

Quarterly Fundraising Report™

Year-to-Date Nonprofit Sector Trends
 Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- There was a slight decrease in fundraising dollars, driven by a decline in the large donor and new donor segments. Given the error margin, this decrease could turn into a slight increase as delayed data comes in.
- Donor participation fell as acquisition of new donors and small donors remained a challenge.
- Overall retention slightly decreased. However, retention decreased significantly among larger donors.



DONORS

-7.6%

(+/- 3.5%)

YOY change



DOLLARS

-1.1%

(+/- 3.0%)

YOY change



RETENTION

-1.3%

(+/- 0.5%)

YOY change

- Visit <https://data.givingtuesday.org/fep-report/> for the most detailed version of this report, which includes additional data splits and organization-focused insights.
- In this report, we compare data compiled from previous years to 2023. All metrics are computed up to Q3 (from January of a given year to the end of September of the same year).

Current Dataset

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

⚠️ Key Limitations

- Data in our panel is limited to organizations with ≥ 3 years of data, with \$5K - \$25M received in the prior year, via the Growth in Giving database.
- Data is weighted across size of organization as determined by amount fundraised, including organizations raising between \$5K - \$25M.
- Data is also weighted by NTEE (National Taxonomy of Exempt Entities) codes utilized by the IRS to determine organization type and/or cause.
- A significant amount of data arrives late, so we estimate the difference for top-line metrics by reviewing historical patterns of delayed data. Throughout this report, ranges for each metric express uncertainty in the estimates.



DONORS

3.1M
in 2023



DOLLARS

\$4.1B
in 2023



ORGANIZATIONS

8,095
in 2023

- Revenue and retention metrics report on year-to-date (YTD) performance compared against the prior year total, based on a panel* of organizations selected from the Growth in Giving Database of 241 million transactions from more than 26,000 organizations since 2005.



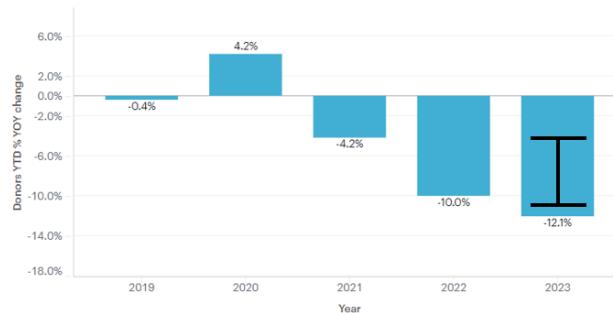
Donors: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

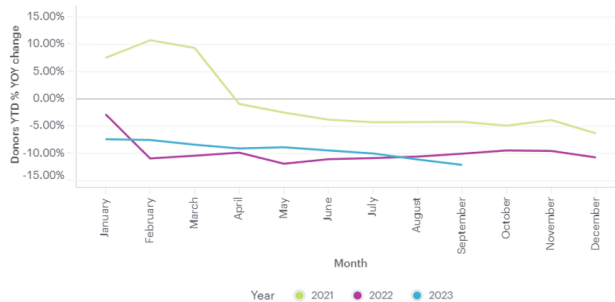
Key Insights

- Donor participation dropped -12.1% in Q3 when not accounting for late data. After adjusting for delays in data reporting, we estimate the actual decrease was -7.6%.
- Number of donors has been steadily decreasing since the all time highs that we saw throughout 2020 and early 2021.

Donors (Yearly)



Donors (Monthly)



- Decreases in donor participation were driven by low acquisition rates and low retention.

NOTE: The panel for each year differs based on our panel rules (stable organizations over the past 3 years w/ \$5K - \$25M received in the prior year, via the Growth in Giving database). This ensures consistent historical data & avoids biasing past results by filtering on future data.

