

DONORS

Understanding The Future
of Individual Giving



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The Why

In the summer of 2021, The Giving Institute gathered in Washington, DC to bring together its members to hear from some of the foremost leaders in philanthropy. There were panel sessions on civic engagement and why philanthropy needs to be more democratized, what role diversity, equity, and inclusion play in formulating organizational investments, and understanding the pandemic's impact on the social good sector as a whole.

In one of the final sessions, a member of The Giving Institute mentioned that they had too many reports to read to catch up on everything that was going on with charitable giving. This was striking - this is the institution that puts out one of the world's most important and cited reports on philanthropy. Yet we all still have to hunt around to understand what is happening from dozens of sources to understand what is happening in our sector underneath the surface-level data.

With that inspiration, Neon One set out to answer one much smaller but essential question.

Where is individual giving going in a post-pandemic world?

We set out to design a report that brings together some of the most exciting research that we've ever seen, translated into an accessible resource that both new and experienced fundraisers could use to help them be better at their jobs.

After combing through hundreds of blogs, articles, academic journals, industry reports, surveys, benchmarking dashboards—as well as internal data from our company and partners—we have synthesized the overlapping trends around individual giving into one report with six primary questions on its future:

- Who are our donors?
- What do our donors support?
- When do our donors give?
- Where are our donors?
- Why do our donors give?
- How do our donors give?

It should be noted that we have an extensive methodology outline for data that we oversee ourselves or obtain from trusted partners like Visa, as well as upholding the standards around analysis from the Fundraising Effectiveness Project/GivingTuesday work that we participate in.

We have taken extensive care to attribute the proper sources in both the public data they have put forward and the report or academic source itself being placed into the methodology and appendix section (this part is for the nerds out there, you're welcome).

We hope that this report inspires you to think more deeply about how you connect with your donors and the insights you can focus on obtaining to make the donation process much more personalized and pleasurable. With a focus on building authentic relationships, your organization can achieve amazing results.

Enjoy.

— **Tim Sarrantonio**, Director of Corporate Brand, Neon One

Foreword

We have seen an unprecedented shift in how people are thinking about the ways they support the causes and passions most dear to them. The pandemic has accelerated an existing shift toward digital payments, which has consequently opened up more ways for people to give to their favorite causes and provided nonprofits with more tools and channels to accept philanthropic gifts. Instead of nonprofits relying on large donors to support their mission, we are seeing more and more small gifts leading to a big impact.

Understanding the future of individual giving will be critical for nonprofits and fundraisers. That is why we are so thrilled to have helped support this new report. Through our partnership with Neon One, we will be able to empower nonprofits of all sizes with the insights and trends that will drive generosity for years to come.

Visa is proud to be a network of networks, committed to advancing inclusive, equitable, and sustainable economic growth for everyone, everywhere. We work with partners and clients all around the world, playing a key role in helping businesses, as well as nonprofits, enhance access to the digital world. This includes enabling philanthropic giving and supporting fundraising through digital payment solutions to allow for the flow of payments seamlessly and securely.

When it comes to giving at any time of the year, ensuring there are digital payment options available has never been more important, given the shift we've seen to digital over the last 18 months. Yet, the ways that people support nonprofits are so much more than choosing to go digital. For too long, nonprofit professionals have relied on information that was out of date or based on anecdotal evidence.

That is what is so exciting about the report that you are about to read. Empowering fundraisers, through data-driven decisions, to connect with donors is what we at Visa are passionate about. By creating more opportunities for nonprofits to meet donors where they are, we are truly heading toward a future where individual giving is facilitated through a network built for everyone, not just the well-resourced.

— **Bill Dobbins**, Senior Vice President of Merchant Sales and Solutions, Visa



Who Are Our Donors



“To know who I am is a species of knowing where I stand. My identity is defined by the commitments and identifications which provide the frame or horizon within which I can try to determine from case to case what is good, or valuable, or what ought to be done, or what I endorse or oppose. In other words, it is the horizon within which I am capable of taking a stand.”

— **Charles Taylor**, *Sources of the Self: The Making of the Modern Identity*

People are complex beings. There are so many things that make up what defines us, either positively or negatively - family, religion, geographic and cultural background, ethnicity and gender, economic status, and all that represent where we came from. Yet it is more than that when it comes to identity - pop culture, sports, education, politics, and much more influence who we think we are.

Yet donors are people who want to give. The term philanthropy is derived from the Greek word **Philos**, which means love of humankind. And within the United States alone, there are many people who love humanity. According to the 2020 Giving USA Foundation Report¹ folks in the US gave a **record \$471.44 billion in 2020**. This equates to more than **\$1.29 billion per day**. By adding the individual and bequest numbers, individuals contributed about 78% of all dollars given to charity in 2020.

This chapter will outline existing research and insights to provide a high-level overview of these donors. This is one of the less-defined and under-researched parts of our sector’s understanding of support for social good, which is why we’re thrilled to have unique insights never before seen from our partners at Visa to help to understand the giving behavior of certain demographic groups.

¹ Giving Institute. (2021, June 15). *Giving USA 2020 Annual Report*. Giving USA | A public service initiative of the Giving Institute. Retrieved January 20, 2022, from <https://givingusa.org/>

While we won't be able to get into what sports teams donors support, we will be able to collect and summarize research on gender and sexual identity, race and ethnicity, income, and some intersectionalities behind the data. It is important to keep in mind that people don't identify with one checklist item that they may fill out on a survey, and hence when working with your community, getting a deeper understanding of who makes up your donor base will be a critical first step in truly connecting with them.

We'll then get insights specifically on Black philanthropy in America to start to bring together these different intersections in a meaningful and substantive way.

Demographics

People who give come from every type of background - there is no one specific type of person that will be a giver over a different kind of person. Humanity has generosity as part of its DNA. Yet, with existing research, we can glean some interesting insights from giving behavior of different types of groups. It is vital to understand the psychographic reasons people share and not make assumptions based on demographics alone.



Tactical Tip: Using donor surveys is a great way to collect essential demographic information to understand who they are beyond the transaction. However, be careful with the usage of the OTHER option - this automatically may make donors who don't fit into the pre-chosen selections feel left out that you don't care about their identity.

GENERATIONAL GIVING

According to a 2015 US News and World Report², the Baby Boomer generation controls roughly 70% of all disposable income. Starting with an understanding of generational giving behavior will help lay the foundation for understanding other demographics that we have information about.

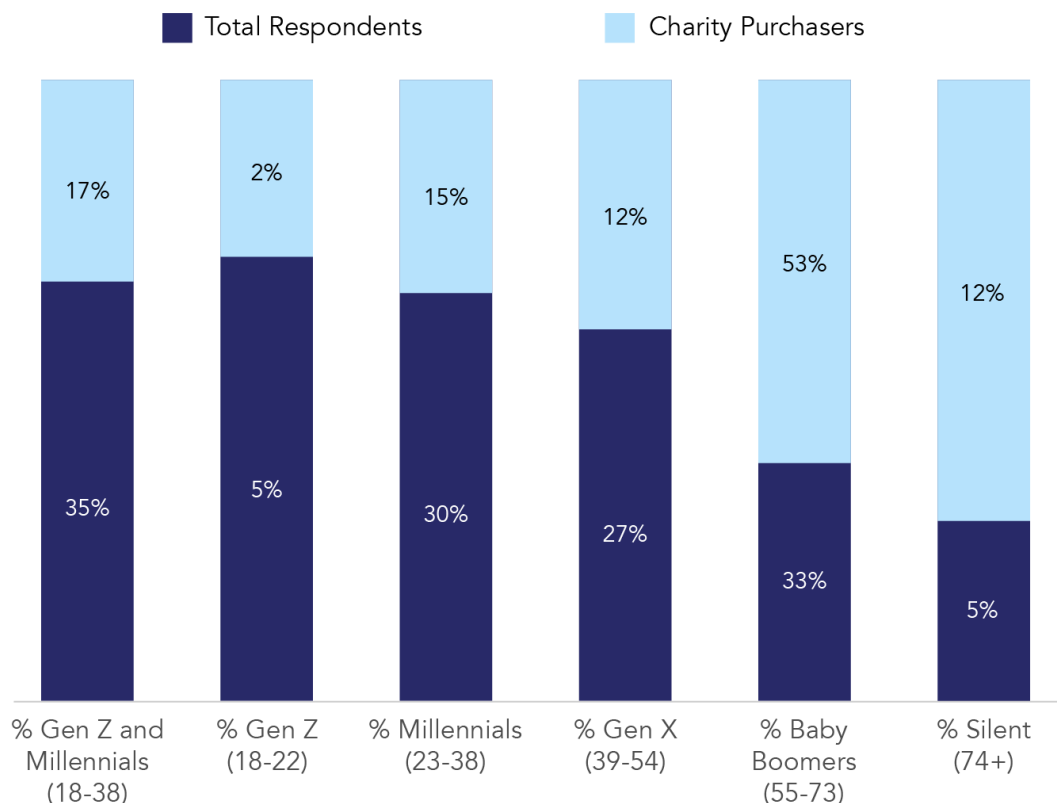
In Visa's data panel, they find each year that charitable givers tend to be older and more affluent and donate in more significant percentages relative to their younger counterparts. The typical demographic of a generous donor is:

- Affluent (\$100k+)
- College graduates

² U.S. News & World Report (2015). *Baby Boomer - U.S. News & World Report*. Baby Boomer Report. Retrieved January 20, 2022, from https://www.usnews.com/pubfiles/USNews_Market_Insights_Boomers2015.pdf

- Homeowners
- Boomers (55-73) and Silent (74+) Generation

2020 Age Demographic Breakdown



Source: Visa Payment Panel, 2020

Blackbaud has analyzed generational giving in a survey of 1,339 US donors since 2010, with only minor variations throughout the years. Most interestingly in their research is the type of nonprofit organizations that specific generations tend to favor. According to their analysis: when “looking across generations, health, religion, and local social services continue to sit atop donors’ giving priorities.”³ However, there are some notable differences in generational prioritization.

The older generations are more likely to prioritize emergency relief nonprofits, while younger generations are more likely to prioritize children’s charities. Generation X and Z are highly committed to animal-related causes. This aligns with QGiv’s findings in their generational giving survey of 1,309 US donors.⁴

³ Blackbaud. (2018, December 20). *The next generation of American giving*. Blackbaud Institute. Retrieved January 20, 2022, from <https://institute.blackbaud.com/asset/the-next-generation-of-american-giving-2018/>

⁴ QGiv. (2020). *QGiv Generational Giving Report*. eBook - Generational Giving Report. Retrieved January 20, 2022, from <https://go.qgiv.com/ebook-generational-giving-report>

INCOME

One of the most common perception problems around defining and understanding donors is through the monetary assets of donors themselves. The reality is that people in the United States generally are uncomfortable with talking about money, especially their own money. Understanding how specific income brackets give and think about giving is essential to know how we feel and interact with donors—much of the critiques in our industry center around the role of high-net-worth individuals. Yet the ways that we define and understand wealth are inconsistent in research. In this section, let's unpack some known data around income distribution and its implications for generosity.

A 2020 analysis was conducted using the University of Michigan's Panel Study of Income Dynamics⁵, a nationally representative survey that includes information about income, wealth, and charitable giving (religious and secular, separately), as well as demographic characteristics including age, race, religion, and education.

The research is based on the survey of the same 10,665 households every other year from 2000 to 2016, regardless of itemization status, with incomes that represent roughly 99% of the population. Researchers estimate the average percent of income donated to charity ranges from 1.44% to 2.01% across income groups, meaning there is not a major disparity in percentage given to charities when filtered by household income.⁶

This same research also found that, unsurprisingly, as wealth increases, the amount of money is allocated to charities. However, it should be noted that many of the giving vehicle strategies change as the amount of wealth increases.

RACE AND ETHNICITY

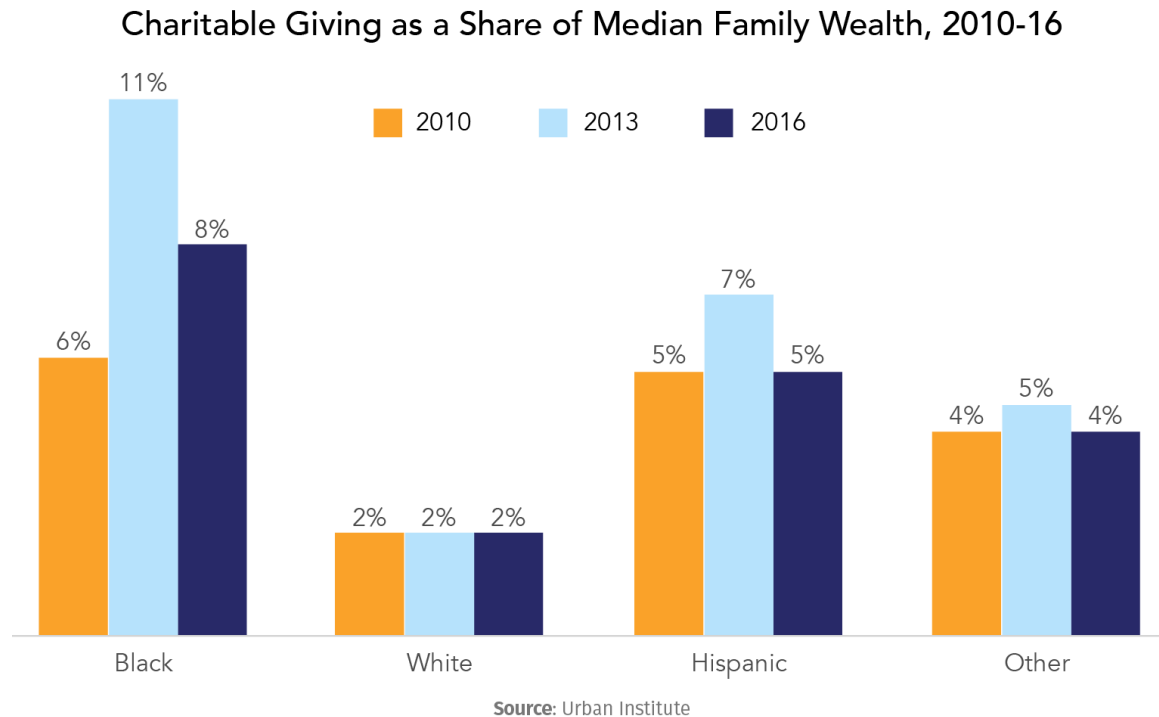
It will be impossible to address racial and ethnic nuances in giving without first addressing the overall income gap that exists racially within the United States. As outlined by the Federal Reserve of the United States in 2020, "New data from the 2019 Survey of Consumer Finances (SCF) show that long-standing and substantial wealth disparities between families in different racial and ethnic groups were little changed since the last survey in 2016; the typical White family has eight times the wealth of the typical Black family and five times the wealth of the typical Hispanic family."⁷

⁵ University of Michigan Institute for Social Research. (2021). *PSID Home*. Panel Study of Income Dynamics Home. Retrieved January 20, 2022, from <https://psidonline.isr.umich.edu/>

⁶ Priday, B. (2020, May 5). *Are Rich people really less generous?* Econofact. Retrieved January 20, 2022, from <https://econofact.org/are-rich-people-really-less-generous>

⁷ Bhutta, N., Chang, A. C., & Dettling, L. J. (2020, September 28). *Disparities in wealth by race and ethnicity in the 2019 survey of Consumer Finances*. The Fed - Disparities in Wealth by Race and Ethnicity in the 2019 Survey of Consumer Finances. Retrieved January 20, 2022, from <https://www.federalreserve.gov/econres/notes/feds-notes/disparities-in-wealth-by-race-and-ethnicity-in-the-2019-survey-of-consumer-finances-20200928.htm>

The Urban Institute analyzed charitable donations by race and ethnicity with some interesting findings, as seen in the chart below⁸:



Of all racial or ethnic groups they analyzed, black families have contributed the largest proportion of their wealth—which can include savings, used cars, land, and investment accounts—to charity since 2010.

The influence of a household’s approach and philosophy on charitable giving appears to have variations by race and ethnicity. Studies have found that Latino households are more likely to have a generational history of giving traditions when compared to other ethnicities.⁹

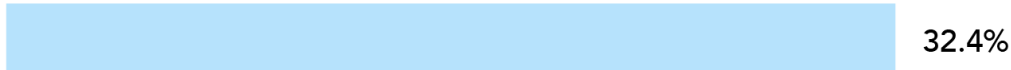
⁸ Ashley, S., & James, J. (2018, November 19). *Despite the racial wealth gap, black philanthropy is strong*. Urban Institute. Retrieved January 20, 2022, from <https://www.urban.org/urban-wire/despite-racial-wealth-gap-black-philanthropy-strong>

⁹ Vaid, U., & Maxton, A. (2019, April 17). *The Apparitional Donor: Understanding and Engaging High Net Worth Donors of Color*. Donors of Color. Retrieved January 20, 2022, from <https://donorsofcolor.org/wp-content/uploads/2019/01/FinalAppDonreport4.17.pdf>

Black/African American



Asian/Pacific Islander



Hispanic/Latino




White/Caucasian



Source: The Apparitional Donor: Understanding and Engaging High Net Worth Donors of Color

Of the findings within the excellent research conducted by The Vaid Group and Advancement Project for Democracy, one of the key findings was that “POC donors are much more likely to live in cross-class families and communities, where the impacts of the racialized wealth gap are very apparent. This fuels a fire towards upward class mobility and a desire for community uplift. Giving by these donors has unique features that emerge from the economic, historical, ethnic, and racial experiences of each community, and other features that are shared across ethnicity and race.”



Tactical Tip: Understanding how different communities respond to your message is a crucial area of research that your organization should perform when analyzing your donor community. For example, according to the US Trust and Lilly School of Philanthropy, African-Americans are more likely to participate in social media campaigns while Asian-Americans think that purchasing goods from a socially conscious business will have a more significant impact on society. This research can help inform your personalized strategy, which you can then adjust to match preferences and nuances to your community of donors.

GENDER & SEXUALITY

An area that needs further research is the influence of gender and sexuality on giving behavior. Still, there have been some studies that have looked into this vital component of identity.

The report published in 2018 entitled [How Women and Men Give Around Retirement](#) is the first scholarly examination of how retirement affects charitable giving. According to the report, both men and women maintain their charitable giving as retirement approaches, especially compared to other types of spending, which typically fall at the retirement stage of life.

The report also found that single women and married couples are more likely to give and give more money than single men do. They also found that charitable contributions by single women and married couples are more stable than charitable contributions by single men. The study found that the likelihood and amount of a single man's giving vary widely from year to year compared to single women and married couples. In addition, the study found that single women and married couples are more likely to volunteer and that their likelihood of volunteering is more constant over time than are single men.

A 2016 study on same-sex couples by the Lilly School found that “participants are highly engaged in nonprofit organizations and participate in a diverse array of philanthropic behaviors. While many couples support at least one LGBT-affiliated nonprofit, giving to LGBT causes does not constitute the majority of most couples’ philanthropy. Still, sexual orientation plays a significant role in motivating support for the LGBT community, for public policy changes and equal rights initiatives, and to HIV/AIDS service organizations.”¹⁰

Much of the key research around gender and sexuality also has a common theme of the influence of household giving traditions when growing up.

In research by Fidelity Charitable on the impact of living in a household that prioritizes generosity, nearly every metric pointed toward generous households growing up having an influence on the individual’s current state of mind around giving.¹¹

¹⁰ Dale, E. J. (2016, June). (dissertation). *Giving among same-sex couples: The role of identity, motivations, and charitable decision-making in philanthropic engagement*. Retrieved January 20, 2022, from https://scholarworks.iupui.edu/bitstream/handle/1805/10466/Dale_iupui_0104D_10102.pdf?sequence=1.

¹¹ Artemis Strategy Group. (2018). *Family Giving Traditions*. Retrieved January 20, 2022, from <https://fncs-stage.adobebmsbasic.com/content/dam/fc-public/docs/insights/family-giving-traditions.pdf>



89% of those who grew up with strong giving traditions

vs. _____

73% of those who did not grow up with strong giving traditions

Source: Fidelity Charitable - Family Giving Traditions Study



Tactical Tip: Check out the work of the [#GivingTuesdaySpark initiative](#), which is aiming to create resources and opportunities for children to experience and create generous moments within their communities. Be inspired and see how you can involve children in your outreach.

Chapter One Summary

Understanding identity is the first step toward creating a meaningful connection with your donors. While it is vital not to downplay the historical factors of generational wealth, race/ethnicity, and gender as it influences our society today, some trends and truths exist across all demographics when looking through the various prisms that affect how one identifies themselves.

Humanity is inherently generous, and people will step up in ways that can often surprise us if we aren't paying attention. By prioritizing understanding donors, you can begin to build a diverse community of supporters with whom you have a transformational relationship, not a transactional one.

For Chapter One's guest insight, we want to take a closer look at what philanthropy looks like in Black communities in the United States. As we learn more about our donors, understanding that there are cultural differences in how generosity is ingrained into a community is important to understand.

> **GUEST INSIGHT** - Sabrina Walker Hernandez, MPA

On Our Terms, Black Philanthropy in America

Sixty percent of fundraising is cultivation—building relationships. As a fundraiser, you need to build relationships with all people, including people of color. The one thing I know is that the desire to give is universal. Our job as fundraisers is to match that desire with your cause. If you are not doing that you are leaving money on the table.

Does this mean you may have to tweak your model? Yes! One size does not fit all. You may have to shift in fundraising channels, in messaging and language, and even in governance. Due to the pressing social and economic challenges we face, this effort has never been more important.

The demographics of America are changing. Nonprofits must be proactive to attract a more diverse donor base.

Many major gift fundraisers still overlook donors from a variety of demographic groups, even though about 14 percent of U.S. millionaires are from minority groups. That number will likely grow.

Organized philanthropy is not doing an adequate job of engaging non-white communities. In a number of studies, African American and Hispanic donors say they are solicited less frequently and would give more if they were asked more often.

Let's examine why you may not be asking people of color for money. But particularly because I am a Black woman, I want to talk about Black people.

Unconscious bias. When you think Black, you probably don't think of givers or donors. Some of you may even jump to the stereotype of takers. You know, the myth of the welfare queen. The idea is that black people are too lazy to work, instead of relying on public benefits to get by, paid for by the rest of the upstanding citizens.

But did you know Blacks give a larger share of their wealth to charities than any other racial group in America? I myself give over \$10,000 a year to charity. I am not wealthy by any means. I am a middle-class black woman.

Like my fellow Black donors, I don't just give to the church. Higher education and the arts rank high on the giving list.

According to the Urban Institute, Black families have contributed the largest proportion of their wealth to charity of all racial and ethnic groups since 2010, despite the equity gap.

In a 2012 report from the W.K. Kellogg Foundation and Rockefeller Philanthropy Advisors, it was found that Black donors give away 25 percent more of their incomes than white donors. The report said that nearly two-thirds of Black households make charitable donations, worth a total of about \$11 billion a year.

Countless Blacks, from all walks of life, give of their time, talent and money generously through their churches, clubs, sororities, fraternities, and giving circles—groups of people who pool charitable money for nonprofits they collectively choose to support. Black women also made August Black Philanthropy Month, an international celebration of giving by people descended from Africa.

We are not new nor are we an emerging demographic in charitable giving. We have always been here. If nonprofits are serious about working with Black people, they must commit to diversity and inclusion across their organizations and dedicate the time, resources, and attention to identify, cultivate, solicit, and steward Black donors on our terms.

Sabrina Walker Hernandez is a certified consultant, coach, and facilitator who helps small nonprofit staff & boards build relationships that convert into more donations. She has over 25 years of experience in nonprofit management, fundraising, and leadership. Among Sabrina's successes is that she increased operation revenue from \$750,000 to \$2.5M and completed a \$12M comprehensive capital campaign in the 3rd poorest county in the United States. She has facilitated numerous workshops with hundreds of nonprofit professionals. Sabrina is certified in Nonprofit Management by Harvard Business School. She is an active community leader and volunteer in Edinburg, Texas, where she is based.

What Do Our Donors Support?

"Money is but one venue for generosity. Kindness is an even more valuable currency."

— **Alan Cohen**, Author

We continue to see nonprofit organizations do good work in their communities. So what does this look like in practice? What types of causes are donors supporting?

This chapter will drill into the different missions and causes that donors choose to support and what this means for the typical nonprofit experience when planning out their individual giving programs. There are specific causes and sizes of organizations that more easily attract donors, so understanding what this means for your organization will help you plan out a long-term strategy around individual giving.

We'll also be examining the reality that donors aren't necessarily donating to only one organization to support the causes they're passionate about helping. Community-driven initiatives that may involve more than one nonprofit are becoming more attractive to donors of all types, and we'll look at some of the data that supports this.

We'll also take a look at non-financial forms of generosity, going beyond the transactional analysis that often overtakes conversations in our sector. The role of volunteerism shouldn't be underestimated. Our guest insight will help tether volunteerism to larger questions of civic engagement and national identity.

