauseteam](https://instagram.com/onecauseteam)



linkedin.com/company/onecause