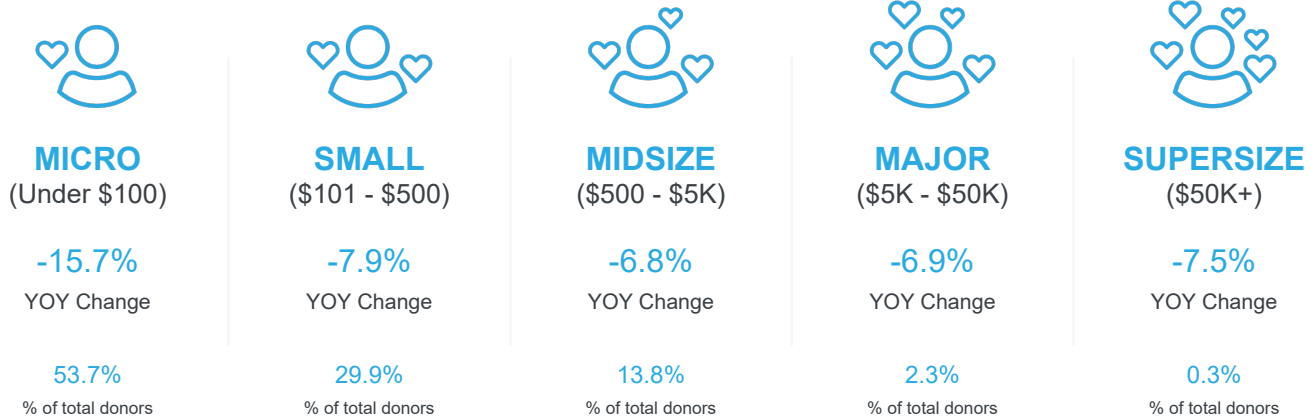


Donors by Donor Size

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- The most substantial donor group consisted of those contributing less than \$500, accounting for 83.6% of all donors.
- The observed decrease in donors was largely caused by a decline in Small and Micro donors.
- We observed a particularly large drop of -15.7% amongst the smallest donor size (under \$100).



All year-over-year (YOY) changes are computed on year-to-date (YTD) totals. Donor size segments were chosen to span both dollars and donors, with each segment representing 1-50% of the total. Estimates for late data only apply to top-line donors, dollars, and retention. Thus, these more granular breakdowns underestimate year-over-year growth.

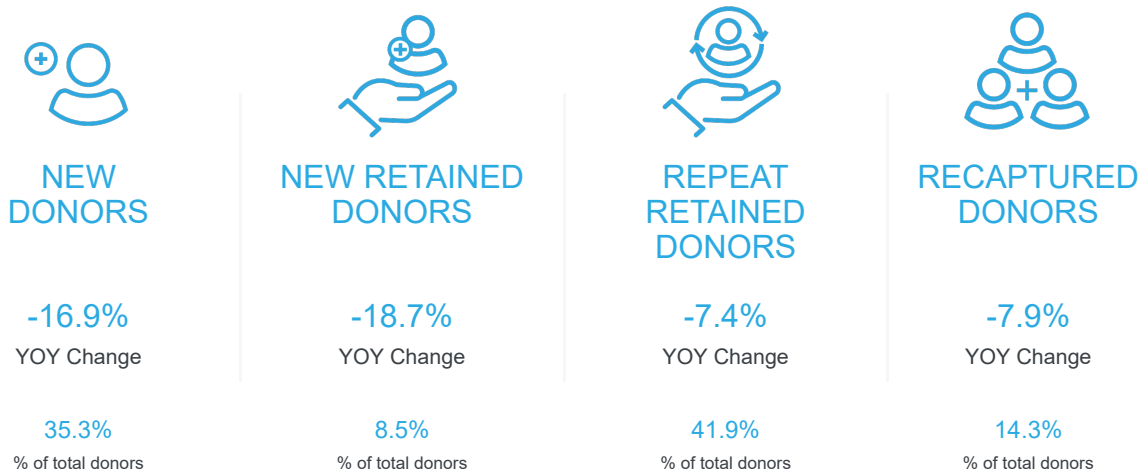


Donors by Life Cycle

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- New donors dropped by -16.9%, driving another large decrease in donor participation. This group accounted for 53% of the topline decrease and represented just 38% of the donor pool in 2022.
- New Retained donor participation was down -18.7% year-over-year.
- New Retained donors accounted for 14% of the decrease to the total donor pool, despite accounting for just 9% of donors in 2022.
- Repeat Retained declined by -7.4%, but as they represented 40% of the donor population in 2022, they accounted for 24% of the overall decrease.



NEW DONORS - never gave to this organization before.

NEW RETAINED DONORS - gave last year to the organization, but never before.

REPEAT RETAINED DONORS - gave last year to the organization, but not for the first time.

RECAPTURED DONORS - did not give last year to the organization, but had given in the past.