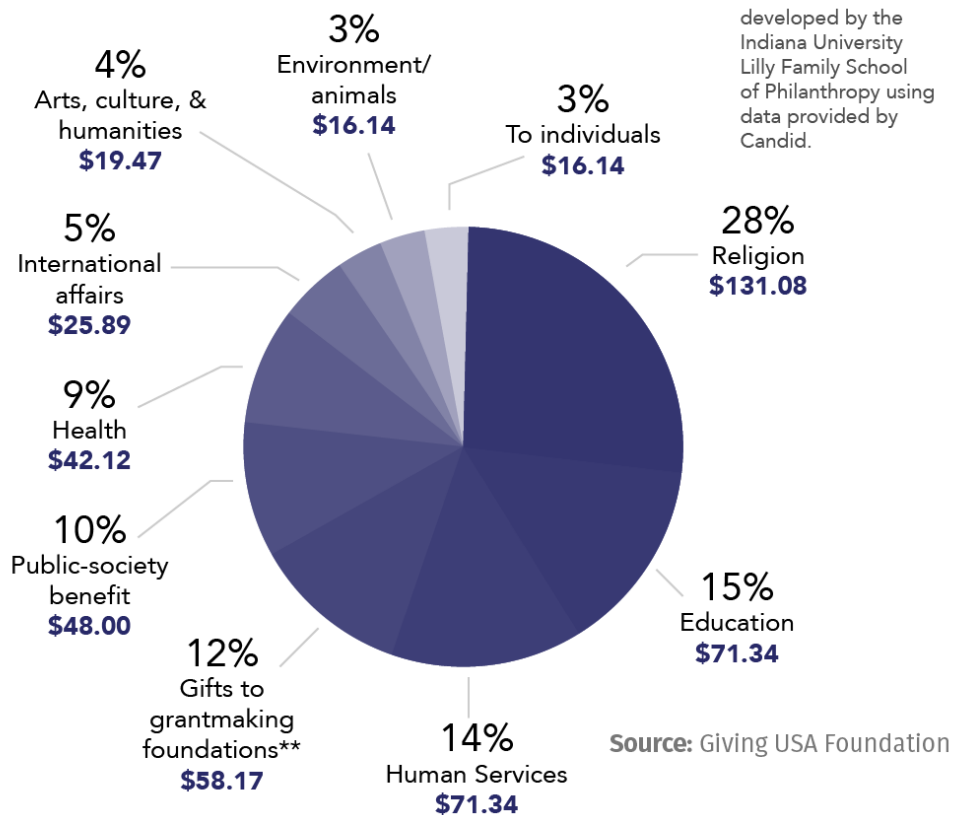
Mission Breakdown

According to the National Center for Charitable Statistics (NCCS), more than 1.5 million nonprofit organizations are registered in the United States. This number includes public charities, private foundations, and other nonprofit organizations, including chambers of commerce, fraternal organizations, and civic leagues. These are categorized using NTEE Codes, which fall into ten major categories and around four hundred subcategories.

Within the most recent Giving USA report from 2020, the allocation of revenue from individual donors, foundations, corporations, and bequests showed the breakdown of mission-centered revenue as follows:

2020 contributions: \$471.44 billion by type of recipient organization*

(in billions of dollars - all figures are rounded)



During the pandemic, there have been major impacts to both arts & cultural giving and healthcare organizations. Yet, we wanted to understand better the impact of individual giving behavior around mission-related allocations.

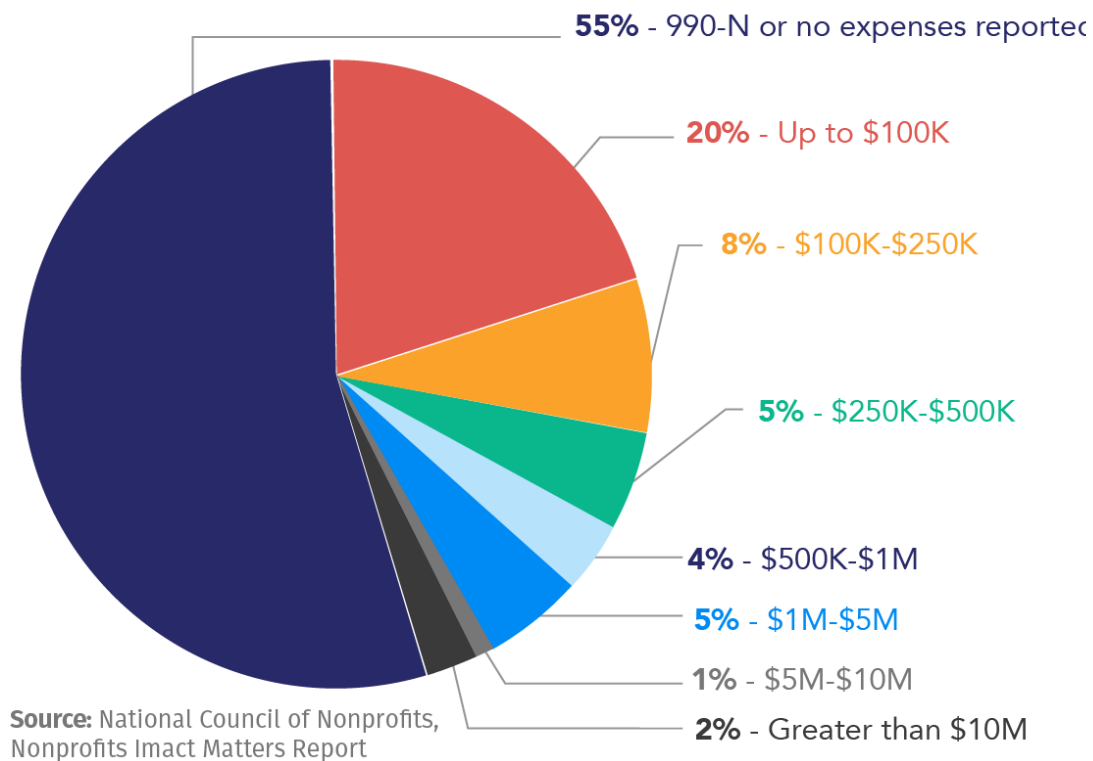


Tactical Tip: One of the most important investments an organization can make is storytelling. With so many different missions and messages, it may feel impossible to stand out to donors. Yet through compelling imagery and clear messaging, you will be able to bridge the gap between your donors' passion and the work you are doing every day.

Revenue Breakdown

In 2019, the National Council of Nonprofits put together a comprehensive analysis of the IRS 990 form to look into how 501c3 organizations are generating revenue and to what degree they are doing it. Ninety-seven percent of nonprofits have budgets of less than \$5 million annually, 92 percent operate with less than \$1 million a year, and 88 percent spend less than \$500,000 annually for their work. The “typical” nonprofit is community-based, serving local needs.

501(c)(3) Charitable Nonprofits by Size (excluding private foundations)

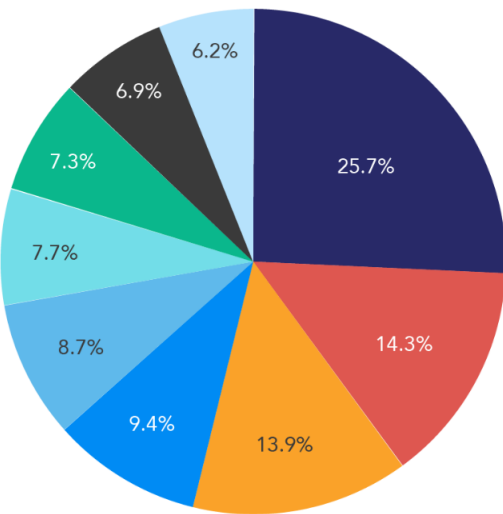


Mission And Revenue Combined

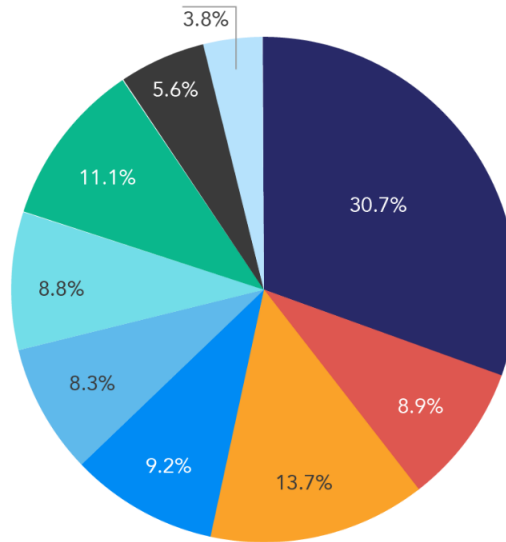
However, looking solely at 990 data has limitations. The vast majority of IRS-tracked revenue for nonprofit organizations comes from service fees and government funding. Yet if we were to focus solely on that information, we lose a fair amount of the nuance and impact that individual giving programs have on the revenue of nonprofit organizations of all sizes and types. For this report, we wanted to take things a step further than what sector reports typically focus on and start to understand individual giving since the pandemic began by utilizing the Neon One Dataset.

Using this data, we found that there continues to be strong support of all types of missions for organizations prioritizing investment into managing donors with a CRM system. The most significant support was to human service organizations across all revenue buckets, but some interesting trends are shown when looking at shifts as organization size gets bigger.

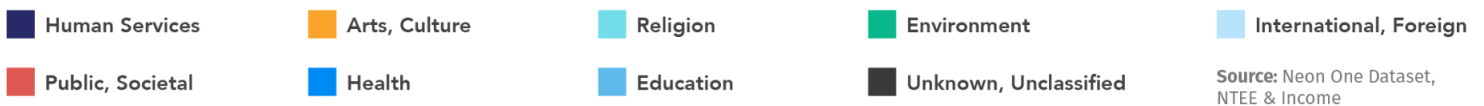
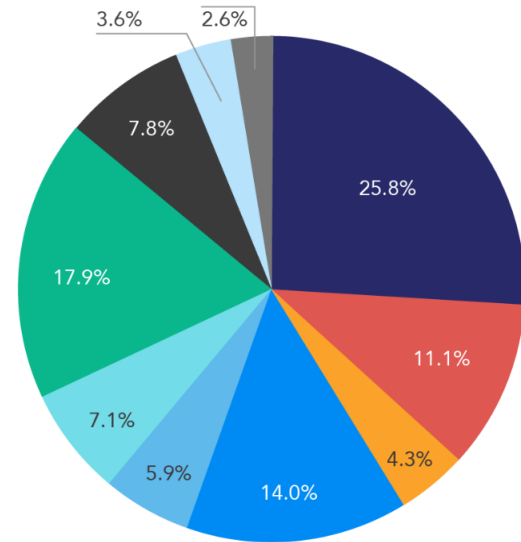
**Revenue by Mission
(Under \$500,000) Yearly**



**Revenue by Mission
(\$500,000 - \$5M) Yearly**



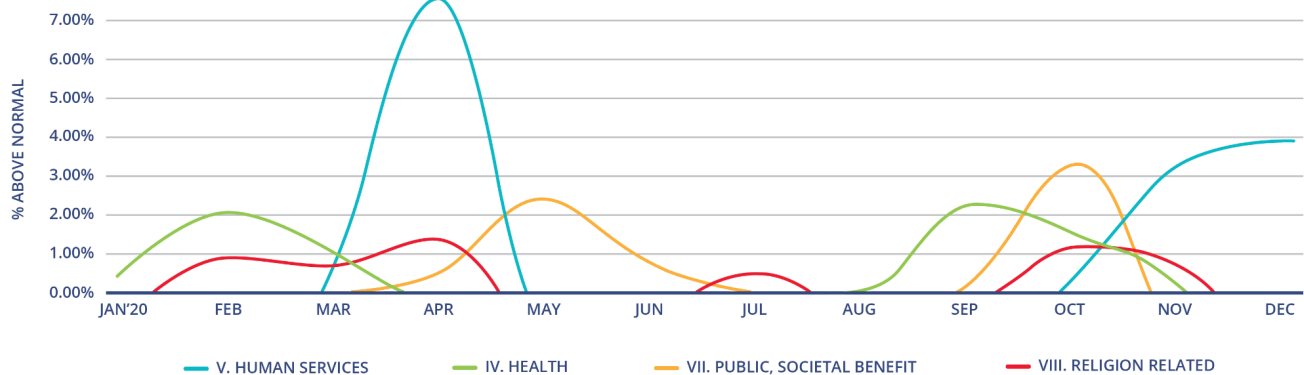
**Revenue by Mission
(\$5M+) Yearly**



Source: Neon One Dataset,
NTEE & Income

Organizations throughout the pandemic have seen different results depending on the size of their organization and the type of mission they have.

GivingTuesday's data around 2020 giving trends above historical levels is an excellent example of this. The results are striking, especially with Human Service organizations during the pandemic's first wave.



Source: GivingTuesday Data Commons - Giving in Unprecedented Times: A Lookback at 2020 Charitable Giving in the United States

MULTIPLE NONPROFIT SUPPORT BY DONORS

Mark Phillips of Bluefrog Consulting has famously said, “They are not your donors; you are one of their charities.” This is an important lesson for nonprofit fundraising professionals to internalize.

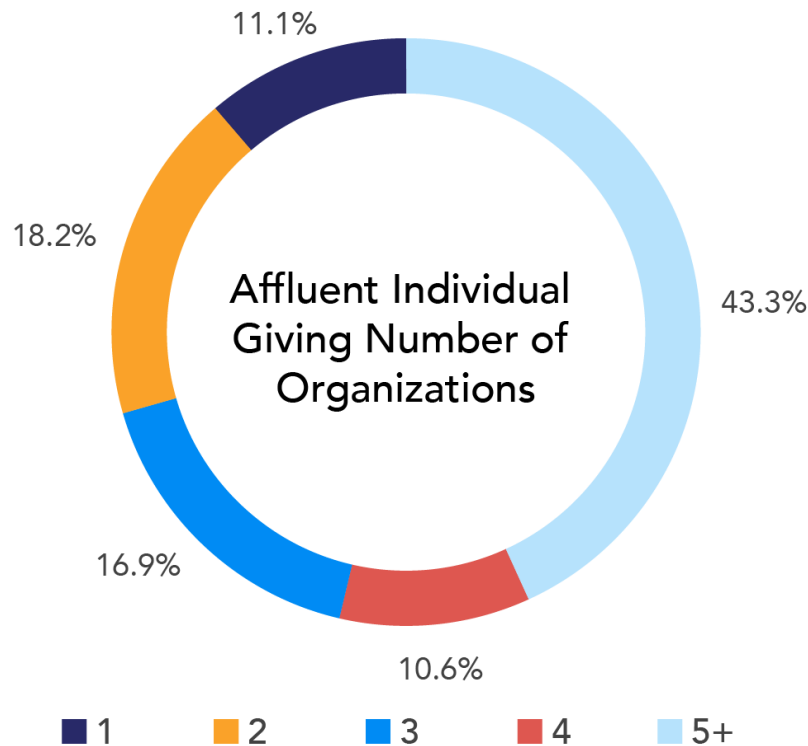
Donors are looking to impact a cause that they care deeply in supporting. While other chapters in this report will address the psychology of what nonprofits get supported and overall giving trends for the sector, an important emerging field of analysis is around whether donors are supporting multiple nonprofit organizations.

Existing data points to this being the case. Chapter Six will dive more deeply into recurring giving trends from our research with Professor Elizabeth Searing. Still, within that research, we found that individuals who are doing recurring gifts are also likely to donate to other causes. This also appears to extend beyond the United States.

The Duality of Giving, which focuses on generosity on the continent of Africa, looked at “the average overall number of charities and causes supported by respondents who also engage with informal community groups. [Their study] identified 71 respondents who, in addition to supporting informal community groups, donate to 7.08 issues in total—higher than the average Giving Index score of 6.3 among all participants.”¹²

¹² Akerewusi, O. (2020). *The duality of giving*. The Duality of Giving. Retrieved January 20, 2022, from <https://www.agentsc.ca/the-duality-of-giving>

Furthermore, a 2021 Bank of America study on affluent donors found that the vast majority are giving to multiple organizations. As the report outlines, “On average, affluent donor households gave to seven organizations. Among affluent households who gave to charity in 2020, the majority gave to five or more organizations (43.3 percent). Smaller percentages of these households gave to three organizations (16.9 percent) or two organizations (18.2 percent). A higher percentage of wealthy individuals gave to only one organization (11.1 percent) as compared to four organizations (10.6 percent).”¹³



Source: The 2021 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households

We also see community giving days validate that donors are interested in supporting multiple nonprofit organizations with their dollars. One of the critical features of the Neon Giving Days product is a shopping cart that recommends similar organizations to someone at checkout. In 2020, the median number of approved nonprofits and the median number of organizations who received donations from their giving day had matching levels. This means that most nonprofits are finding success when participating in a community giving day.



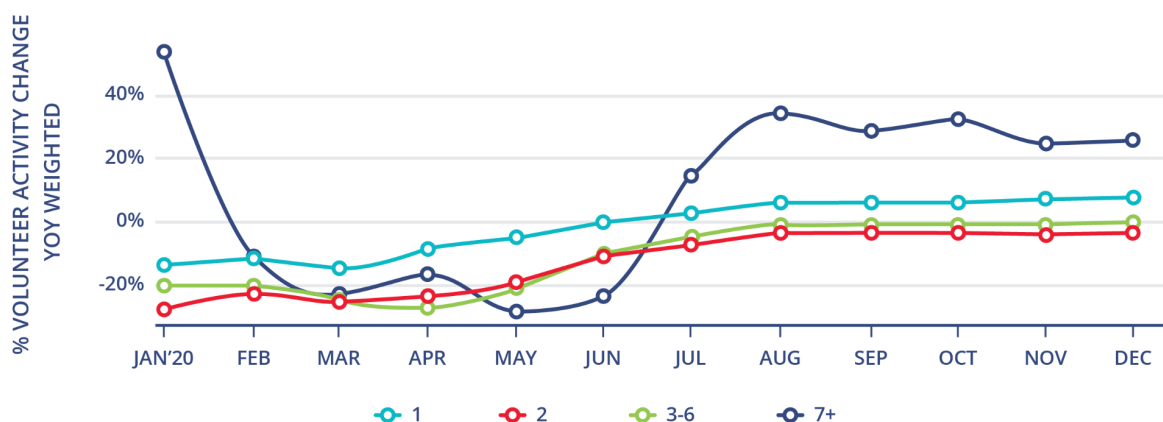
Fun Fact: In 2021, North Texas Giving Day saw all 3366 nonprofits who participated in the giving day receive at least one donation. This was the first time in that event’s history that this happened! Find out more about the impact of community giving days in Chapter Three.

¹³ Osili, U. (2021, September). 2021 Bank of America Study of Philanthropy. The 2021 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households. Retrieved January 20, 2022, from <https://scholarworks.iupui.edu/bitstream/handle/1805/26654/bank-america-sept21.pdf>

Other Forms Of Generosity

Donors show their support in ways that go beyond the transactional as well. While consistent and up-to-date data on volunteerism is lacking across the industry, there have been some encouraging initiatives. One of the best comes from VolunteerMatch and the GivingTuesday Data Commons. This work leverages data from VolunteerMatch, which includes the analysis of 2,263,629 matched volunteer opportunities, 2,065,428 volunteers present over four years of data (2017–2019). It also looks at GivingTuesday data collected as well.

- **Not all organizations fared equally when it came to volunteer activity.** In 2020, volunteering showed nearly identical trends to last year's charitable giving, with fewer organizations getting volunteers, but those organizations that continued to engage volunteers saw growth from 2019 levels.
- **There was significant volunteer mobility in 2020.** The data show that people were shifting when, where, and how they gave their time to organizations, a trend that mirrored the unprecedented donor mobility of 2020.
- **"Repeat" volunteering showed sizable growth in 2020.** This is a major point of departure from fundraising, where we saw growth, but at a dramatically different scale.



Source: GivingTuesday Data Commons - Collaborating on Volunteer Data Analysis Brings New Insights for Sector

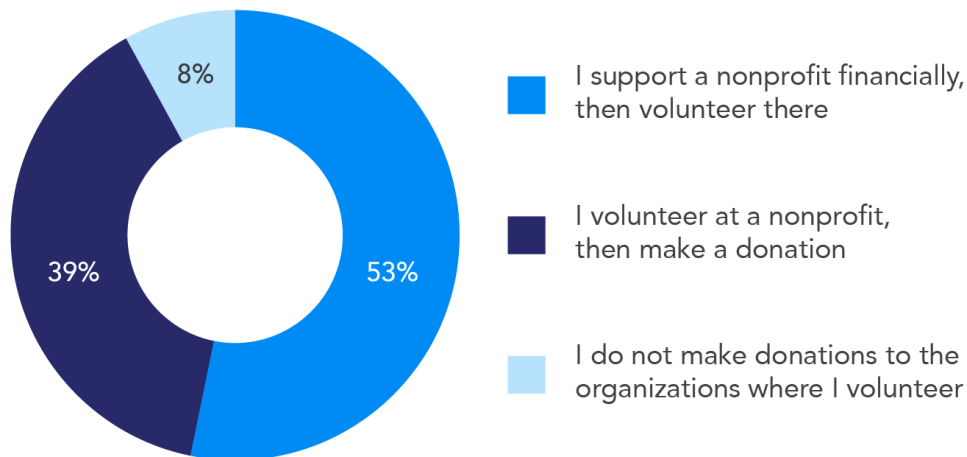
Data also shows a correlation between transactional giving and volunteering. Historically, the most common behavior on GivingTuesday is to donate, but the least common is only to donate.

Many individuals are instead showing generosity through donating money and participating in volunteer events or community initiatives.

Further data shows a strong correlation between donating and volunteering. As summarized in the CCS Philanthropic Landscape Report for 2021, several studies show people who

volunteer also will donate. Studies cited show that of the 30% of American adults who volunteer, 80% also donate money to the charity with which they volunteer.

Sequence of Volunteering and Donating *Among philanthropic individuals who have ever volunteered*



Source: Snapshot of Today's Philanthropic Landscape, 10th Edition - CCS Fundraising



Tactical Tip: Chicago literacy nonprofit Open Books shared a simple but effective trick to turn donors into volunteers. They put their volunteer sign-up forms right into their donation receipts that get emailed when someone makes a gift. This means that every time someone donates, it will also encourage them to show their support in other ways in a moment where they are primed to act.

Chapter Two Summary

It is vitally important to understand the context in which your organization operates as you plan out an individual giving strategy. Much of the existing published reporting on individual giving tends to skew toward very large organizations with multiple staff members who can focus on just donor engagement, and sometimes even have teams broken up by annual fund-focused staff. In contrast, others do events planning, corporate engagement, and major gifts.

When thinking about what donors support, it is critical to start with what makes your organization uniquely capable of creating the change you are looking for in your community. It is also essential to begin to think about the larger philanthropic culture that exists where you operate - are nonprofits encouraged to work together toward a common goal or project? Are there opportunities to engage with new donors through things like volunteer fairs?

Continuing to push toward creating collaborative spaces is something that we all should be focusing on. This will need partnership from all parts of the sector - community and private foundations, corporations, local / state / and federal agencies, and the larger philanthropic community as a whole. Re-envisioning the very ways we talk about philanthropy and generosity will help move us toward a more equitable and impactful distribution of funds and resources for all sizes and types of nonprofits.

Chapter Two's guest insight illustrates how we as a sector and country addressed other major crises and the impact that those may have had either in the immediate community it impacted or the sector as a whole. Fundraising professionals need to evolve and start to understand large societal trends and how they may affect how donors perceive the impact your organization may be making.

> **GUEST INSIGHT** - Nathan Dietz

Historical Perspectives on Philanthropy's Response to Communities in Crisis

Early in the pandemic, the Do Good Institute published a research report, "Community in Crisis," to see how Americans have responded to past crises by getting more involved in philanthropy and community affairs. Although we didn't know how comparable the current situation would be to recent events like 9/11, Hurricane Katrina, and the Great Recession, we wanted to see whether there was a measurable increase in local acts of generosity in areas that have been hit by major crises.

What we found after looking at recent historical trend data on volunteering, charitable giving, and other civic activities (working with neighbors to fix or improve something in the community, and attending a public meeting where community issues were discussed), was that, in these areas, participation rates for all four activities did increase by a statistically significant amount, but not by a lot – and that not long afterward, certainly before the recovery was completed, participation rates fell to pre-crisis levels.

Although the events we looked at in our report were hardly comparable to the pandemic, our results do suggest that people responded to these crises by helping in multiple ways. They gave more often, but they also volunteered more often and helped their neighbors in other ways more often.

What might be different today? Although it's possible that virtual volunteering may have become more common, the historical data suggest that many nonprofit organizations have tended to use the same strategies to attract and retain volunteers. Typically, around 40 percent of volunteers said that they approached their main organization themselves, about the same number were asked by someone to volunteer with the organization, and the

remainder learned about the organization some other way. These percentages have been remarkably stable for almost 20 years; they suggest that social connections are still very important drivers of the decision to volunteer, even though the widespread use of the internet has made it much easier to learn about volunteer opportunities.

The pandemic raises such questions as: How many nonprofits have pivoted to engage virtual volunteers? How many have used online platforms and events to attract donors? What novel strategies have organizations used to keep themselves visible and available to potential donors and volunteers during the lockdown?

As multiple variants of the coronavirus have spread throughout the country, many businesses have found that their customers and employees have postponed their return until they are more comfortable with the risks of in-person interactions. The same goes for nonprofits: even while more people have been vaccinated and are leaving home more often, the organizations that have been most successful in creating innovative virtual volunteer opportunities will be in the best position to thrive in the near future.

For individuals, the lockdown experience has upended a gradual but long-lasting trend about how we socialize. Between the 1970s and 2010s, people have been entertaining in their homes less often and visiting with friends outside the neighborhood more. They have not been spending less time with friends overall; instead, groups of friends have been congregating in other places. Over the same period (between 1974 and 2016), the percentage of adults who socialize with their neighbors frequently fell from 30 percent to 19 percent.

However, now that many “third spaces” – gathering places that are neither work nor home – throughout the country have been closed or limited in capacity, many people have been finding ways to (re)-establish ties with their neighbors. By forming mutual aid groups and eviction defense groups, perhaps Americans are finding new ways to help each other and give back to their communities that fall outside of the traditional definition of volunteering. If so, perhaps the nonprofit sector can build on the innovations born during the pandemic to reinvigorate giving, volunteering, and civic engagement in the post-COVID era.

Nathan Dietz, Ph.D., joined the School of Public Policy in March 2017 as an associate research scholar after more than twenty years of conducting and managing research projects in government, the nonprofit sector and academia. His research with the Do Good Institute focuses on social capital, volunteering, charitable contributions, civic engagement and social entrepreneurship.

Dietz is the author or coauthor of several Institute research publications, and serves as the principal investigator for a research project sponsored by the Generosity Commission. His recent peer-reviewed publications include articles in *Nonprofit and Voluntary Sector Quarterly*, the *American Journal of Community Psychology*, and *Nonprofit Policy Forum*.

3

When Do Our Donors Give?



"You may delay, but time will not."

— **Ben Franklin**, Inventor

The reality is that our donors have many things distracting them from focusing on our missions each day - it is called life. We are not the most important thing in our donors' lives when they wake up, take a nap, sit down for lunch, pick their children up from school, have a peaceful moment with their partner after a long day of work, or lay their heads down to sleep.

We do not own our donors' time. However, we ideally are there to take an influential place in their lives. Time is a commodity we can never truly own, but can we get insight into how and when donors are more likely to act to make better communication decisions at our organizations?

This chapter will dive into some key moments we can leverage when creating peak impact with our interactions with donors around individual giving. We'll first dive into detail around the time of the year when giving will ebb and flow. Then we'll take a look at some fun research around the optimal time and day of the week that giving is happening year-round. We'll round out the chapter to explore some bigger giving peaks that occur in the calendar year and what that means for extending the giving season.

We'll then hear from the leadership of GivingTuesday on the importance of rethinking the role that emotions and feelings play in the work that we do, which helps connect a moment to a movement in our generosity goals.

Time Of Year

It has long been an adage in the nonprofit sector that December is one of the most significant times of giving during the year for nonprofits. Yet the data typically cited does not have much-itemized detail when it comes to what that entails.

The most often cited resource for December giving is the [Network for Good Digital Giving Index](#), which has tracked online giving through its platform to represent between 29% to 31% of all giving occurring during December.

Yet this resource seems to be a few years out of date, so we wanted to get insights into what may have been happening over the past few years and a deeper understanding of what may be happening when looking at a mixture of revenue sources.

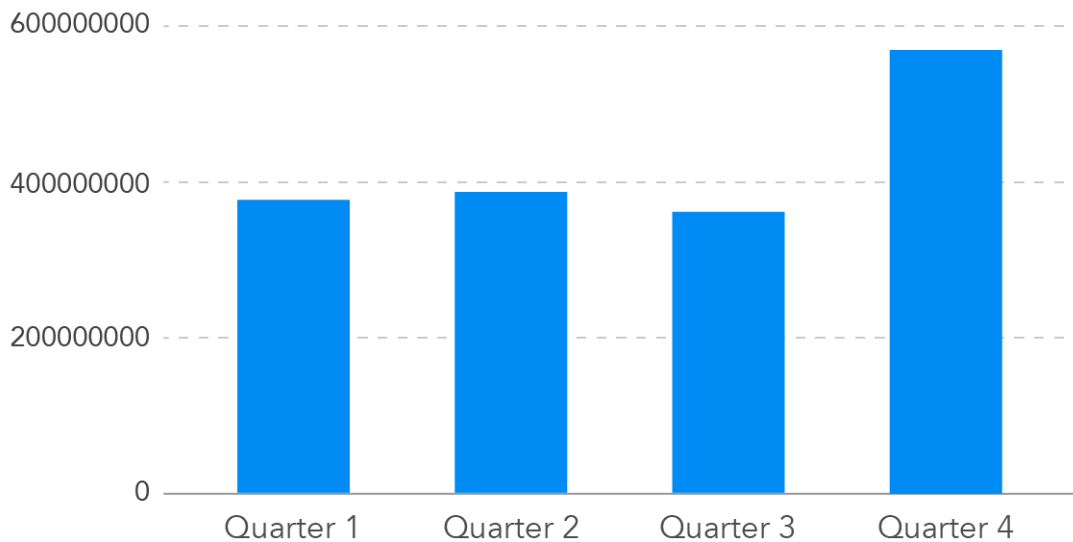
The first resource we reviewed is the Growth in Giving database from the Fundraising Effectiveness Project. Since it includes data from several CRM providers and represents millions of transactions going back to 2005, it provides the most stable look into year-over-year giving trends.

Year	2016	2017	2018	2019	2020
Percentage of Annual Revenue (December Only)	20%	18%	17%	18%	19%

Source: Growth in Giving Database - Fundraising Effectiveness Project

The second resource we looked at is the Neon One Dataset, which provides a better ability to drill more deeply into the type of revenue source. The fourth quarter still dominates compared to the other times of year for a nonprofit, as the following chart outlines when looking at all giving across all types of nonprofits and how donors may be supporting the organization.

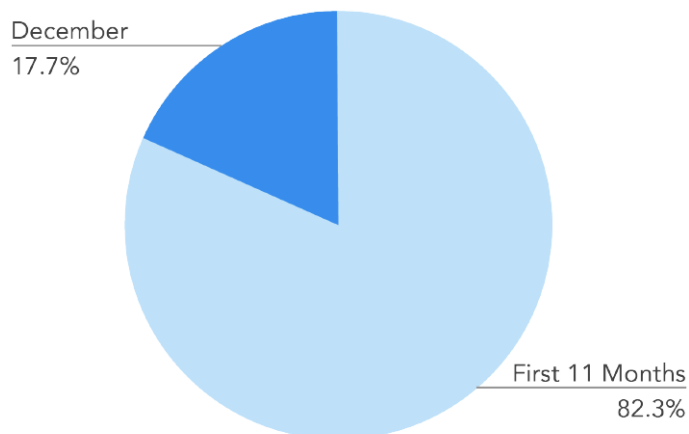
2020 - Quarterly Fundraising Revenue



Source: Neon One Dataset, NTEE & Income

Yet when we filter down into December specifically, it indeed represents a healthy percentage of giving but is not necessarily the dominating figure that we have been led to believe when we look at all the ways that donors give.

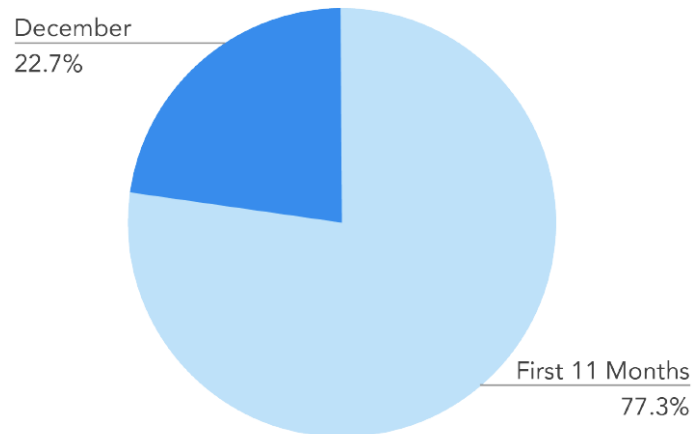
2020 - December Breakout (All Tenders)



Source: Neon One Dataset, NTEE & Income

What about online giving, then? Suppose we just focus on gifts that were made with a credit card or through an ACH payment. In that case, it generally tells the same story - December is absolutely an important time for nonprofits to focus on getting revenue in. Still, it isn't representing nearly one-third of giving.

2020 - December Breakout (Online Only)

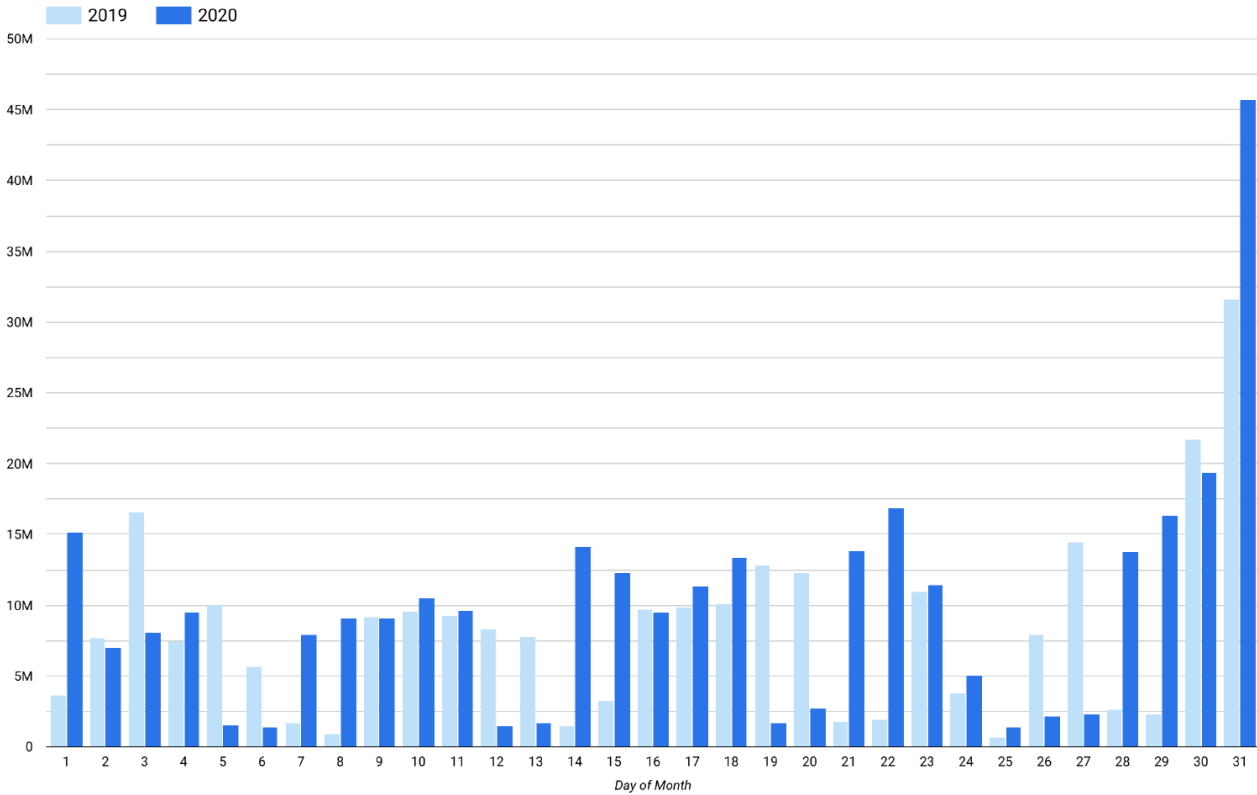


Source: Neon One Dataset, NTEE & Income

There are simply more opportunities throughout the year when donors may step up and choose to support an organization's mission.

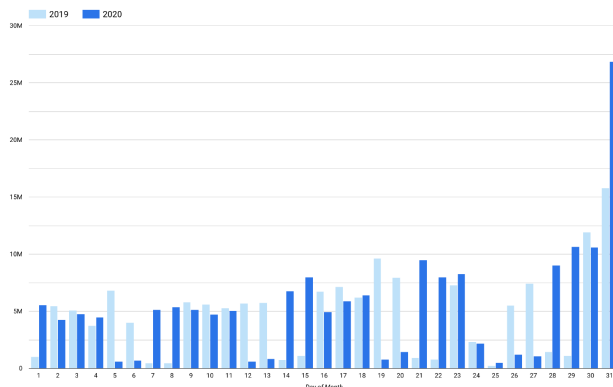
> **SPOTLIGHT** - December Giving

17% - 22% of an organization's revenue coming from December still warrants a deeper focus on that month in particular. What are we seeing in terms of donor behavior during this month? And how does December change for different types of donors and the nonprofits they support?

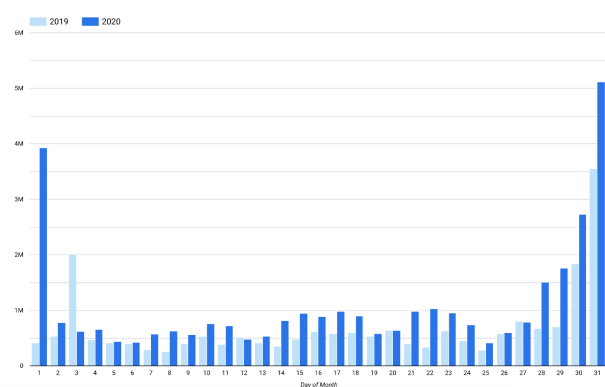


Source: Neon One Dataset, December Giving 2019 / 2020 (note that December 3, 2019 was GivingTuesday and December 1, 2020 was GivingTuesday)

When looking at overall giving compared between 2019 and 2020, the flow of revenue throughout the month tends to stay the same, but there are a few differences between the two years. What is also interesting is when we compare the daily flow of revenue between check giving versus credit card giving through an online payment processor tied to the CRM.



December Daily Giving (Checks)



December Daily Giving (Credit Cards)

Source: Neon One Dataset, December Giving 2019 / 2020

While there are variations in the middle of the month, the final days of December tend to attract the largest flow of gifts no matter what. Furthermore, there is no surprise to see that online donations spiked in particular on GivingTuesday for both 2019 and 2020.

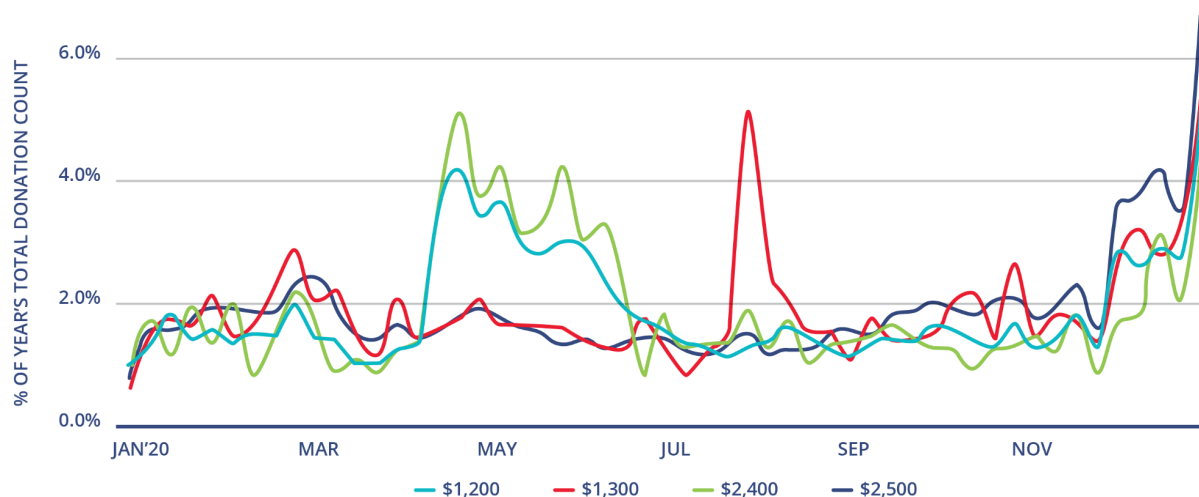
What is far more interesting is when we drill into giving flows in December by type of nonprofit mission.

View December daily giving by your mission type



This tells a much different story about what a nonprofit professional should think about when engaging with their donor base. Creating a blanket communications plan to focus on a rush to give on December 31 alone may be a perfectly acceptable baseline strategy, but the reality is that different efforts can likely be adjusted depending on the type of nonprofit you are and the types of donors that you may attract.

It should be noted that we need to keep giving moments aligned with actions happening outside our sector, such as government infusions of checks directly to individuals. While we want to caution that this may be more correlation than causation, the flow of monetary donations at some times regarding stimulus checks is of note per GivingTuesday and the Fundraising Effectiveness Project's analysis.



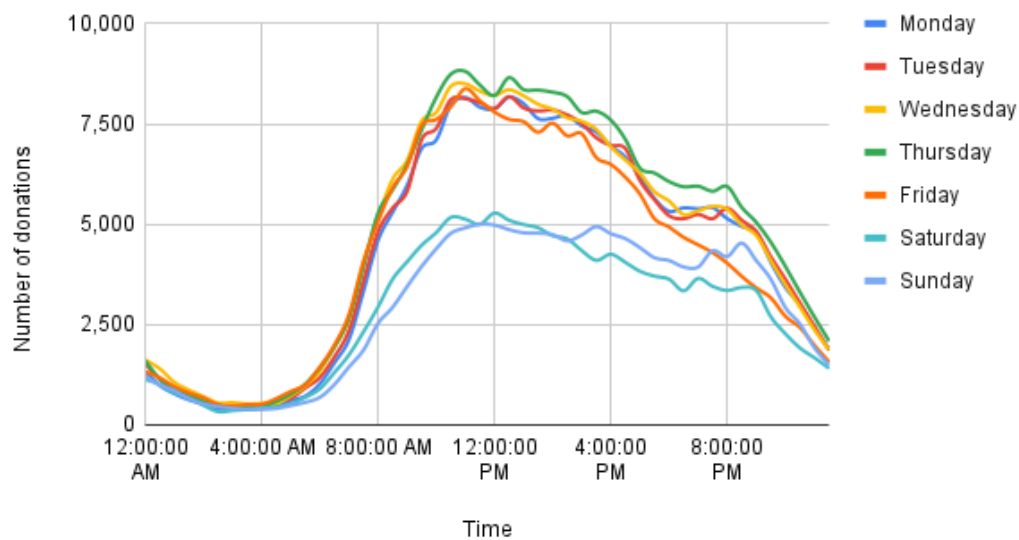
Source: GivingTuesday Data Commons - Giving in Unprecedented Times: A Lookback at 2020 Charitable Giving in the United States

Time Of Day And Week

When thinking about the best time of the week or day to ask donors for money, especially if focusing on an immediate contribution, it is important to center your community first. Timing is everything, and some trends are pretty obvious on when donors are more likely to give.

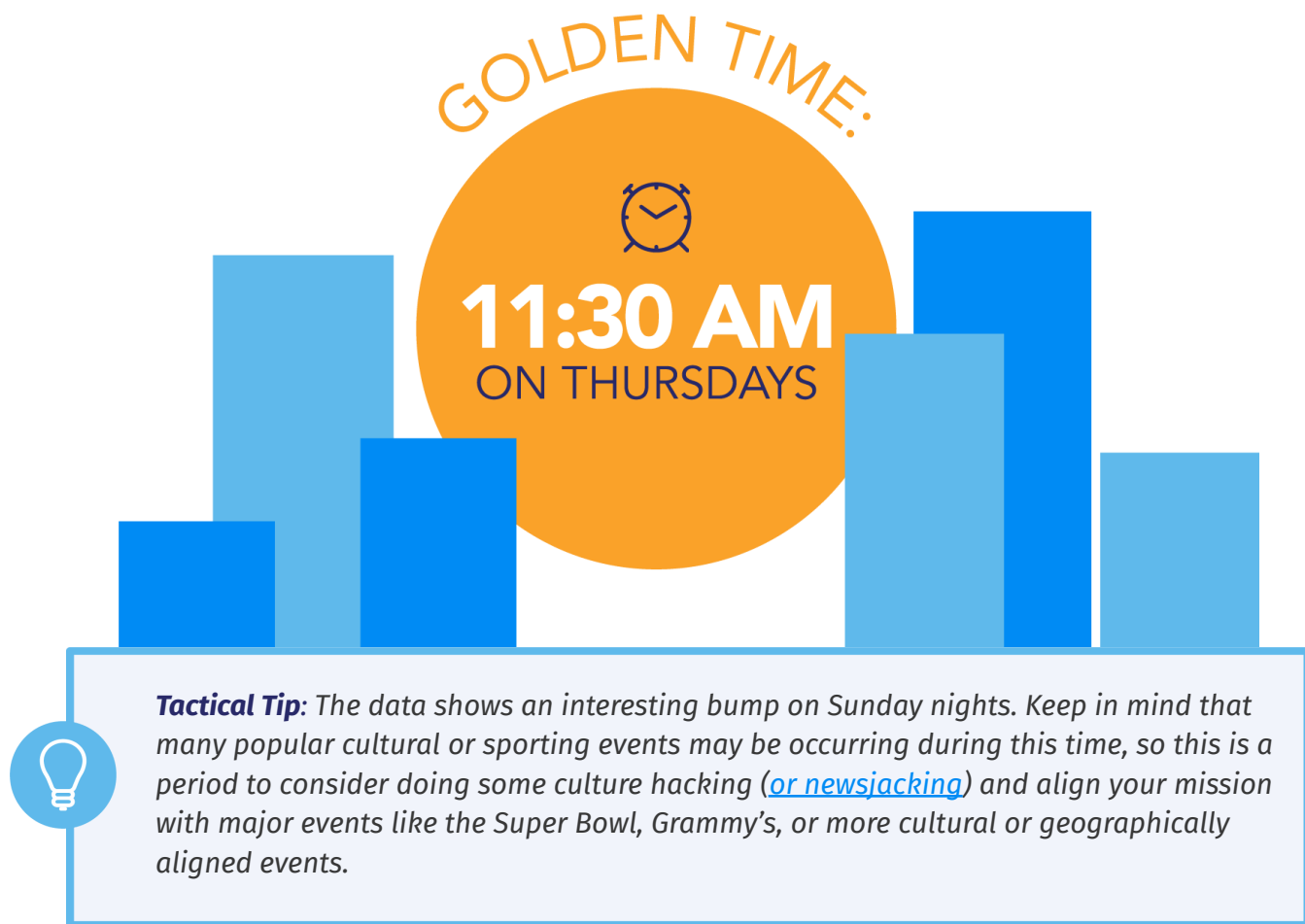
With a focus on online giving only due to accuracy, Neon One analyzed when donors were more likely to offer during the week and what time during the day they gave. The results were pretty obvious, with some key points to explore further:

Time of online donations by days of the week



Source: Neon One Dataset, Online Donations By Time (All Times Central)

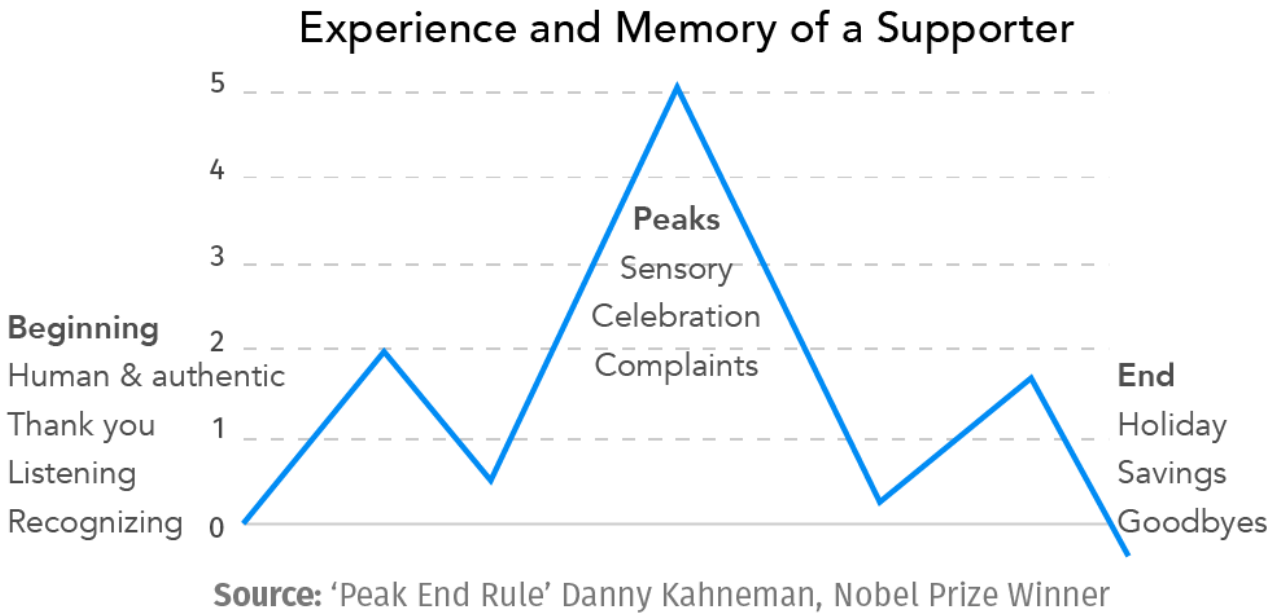
In general, we found that individuals are more likely to donate during the week and in the early afternoon. A critical point to note is that the Neon One Dataset wasn't directly indexed with the data related to emails sent during these times. However, the sheer amount of contributions showcases an exceptional analysis of online giving behavior for donors of all types.