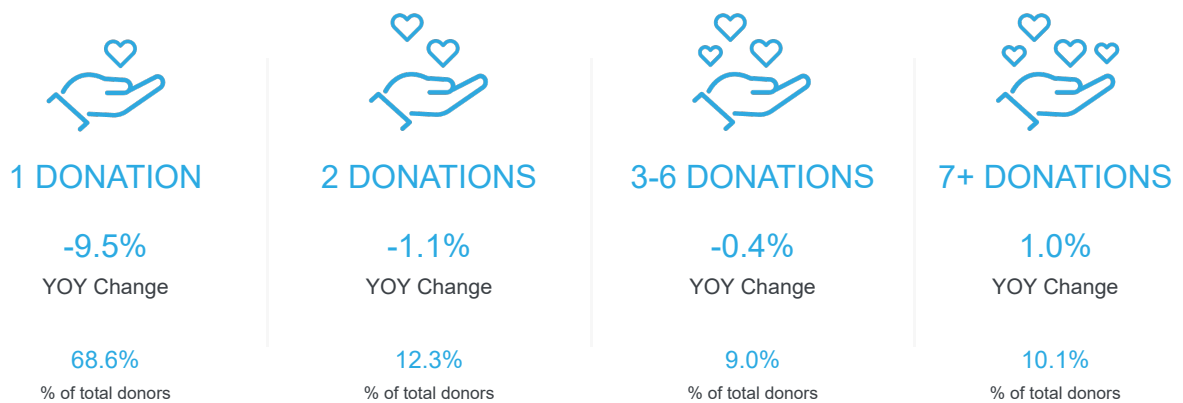


Donor by Donation Count

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- One-time donors are the largest donor group, accounting for 68.6% of donors. They also represent the greatest year-over-year participation drop, driving the overall decrease in donor participation.



Donation count segments were selected to best illustrate the distribution of total donors and dollars across the giving spectrum. A donor's donation count includes all contributions made year-to-date.



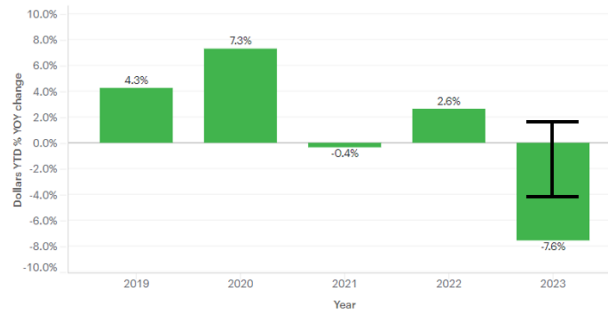
Dollars: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

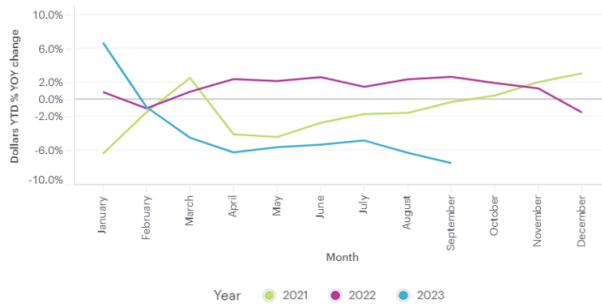
Key Insights

- Fundraising dollars decreased by -7.6% in Q3, but after adjusting for delays in data reporting, we estimate dollars decreased by -1.1% in Q3 compared to 2022.
- As the error margin is 3.0%, late data may moderate this decrease in fundraising dollars.

Dollars Growth (Yearly)



Dollars Cumulative YOY Change (Monthly)



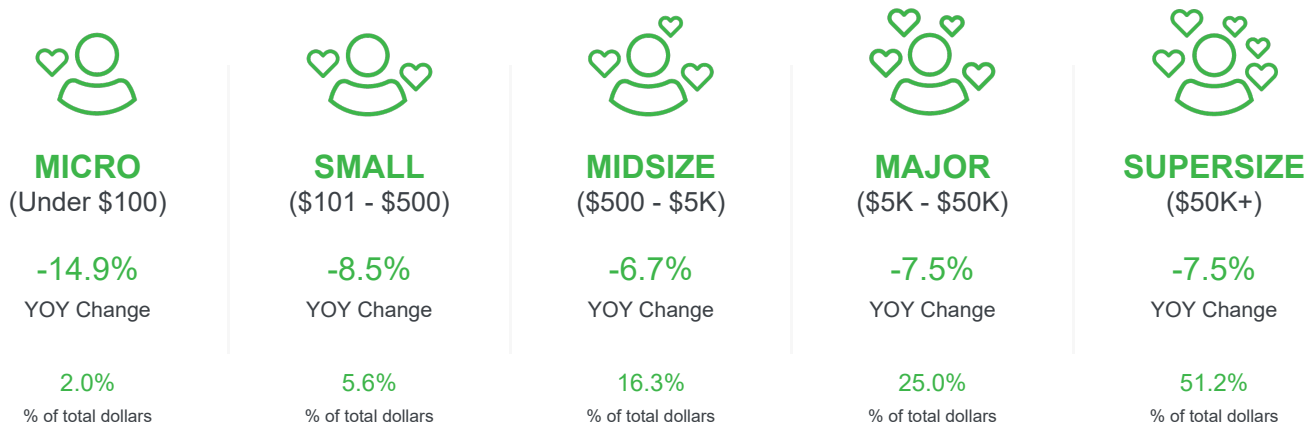


Dollars by Donor Size

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- All donor sizes saw a relative decrease in dollars donated.
- Micro donors experienced the largest drop in dollars donated, falling by -14.9%. However, they represent a small share of the total dollars donated and did not largely impact the overall decrease.
- Other groups experienced similar decreases ranging from -6.7% to -8.5%.
- As bigger donors represent a bigger part of dollars donated, the decrease in dollars donated has a bigger impact on the overall dollars donated. Supersize donors, for instance, represented 52.4% of all dollars donated in 2022 and accounted for 52% of the overall dollar decrease in 2023.



Donor size is computed on a donor's total year-to-date dollars given.

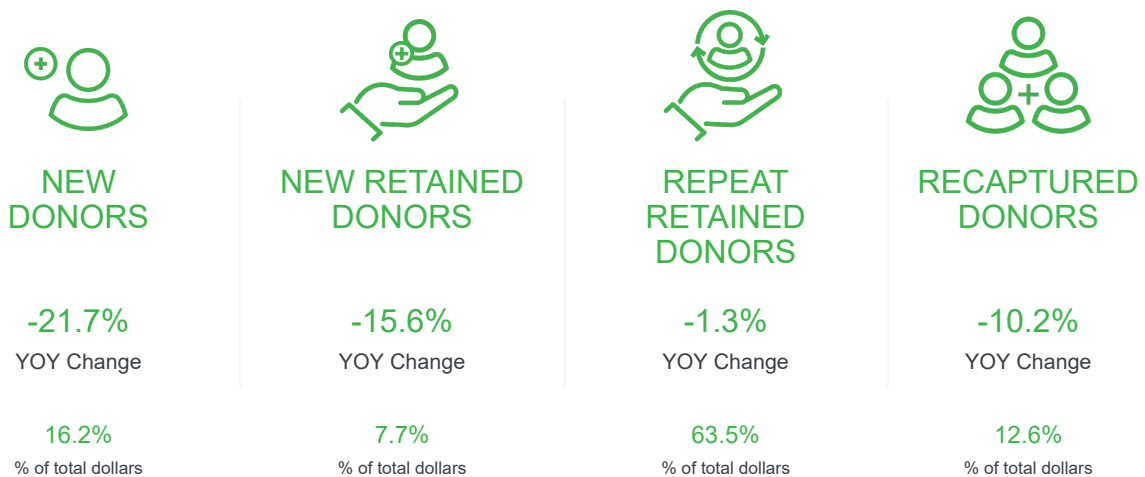


Dollars by Life Cycle

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- New donor and New Retained donor groups saw a large decrease in total dollars donated. This is explained by a drop in donors in those categories as well as a decline in dollars donated.
- New donors were the largest driver of the overall decrease in dollars donated.
- Dollars donated by Repeat Retained donors stayed relatively constant. As other groups donated less money compared to last year, the share of dollars from Repeat Retained donors went from 59.2% in 2022 to 63.5% in 2023.



NEW DONORS - never gave to this organization before.

NEW RETAINED DONORS - gave last year to the organization, but never before.

REPEAT RETAINED DONORS - gave last year to the organization, but not for the first time.

RECAPTURED DONORS - did not give last year to the organization, but had given in the past.

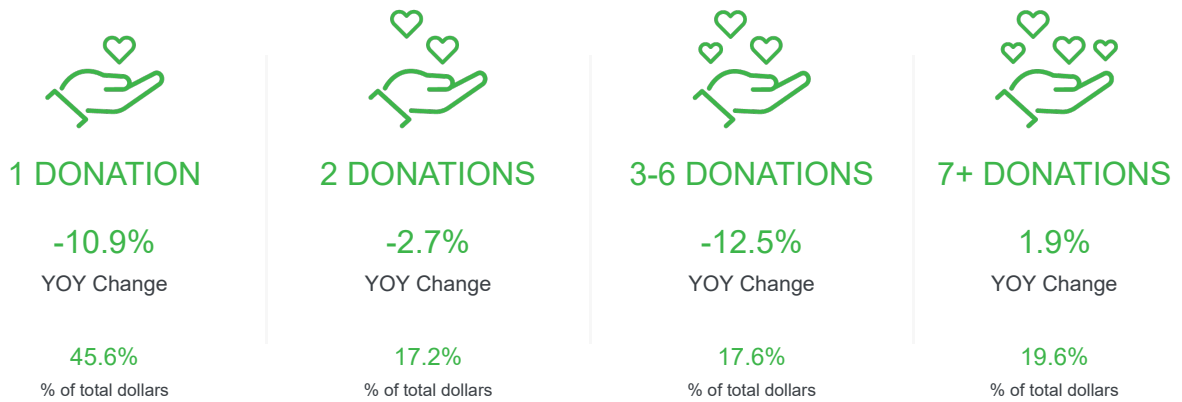


Dollars by Donation Count

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- One-time donors gave less year-over-year. As this group represented a significant share of all dollars donated, they drove overall donations down.
- 3-6 time donors gave -12.5% less compared to last year.
- Donations from 2 time donors and 7+ time donors stayed relatively stable.



Donation count segments were selected to best illustrate the distribution of total donors and dollars across the giving spectrum. A donor's donation count includes all contributions made year-to-date.