Giving Moments

In Francesco Ambrogetti's fantastic book *Hooked On A Feeling*, he outlines research from Daniel Kahneman that explains how humans make decisions. Specifically relating to giving, he says, "Our memory cycle is organized, according to Kahneman, in a peak-end form. We remember little: the beginning, the peaks (the extreme positive or extremely negative experiences), and the end. That's why donors don't even remember when asked whether they support a cause."

While Ambrogetti is focused on the overall donor experience, in this section, we wanted to focus specifically on highly organized giving moments that occur in our sector. Most specifically, from a time-based perspective, we will focus on two different types of giving moments that a nonprofit may be able to take advantage of.



Community Giving Days

A Giving Day is a robust 24-hour online fundraising competition that unites a community around local causes. Hosted by the area's community foundation or other similar organizing entity, the Giving Day raises money through a single online donation platform.

A Giving Day is a great way to build community, connect donors to local nonprofits, teach organizations to use digital tools, and generate excitement about the local community, region, or cause that it is focused on.

Unlike GivingTuesday, it is a centralized campaign that is typically administered by a single host organization that supports hundreds if not thousands of participating nonprofits. The following infographic helps explain the history and evolution of the community giving day.

Concept Inception

Initially funded by the Knight Foundation and other institutions, the idea was to democratize philanthropy and build capacity through digital fundraising.

North Texas Giving Day, Colorado Gives, and Give Minnesota were some of the first giving days founded that are still highly active.

The Big Crash

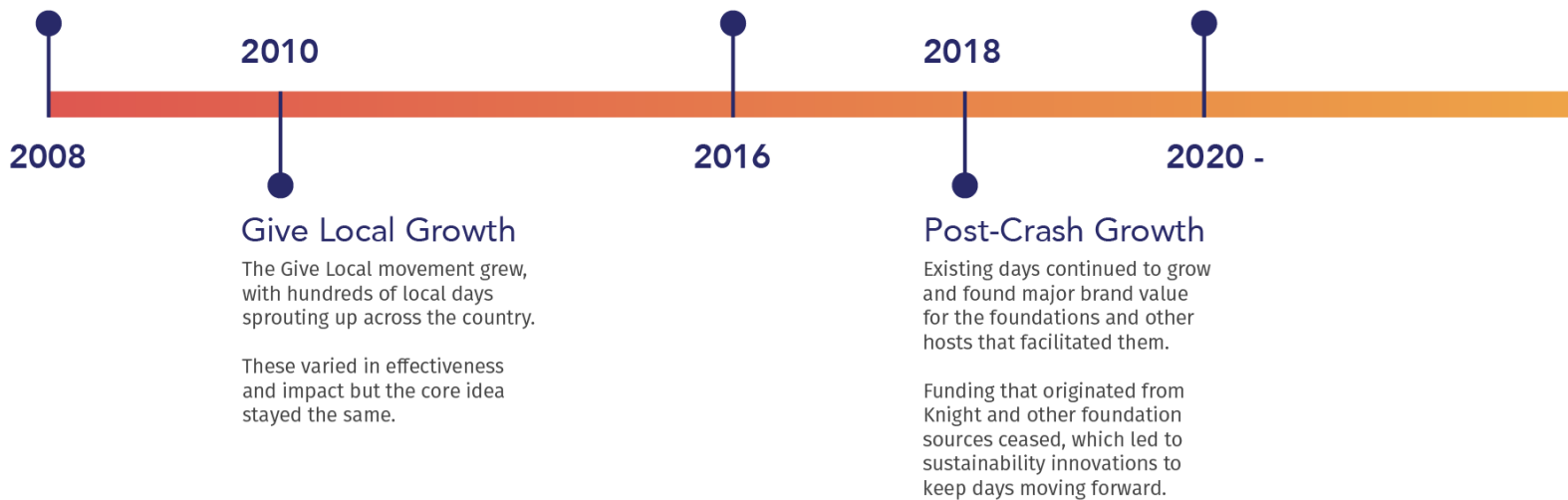
May 3, 2016 - Austin based company Kimbia experiences a major technical slowdown that impacted over 13,000 charities across the United States.

The resulting fall out led to the acquisition of the company and number of new days stopped growing compared to the previous rate.

Pandemic Evolution

Well established days have grown substantially in 2020 and 2021.

The original focus and intent of the days has also evolved to include deeper layers and intentional involvement around diversity, equity, and inclusion in planning and executing the day.



Community-organized giving days typically have two primary seasons when they occur, with a handful being explicitly held on GivingTuesday itself. For our analysis, this excludes giving days that are centered around a single institution (e.g. a university's giving day).

There is a front-loaded spring season where many community events are happening all over the United States. Then there are fewer autumn giving events, but these tend to be extremely large in their impact. Let's take a look at the results of giving days held in spring 2021 and a deeper dive into the biggest giving day in the United States that happens to be held in autumn - North Texas Giving Day.



14% saw a record number of participating organizations.

vs. _____

23% saw significant increase in **P2P pages** created.

Source: Dream Big 2021 Virtual Conference Keynote Presentation

Number of Volunteer Hours Pledged

 **+300K**

Shout out to Give NOLA which tracked 98K in volunteer hours for their event - incredible!

YOY Growth Rate for Overall Amount Raised

 **10.5%**

Shout out to North Platte Giving Day, San Angelo Gives, Coastline Gives, Go Big Give, East Texas Giving Day, Fremont Area Big Give

Source: Dream Big 2021 Virtual Conference Keynote Presentation

THE POWER OF VOLUNTEERS

22,800 Volunteers pledged

 **685,000 HOURS**

Which is equivalent to nearly

 **330 FULL-TIME EMPLOYEES**

Valued at **\$18.6 MILLION**

Source: Communities Foundation of Texas - NTX Giving Day



Tactical Tip: *If your nonprofit can join a community giving day in your region, take advantage of it and put effort into making your unique story stand out. There is a lot of marketing effort and donor engagement happening on your behalf as a nonprofit organization when a host puts on a giving day. Neon One found that community giving days have a 60% new donor acquisition rate, so focusing on acquisition from the day and flowing those donors into an overall retention plan is a highly effective strategy.*

GivingTuesday

GivingTuesday was created in 2012 as a simple idea: a day that encourages people to do good. GivingTuesday was born and incubated at the 92nd Street Y and its Belfer Center for Innovation & Social Impact. GivingTuesday is now an independent nonprofit and a global movement that inspires hundreds of millions of people to give, collaborate, and celebrate generosity.

There is a fair amount of misunderstanding about what exactly GivingTuesday is at this point. This report will focus on the strategic inclusion of the day itself as part of a larger cultivation strategy.

GivingTuesday's Data Collaborative has put an immense amount of effort into analyzing the impact of the day itself, as well as the larger implications around year-round generosity. GivingTuesday has found that:

- Unlike disaster relief efforts that show huge spikes that subsequently drop off quickly, GivingTuesday shows an annual increase that has a net positive result for EOY giving since its inception
- 75% of GivingTuesday are repeat donors, which far outpaces the [industry average retention rate of 45%](#)
- 56% of people in the United States are aware of GivingTuesday and that number has consistently grown year over year
- Across all campaigns that GivingTuesday coordinates around the world, 84% of donors indicated that GivingTuesday has inspired them to be more giving in their communities
- Donation data analyzed pre-and-post-GivingTuesday's founding has shown that the same donors at organizations are now giving at higher levels

On a purely transactional basis, GivingTuesday is extremely effective at bringing in new donors to an organization's mission. During 2020, both GivingTuesdayNow's May 5th campaign

as an emergency response to COVID-19 as well as the traditional GivingTuesday on December 3 were very successful at finding new donors for nonprofit organizations.



Source: GivingTuesday Data Commons - Giving in Unprecedented Times: A Lookback at 2020 Charitable Giving in the United States Blog Post

Chapter Three Summary

Timing is everything. Nonprofit professionals need to step back and understand the larger context of what their gifts mean for both their organization and the community and world they are trying to build. The reality is that for all the data in this section presented, its underlying message should be - listen to the people who support you.

We all have so much going on in our lives, and supporting charities may not be the top item on our list. Yet, it becomes essential to prioritize when we genuinely love a mission in many ways. Our time on this mortal coil is limited - let's make the most of it and continue to pay attention to the details that make donors love what we do.

For Chapter Three's guest insight, we wanted to take the breaks off the constant focus on delivering hard data and numbers in order to showcase success. For a sector that is theoretically focused on building deep relationships between people, there is so much more we can do if we show vulnerability and let emotions take over sometimes.

> **GUEST INSIGHT** - Asha Curran & Woodrow Rosenbaum, GivingTuesday *Is the Social Sector Afraid of Feelings?*

In a recent meeting of influential social sector leaders, a discussion centered on the role of emotions in giving as "a problem to be solved." On another Zoom call, the conversation again focused on why it's a problem that "people care about what they give to." If people are inflamed by their emotions, the thinking goes, they won't make clear, rational decisions — as if rational has a clear, objective definition when it comes to giving.

For many fundraisers and wealthy philanthropists, data-driven giving is presented as the gold standard. Those who hold this view insist that giving should be based on quantifiable and

objective evidence, such as social return on investment. This also gives rise to the idea that fundraisers, in turn, should adopt business principles focused on efficiency and effectiveness, and encourage donors to make more calculated decisions based on those same principles.

None of this is based on the reality of why people give. The [evidence is weak at best](#) that shifting giving away from its emotional root will unlock more giving. In fact, it could actually depress and discourage people from giving more.

Much has been written about the [neuroscience of decision making](#) and the ways emotions fuel our actions and influence how we give. Analysis [from Sector3 Insights](#) indicates that most charities are not leveraging the most important drivers for giving, including a sense of urgency to act now and a personal and emotional connection to the cause.

So why after countless studies, books, and thoroughly researched evidence to the contrary do so many fundraisers still resist embracing the emotional factors that move people to give? The answer is likely rooted in our own relationship with emotions as a society and our view of giving as transactional. Here are four myths that might also be perpetuating this debate:

Myth No. 1: It's not business-like to rely on feelings. Companies leverage feelings to inspire interest in their products, build brand loyalty, and drive purchases. So, the idea that staying away from feelings reflects a more business-like approach doesn't hold up. As in the business world, [research shows](#) that a personal, emotional connection is important for triggering donation intent and that the type of emotion that is inspired makes a big difference. Tapping into feelings of urgency and emotional and personal connections have been shown to trigger a greater response.

Myth No. 2: We can't connect emotional storytelling to hard data about a program's effectiveness. Impact and emotional storytelling are not mutually exclusive — they are directly related. While the business world has to manufacture the emotional impact of its products and services, it's inherent in the experience of giving. Rather than thinking about them as independent functions, nonprofit communications staff should mine the data on program results for motivational and emotionally engaging stories about the impact of their programs on real people.

Myth No. 3: Giving is a scarce resource that must be guarded or hoarded. The fear that emotion-based giving will supplant giving to what some deem to be more effective programs is shortsighted. Giving is generative. It inspires more giving. Donor data show that the more people give, the more thoughtful about their giving they become.

For example, we've seen how the annual GivingTuesday event, supported by our organization, motivates giving to all kinds of organizations and generates a spike in online research activity by donors. For those who want to increase intentional giving, simply encouraging more giving is likely the best strategy. Attempting to suppress or shift some motivations for giving to others could actually reduce donations overall.

Myth No. 4: Emotions are messy and unpredictable. While this often feels true, we actually know quite a bit about predicting behavior and emotional response. It may seem that emotions can wreak havoc with our plans and our ability to project and measure fundraising campaigns, but by working with, instead of against, emotions and human nature, we can

measure and in many cases even predict, donor response. Research shows, for instance, that fundraising appeals that focus exclusively on a nonprofit's mission and data about its success are likely to miss the mark if they don't include stories that create emotional connections with donors and a sense of urgency to act now.

Whatever may be the source of this ongoing grappling with feelings in the fundraising world, it's a mistake to dismiss emotion-driven decision-making as unintelligent or thoughtless. Our emotional selves are the core of who we are and drive the bulk of our decisions and our work in concert with our more calculated decision-making abilities.

Let's embrace the joy of generosity and giving back in our campaigns and outreach to members of our communities. Giving in itself is an expression of emotion. When we measured social media conversation around #GivingTuesdayNow as the pandemic emerged, the messages focused on terms such as "community," "unity," and "togetherness."

By celebrating, not diminishing, the emotional nature of giving, we acknowledge the special power of generosity. By centering our conversations about giving around our shared humanity, we help ensure giving is not a separate act to be crossed off task lists like filing taxes or paying bills, but rather a fully embedded ritual that is practiced each and every day. Placing value judgments on emotion-driven giving is exclusionary and only turns people away from engaging fully in the world of giving.

Philanthropy literally means "love of humanity." It's a concept found at the root of every religion and moral philosophy. Generosity is a value, like love. It is intertwined with other deeply held values that comprise who we are and how we approach the world, our work, and our communities. Numbers can tell us a piece of the story, but numbers alone won't inspire us to give more.

Asha Curran is CEO of GivingTuesday, and co-founder of the global generosity movement. She was formerly Chief Innovation Officer and director of the Belfer Center for Innovation & Social Impact at 92nd Street Y, where GivingTuesday was founded. She is the recipient of the 2015 Social Capital Hero Award, and was named a 2016 Woman of Influence by New York Business Journals and a 40 Over 40 Women to Watch honoree. Asha serves as Chair of the board of directors of Guardian.org, a nonprofit dedicated to advancing civil discourse and issues-driven journalism at The Guardian and elsewhere; and on the board of directors of the Scout Film Festival, which amplifies the work of teen filmmakers. She is a Fellow at Stanford University's Digital Civil Society Lab within the Center for Philanthropy and Civil Society. She was named to the Nonprofit Times' Top Fifty Power and Influence list in 2019.

As Chief Data Officer for GivingTuesday, Woodrow Rosenbaum has been instrumental in shaping the global generosity movement and has led groundbreaking research and analysis of individual giving behaviors. He leads the [GivingTuesday Data Commons](#), bringing together a coalition of more than 100 collaborators coordinated through eight working groups as well as data teams in 50 countries to understand the drivers and impacts of generosity to inspire more giving of all types. Woodrow brings expertise in moving markets and transforming audiences from passive participants to active and vocal ambassadors. Woodrow is also the Founder of With Intent Strategies, an international agency specializing in brand reimagination. Woodrow is a member of the Generosity Commission Research Task Force, serves as a Co-Chair for Global Impact Canada's Board of Directors, and was recently named a Fellow at the Belfer Center for Science and International Affairs at Harvard Kennedy School with the Technology and Public Purpose project.

4

Where Are Our Donors?



“Cause, remember: no matter where you go... there you are.”

– **Buckaroo Banzai**

The environment in which we live will significantly impact the work we do with donors. Various factors will dramatically affect the relationship between our organization and a donor that has nothing to do with running your nonprofit. These include economic factors, such as changes in the labor market where you are located, to geographic factors, like the weather patterns that may influence people’s moods.

Understanding geographic giving trends is one of the most exciting and emerging parts of the analysis that we’re thrilled to present. This section of the report will focus on where we see donations flow, broken down by type of giving and by mission. Because this can be heavily influenced by the client base drawn from the dataset, we will present both sum totals of giving and then the mean. This helps showcase both overall revenue flow that is driving toward different geographic areas (e.g. California will come up a lot, there’s a lot of people who live there). Understanding the mean will allow us to see a more typical impact regardless of population size.

We also want to touch on where our donors are in terms of the communication channels, regardless of where someone may live. While this will not be a deep dive into marketing, there has been some interesting research by Data Axle on how donors are changing their behavior and preferred channels of communication with nonprofits that we want to spotlight. In turn, there has been immense market pressure for nonprofits to focus heavily on digital channels. Some vendors state that all marketing and donor engagement should be digital. We thought it's essential to touch on what trends are occurring that will impact the future of individual giving.

While there certainly is an important shift toward digital marketing for nonprofits, the evidence also heavily points toward donors of all types who much prefer an omnichannel

strategy that combines both digital and traditional outreach (e.g. direct mail is far from being dead). While this report focuses on what happens during and after the donor contributes to a nonprofit, we look forward to future analysis that will center solely on communications.

We then end our chapter with insight from a donor on the changes organizations can make to create a more welcoming space for folks to feel invited into when establishing a relationship.

Where We Live

There has been a significant shift toward paying more attention to geographic data when understanding what is impacting the nonprofit sector. One of the more prominent reports on the subject comes from Fidelity Charitable¹⁴, which looked at the top metropolitan areas for giving in 2018. Some of their findings include:

- As one of the most popular charitable sectors nationwide, religious support is most concentrated in the South and Midwest, home to nearly all the top-10 cities for giving to this sector.
- Highly educated populations fuel strong support for the education sector, and those are often found in the Northeast. Areas that are close to many of the oldest and most prestigious universities in the country are consistently at the top of the rankings for giving to educational institutions.
- With more diverse landscapes and outdoorsy lifestyles, areas in the West are disproportionately prominent in the rankings for support of the environment and animals sector.
- Giving to international affairs causes are fueled by cities with a more global perspective—common in areas with diverse populations and centers for immigration.

We wanted to dive deeper into how different geographic regions may be attracting donors to their cause for our donor behavior report. For our analysis, we looked at the type of nonprofit, the nonprofit's location, the donors giving to that nonprofit, and the way the donor supported the nonprofit itself.

We also wanted to consider that certain states will attract either a higher sample within our dataset, such as California. That is why we looked at both the total of gifts by the mission, type of gift, and geographic location and the mean of the gifts for those segments. It creates a much more exciting picture to understand what geo-cultural influences may be driving donors.

¹⁴ Fidelity Charitable. (2019). *Drawing the map of American generosity*. Fidelity Charitable. Retrieved January 20, 2022, from <https://www.fidelitycharitable.org/articles/drawing-the-map-of-american-generosity.html>



Tactical Tip - take the time to research the trends economically happening where you live. One of the best sources of information for this is to turn to your local nonprofit state association. One of the best overall resources to review when looking at state-specific trends for nonprofits is the National Council of Nonprofits report [Nonprofit Impact Matters](#).



Top US States - Sum Total of Tender By Mission

	Arts	Education	Environ- ment	Human Services	Health	Inter- national	Public, Societal Benefit	Religion
Cash	Wyoming	Colorado	New York	Michigan	New York	Alabama	Kentucky	Illinois
Check	California	California	California	California	California	California	California	Arizona
Credit Card (Online)	California	California	Minnesota	California	California	California	California	Texas
Credit Card (Manual Entry)	California	California	California	California	New York	New York	New York	California
ACH / eCheck	California	Georgia	Minnesota	California	Texas	California	California	Texas
Stock / Securities	Virginia	n/a	California	South Carolina	Wisconsin	Maryland	n/a	n/a
Wire Transfer	New York	Illinois	Washing- ton, DC	Illinois	New Jersey	New York	California	Illinois

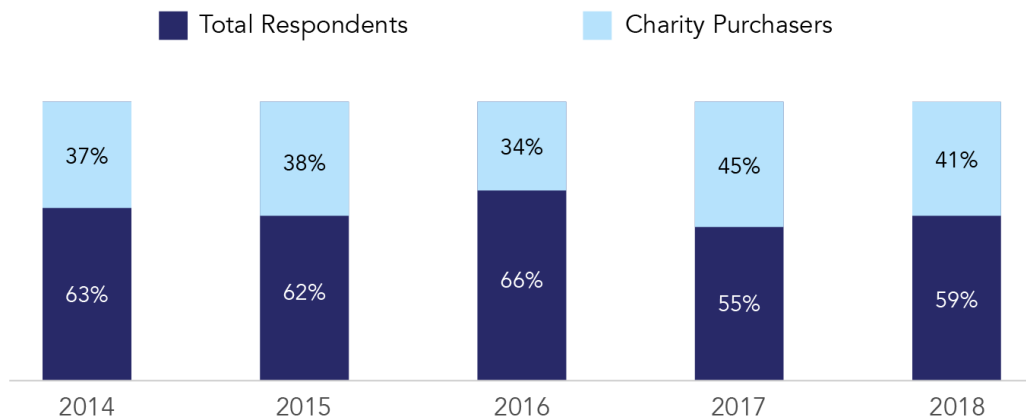
Top US States - Mean of Tender By Mission

	Arts	Education	Environ- ment	Human Services	Health	Inter- national	Public, Societal Benefit	Religion
Cash	Wyoming	Colorado	Colorado	Michigan	Washing- ton	Alabama	Kentucky	North Carolina
Check	Georgia	New Hampshire	Washing- ton, DC	Arkansas	Nevada	Mississippi	Delaware	Mississippi
Credit Card (Online)	California	Wyoming	Montana	Oklahoma	Arkansas	Arkansas	West Virginia	Delaware
Credit Card (Manual Entry)	Connect- icut	Wisconsin	Montana	Idaho	Utah	New York	Alaska	Kansas
ACH / eCheck	Massachus- etts	Georgia	Massachus- etts	Indiana	Texas	Virginia	Virginia	Washing- ton
Stock / Securities	Virginia	n/a	California	South Carolina	Wisconsin	Maryland	n/a	n/a
Wire Transfer	New York	Illinois	Washing- ton, DC	Oregon	New Jersey	Virginia	California	Illinois

Source: Neon One Dataset, Online / Offline Donations By Location (n/a indicates that this data did not meet specific minimum requirements for inclusion)

Research beyond what we found also points toward some interesting trends in how donor's prefer to give regardless of the geographic location they live in. Most recently, the Lilly School of Philanthropy analyzed donor-advised grant dollars being distributed by community foundations to see if the dispersal were staying local or not. Over several years, they found that most donors will keep money located within the community where they are located.

Percentage of Local & Non-local Grant Dollars from Community Foundation DAFs



Source: Indiana University Lilly Family School of Philanthropy / Giving USA Foundation

Academic research also points toward strong inclinations for donors to support causes in their local communities. In a 2015 edition of *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, an article outlined the influence of how long a donor has resided in their community around the donation choices they are making. The article summarizes previous academic research by stating:

- Where one donates has been empirically linked to where one lives in relationship to recipient nonprofits
- The greatest portion of giving takes place within a donor's own community and helps support activities in which the donor is directly involved
- Suburbanites tended to support the creation of new nonprofits in their local suburban areas, moving philanthropic dollars away from older inner-city nonprofits where they used to live
- Geographic proximity to a disaster increased the likelihood of individuals donating to disaster relief¹⁵

The researchers went on to propose a hypothesis that indicated the stronger local ties were, the more likely the donor was going to give to nonprofits in their community. They found that the longer an individual stays in the community that they live in, the more likely they are going to give to arts and human services organizations where they live.

> **SPOTLIGHT** - Understanding Affluence Data By Geography

After seeing the impact that geography has on a variety of factors philanthropically, we wanted to get a deeper understanding of what donors are like in a few different areas that

¹⁵ Nesbit, Rebecca, et al. "Philanthropic Mobility and the Influence of Duration of Donor Residency on Donation Choices." *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, vol. 26, no. 1, Springer, 2015, pp. 267–87, <http://www.jstor.org/stable/43654993>.

stood out. We asked our partners at Windfall to provide some insight into what more affluent donors look like in different parts of the country.

This Neon One partner has a data set that analyzes over 14 million high net worth households, focused on net worth that begins at \$1 million. It is refreshed weekly to help inform its granular accuracy.

State	Average Net Worth	Median Net Worth	Top 1 Percent	Top 5 Percent
CA	\$4,011,907	\$1,837,772	\$23,113,448	\$10,891,834
FL	\$3,075,305	\$1,558,442	\$16,694,515	\$7,371,410
NY	\$3,583,984	\$1,638,904	\$20,067,880	\$8,456,723
WA	\$3,189,274	\$1,627,647	\$13,558,874	\$6,857,107
NJ	\$2,569,602	\$1,542,329	\$12,396,110	\$6,197,869
MA	\$2,827,482	\$1,541,720	\$14,390,431	\$6,910,053
CO	\$3,219,522	\$1,565,586	\$19,092,166	\$7,948,563
NC	\$2,423,219	\$1,484,921	\$10,530,130	\$5,513,456
AZ	\$2,649,893	\$1,565,556	\$13,979,139	\$6,427,901
VA	\$2,421,846	\$1,468,648	\$11,575,690	\$5,849,639
GA	\$2,285,657	\$1,406,273	\$10,734,415	\$5,175,675
PA	\$2,343,491	\$1,417,631	\$11,615,669	\$5,364,018
TX	\$2,990,942	\$1,374,145	\$15,624,558	\$6,240,052
TN	\$2,360,979	\$1,445,766	\$10,466,615	\$5,169,901
IL	\$2,508,369	\$1,421,265	\$13,154,119	\$5,886,096

Source: Windfall - Proprietary Dataset

We also asked them for the top three states for luxury item ownership.



Private Boat Ownership

- Florida
- California
- Massachusetts



Private Plane Ownership

- California
- Florida
- Texas



Luxury Car Ownership

- California
- Texas
- Florida

Source: Windfall - Proprietary Dataset



Tactical Tip: Being wealthy doesn't mean someone is philanthropic. Wealth screening data is only the beginning of understanding the capacity to give. Your organization should be building a comprehensive profile in your CRM on donors that includes many points of engagement, not just how much money someone may have as part of their estate.