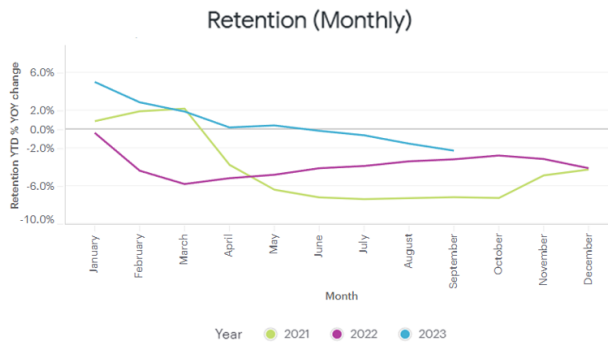
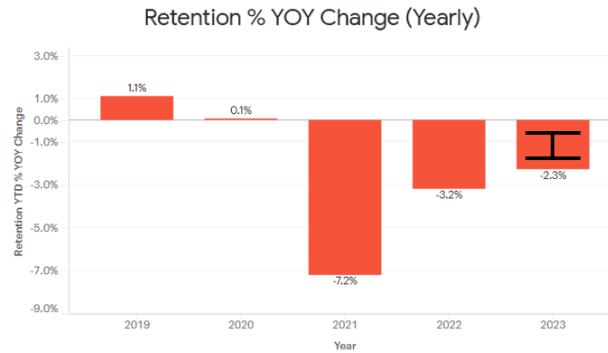


Retention Rate: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- Retention decreased by -2.3% in Q3, but after adjusting for late data, we anticipate retention was at -1.3% in Q3 compared to 2022.
- Year-to-date retention of 2022 donors stood at 30.7% in Q3 2023.



- Retention rates were boosted early in the year, but started going down again in August.

RETENTION - Retention is computed year-to-date. It represents – out of the people who donated last year year-to-date – the ratio of people who donated again this year year-to-date.



Retention Rate: Donor Type

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- Retention decreased across both donor types captured in Q3.
- We are removing the recapture rate from this iteration of the report as we undergo a methodological review of this metric.



NEW DONOR RETENTION RATE

-5.8%

YOY Change

13.5%

retained YTD



REPEAT DONOR RETENTION RATE

-1.3%

YOY Change

41.3%

retained YTD



RECAPTURE RATE

--

YOY Change

--

retained YTD

NEW DONORS - Never gave to this organization before.

REPEAT DONORS - Donors who gave last year to the organization, and were not new last year.

RECAPTURED DONORS - Donors who did not give last year to the organization, but had given in the past.

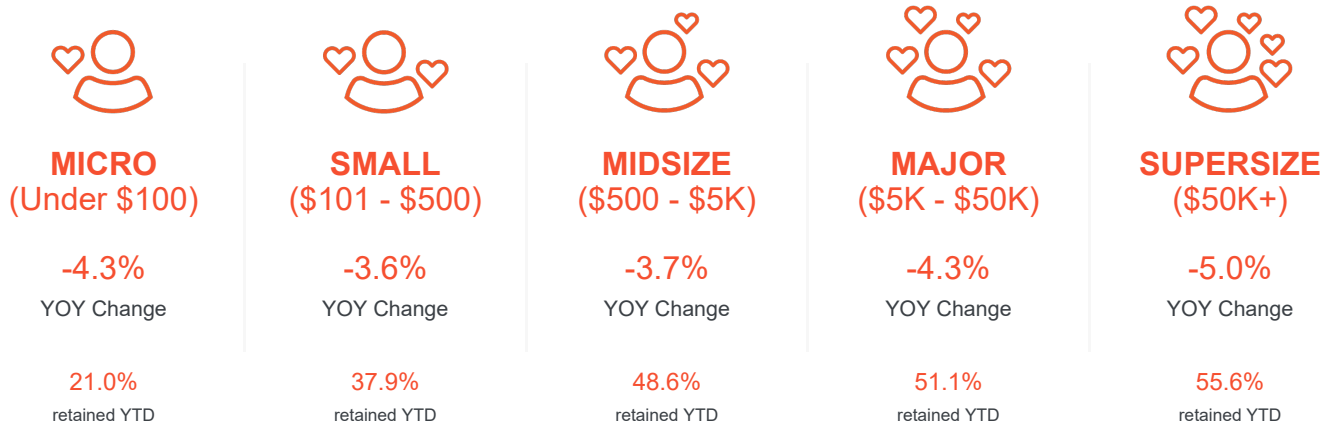


Retention Rate by Donor Size

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- All donor size segments had a lower retention rate compared to last year.
- Supersize donors suffered the biggest decrease, although they represented the smallest group in terms of number of donors (but the biggest in terms of dollars donated).



Donor size segments were chosen to span both dollars and donors, with each segment representing 1-50% of the total.

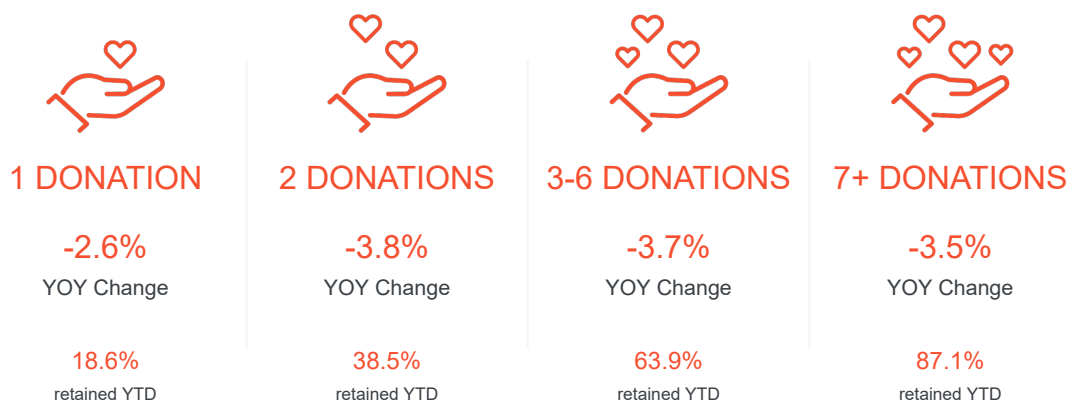


Retention Rate by Donation Count

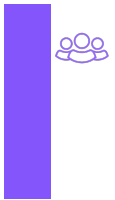
Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- Retention decreased across all donation count groups.
- Overall, the most active donors still have the highest retention rate.



Donation count segments were selected to best illustrate the distribution of total donors and dollars across the giving spectrum. A donor's donation count includes all contributions made year-to-date.



Organizations

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- Organization size (based on amount raised) factored into fundraising more than last year at this time.
- Organization cause factored into fundraising less than last year at this time.
- The proportion of organizations not reporting data between January and September was smaller than in 2022 and 2021.



Organization Size Impact

83.2%

YOY Change



Organization Cause Impact

-63.2%

YOY Change



Organizations Not Reporting

0.02%

Not Reported

Our 'impact' metrics measure the importance of size and cause on organization results. These are meant to be more directional than quantitative, but numbers help track these trends year-over-year.



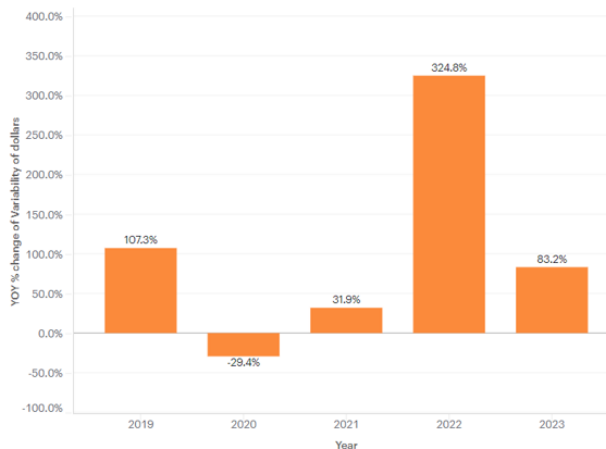
Organization Size Impact: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

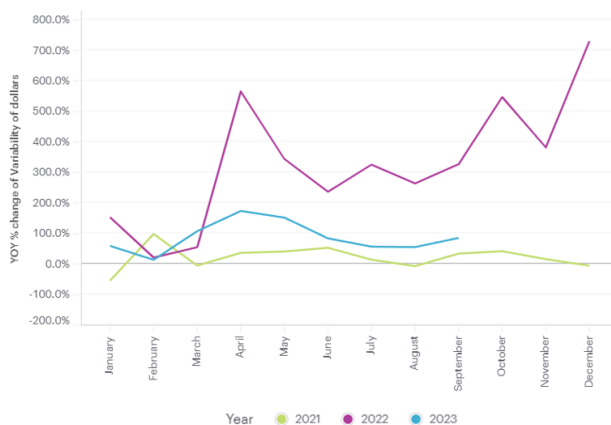
Key Insights

- The variability in dollars raised depending on organization size increased compared to last year in Q3.
- This metric should be viewed directionally. It shows that there is more variance in fundraising across organizations of different sizes.

Organization Size Variability (Yearly)



Organization Size Variability (Monthly)



- This trend of increasing organization size variability means organization size is becoming a greater determining factor in fundraising performance.

Organization Size Variability can be seen as the uniformity of fundraising performance across organization size.