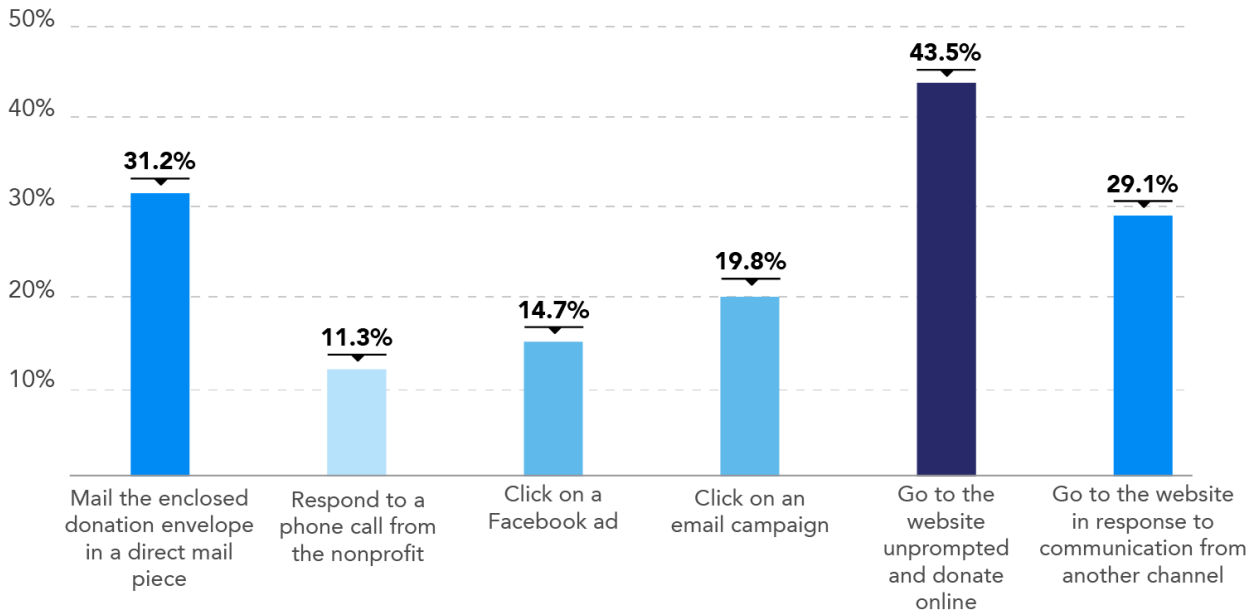
Where We Connect

It isn't enough to focus on geography when it comes to shifting patterns of donor behavior. We also need to understand how the pandemic has affected the ways that donors want to be cultivated through the communications and engagement tactics that our sector has relied on. What has the pandemic changed, and are we truly at the inflection point in terms of digital forward strategies?

According to 2021 research by Data Axle, about 45% of donors aged 60+ say they submit donations via mail, compared to 34% of those aged 45-60, 26% aged 30-44, and 20% aged 18-29. Interestingly, although only 2% of younger donors say they want to be contacted via phone, 20% of donors aged 18-29 and 18% aged 30-44 say they donate in response to a phone call from a nonprofit.

When you give to a nonprofit organization, how do you make your donation?

(please check all that apply)



Source: The New Best Practices for Connecting with Today's Charitable Donors

Furthermore, the channels that donors want to engage with nonprofits are also varied and not solely digital. Email is a heavy favorite for donors, with 48% citing it as their preferred method of hearing updates and appeals from the organization. Direct mail was the (distant) second most preferred channel at 21%, followed by social media (17%), text messaging (8%), and phone calls (2%).

It should be noted that these communication preferences held firm across generations, with a taste for digital not surprisingly leaning toward younger generations and an appreciation for direct mail leaning toward older ages. Yet the message is clear - donors want to be met on their preferred turf, not what the nonprofit decides is the preferred channel or method.

New research from the Lilly School reinforces the need for greater personalization and connection in a nonprofit's communications and interactions with donors. For example, when focusing on video engagement, a recent analysis found that video generated a 43% increase in the connection rate among its viewers. Evidence also suggests that the video's effectiveness stemmed from its ability to induce an empathic and/or moral response without also inducing strong negative feelings of sadness or guilt.¹⁶

¹⁶ Ottoni-Wilhelm, M. (2022, January 26). *IU Lilly Family School of Philanthropy News*. Lilly Family School of Philanthropy. Retrieved January 30, 2022, from <https://philanthropy.iupui.edu/news-events/news-item/amid-historic-declines-in-donor-participation,-new-research-findings-shed-light-on-donor-motivations-and-expectations.html?id=380>

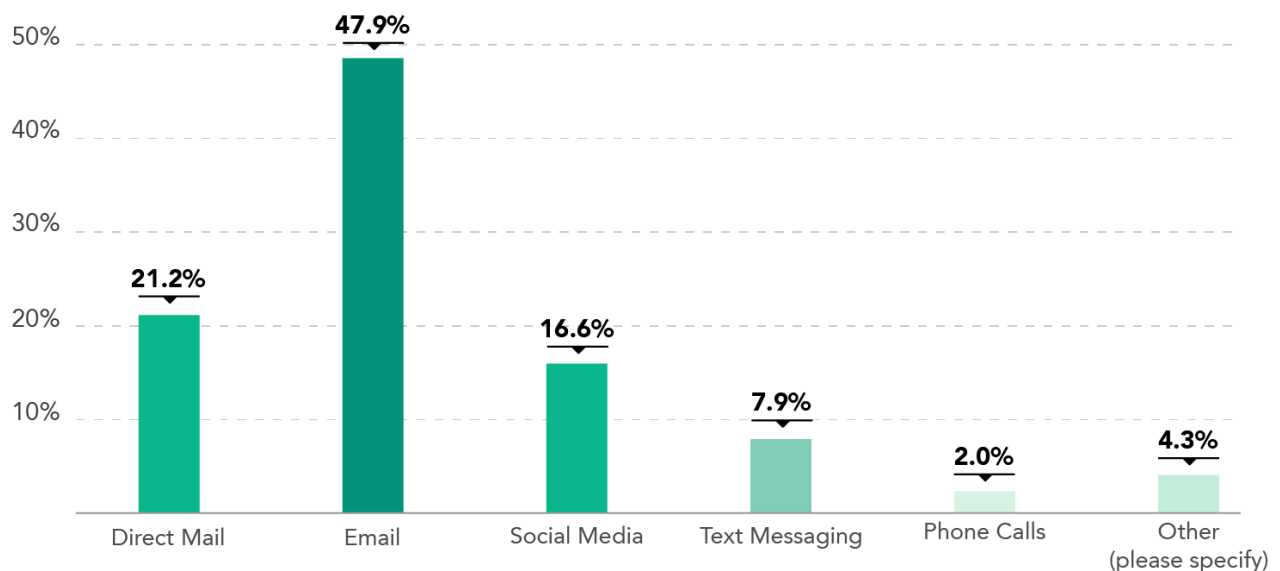
According to [HubSpot's Nonprofit Marketing + Fundraising Trends for 2022 report](#), a few of the most important communication investments an organization can make are in user-generated content by the nonprofit's stakeholders, segmentation and personalization in communications, virtual/hybrid event experiences, and building community through investments into impact-based storytelling.

The report also details larger societal trends impacting how nonprofits should think about how they connect with their individual giving audiences. [One in four adults in the US has a disability](#), so taking this into account when designing donor experiences will be critical for both virtual and in-person engagement.

A greater understanding and appreciation of centering equity in our planning and hiring has also become a priority for many donors when researching where to put their support for nonprofits. [This impacts the storytelling](#) that an organization may do when choosing the images and language they are using when reaching out to specific audiences.

There has also unfortunately been an increase in focus by cybercriminals on the nonprofit sector, [with major breaches in donor data as well as overall privacy concerns](#) being raised consistently. 8 in 10 US citizens are concerned about online security, and nonprofits should be keeping track of any data privacy disclosure requirements your state may require.

How would you most prefer nonprofits to communicate with you?



Source: The New Best Practices for Connecting with Today's Charitable Donors



Fun Fact: A 2018 study published in the *Proceedings of the National Academy of Sciences (PNAS)*¹⁷ looked at the delay between a hospital patient being discharged and the time they were asked to donate to the organization. They found that donation rates drop about 30% every extra 30 days the hospital system waits to contact a former patient. The researchers also hypothesized that this could extend to any situation where a potential donor interacts with the services of a nonprofit.

Chapter Four Summary

Location is one of the most fascinating frontiers we will continue to see evolve as technology becomes more embedded into our everyday lives. The physical surroundings we call home, work, and community are changing in ways we cannot yet fully understand. For nonprofits, in particular, we will need to think more deeply about the environment that we operate in.

This section looked at a few levels of the concept of where for our donors, but there is so much more to think about. When thinking about building your donor community, it is important to understand all the ways your community operates, not just the zip codes that you feel you can find the most money within. Going to your donors and supporters where they are is an essential takeaway from this section. Thinking about their experiences when they come to you to further create that communal bond will also become more indispensable.

Many of our donors will prefer to support initiatives that impact them where they live. Yet, we are also finding that donors have expectations of how your organization will communicate with them. Finding that common ground between the work you need to do and the desired response they will give will be made all the more powerful if you think about the *where* much more deeply, both physically and digitally.

For Chapter Four's guest insight, we thought it's critical to actually hear directly from a donor on their perception of what is occurring in our sector. Much of the research and analysis that we receive is from entities far removed from the work that we are doing each day. Further evolution of this approach will be to ensure all stakeholders have a meaningful voice at the table.

> **GUEST INSIGHT:** Lisa Greer Rethinking Donor Relations

Quantitative analysis of your donors—past, present, and prospective—can rightfully direct your fundraising efforts. But that's only part of the picture. When it comes to communication

¹⁷ Chuan, A., Kessler, J. B., & Milkman, K. L. (2018, February 20). *Field study of charitable giving reveals that reciprocity decays over time*. PNAS. Retrieved January 20, 2022, from <https://www.pnas.org/content/115/8/1766>

with both existing and prospective donors, the successful fundraiser knows that effective outreach is anything but a numbers game.

Donor acquisition and retention are human calculations. Modern email, newsletter, and social media tools allow organizations to scale and automate their outreach like never before, but all too often organizations use these tools without stopping to put themselves in their donors' shoes. The result: outreach that feels robotic, impersonal, and annoying. Without an emphasis on the human element, this method of outreach causes donor fatigue, annoyance, and mistrust, rather than enhanced engagement.

As a major donor to multiple organizations and an advisor to many more, I'm presented with a myriad of examples of various fundraising approaches – any one of which could be a formal case study -- multiple times a week. Unfortunately, fundraising communication is done poorly more frequently than it is done well.

There are organizations that send me pushy emails *every day*. It's so overwhelming that I've recently found myself responding to certain organizations, regardless of the virtue of their mission, by saying, "I'm done giving at the moment" (even if I'm not). Note that other donors respond to these communications by simply blocking their emails and phone numbers. In speaking to donors at all commitment levels, I can tell you that I am not alone in feeling put off by many current fundraising tactics. There is a reason that 82% of first-time donors remain one-time donors.

Here are a few tips to effectively communicate your message to new prospects or existing donors – and increase your chances of success in procuring that gift:

- **Stop Pestering**

There is no easier way to turn donors away than to overburden them with contact. Incessant "outreach" can completely change a donor's perception of your nonprofit organization. Are you a mission-oriented, efficient, productive, and transparent partner to invest money with, or are you a mosquito that won't leave them alone?

- **Join the Plain Language Movement**

In a world that demands so much of our time, less is more. Be clear and direct with your asks, offerings, and messaging – or risk losing your donor's attention in less than a second. Clarity of language and purpose have the added bonus of making your work easy for people to understand and latch on to emotionally, and therefore share with others. Have someone take your "pitch" and try it on you. Would you respond positively to it? If not, redo your pitch.

- **Be Personal**

Don't think of donors as aliens – rather, think of them as generous people just like yourself. Whether it's an in-person meeting, a zoom session, or a phone call, try to have direct, individual, thoughtful conversations with existing and prospective donors.

Learn about them as human beings with feelings and interests just like anyone else. Ask them questions and listen (really listen!) to their answers. The implicit message of a more personal, authentic approach to fundraising is that you and your team are caring professionals who will apply a conscientious, considerate, and meaningful touch to everything you do.

- **Be Transparent**

Part of a great relationship is trust. The 2019 Edelman Trust Barometer study concluded that only 52% of Americans trust NGOs/nonprofits, which is a real problem when you're talking about billions of dollars needed annually to run these organizations and provide impact. There is no better way to build trust than to create and maintain strong personal relationships with donors than being clear about the path and demonstrated value of their gift. Be clear on what forward progress or deliverables a regular donation might enable, and be transparent about challenges and issues that come up. If you over-curate information you give to a donor, they will sense that you're not telling them the whole story and they will stop giving to you.

The bottom line: think like a donor. Remember how many emails they are likely sifting through each day, the volume of texts and calls flooding in. Consider how many companies are competing with you to earn their support. Bombarding your donors with fundraising requests will never be as effective as clearly communicated, professional two-way communication that demonstrates your appreciation and respect for them – along with your dedication, as an organization, to your mission.

Fundraising may be quantified in numbers, but playing it like a “numbers game”, instead of as an authentic relationship, might be your organization's downfall.

Lisa Zola Greer is a philanthropist, entrepreneur, convener, and the author of the bestseller "Philanthropy Revolution". Over the last decade, the Greer home in Beverly Hills has been home to nearly 200 charitable salons and events connecting nonprofits with donors and the community.

In 2020, Lisa was appointed by the Speaker of the California State Assembly, Anthony Rendon, as a commissioner of the California State Commission on the Status of Women and Girls.

In addition, Lisa sits on the board of the New Israel Fund and serves on the Executive Committee of the Cedars-Sinai Board of Governors. She has also served as Commissioner and Chair of the Beverly Hills Cultural Heritage Commission and Trustee of the Jewish Community Foundation of Los Angeles, and as a board member of many organizations, including the L.A. District Attorney's Crime Prevention Foundation, Make-a-Wish of Greater Los Angeles, Girl Scouts of Greater Los Angeles, and others.

Earlier in her career, Lisa was a studio executive at NBC and Universal Studios, and she founded and led several companies, including a management consulting and strategic advisory firm specializing in digital media and entertainment businesses.

5

Why
Do Our
Donors Give?

“Ile la ti n ko eso re ode.”

- Yoruba proverb

Much of the work of a fundraiser is understanding the balance between the art and science of generosity, whether we think about it that way or not. There has been an evolution in the study of giving that has looked at why donors give from an increasing set of multidisciplinary points of view - psychological, economic behavior, biological, social science, and more. This section will give a primer on the key reasons why your donors may give to your organization and outline some critical approaches to leveraging this information in your own work.

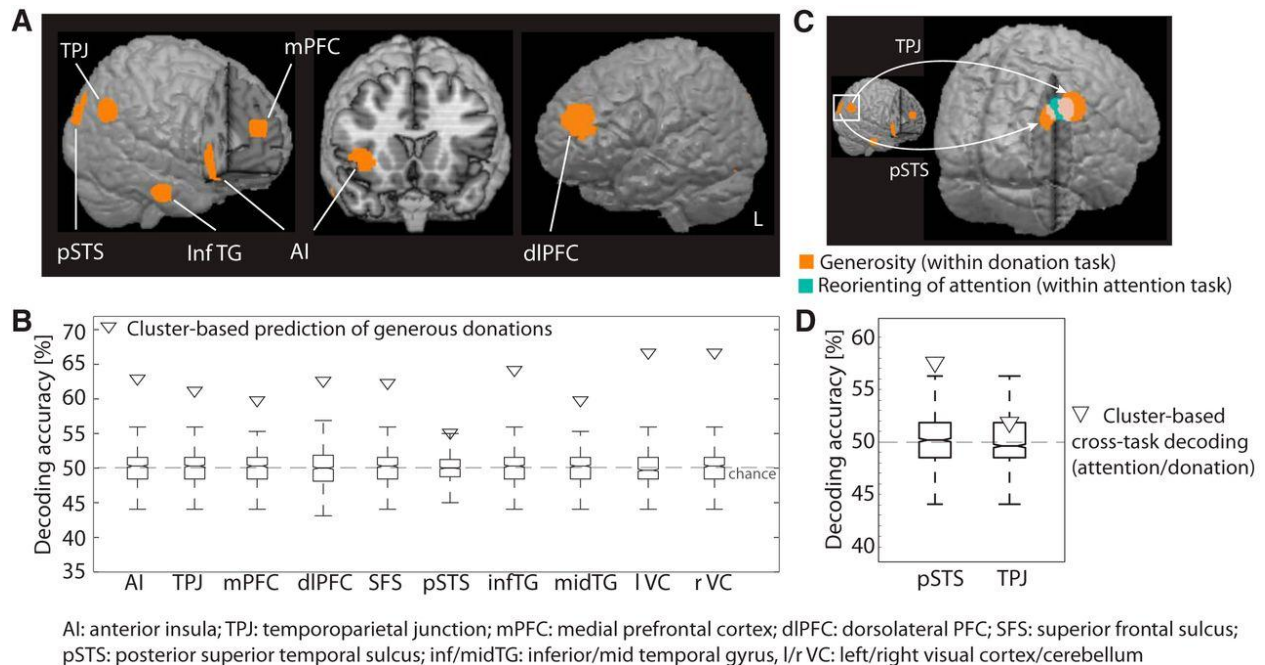
It is also important to critically evaluate **The Why** question philosophically, which is why we have brought in a critique of the donor-centered approach to fundraising to give voice to the power dynamics that may influence fundraiser and donor interactions. **The Why** is a fluid question that should form some of the key strategies that we have for our own organizations.

The Why

Biological

There's been a reference to generosity being part of our DNA, and there is actual science behind that to prove it. Several scientific studies have reviewed brain patterns during a charitable exercise and found that there is a clear neurological basis for human altruism — that is, scientists can observe through brain imaging studies how giving charity generates increased activity in the brain's reward system.¹⁸

¹⁸ Levy, J. (2018, December 7). The science behind why giving to charity feels so good. *Desert Sun*. Retrieved January 20, 2022, from <https://www.desertsun.com/story/sponsor-story/angel-view/2018/12/07/science-behind-why-giving-charity-feels-so-good/2232037002/>.



Source: “Decoding the Charitable Brain: Empathy, Perspective Taking, and Attention Shifts Differentially Predict Altruistic Giving”, *The Journal of Neuroscience*

The other interesting finding of brain activity is that it helps activate the subgenus area of the brain, which plays a crucial role in formulating social attachment. This is especially important as we forge new ways of connecting with and communicating with each other in the advent of the post-pandemic society we hope to live in.

Psychological

Building upon the biological is the psychological reasons that people may give. Professor Jen Shang from the Institute for Sustainable Philanthropy in the United Kingdom identifies three primary motivations on why donors ultimately give to an organization - situation-based, relationship-based, and identity-based.

Situation-based motivations are often triggered by sudden changes in the environment, and individuals respond by giving. Relationship-based motivations are when donors give based on their connection to an organization. Finally, identity-based motivations focus on giving as a way for the donor to express who they are.¹⁹

¹⁹ Soderstrom, E., Wrenn, C. M., & Shin, D. (2019, December 26). *The psychology of giving*. Marketplace. Retrieved January 20, 2022, from <https://www.marketplace.org/2019/12/26/the-psychology-of-giving/>

An identity-based approach gives an organization the ability to help activate a donor's feeling of autonomy, competency, and connectedness to the organization. In the [Institute for Sustainable Philanthropy's philanthropic psychology course](#), the six primary identities that can form the starting point of a messaging and engagement strategy are:

- Personal Identity (e.g. I am a woman)
- Relational Identity (e.g. I am a mother)
- Group Identity (e.g. I am part of a mom's Facebook group)
- Organizational Identity (e.g. I am a Democrat)
- Regional, National, and International Identity (e.g. I am from the United States)

These may also influence a person's moral identity, which is often starting from the standpoint that people inherently believe themselves to be morally good within their true self. Ultimately, what typically drives a donor to give is the feeling giving makes people feel, and not the details of the gift itself.

As fundraisers, we must continue to remind ourselves that donors (because they are human) have a short-term memory that can only hold five to nine pieces of information at one time. The more critical the identity salience of your communication, the more likely your gift will be remembered and recalled later by the donor.

When attempting to appeal to a donor's identity, the ideal state is to lean into that sense of autonomy, competency, and connectedness to a higher calling. We must sit with these profound questions when thinking about our messaging and mission, especially when it can seem difficult to connect with people. Yet, donors are looking for ways to activate their compassionate love within themselves, and your organization can be worthy of that love through meaningful investments into communication strategy.



Tactical Tip: Review the language in your gratitude messaging. Are you using language that focuses on the situation (e.g. you gave on GivingTuesday), the relationship (you gave to us because you believe in us), or the identity (you gave because you are a generous person)?

Toward A Global Community Of Generosity

Much of the analysis and research outlined in this report has been centered around the United States philanthropic spaces. That is why it is prudent to push our understanding and analysis toward spaces that may not fit the usual mold we have been taught within our sector.

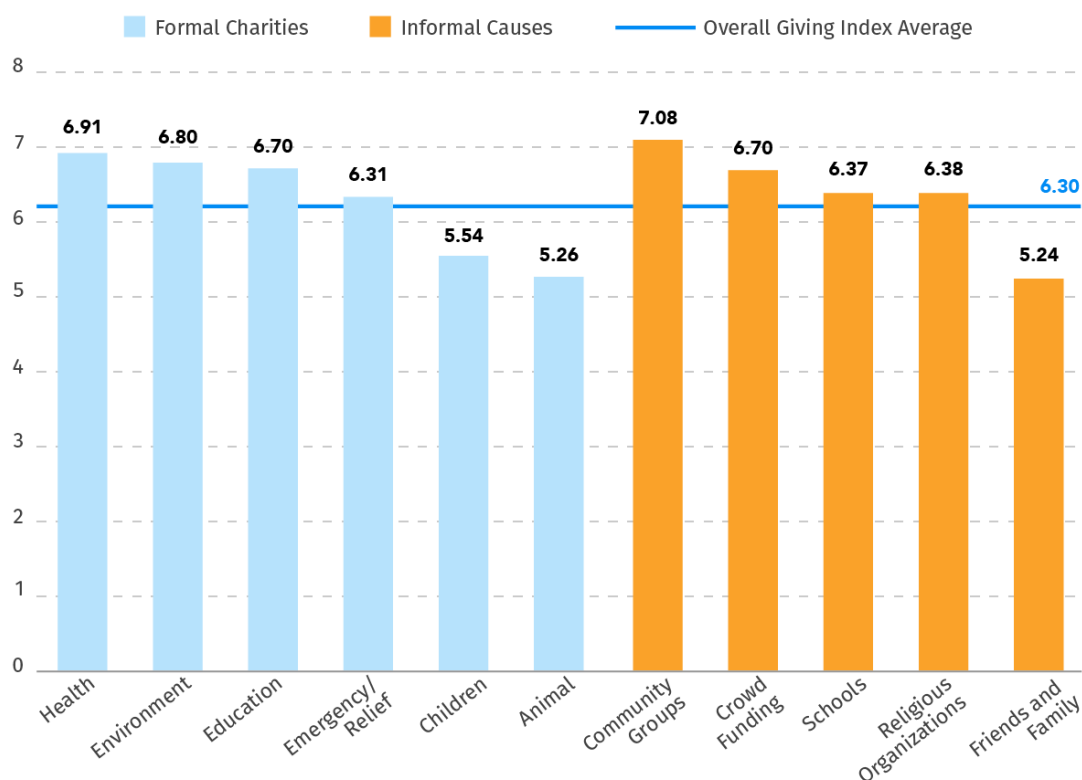
Note: There is a burgeoning amount of research into the critique of the Western philanthropic space, such as Darren Walker's "[Towards a New Gospel of Wealth](#)," and Edgar Villaneuva's

[“Decolonizing Wealth.”](#) We encourage you to explore these resources for a much fuller analysis of the topic.

In the most recent Charities Aid Foundation World Giving Index, they found that Indonesia was the world’s most generous country. Many Western nations moved out of the top spots, while several African countries moved into the Top 10 spots.²⁰

Another fascinating study was explicitly done about African generosity. In the *Duality of Giving* report by AgentsC Inc., they studied how and why people on the African continent give to charitable causes. The study is wide-ranging in its findings, but of note is the types of causes that individuals support. According to the research, there was a healthy amount of support for community-based groups, friends and family, and crowdfunding initiatives.

Giving Index - Types of Formal Charities and Informal Causes Supported



Source: The Duality of Giving

What was also encouraging from a global perspective of generosity are the parallels within the research outlined for the United States. The report found a strong distribution of giving across income, gender, and ethnicity.

²⁰ Heslop, N. (2021, June). CAF WORLD GIVING INDEX : 2021 A global pandemic special report. Charities Aid Foundation. Retrieved January 20, 2022, from https://www.cafonline.org/docs/default-source/about-us-research/cafworldgivingindex2021_report_web2_100621.pdf

The quote at the beginning of this chapter is found in the Foreword of the AgentsC Inc. report, stating “Simply translated, it means **charity begins at home**. To elaborate, the proverb teaches that performing good deeds outside the home begins by learning good deeds inside the home. In this respect, philanthropy is learned locally and practiced further afield.”