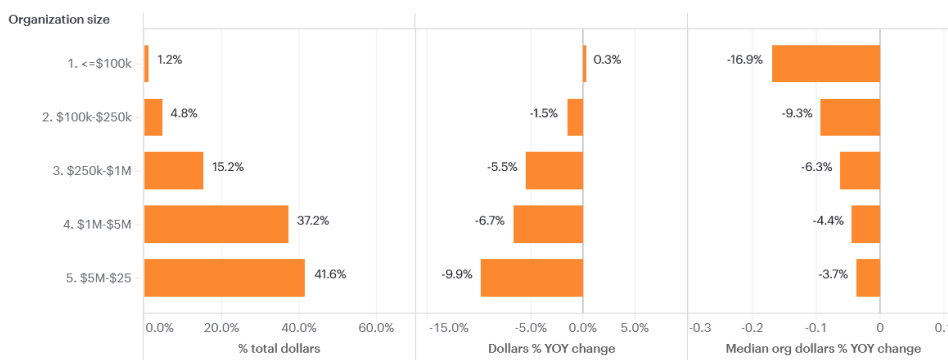


Organization Size Impact: Splits

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- Organizations of all sizes — except those raising less than \$100K — saw a decrease in fundraising.
- Larger organizations saw a decrease in dollars raised compared to smaller organizations.
- Very large organizations (raising more than \$1M) represented a larger share of the total donations and suffered the largest decrease on average.



% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for organizations, grouped by an organization's budget size. Trends in the mean are more informative of the sector as a whole.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth for organizations, grouped by an organization's budget size. Trends in the median are more indicative of a typical organization's fundraising experience.

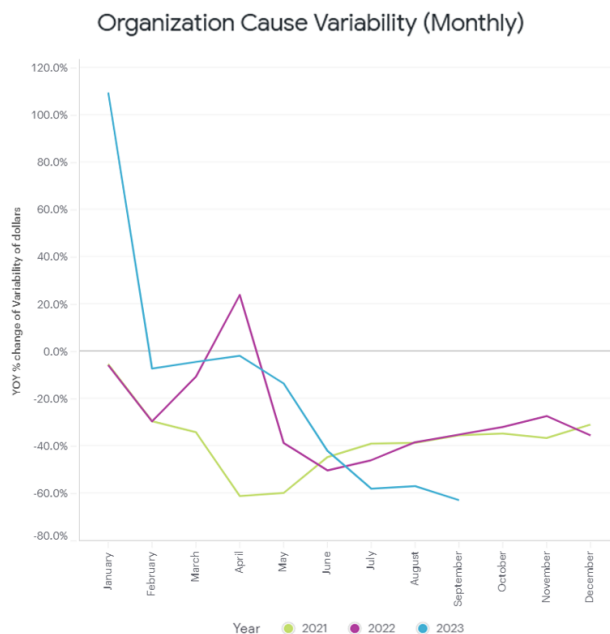
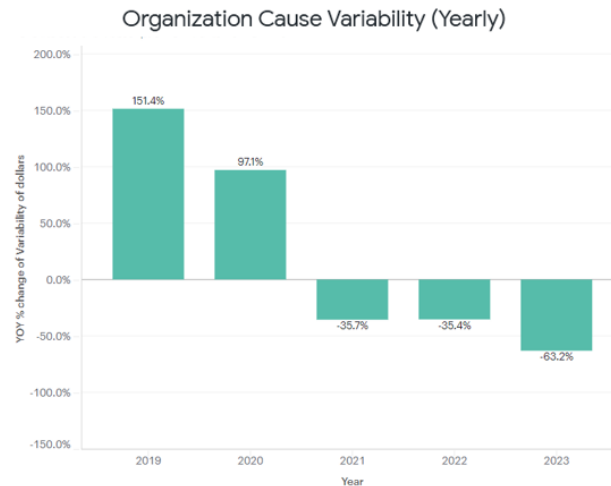


Organization Cause: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- Organization cause factored less in dollars raised compared to last year in Q3.
- There was a large increase in the impact of organization cause in 2020, though this impact has been declining since.
- This impact spike in 2020 was likely due to COVID driving more donations towards Human Services compared to other causes.



- This metric should be viewed directionally, as it shows that the difference in fundraising is less varied by cause area than last year.

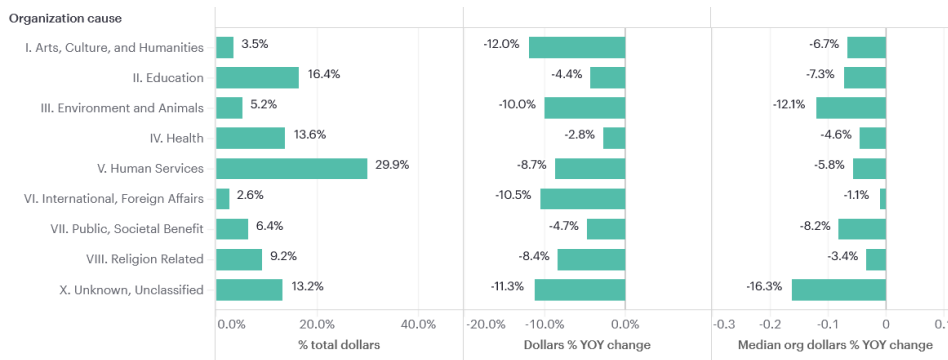


Organization Cause: Split

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

Key Insights

- All causes experienced a decrease in dollars donated.
- Dollars raised for Health, Education, and Public Societal Benefit causes decreased relatively less compared to other causes (-2.8%, -4.4% and -4.7% respectively).
- Human Services causes represented the largest share of dollars in 2022, so their relative decrease of -8.7% drove a substantial portion of the overall decrease in dollars raised.



% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for all organizations of this NTEE major group. More informative about the sector as a whole.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth across each organization of this NTEE major group. More indicative of a typical organization's fundraising experience.



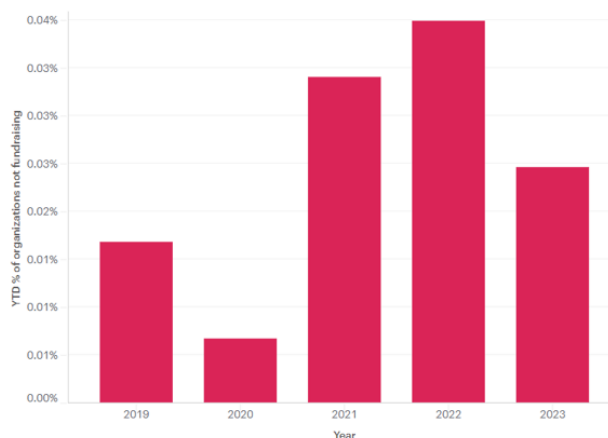
Organizations Not Reporting: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2023 (JAN 1, 2023 - SEP 30, 2023)

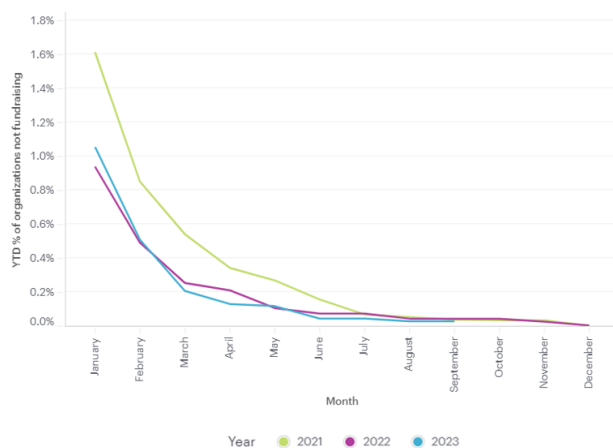
Key Insights

- This year saw a lower level of organizational dropout in Q3 than seen over the previous two years.
- 2021 showed a large spike in organization dropout, and we're seeing a normalization now in 2023.

Org Dropout (Yearly)



Org Dropout (Monthly)



- Of all the organizations who reported in 2022, 0.02% had not yet report as of Q3.

Year-To-Date Dropout - Captures the percentage of organizations that did not show up at any point in the year, having shown up in the previous year.

Month-Specific Dropout - Captures the percentage of organizations which did not show in a given month, after having shown up in that same month the previous year.

FUNDRAISING EFFECTIVENESS PROJECT

The Fundraising Effectiveness Project (FEP) — first established in 2006 — is administered jointly by the Association of Fundraising Professionals and GivingTuesday. The Growth in Giving database is the world’s largest public record of donation activity, with more than 241 million donation transactions, and is continuously updated by top fundraising software partners. The FEP offers quarterly views of the current year’s fundraising data in aggregate, serving as a benchmark for nonprofit executives, development staff, and researchers to examine key fundraising and donor metrics. For more information about how you or your fundraising software provider can participate, please visit <https://afpglobal.org/>.

METHODOLOGY

We removed organizations that did not have a minimum of 25 donors and \$5,000 in revenue in each of the previous three years. We removed organizations at either tail of the revenue growth curve. If revenue growth was more than 300% or less than -66% in any of the past three years, organizations were removed. We also excluded individual contributions above \$10M. We weighted our data by organization size and NTEE major group to make it reflective of 2018 IRS filers in the \$5K - \$25M range of contributions. In 2018, there were 222K IRS filers in this contributions range and passing our growth and size filters, making this report representative of 3.9% of the total relevant filers. Details regarding estimation methodology for late reported data can be found [here](#).



DATA PROVIDERS

The FEP wouldn’t be possible without data. These software providers make the collection of data in support of the project possible.



DATA REPORTING

The FEP wouldn’t be possible without data analysis and additional support provided by Bonterra.