Chapter Five Summary

Asking ourselves about **The Why** is one of the most important yet difficult things we can do. Not only will it drive the way we think about our jobs, and will influence the ways we interact with our donors.

People give because they are called to do something that may seem bigger than themselves. It may be a small gesture, or it may be a huge investment for them. Either way, the reason that people decide to donate their time, talent, or treasure is that your organization has appealed to something deep inside them.

Understanding the roots of philanthropy is a critical step our sector needs to take. On the positive side of this understanding is that within every person there is potential for good. The *why* of what ignites their passion is just as varied as human identity, but there is so much more to people than just the money they may give.

This brings us to the negative roots of philanthropy. There is waning trust in nonprofit institutions to do the right thing with money, fair or not in its accuracy to the sector as a whole. This perception is also tied to systemic inequalities that drive much of the core reasons why our sector exists in the first place.

Reconciling the good and the bad within our sector to find a more productive and equitable path forward is the primary *why* we need to continue to ask ourselves. If we can feel proud of the work we’re doing and do so in a way that helps build a broader movement of generosity, then the reasons why people give will evolve into a standard centered around healthy relationships with donors.

For Chapter Five’s guest insight, we thought it important to outline critiques of what has become the norm in our sector around donor engagement, which is to sometimes place the donor in a role that may create imbalances of power within our organizations. Hearing alternative approaches to fundraising is important to help hone our work regardless of our personal philosophy.

GUEST INSIGHT: Rachel D'Souza-Siebert, MPPA

An introduction to Community-Centric Fundraising

In the early 1990s, the US Army War College coined the term "VUCA" to describe the new world reality following the end of the Cold War. Standing for "Volatile", "Uncertain", "Complex" and "Ambiguous," the term was quickly co-opted by leadership in the for-profit sector and spread to the social sector. Over the last decade, and especially the last couple of years, philanthropy and nonprofit organizations have faced their own reckoning where the VUCA circumstances in our own sector have pushed us to reimagine what's possible with our human and financial capital.

Those who have accumulated wealth shape modern US philanthropy's policy and practice. Over time, the default practice/model in fundraising has become known as Donor-Centered Fundraising. Put simply, "Donor-Centered Fundraising is an integrated and collaborative approach to raising money that inspires donors to remain loyal longer, to make more generous gifts, and to shift their giving from modest to generous sooner. The concept is easy to understand; it focuses on the things that make fundraising more profitable; and it comes from donors themselves." When viewed at face value, the proposition of donor-centered fundraising is not inherently bad. However, it has contributed to a toxic, transactional fundraising culture that promotes a harmful bottom-line mentality for nonprofits, enables inequitable behavior, and reinforces a troubling power imbalance between those with money and those without. Perhaps most troubling, is the lack of progress the nonprofit sector has made using this practice.

In the summer of 2020, a small group of BIPOC fundraisers living in Seattle, Washington launched Community-Centric Fundraising (CCF), a movement to ground resource development efforts in race, equity, and social justice. It asks those across the philanthropic fundraising landscape to acknowledge how modern US philanthropy and its donor centrism have not served our causes, communities, or even in some cases, the true intent of the donors themselves. With a baseline of ten core principles, CCF sets a new tone for resource development. We must put the collective community above our individual missions and organizations. We need to be willing to have hard conversations with our donors - ones that may transform our relationship with them or result in a loss of support.

This movement asks fundraisers to engage with and contribute to a systems-level solution. We no longer have the opportunity to simply focus on our donors and the numbers without prioritizing our community, values, and mission. Community-Centric Fundraising requires us to abandon our scarcity mindset and siloed mentalities and to truly embrace abundance. Nonprofits are mutually supportive of one another and time is valued as equally as money. Organizations would hold power (a construct that is no longer equipped to those who hoard

wealth). At its highest functionality, nonprofits would reach mission fulfillment and become obsolete.

Over the last 18 months, we have watched many individuals, institutions and communities join the movement. In my hometown of St. Louis, Missouri (occupying Illini, Osage, and Mississippian land), Community-Centric Fundraising is beginning to come to life.

Donors, funders, nonprofit organizations, and fundraising teams have started to anchor their strategies in the [ten core principles](#) and the values of Justice Philanthropy.

The Joseph H. and Florence A. Roblee Foundation shifted its giving priorities in 2020 after its board of trustees invited direct feedback from a set of its grantee organizations. The grantmaker is committed to going upstream and identifying opportunities to support longer-term systems change rather than funding projects or programs that fit into an annualized grant cycle.

The Amplify Fund offers a grant-making process free of the lengthy and burdensome applications typically required by institutional funders. By trusting the lived experience of applicants and their communities, the Amplify Fund actively dismantles the problematic power dynamics that typically persist across philanthropic relationships.

Nonprofits are creating opportunities for transformative dialogue and learning with their donors and funders.

STEMSTL is a collaborative consortium committed to equitable access to high-quality STEM learning and employment opportunities for all learners in the St. Louis Metro region. Its mission is to collectively develop and deploy quality systems-level changes that will advance STEM learning and career opportunities to empower the growth of diverse problem solvers, innovators, and critical thinkers, enabling them to thrive in a globally connected world.

During the summer of 2020, STEMSTL hosted a learning opportunity for its donors - most of whom were white and male. The webinar, “Moving Boldly Towards Anti-Racism in STEM”, offered funders an opportunity to learn new information and ask questions in a peer-to-peer setting. Many funders remarked it was the first time they felt comfortable learning and speaking about anti-racism and how they could engage more fully with these efforts not only in their philanthropy but also across other aspects of their community involvement.

Collaborative Fundraising + Grantmaking Opportunities are being offered.

The Missouri Foundation for Health (MFFH) has invited applicants with shared interests and visions for the community to submit collaborative grant requests under various focus areas.

Rather than drive a competitive mindset, MFFH encourages causes to consider how to further their respective missions through collaborative efforts.

Organizations are changing the way they measure impact and progress.

After being publicly called out on allegations of racism and sexism, community-driven radio station KDHX adopted a new strategic plan that included building an intentionally anti-racist organizational culture. Over the first full year of the plan's implementation, the board and the staff have worked closely to redefine what milestones and success could and should look like. Goals have taken on qualitative aspects and the organization's values are apparent across its programs and activities. While they have lost some long-time supporters who disagreed with their strategic plan priorities, new life has been breathed into other donor relationships which have yielded more successful fundraising campaigns for the organization.

Stakeholders with lived experience are compensated for sharing their experience and wisdom.

Forward Through Ferguson (FTF) is the organization formed to carry on the work of the Ferguson Commission after the 2014 murder of Michael Brown Jr. in Ferguson, Missouri. FTF has worked tirelessly to bring anti-racist resource development to life since its inception. Providing compensation to community members and activists for sharing their lived experiences was an early commitment of the organization. In 2021, FTF co-hosted the second biennial St. Louis Racial Equity Summit. Every volunteer, from a youth board to the community advisory board to the event speakers, had the opportunity to be compensated for sharing their time and brilliance.

I see Community-Centric Fundraising as an opportunity to decolonize our fundraising practice; to join a movement where our work is transformed with an upstream, systems-change perspective; to dismantle the power dynamic between funders and recipients; and as a call to place our causes and communities at the heart of our fundraising practice. Our job should not be to simply fund an organization. This movement calls us to transform the way we think about resources to solve a problem and no longer need an organization at all. In these VUCA times, this transformation is no longer radical - it is necessary. The best we can do is join a movement that asks us to transform towards the collective good.

Ms. Rachel D'Souza-Siebert MPPA is a proud lifelong resident of St. Louis, Missouri. Born to parents who immigrated to the US from India, Rachel has always been passionate about bridging differences and celebrating what's possible when we collaborate from a mindset of abundance, learning, and risk-taking. Rachel is the founder of Gladiator Consulting, a boutique consultancy with a holistic approach to nonprofit organizational capacity-building. Through Gladiator, Rachel has combined her knowledge of organizational culture and resource development with her deep personal commitment to centering community, seeking justice, and creating belonging for those who have been disenfranchised or targeted by institutions, systems, and policy.

6

How Do Our Donors Give?



“No act of kindness, no matter how small, is ever wasted.”

- *The Lion and the Mouse, Aesop's Fables*

Throughout this report, we have broken down the individual components of how donors are behaving, as well as tying this to a larger story of what generosity will look like in the years to come. We have looked at who is donating, what they are passionate about, where people live and the ways they choose to support, the deeper reasons why people give in the first place, and alternative approaches to what philanthropy even is.

One of the most prominent mistakes our sector's reports tend to make is that they overemphasize the monetary aspects of giving instead of looking at the bigger picture: generosity is multidimensional. This is why we intentionally left the most profound transactional analysis for the end of our report on the future of individual giving, so we could let other aspects of understanding the future of individual giving breathe a bit more.

In this chapter, we will unpack two distinctly intertwined threads of analysis. The first is overall giving trends across our sector, primarily drawn from analysis by GivingTuesday and the Fundraising Effectiveness Project. Using data from different technology platform providers is critical for us to truly understand where our donors are focusing their efforts, since it ensures that one type of vendor's market presence does not dominate the analysis.

We will also look toward the key performance indicators that all organizations should be focusing on for their fundraising efforts and what the data tell us about where your organization may be headed when looking at your data.

Then we will get into more transaction specific analysis drawn from the Neon One ecosystem itself. One of the exciting things about designing our company's research philosophy is that we can bring in subject-matter experts that help round out a complete analysis of generosity. Besides understanding giving trends we're seeing in online versus offline payments being made, we'll also bring in some of our friends that we work with who have unique insights into

specific emerging trends in giving to help flag what your donors may be thinking about when it comes to the future of payments.

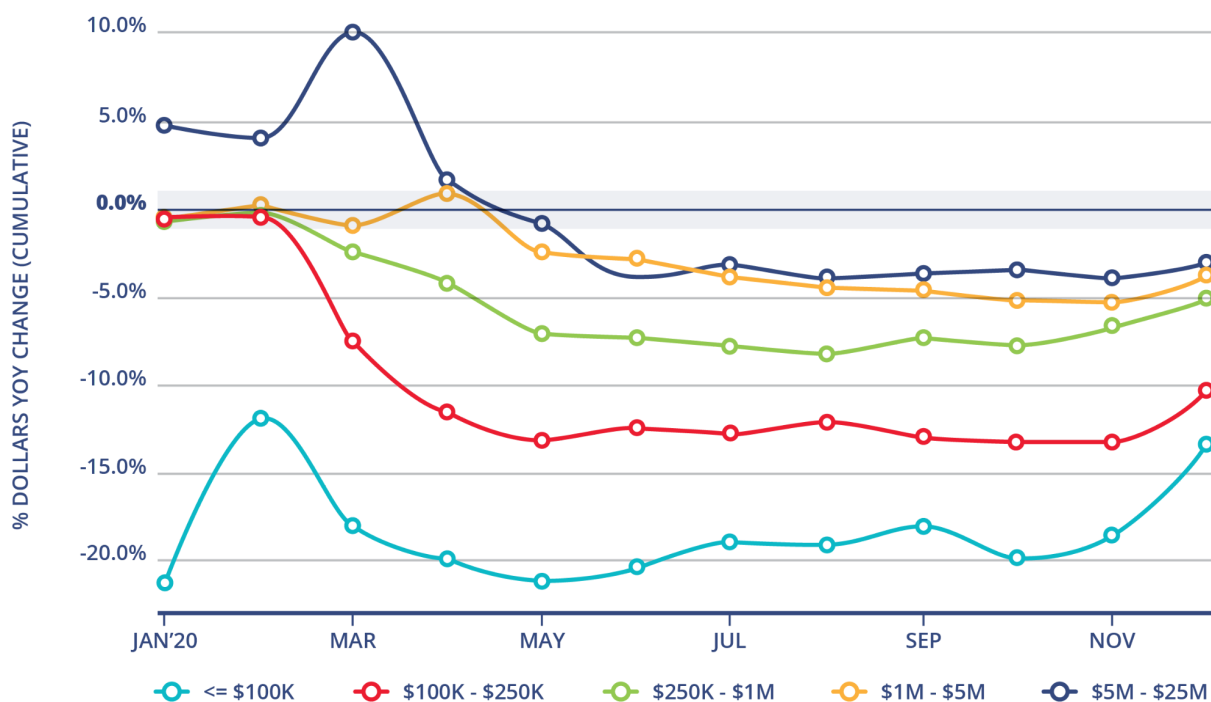
Then we'll round out this chapter by tethering the trends we've unpacked around individual giving with a much larger conversation on how our sector thinks about growth, scale, and impact by hearing from a perspective focused on the grants and foundation space.

Key Sector Trends

In this section, we will focus exclusively on data drawn from the Fundraising Effectiveness Project (FEP) and GivingTuesday's analysis. This ensures a much more expansive representation of individual giving trends because it draws from more vendors than just the Neon One Dataset..

We will focus on two positive trends (overall sector growth and overall donor pool growth) and two negative trends (small organizational dropout and decreasing donor retention).

INCREASED DONOR POOL



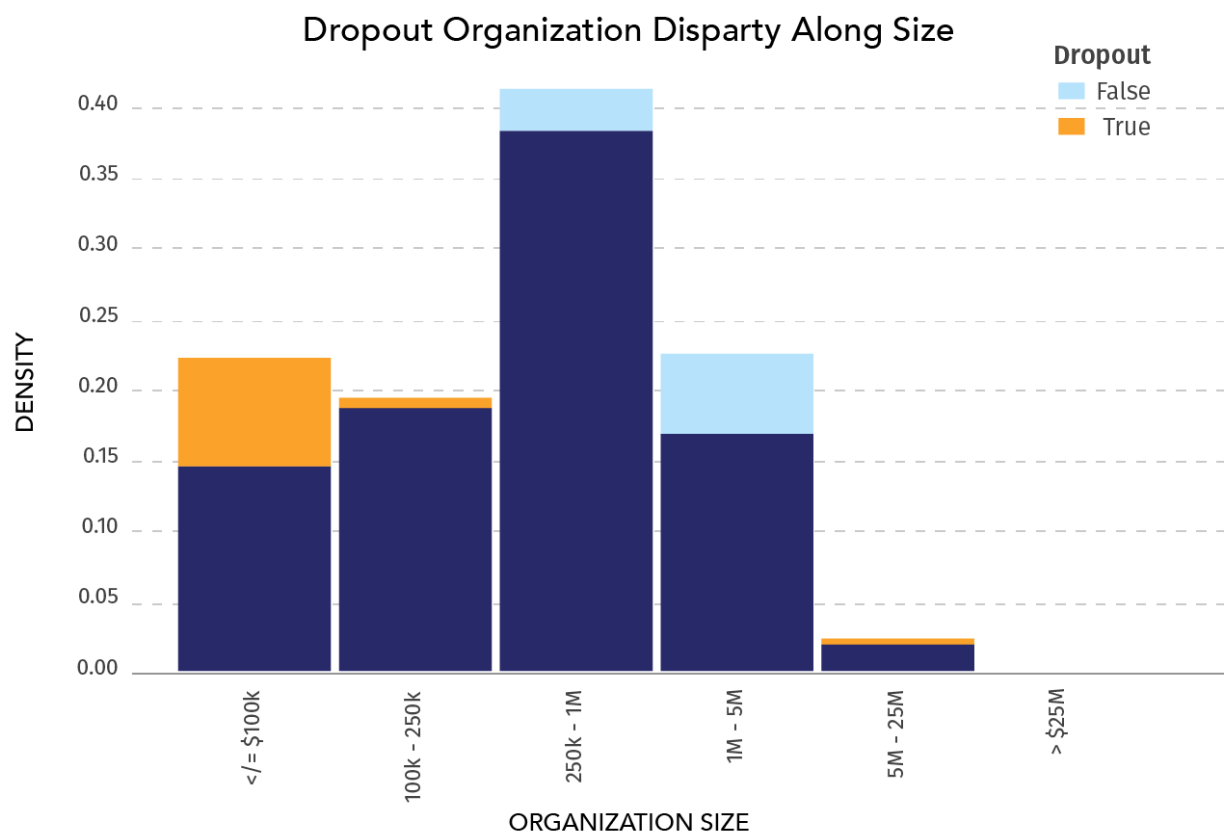
Source: GivingTuesday Data Commons - Giving in Unprecedented Times: A Lookback at 2020 Charitable Giving in the United States

While a Lilly School of Philanthropy report came out in 2021 that references pre-pandemic data about declines in household giving in the United States, the picture beneath the surface is much more complicated. As GivingTuesday [outlined](#), “We saw a reversal of the damaging

trend of donor consolidation in the sector. For the first time in a long time, we saw [more givers in the system](#). Acquisition by organizations was up, and more Americans were donating to charities.”

More donors are giving smaller amounts to causes that have some meaning to them, either directly or indirectly. New donor retention – the percentage of donors acquired in 2020 who gave again in 2021 was at an all-time high in the first quarter and [remained strong through the first half of the year](#). While retention overall is of concern, these are bright spots to continue to focus on.

SMALL SIZED ORGANIZATION DROP OUT



Source: Fundraising Effectiveness Project / GivingTuesday 2021

A concerning trend has been the number of organizations failing to meet basic reporting minimums compared to previous years. Last year, FEP saw organizations leave the dataset within the year for the first time. The chart above shows the distribution of organizations by size for two categories of organizations: those which have not reported 2021 data (orange) and all 2021 organizations (light blue). The dark blue bars show the extent to which the proportions are equal.

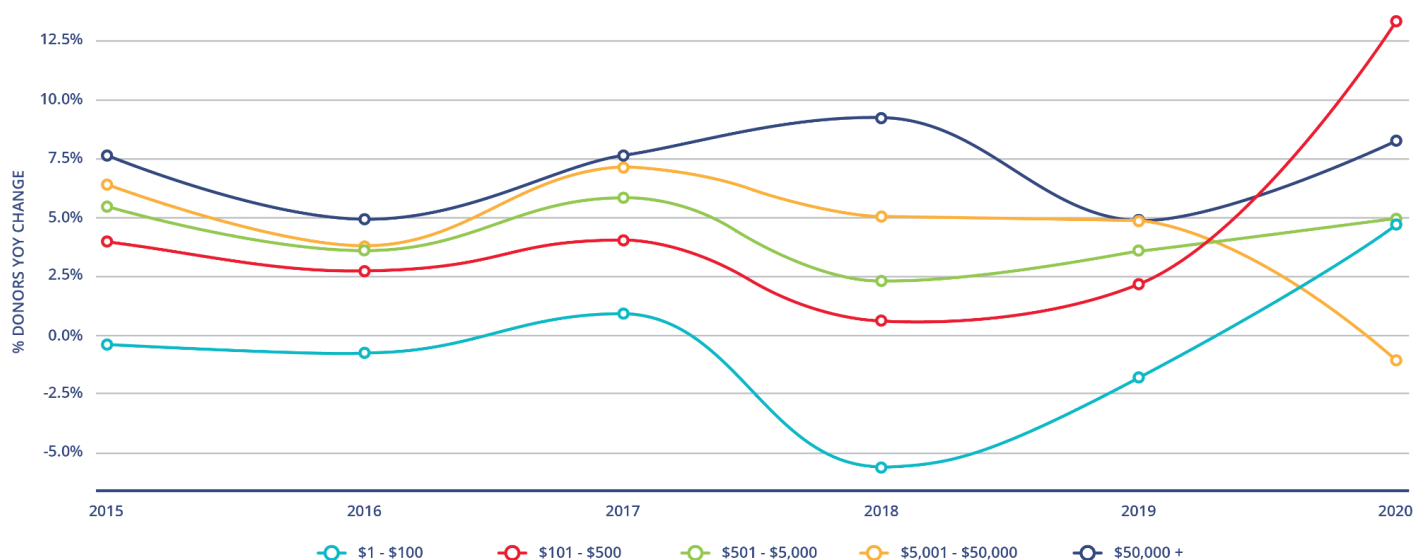
They saw over 10% of organizations not yet reporting Q2 data, and over 7% still not reporting Q1 data. There are expectations that up to 4% of organizations may not report in 2021 at all, given that 4% of 2020 organizations still haven't reported Q4 2020 results. The biggest impact has been with organizations that have revenue under \$100,000 or below.

Organizational dropout within the FEP database may be due to several factors. For example, an organization might have switched CRM providers, or stopped using one altogether, and thus goes missing from the [Growth in Giving Database](#).

However, the initial analysis by the project's data scientists would suggest that a significant number of organizations ceased or reduced their fundraising operations due to the COVID pandemic.

This is important for broader discussions of organizational capacity lifecycles in our sector. As Professor Elizabeth Searing of the University of Texas at Dallas outlines in a recently published paper on understanding the closure data around nonprofits, the United States has a poor tracking mechanism for understanding the number of nonprofits that are actually closing their doors.²¹ If we are going to take seriously creating a vibrant and supportive growth model for both small and large organizations alike, we need to understand these data points more in particular.

MORE SMALL DOLLAR DONORS



Source: GivingTuesday Data Commons - Giving in Unprecedented Times: A Lookback at 2020 Charitable Giving in the United States

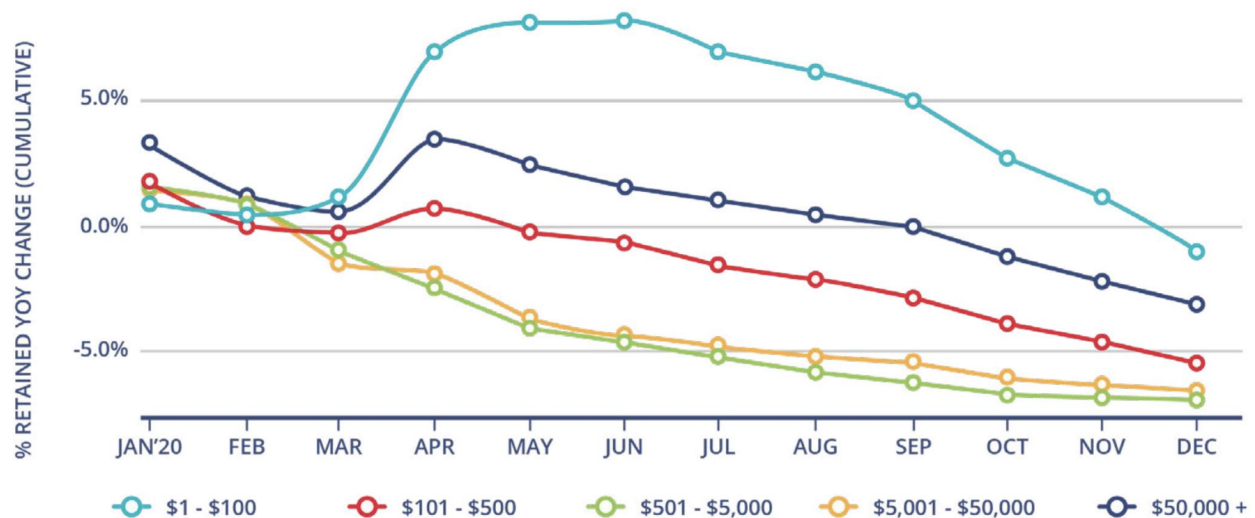
²¹ Searing, E. A. M. (2020). Life, death, and zombies: Revisiting traditional concepts of nonprofit demise. *Journal of Public and Nonprofit Affairs*, 6(3), 354–376. <https://doi.org/10.20899/jpna.6.3.354-376>

Closely tied to the expansion of the overall donor pool is the increase in the total number of donations under \$500. These donations are typically the entry point for new donors, so this is a good time to flesh out your donor nurture efforts. Improve the chances of retaining these new donors by having your team ready to welcome them with open arms. Create a welcome email series to introduce new donors to your programs, share impact stories, highlight volunteer opportunities, and demonstrate what their support means to your organization.

This is also an opportunity to inform new supporters about your recurring giving program. Focus on the tangible impact of sustainable donations on your mission and highlight the benefits of being a recurring donor.

We'll unpack recurring donations in a special spotlight below, but we should be excited as a sector that more donors are stepping up and giving at amounts that are meaningful to them. Donations should be seen as impactful no matter what size they are, and these trends also help organizations address issues of donor primacy, where large dollar donors feel that they can direct the actual operations of a nonprofit because of the size of their gifts.

CONTINUED DONOR RETENTION ISSUES



Source: GivingTuesday Data Commons - Giving in Unprecedented Times: A Lookback at 2020 Charitable Giving in the United States

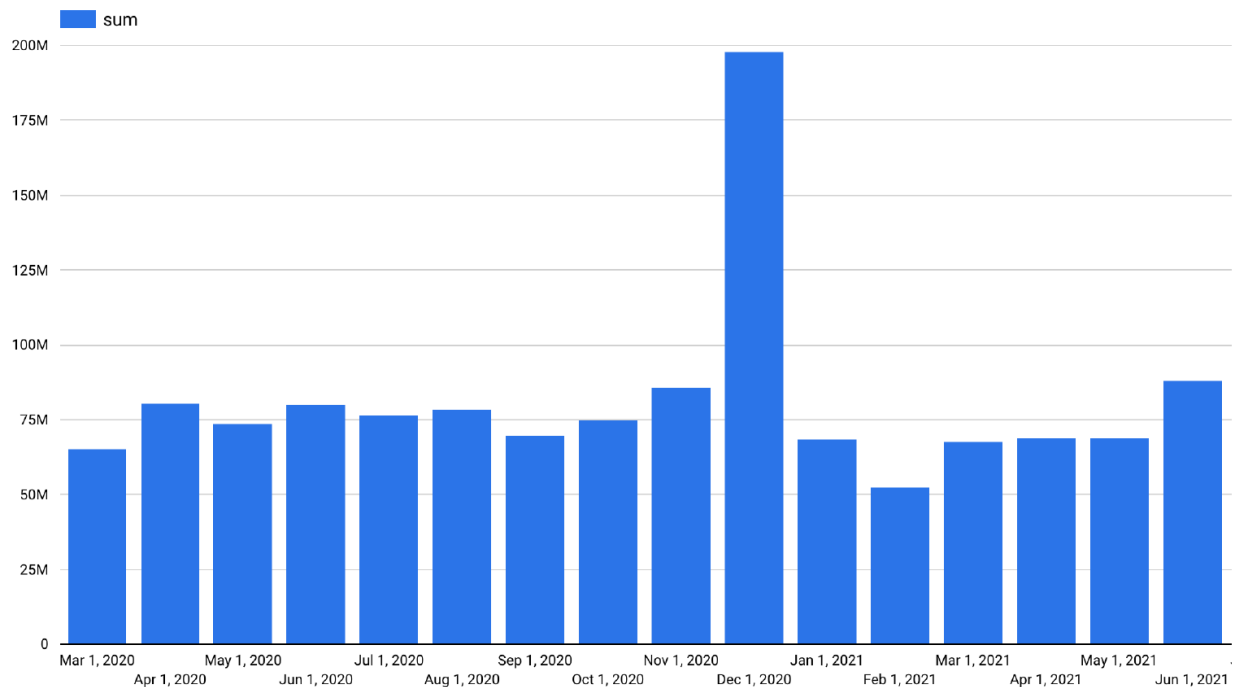
Donor retention is consistently one of the most concerning downward trends we see in the sector. As donors are provided a more comprehensive range of ways to support social causes, nonprofits need to showcase the unique value in making an impact than new and old donors alike. Otherwise, these donors will turn toward other avenues of social impact (e.g. socially responsible eCommerce) to make their passion known.

Retention is the ability to keep a donor coming back to support an organization year after year. There has been a consistent decrease in sector retention of donors over the past few years, with new donor retention being especially poor. As noted above, 2021 has shown some potential reversal of this multi-year decline, but organizations need to stay focused on the retention of both new and existing donors to project their revenue properly.

Ways Donors Give

In this section, we will dive deeply into the Neon One Dataset by looking at the period from March 2020 through June 2021. This helps us understand changes and trends that began with the pandemic, and we’ll drill into the different ways that donors support nonprofits in terms of whether they are giving online or offline.

OFFLINE GIVING



Source: Neon One Dataset (Cash, Check, Stock / Securities, Wire Transfer)

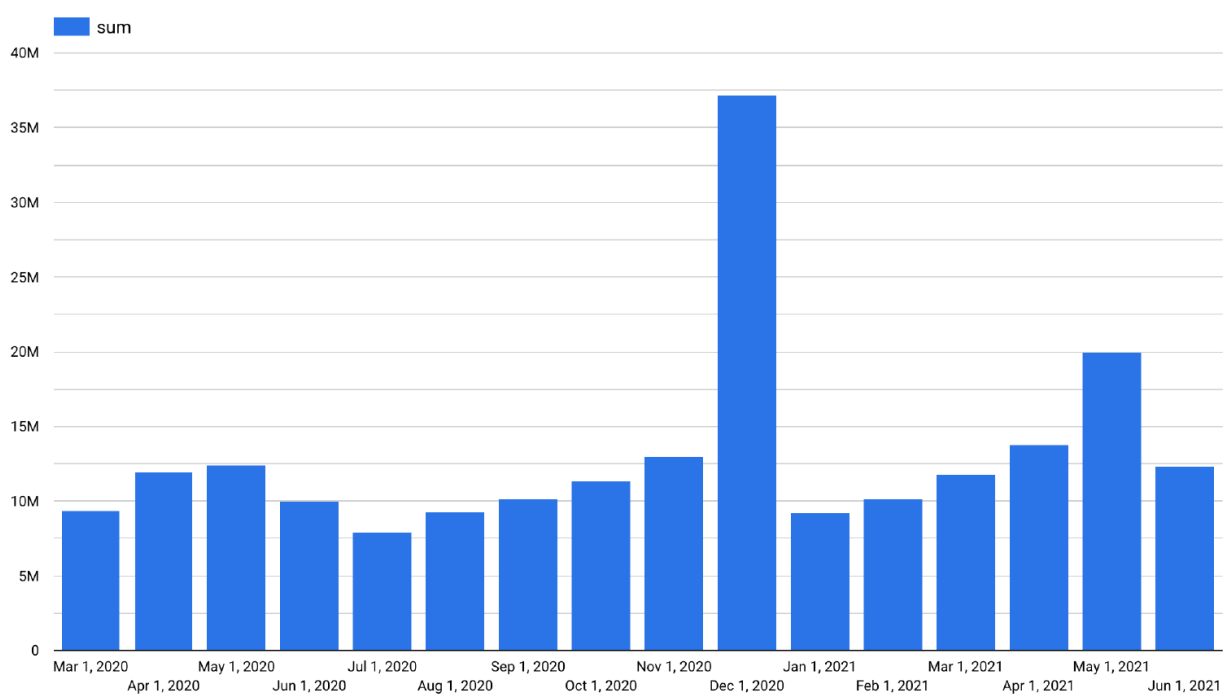
As Chapter Three outlined, the majority of giving is *not* occurring through automated or digital means for a nonprofit organization. Many large donations, especially those coming in peak times at the end of the year, will still be coming from sources that are manually entered into an organization’s CRM.

View what specific missions look like for OFFLINE giving



There are some interesting ebbs and flows, especially with some higher giving spikes for human service organizations at the beginning of the pandemic, while religious organizations attract a hefty amount of their revenue in December.

ONLINE GIVING - AUTOMATICALLY PROCESSED



Source: Neon One Dataset (Credit Card, eCheck)

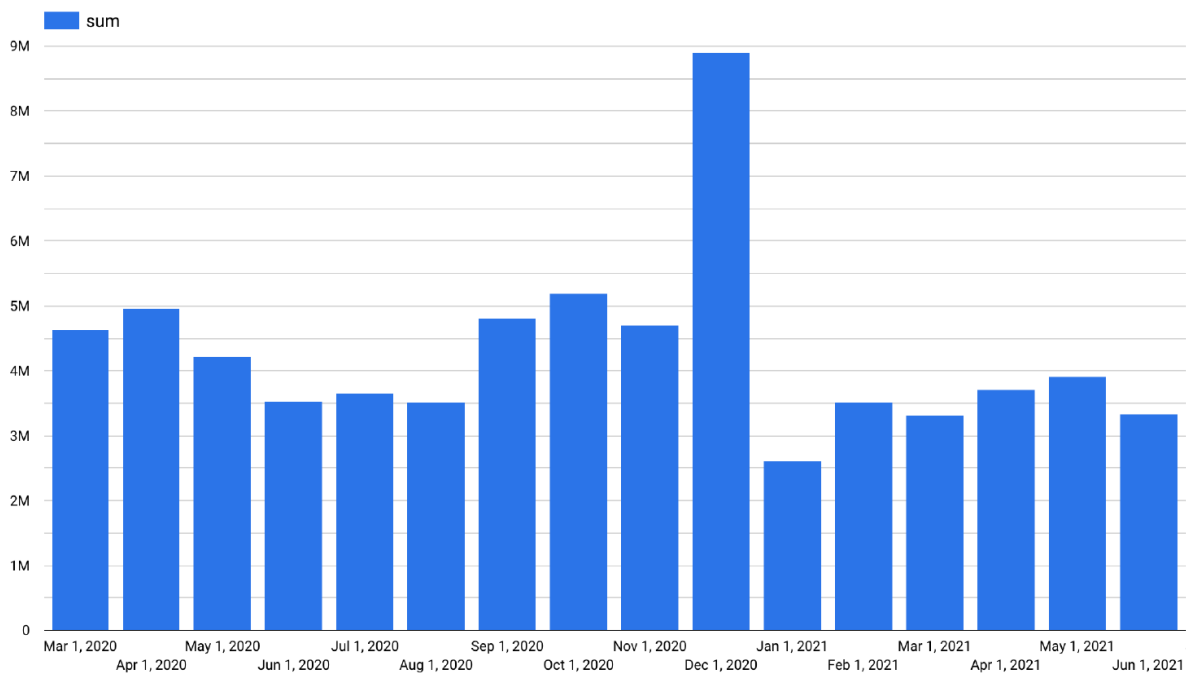
The most reliable source of data we have is through automated transactions via Neon One's payment processing solutions. This ensures that we know exactly what, when, and where a transaction has been made. Giving online year over year has steadily been increasing and ACH adoption, in particular, has skyrocketed during the pandemic. Moving forward, we expect to continue to see year-over-year increases in giving online. Later in this chapter, we'll spotlight some of the trends that Visa in particular is seeing specific to digital payments.

View what specific missions look like for ONLINE giving



There are even more notable spikes in the data here, especially with organizations focused on international aid, while religious giving online is more spread out through the year compared to online giving. Otherwise, we continue to see large spikes in December due to GivingTuesday and end-of-the-year giving.

ONLINE GIVING - MANUAL ENTRY



Source: Neon One Dataset (Credit Cards but then manually entered into CRM)

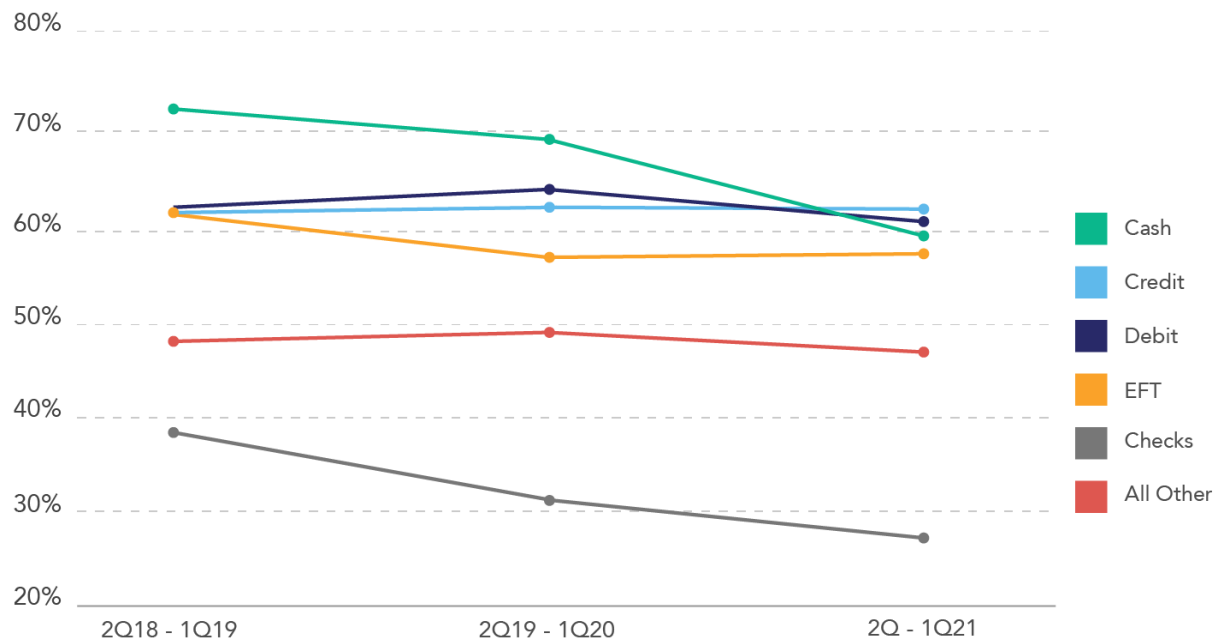
This is a critical breakout to understand database organizational behavior rather than donor behavior. Taking the time to manually enter a credit card donation run outside the CRM but flagging it as a credit card donation is an intriguing data point to do further research around. Historically, we have considered these likely to be transactions run through point of sale systems like Square. We will continue to review what this may mean for both evolving the technology we provide and the donor experience as a whole.

Emerging Giving Channels

We wanted to take a deeper look at specific ways that donors may choose to make a gift. For this section, we're excited to bring in our expert partners to bring unique expertise to each of the giving vehicles that a donor may decide when supporting an organization. We asked them for insights or thoughts on emerging trends in fundraising and the impact that the pandemic is having on what donors are prioritizing.

DIGITAL DONATIONS (VISA)

One of the most significant changes in consumer behavior has been around digital payments. As consumers stayed home or limited in-person shopping, many discovered the convenience and security of online and mobile purchases, as well as contactless payments. As consumers overall shift to a digital-first experience, they're expecting things to be easy, secure, and quick. Both businesses and nonprofits in turn are looking for the same in their offerings.



Source: Visa Payment Panel, 2020

Usage of cash and checks declined relative to the first quarter of 2019 during the pandemic, while card payments have overtaken cash as the most popular payment method.

Furthermore, this isn't restricted to younger generations. Generation X card usage increased from 60% to 65% and Baby Boomer's card usage increased from 54% to 57%. Consumer preferences are shifting quickly toward digital options when they are available, such as Peer-to-Peer Payments like Venmo and being able to link PayPal and other apps to an existing credit card.

This behavior also extends to charitable giving. Over the past five years, we have seen a 10% increase in credit card usage for charitable giving expenditures and a 20% decline in check giving over the same period. With options like Apple Pay, Google Pay, Visa Direct, and other digital wallets, as well as improved online donation form experiences and QR code usage driving individual givers to donate online, this is a trend that will continue in the coming years.

CRYPTOCURRENCY (THE GIVING BLOCK)

Some exciting components have come together in the past few years to create a [major opportunity for nonprofits to offer donors the option to donate their cryptocurrency](#).

1. Crypto is the best performing asset class of the last decade, with cryptocurrency investments beating out the stock market by nearly 1,000%.
2. There are tens of millions of Americans invested in cryptocurrencies like Bitcoin, a number set to double in the next year.
3. Donors don't pay capital gains taxes on any property asset (crypto, stocks, etc.) they donate to a 501(c)3 nonprofit. In other words, donors save more on taxes when they donate their most appreciated property.

In combination, these three components mean that the millions of Americans who invest in cryptocurrency are more incentivized to donate crypto instead of other donation options. The number of cryptocurrency investors is expected to keep increasing.

Crypto donors seem to be made in a lab for philanthropic giving. On average, they are young, charitable, have high net worth, and have strong tax incentives to give.

- Per capita income for crypto users is \$111,000 per year.
 - This is higher per capita than any city in the United States.
- The average crypto donation size is \$11,000 on The Giving Block.
 - Which is nearly 100 times higher than the average online donation across the sector (\$128)
- The average crypto user is 38 years old.
 - The average donor in the nonprofit sector is 64.
- 45% of crypto users donate at least \$1,000 to charity each year.
 - Only 33% of the general investor population gives \$1,000 or more to charity annually.

STOCK GIVING (OVERFLOW)

With markets near all-time highs and nonprofits seeking new sources of funding, accepting non-cash assets is an incredible opportunity to tap into a new fundraising channel while also engaging a new generation of philanthropists.

[While 80% of charitable donations are made in cash, US households hold only 10% of their overall wealth in cash](#). Nonprofits that receive stock donations see [55% higher fundraising growth](#) than those that only accept cash. Stock gifts tend to be larger than traditional donations, so the charities that accept stock donations often see a significant increase in

their total giving within three months — without having to attract new donors. At Overflow, the average stock donation is over \$8,000 compared to the [average online donation of \\$128](#).

When nonprofits ask for cash, they are most likely asking for gifts from the donor's "operating budget" that pays for routine monthly expenses. Inherently, the reference point for cash gifts from a donor's operating budget makes a [psychological difference](#) in evaluating the size of a gift. The same gift may seem material when compared to other operating budget purchases, but less significant when compared with the total wealth when including non-cash assets.

When donors give appreciated stock, the shares are transferred from the donors' brokerage account to the nonprofit's brokerage account. If the receiving organization is a qualified 501(c)3 charitable organization and the donor has held the stock for more than one year, the donor can save capital gain taxes that would be due on the appreciated amount. In addition, the fair market value of the donated stock could be used on their individual income tax return if they itemize their deductions.

FACEBOOK FUNDRAISING (META)

Social media fundraising continues to evolve across different platforms, but Facebook continues to be the most widely used social media platform to actually drive transactions. Drawn from information provided by Meta (formerly known as Facebook Inc.), some top-level information about their platforms include:

More than \$6 billion USD has been fundraised globally on Facebook and Instagram, with a majority of donations in the past year being under \$25 USD. 100 million donors and fundraiser organizers have used the fundraising features, 1.1 million people follow Nonprofits on Facebook and over 1.5 million nonprofits can fundraise on Meta's apps.

The yearly breakdown of the causes that received the most donations on Facebook:

- 2016 and 2017: children's health and mental health
- 2018: equality and civil justice
- 2019: environment
- 2020: humanitarian aid and environment

Social media-driven fundraising on platforms like Facebook, Instagram, and beyond are an evolving part of the sector, but there is no doubt that it will continue to be one of the most exciting and interesting evolutions of donor engagement that we will see, especially with evolutions like livestream fundraising and video engagement tools becoming more popular with creators, nonprofits, and donors alike.

MATCHING GIFTS (DOUBLE THE DONATION)

Employer matching gifts are one of the most common forms of corporate philanthropy, with over [26 million individuals working for corporations that offer employer matching gift programs](#). This giving avenue has significantly grown as corporate social responsibility becomes increasingly important to consumers and employees alike. In the past year, an estimated \$2-3 billion was donated through employer matching gift programs alone.

Despite this large and growing industry, many nonprofits miss out on the majority of matching gift funds, meaning corporations are offering a set number of contributions they are willing to match, yet they are only dispersing a small percentage of that allotment. This leads to an estimated [\\$4-7 billion in matching gift revenue going unclaimed by the organizations for which they are designed](#).

This discrepancy between offered and claimed funds can be explained by the “donor awareness gap”, a concept that describes the lack of awareness surrounding employer gift matching programs. With the [majority of donors \(78%\) being unaware of their company's offered gift matches](#), much less how to claim them, these contributors are making gifts without taking the required action for a gift match. Since most matching gift programs strictly require donor action to submit their match request, the responsibility falls solely on the donor, who is unaware of their ability.

It's important to note that once donors become aware of their matching gift capabilities, they respond positively. [Studies show that:](#)

- 84% of donors are more likely to donate if their gift is matched.
- 71% more donors respond to fundraising appeals mentioning matching.
- 51% of donors increase in donation amount results from mentioning matching

It is easy to capitalize on this giving channel once your efforts become focused on [donor education and empowerment](#). Employer matching gifts can then provide nonprofits with increased revenue and donor engagement, while also fueling greater donor insights and corporate partnership opportunities.

DONOR ADVISED FUNDS (DG Capital Insights LLC)

Donor-Advised Funds (DAFs) are **still** the fastest-growing charitable giving tool and segment of philanthropy. As we enter the second golden age of philanthropy, donor-advised funds are increasing in popularity and use. For-profit philanthropic technology and service firms are merging and taking outside investments to support this growing market need. Many of these firms have built or are building greater automation to speed up philanthropy for all.

A simple tax-efficient philanthropic giving tool, [donor-advised funds \(DAFs\)](#), allow individuals, families, foundations, and corporations to make contributions to an irrevocable charitable fund only to later recommend grants out to their favorite charities at their leisure. With now over \$150B in assets and more than 1 million accounts across 1,000 non-profit sponsors, DAFs have become a tool for the mass-affluent looking to streamline and structure their philanthropy for greater impact. You can find more details about the data on DAFs by reviewing National Philanthropic Trust's ([The 2021 DAF Report | NPTrust](#)) annual study on Donor-Advised Funds.

Once only for the super-wealthy, today, [anyone can set up a DAF for as little as \\$50](#). Technology allows donors to establish, contribute, and ultimately grant all online. It has reduced the administrative burden on DAF sponsors and continued to lower the costs of overall administration. DAFs have grown rapidly by their ability to allow donors to gift appreciated assets such as stocks and bonds, but also more illiquid assets like private company stock.

Today, DAF sponsors can accept not only cash gifts but gifts of securities, all online. Fidelity and Schwab Charitable both went to a 'no minimum' account opening threshold for their donor-advised fund programs in 2020 and now allow donors to make grants as small as \$50.

Over the last few years, there have been large investments in for-profit technology and administration firms serving the donor-advised fund and grantmaking market. Most of this investment has been directed towards furthering the democratization of DAFs for everyday donors and hence speeding up philanthropy. Some of this growth can be attributed to Corporate Social Responsibility (CSR) teams at major Fortune 500 companies who have offered DAFs as an employee benefit at a no minimum account opening level. Additionally, more and more financial services firms are offering philanthropic planning services that include charitable tools like DAFs (and trusts, foundations, CGA).

A few examples of firms offering DAFs at a no or low minimums to large corporations include Benevity ([\\$40mm series C funding in 2019](#)), YourCause ([acquired by Blackbaud](#)), Pinkaloo ([acquired by Ren](#)), and BrightFunds ([acquired wizehive](#)) which has furthered the democratization of DAFs to every employee through small yet regular payroll deductions. Corporate philanthropy services are on the rise and many firms have focused on providing an end-to-end solution for corporate grantmaking and employee engagement empowered by data analytics around impact. This trend will continue as more firms receive outside investment from Venture and Private Equity firms to further automation in the philanthropy marketplace.

As part of this democratization, other DAF sponsors have created ways to do more online. Firms like CharityVest, DAFFY, and Endaoment have created DAF sponsoring organizations that can take contributions of stocks, bonds, and even cryptocurrency all online with a click of a few buttons. The goal is to connect more donors with more charities faster. Other start-ups

like Amicus ([who received seed funding from Wells Fargo](#)) envision a more consumer-oriented banking DAF experience for both small and large banking clients that are white-labeled for the banking industry.

Technology is forever evolving, and administering a DAF platform is no small undertaking. Historically, technology reaches the nonprofit sector later in life, but with more investments in ESG-like companies, venture capitalists are finding new firms and organizations to deploy their dollars that are turning a profit and serving a social good. Bringing more for-profit dollars and technology to DAF sponsors has reduced costs of administration, but also increased the speed at which dollars are reaching the end-operating charities.

LEGACY GIFTS (GIVING DOCS)

Donors who are interested in legacy giving are one of the most untapped revenue sources your organization has. Currently, roughly [5% of people leave a gift to a nonprofit in their will](#), but research shows that [up to 33% would consider leaving a gift](#) if they were properly asked.

[Nationally, planned giving contributes 9% of overall revenue for the nonprofit sector](#), roughly \$40 billion annually for nonprofits in the United States. Donors who are a part of a nonprofit legacy society will be better brand ambassadors for the cause. This means they are more likely to volunteer and will give more money annually for the rest of their lives. For the donors, creating a legacy gift for a nonprofit makes them more involved in their community, and research tells us that these legacy donors actually make more money when they have this added reason to create wealth.

By encouraging legacy giving commitments from donors to nonprofits, organizations can build predictable and substantial revenue streams for the sustainability of their mission. Traditionally, donors who have an affinity with an organization are educated in the options for planned giving and the benefits of joining the legacy society. The traditional model of securing planned gifts also includes identifying which donors make sense for long telephone conversations, in-person visits at a donor's home, personal letters, and contacting at events.

Now, some tools allow for the cultivation of all donors at a lower cost to the organization, including drip emails and targeted direct mail. Individuals may feel more comfortable providing vital information to organizations through secure online platforms, and the traditional 3-5 year cycle for closing a planned gift can be dramatically reduced.

SPOTLIGHT

Recurring Giving Research

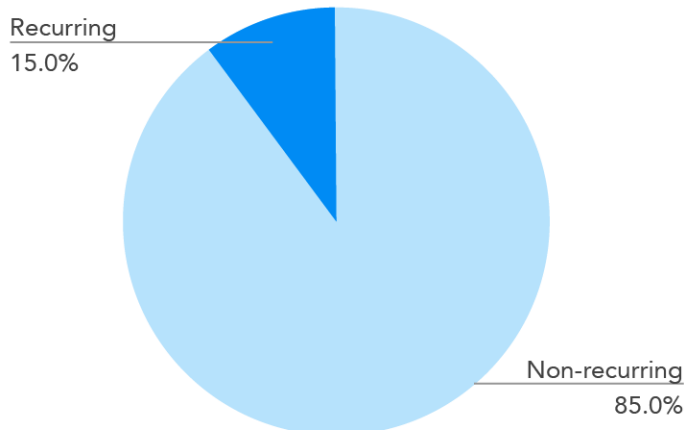
One of the most critical emerging trends coming out of the pandemic is the acceleration and adoption of recurring payments. With digital payment technology becoming more sophisticated and online donation forms becoming easier to design and implement for any size nonprofit, understanding recurring payment behavior should be a major focus of nonprofits. Yet, the industry research into the empirical support around these programs has been limited.

This section will outline the abstract of research we have coordinated with the University of Texas at Dallas professor Elizabeth Searing and her research assistant Liam Duell from the University of Albany.

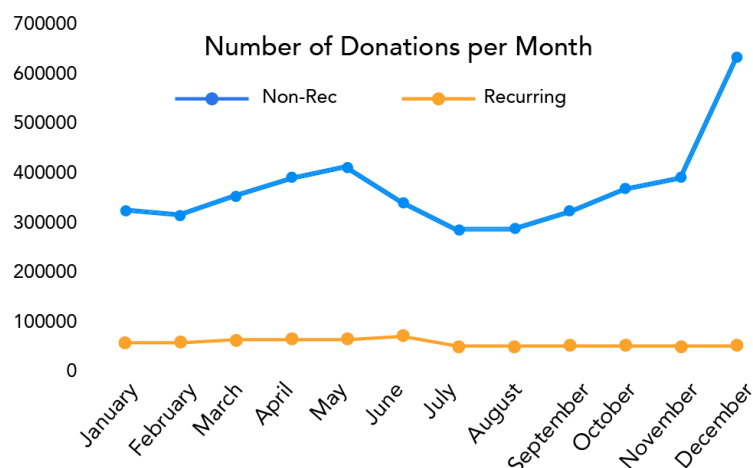
Our team worked with her to unpack over 6.4 million anonymized donation records from a subset of our client base that draws data from 3,068 Neon CRM organizations, which represents the most extensive analysis of recurring payment transactions the sector has ever seen.

The research uncovered that any findings are validated by existing inquiries on the topic, such as the [“Nonprofit Recurring Giving Benchmark Study”](#) by NextAfter and Salesforce, and Bloomerang’s research [cited by monthly giving expert Erica Waasdorp](#).

Donations



Source: Neon One Dataset, NTEE & Income



Key Findings

- Recurring gifts represent 15.4% of the annual revenue for organizations analyzed.
- The mean gift size of organizations surveyed was consistently around \$63. That is \$756 a year!
- Recurring gifts are more likely to be initiated in January than in December, where end-of-year one-time gifts are highest.
- Credit cards represent 84.9% of recurring gifts, followed by ACH transactions at 14.5%.
- Larger nonprofits are less likely to have recurring gifts when compared to smaller nonprofits.
- Subsectors are important, showing employment, international and religious organizations with a high likelihood for recurring gifts while the least likely to solicit recurring gifts are science and technology, grantmaking, and diseases and disorders.

Source: Searing, E., Duell, L. C., & Sarrantonio, T. (2020). 2020 ARNOVA Conference. In ARNOVA. Retrieved January 20, 2022, from https://www.arnova.org/page/2020_conference.

Previous industry research has shown that recurring givers have a [retention rate of 90%](#) and that recurring givers are [six times more likely](#) to leave an organization in their will or make a legacy gift to an organization. *This points toward recurring giving being one of the most critical investments a nonprofit organization can make to lead toward long-term sustainability.*

One of the key trends this aligns with is when and how donors decide to contribute to an organization. When reviewing the transaction data, one key question we had was whether donors were giving small checks to help spread out their support, but in situations where they were not comfortable giving online. The research very clearly shows that donors will likely save checks for a large one-time gift, whereas if they are giving monthly, they are far more likely to utilize a credit card.

	Non-rec	Recur	Total
Cash	167868	2	167870
Check	2033643	117	2033760
CC (Offline)	665688	575	666263
CC (Online)	915749	698377	1614126
Direct Deposit	5946	0	5946
E-Check/ACH	36622	119394	156016
User-Spec/Other	651406	5013	656419
Wire Transfer	34572	0	34572
	4511494	823478	5334972

Source: Searing, E., Duell, L. C., & Sarrantonio, T. (2020). 2020 ARNOVA Conference. In *ARNOVA*. Retrieved January 20, 2022, from https://www.arnova.org/page/2020_conference.

Chapter Six Summary

We are at an inflection point within the social good sector. Long-standing assumptions about donor behavior and resource allocation are being upended. There will be immense pressure for nonprofits to invest in new strategies and technologies.

In turn, it is vitally important to frame these investments as a positive path forward on ensuring that individual giving will continue to grow. According to the 2021 Nonprofit Standards Benchmarking Survey by BDO, 60% of nonprofit respondents report that they accelerated investments in technology due to COVID-19, and many are planning to continue moving in this direction. And, 43% of respondents said they experienced a new service or program offering, faster decision-making, and increased awareness of mission as a result of the pandemic.

Individual giving is one of the cornerstones of how a nonprofit organization can create sustainable long-term revenue. By investing in resources that allow the organization to focus on building relationships and not simply treat donors like an ATM, our sector can create an experience that surpasses the for-profit sector in making memorable moments that keep donors coming back for years to come.

For Chapter Six's guest insight, we felt it critical to understand that individual giving is part of a much larger tapestry of revenue and relationship building for nonprofit organizations. A broader world around grantmaking and alternative funding models is being impacted just as critically as the world of individual giving. Stepping back to look at the entire landscape will make our journey much clearer.

> GUEST INSIGHT: Kerrin Mitchell

Scaling Generosity Will Only Occur Through Collaboration

With yet another tumultuous year behind us, sobering trends for the sector arise: [the largest nonprofits saw a jump of 5.3% in fundraising, while the smallest nonprofits experienced a 7.2% decrease in fundraising revenue](#). The pandemic put “[one-third of U.S. nonprofits in jeopardy of closing within two years](#).”

We’re smack in the middle of crises in health, social injustice, and polarizing politics. So, how did we *still* fall into the trap of funding the same organizations year after year? Anecdotally, we might assume that the expanded mobilization to support these causes would also be extending the breadth of our giving to high-impact, smaller localized nonprofits.

In speaking with grantmakers worldwide, there is a recognition that we need to change - and we *should* have the courage to question the very assumptions and operations we already put in place. They ask soul-searching questions like: What does this mean about who and how we fund? What does it mean about the existing model of philanthropy? How can we think and prioritize collectively - and differently?

If the last two years taught us anything, we are all in this together. I believe that Lucy Bernholz paints an accurate picture of the cooperative economy of the social sector:

“Imagine if philanthropy recognized the inherently collaborative nature of our work and built data-sharing platforms, advocated for interoperability between tools and data models, and invested in our own digital transformation as a sector.”

We must strive to collaborate on very-solvable challenges and get serious about reinvention and commitment. To do this, we can explore the patterns that will help us to bring scale to our efforts -- and we can study the *anti-patterns*, otherwise known as common counterproductive responses to a recurring problem, that make it all fall apart. Examples of these antipatterns take form in every aspect of our strategy and operations:

- Data - measuring impact is difficult because everyone feels that they are unique
- Processes - tools that help foster collaboration are limited
- Systems - our grants management is siloed from everything else
- Culture - we want our investments to reflect our community but have no idea where to start

These anti-patterns are often locked up in short-sighted operations, poorly configured systems, uninformed analysis, or even just bad habits. They are not easy to admit, and often granting organizations *don’t know they are even doing it*. These are human problems.

When you think through your goals for 2022 fundraising and granting, where have you constructed anti-patterns that halt your ability to collaborate?

So, how can technology help you to scale one story to inspire one thousand just like it?

We must, as an industry, move away from Big Philanthropy to EVERYDAY Philanthropy -- this is where technology can help operate as the “great equalizer.” It codes **patterns** in the form of common denominators and best practices, and it blends them into the virtual community to foster awareness and fuel participation. Let’s check out a few of those large-scale efforts afoot around those same grounds in Data, Process, Systems, and Culture.

First off, **data**. Grantmakers are mobilizing on the below considerations as they build out their strategies and operations, investing in new ways of lowering nonprofits' costs.

1. **Only collect what you are using.** Consider what data is requested, *why it is collected*, and how it is captured.
2. **Start small.** Yes, overhauling data taxonomies can be a fruitless endeavor if you take on too much at once, so prioritize starting with places where data standardization has driving forces, like Diversity, Equity, and Inclusion (DEI). These definitions are more universal for all funders, nonprofits, and other stakeholders across our ecosystem, and it will whet the palette for future data collaborations.
3. **Reconsider ownership.** Eliminate biases by enabling nonprofits to be the owners of their data - the source of data collection should come from nonprofits directly, not through middleman “marketplace” sources.
4. **Fill the gaps with technology, not brute force.** Employ artificial intelligence to add color from blended data mashups and semantic matching algorithms.
5. **Safety first.** Adhere to the structures for security and privacy. Most importantly, fund education and infrastructure for digital literacy for nonprofits.

Please explore [Microsoft Common Data Model](#), [United Nations' Sustainable Development Goals](#), and exciting upcoming players like [Impact Genome Project](#) and [Philanthropic Data Commons](#). These are some examples of responsible parties who consider how their data practices meet the ethical, private, and secure standards for collecting, managing, analyzing, and sharing.

With the building blocks of data in hand, we can look towards the connective tissues of **processes**. Here are industry initiatives that offer distinct evolutions in the way we approach grantmaking:

1. **Trust-based Philanthropy.** Trust-based philanthropists aim to advance equity and shift power by building mutually accountable relationships and reducing paperwork and administrative burden on grantees. Significantly less process isn't always a bad thing!
2. **Common Grant Application.** A central protocol is in development to provide a standard on which systems can ingest a "common application," accepting one form to populate data and report impact, regardless of the funder's grants system.
3. **Giving Circles and Funder Collectives.** These inclusionary groups allow funders, government, nonprofits, and individuals to align on a collective impact and strategic focus areas. They offer validation and credibility of concepts, lifting the work of nonprofits. While many operate entirely outside a system and platform, they are one of the ripest places for innovation and the funding of new ideas. For now, technology's role is informal with real-time collaboration tools; however, many mission-based grants management technologies should look to integrate these workspaces into the flow.

In all the above cases, technology system interoperability is needed immediately from tech vendors to make it easier to exchange data. It is imperative that systems that offer modern, robust APIs. Additionally, it is essential to select a technology partner that believes in the same collaborative vision you do for the industry. It should carry through their DNA - how they show up for you, embrace these standardized approaches, demonstrate self-awareness on how to address the gaps, and deliver on a collective industry-informed roadmap.

Lastly, culture can be the most critical piece of success in these new chapters of giving. To make the digital infrastructure patterns stick, they have to be authentic to the sector's values. In a strong democracy, the key ingredients are empowered communities, fair processes, responsive policies, open communication, and social cohesion.

We invite you, courageously, to reconsider how your organization shows up across all these so that you can indeed live your values - and how you show up for the entire sector. There's no going back. We move forward, together.

Kerrin Mitchell is a technology entrepreneur working to change the way the world gives by connecting the entire philanthropic ecosystem through a single network. Her vision to democratize philanthropy ensures every giver has access to the world's causes, and every doer has access to the world's funds. Co-founded by Kerrin in 2010, Fluxx serves nearly 300 world-class foundations, including Ford Foundation, Knight Foundation and MacArthur Foundation who want to intelligently automate their workflows and elevate operations. She's been named San Francisco Business Journal's 40 Under 40, is a native of Silicon Valley and spent her early career in Finance and Operations at Cisco Systems.

How We Prepare for the Future of Individual Giving

It is easy to become wrapped up in the constant barrage of messages telling us what it means to be successful at our jobs as fundraisers. The reality is that the pandemic has made clear trends that were already occurring around engagement that all fundraisers must internalize as vitally important to their work, whether they are evident or not.

First, we should pay more attention to what our donors tell us. Not necessarily just what they are saying, but more importantly, what they are doing. Too often, we make decisions based on either a gut feeling or the whim of a board member. We must step back and ask ourselves what the data is telling us, and then take the next step to validate those assumptions with actual interactions with our donors, either individually or at scale. It is no longer acceptable to simply assume you know what your donors are thinking - **obtaining donor insights specific to your organization has become a critical part of the work.**

Second, we should be vigilant about protecting the resources that our organizations already have and making investments into enabling fundraisers to do their jobs better in the future. As we continue to face an extremely volatile labor market in the nonprofit sector, making sure that we as fundraisers are trained to do our jobs and feel safe in the workplace is critically important. We must consistently be reminding ourselves of our own personal and professional *why* when we are approaching donors. **If we are not taking care of ourselves, then we cannot take care of our community.**

Third, how we handle the lessons, we are learning about our donors, and our broader professional development won't matter if we are overworked or losing insights because our technology isn't working for us. The purpose of implementing a technology stack for fundraising is to ensure we are connecting with our donors in creative and innovative ways. **Stewarding the technology platforms that center around your primary donor interactions for revenue and relationship building is one of the essential lessons we need to learn.**

These approaches do not live in silos, but are most potent when connected. Just like our donors are multifaceted and layered, so should our approach to creating individual giving experiences. Fundraisers that prioritize creating a connection between their donors and technology through the creative application of the lessons learned in professional development will be the most successful. We also need to look toward a new way of working together as professionals. A healthy community of support will become the most crucial factor in being a successful fundraiser in the coming years.

The future of fundraising is connected.



Understanding The Future of Individual Giving

Thank you for reading our report. Your dedication to the sector inspired us to put this analysis together, and you played a massive role in its creation. Throughout the eight months we spent creating the report, we often shared data points and correlations with our Connected Fundraising community to hear how these learnings impact nonprofit professionals. You shared your thoughts and feelings around the trends we discovered and helped shape our focus on making this an actionable resource.

Our goal in creating this resource is to provide solution-focused content to help nonprofits raise more and do more good. We want to encourage creative thinking and open communication among nonprofits because together, we can make even more of an impact.


To help further these efforts, we encourage you to join our Connected Fundraising Community, which will provide you with resources and a network of fellow nonprofit professionals to collaborate with and learn from.

[Join The Community](#)



ABOUT NEON ONE

Neon One provides social good organizations with unified tools and services they need to help fulfill their mission. The team works hard to help social good organizations raise more money and build sustainable, long-term growth with software, services, and resources. Their products are designed to manage the full range of nonprofit operational needs, from fundraising and donor management to program operations and financial reconciliation.



Methodology & Appendix

The original research in this report uses donor and transaction data from the Neon CRM database of Neon One customers. For our analysis, we aggregated donations and pledges from across our customer base and appended data from the donor profile and public records on the organization to produce the top-line results described in this report.

The Dataset

For our research, we extracted a dataset of all donations and pledges from Neon CRM databases where the recorded donation date was between January 1, 2019, and August 24, 2021. These records included standard donation data points, such as the donation amount, recorded donation date, record creation date, payment tender, submitter's IP address (for online giving), and a variety of unique identifiers for joining other data sources.

This primary dataset was then supplemented with additional data points from linked donor profiles and public records on the organization. Donor profile data included the donor's city, state, zip/postal code, and country. Organizational data included the organization's Employer Identification Number (EIN – for U.S.-based organizations only) for linking a variety of data points from Form 990 records publicly available for exempt organizations in the United States. Our research focused specifically on organizations' National Taxonomy of Exempt Entities (NTEE) codes and income reported on Form 990.

Analysis by Mission & Organization Income

The findings described in this report that relates to fundraising according to an organization's mission or income relied on the organizational data appended to the primary dataset. For this analysis, we aggregated the count and sum of donation amounts and grouped them by the organizations' NTEE Major Group codes and income codes designated by the IRS based on the organization's reported income on Form 990.

Analysis by Geographical Location

For our research on giving by geographical location, we divided the primary dataset into two groups, online giving, and offline giving, using the payment tender data point recorded with the donation.

Our online giving analysis relied on the public IP address of the user recorded by Neon CRM when the donor submitted their gift through a Neon CRM donation form. These IP addresses were then categorized into IP ranges from publicly available datasets that include

geographical data points. Our analysis then aggregated the count and sum of donation amounts grouped by the IP's country and state/province.

Our offline giving analysis relied on the mailing address as reported by the donor and recorded by the organization when entering the gift into Neon CRM. Consequently, there was a greater variance in the data quality from this subset, which we attempted to normalize for better analysis. Our analysis similarly aggregated the count and sum of donation amounts grouped by the donor's report country and state/province.

Data Privacy & Security

Per the [Neon One product terms](#), Customer Data for this report was aggregated, de-identified, and anonymized in a manner that does not designate or identify Customers or its Authorized Users as the source of such data. All aggregated totals that did not include a certain threshold of records to sufficiently anonymize individual donors or organizations were discarded.

Appendix

This report represents an entry point into a much broader examination of individual giving. Through both footnotes and source citations within the document, there was an attempt to centralize as much research and relevant information into one report. The appendix serves as a gateway into a much deeper exploration of the respective chapters that are publicly available.

Chapter One

- ☐ [Generational Giving Report](#) (Qgiv) - a survey-based report that focuses on the different ways that generations approach donating
- ☐ [Giving For And By Women](#) (IUPUI Women's Philanthropy Institute) - one of the more comprehensive analyses of giving by women.
- ☐ [The Apparitional Donor: Understanding and Engaging High Net Worth Donors of Color](#) (Donors Of Color) - an excellent starting point for understanding giving, specific to African American, Arab American, Asian American/Pacific Islander, Latino, and Native American Donors.
- ☐ [Giving Among Same-Sex Couples](#) (Indiana University Lilly School of Philanthropy) - a hefty and deeply researched analysis of giving by same-sex couples around identity, motivations, and decision making processes
- ☐ [LGBT Giving Project](#) (HAAS JR) - an in-depth study on raising money specifically for LGBTQ groups
- ☐ [Family Giving Traditions](#) (Fidelity Charitable) - introduction to the different ways that families give. Unfortunately not much insight into how family groupings are being defined in the survey, such as same-sex households or single-parent homes.

- ☐ [Diversity in Giving Study](#) (Blackbaud) - a comprehensive analysis of ethnicity grouped giving data from 2015.
- ☐ [Despite the racial wealth gap, black philanthropy is strong](#) (Urban Institute) - data and insights specific to African American giving.
- ☐ [Panel Study of Income Dynamics](#) (University of Michigan) - multi-decade analysis of income and poverty, with deep filters on the data for a wide variety of insights.
- ☐ [2021 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households](#) (Indiana University Lilly School of Philanthropy) - high net worth individual-centered analysis of giving that touches on COVID-19 influenced philanthropic decision making
- ☐ [Generosity For Life](#) (Indiana University Lilly School of Philanthropy) - a micro-site for the Lilly School that focuses on different facets of philanthropy. Primarily driven by the Panel Study of Income Dynamics data cited above.

Chapter Two

- ☐ [2020 Giving USA Report](#) (Giving USA Foundation) - typically the most highly cited report on overall philanthropy in the United States. Neon One is a supporter and member of the Giving Institute.
- ☐ [Time and Money](#) (Fidelity Charitable) - insights into the role of volunteering in philanthropy.
- ☐ [Shifting Milestones, Fewer Donors and Volunteers](#) (Do Good Institute) - deep analysis on the importance of volunteering, especially for younger generations.
- ☐ [GivingTuesday Data Commons - Collaborating on Volunteer Data Analysis Brings New Insights for Sector](#) (GivingTuesday) - analysis as part of the broader GivingTuesday Data Commons that is specific to volunteering.

Chapter Three

- ☐ [GivingTuesday Data Commons - Giving in Unprecedented Times: A Lookback at 2020 Charitable Giving in the United States](#) (GivingTuesday) - comprehensive benchmarking on giving trends impacted by the pandemic.
- ☐ [Fundraising Effectiveness Project](#) (Association of Fundraising Professionals / GivingTuesday) - the largest dataset of individual giving for nonprofits in the world. An initiative with data from Bloomerang, DonorPerfect, Keela, and Neon One.
- ☐ [What is a Giving Day?](#) (Giving Day Guy) - a post-pandemic primer on what exactly is a community giving day from Neon One partner Chris Strub.

- ❑ [The Power of Moments](#) (Simon & Schuster) - thinking through how different ebbs and flows impact the experiences that people have.
- ❑ [New Power](#) (Doubleday) - if you are looking to truly understand the philosophy that drives the GivingTuesday movement, this is the book for you. Neon One's embrace of transparency in research and data access has been heavily influenced by this book.

Chapter Four

- ❑ [Nonprofit Impact Matters](#) (National Council of Nonprofits) - a comprehensive analysis of 990 data as well as a roundup of insights from the state associations and affiliate members of the largest advocacy organization for our sector. Neon One is a proud Affinity Partner of the National Council of Nonprofits.
- ❑ [Nonprofits and Donor-Advised Funds: Perceptions and Potential Impacts](#) (Indiana University Lilly School of Philanthropy) - academic research regarding Donor Advised Funds, though the Giving Institute has worked with the Lilly School on a recently published public version around these insights.
- ❑ [The New Best Practices for Connecting with Today's Charitable Donors](#) (Data Axle) - a really fun and interesting dive into changing communication strategies we should take into consideration when engaging donors. Future iterations of our research will want to branch into making connections with marketing that nonprofits are doing, but this is a great introduction to the topic.
- ❑ [Philanthropy Revolution](#) (HarperCollins) - Lisa Greer's book helps drive the conversation toward listening more to donors while not sacrificing the focus on the mission. A great and accessible read.
- ❑ [Hooked On A Feeling](#) (Civic Sector Press) - Francesco Ambrogetti's must-read book on the topic of emotions and fundraising. This needs to be on every fundraiser's desk, with a hefty amount of highlights and post-its throughout.
- ❑ [2021 Major Donor Generosity Report](#) (Westfall Gold) - major donor cultivation is still something that needs to be heavily researched and strategically implemented at nonprofits, and Westfall Gold's report is a great resource for getting into the mind of these types of donors.
- ❑ [Stepping Off The Sidelines](#) (Milken Institute) - a fantastic resource for understanding the motivations behind affluent donor philanthropy.
- ❑ [Helping Your Neighbor](#) (Bank of America / Lilly School) - another analysis of affluent household giving as it relates to pandemic philanthropy
- ❑ [Nonprofit Marketing and Fundraising Trends 2022](#) (HubSpot) - brand new round up of research that has a wonderful amount of citations and insights from one of the best marketing tech companies in the world.

Chapter Five

- ☐ [The Duality of Giving](#) (AgentsC Inc.) - an excellent resource to not only understand the culture of giving in the continent of Africa but also pushes against the Western narrative of the core reasons WHY people may be giving.
- ☐ [2021 Global Giving Index](#) (Charities Aid Foundation) - one of the more comprehensive resources about giving around the world. Especially insightful when looking beyond Europe and North America.
- ☐ [Certificate in Philanthropic Psychology](#) (Institute for Sustainable Philanthropy) - a fantastic multi-week course that unpacks the psychology behind why donors may give to your organization.
- ☐ [Decolonizing Fundraising](#) (Blue State) - amazingly insightful analysis of how we can change the messaging to help elevate and support marginalized voices while shifting the conversation with donors toward a more equitable sphere
- ☐ [Community-Centric Fundraising](#) (CCF) - a movement to evolve how fundraising is done in the nonprofit sector. Its goal is to support fundraisers and other nonprofit professionals to re-examine every fundraising philosophy and practice they have been taught, engage in vigorous ongoing conversations, and explore doing fundraising in ways that reduce harm and further social justice.

Chapter Six

- ☐ [Changes in Payment Behavior Present New Opportunities for Nonprofits](#) (Visa) - listen to Bill Dobbins outline the acceleration of digital payments adoption from his presentation at the 2021 Generosity Xchange conference.
- ☐ [Retention Fundraising](#) (Emerson and Church) - fantastic book by Roger Craver that will change the way your organization approaches prioritizing stewardship and retention programs.
- ☐ [Cash is not king in fundraising](#) (Texas Tech University) - one of the best resources to obtain insights into non-cash assets like stock donations and how offering clear giving patterns for these types of gifts will increase overall revenue.
- ☐ [Bitcoin and the Future of Fundraising](#) (Innoraize Imprints) - a great primer on everything relating to cryptocurrency fundraising.
- ☐ [Cryptocurrency Annual Report](#) (The Giving Block) - Neon One cryptocurrency partner The Giving Block analyzed fundraising data from more than 1,000 charities that accept cryptocurrency donations to understand what is happening with this fast-growing segment of givers.
- ☐ [How to get started with Facebook Fundraiser](#) (JC Social Consulting) - looking to understand how to navigate the world of Facebook Fundraising? Then lean on Neon One partner Julia Campbell's deeper dive into what you need to succeed.

- ☐ [Monthly Giving Made Easy](#) (Erica Waasdorp) - the newest book by the expert on monthly giving in the nonprofit sector. A must-read!
- ☐ [Small To Mid-sized Nonprofit Legacy Giving](#) (National Council of Nonprofits) - a resource that Neon One worked on with the National Council of Nonprofits that focuses on establishing a legacy giving program.
- ☐ [11 Trends in Philanthropy for 2022](#) (Dorothy A. Johnson Center) - a yearly roundup of what appears to be the biggest movements in philanthropy relating to giving, impact, and data. Especially useful this year for their deeper dive into data transparency and cryptocurrency.
- ☐ [40 Nonprofit Trends for 2022](#) (Nonprofit PRO) - a great roundup of insights from thought leaders in the nonprofit sector on what technology and nonprofit trends are impacting growth.

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