

Quarterly Fundraising Report™

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- Dollars, donors, and retention rates remain stable since Q2 2021.
- Q3 data helps confirm that trends in Q2 2021 were merely a correction, and not the beginning of a new downward trend.
- Small increase in dollars along with a small decrease in donors suggests greater impact of large donors going forward
- Drop in donors which donate 3-6 times and increase in donors which donate 7+ times. The most frequent donors are stepping up.



DONORS

-1.4%

(+/- 3.5%)

YOY change



DOLLARS

1.4%

(+/- 3%)

YOY change



RETENTION

-7.2%

(+/- 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.
- We measure year-over-year change of year-to-date data. I.e. we take data through the current quarter for this year, and divide by data through the same quarter last year.
- *Note: A significant amount of data arrives late, so we estimate the difference for top-line metrics by reviewing historical patterns of delayed data ('data drift'). Ranges for each metric express uncertainty in the estimates.

Our Dataset

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

⚠ Key Limitations

- Data is limited to orgs with ≥ 3 years of data, with limited growth/loss constraints.
- Data is weighted across size and NTEE code for orgs raising between \$5K-\$25M.
- Some data are recorded late (e.g., ~7% of Q1 is recorded Q2-Q4).



DONORS

12M

in 2021



DOLLARS

\$6B

in 2021

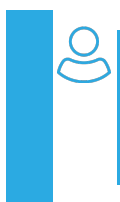


ORGANIZATIONS

9,635

in 2021

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 20,000 organizations since 2005.

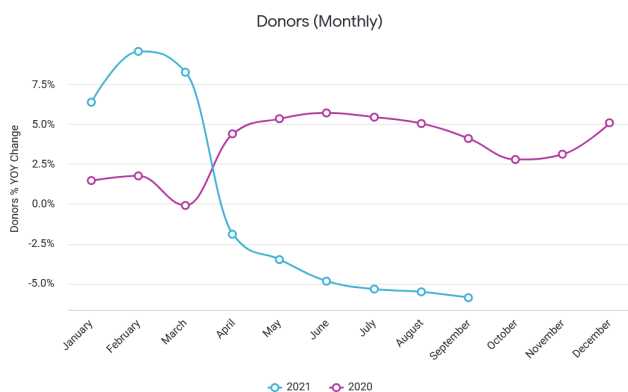
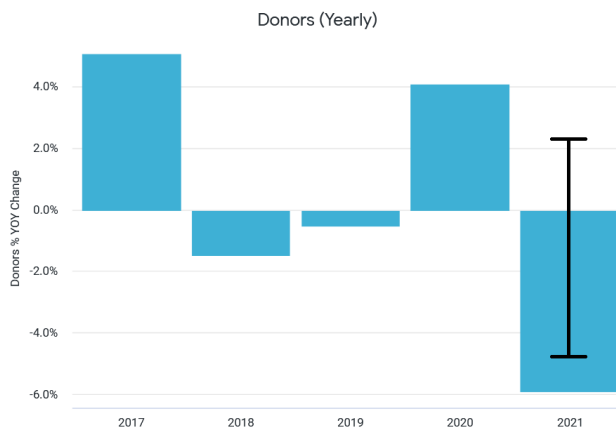


Donors: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- We estimate slightly negative Q3 YOY donor growth at -1.4% when all donations are eventually recorded*.



- The massive decline seen in Q2 is not replicated this quarter
- Indicative of stabilization, not the beginning of a downward trend

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.

UPPER: Percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. Shows what's typical across years.

LOWER: Percent year-over-year change (on YTD totals) by month, this vs last year. Shows the evolution of changes over months, and how they compare this year to last.

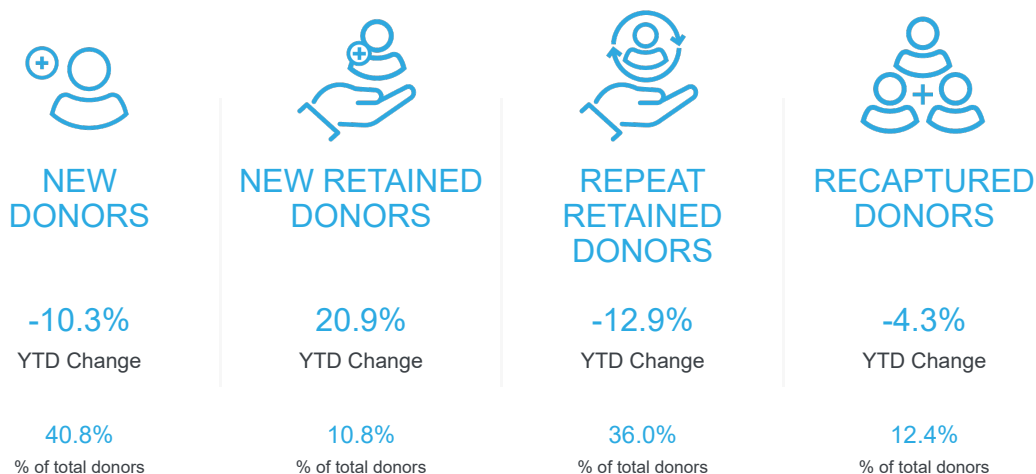


Donors by Life Cycle

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- Year-over-year rates remain unchanged from Q2 2021.
- Increase in new-retained donors and a decrease in repeat-retained and new donors.
- Decrease in YOY recapture rate is not surprising given the historic recapture in 2020.



NEW DONORS - never gave to this organization before (in this dataset).

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.

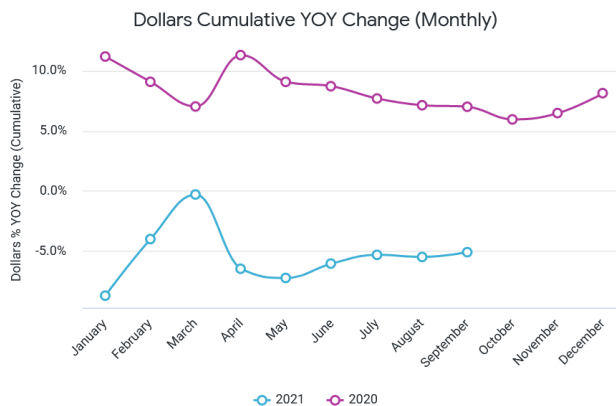
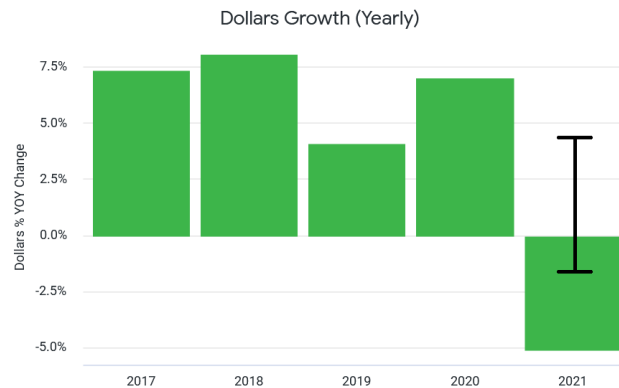


Dollars: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- We estimate that when all donations are eventually recorded, Q3 YOY growth in dollars will be 1.4%*.



- Stabilization of dollars in line with the trends in donor metrics
- Dollars are more impacted by late data than donors, due to late reporting in the largest donation sizes.

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.

UPPER: percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. This graph highlights what's typical across years.

LOWER: percent year-over-year change (on YTD totals) by month, this vs. last year. This graph highlights the evolution of changes over month, and how they compare this year to last.

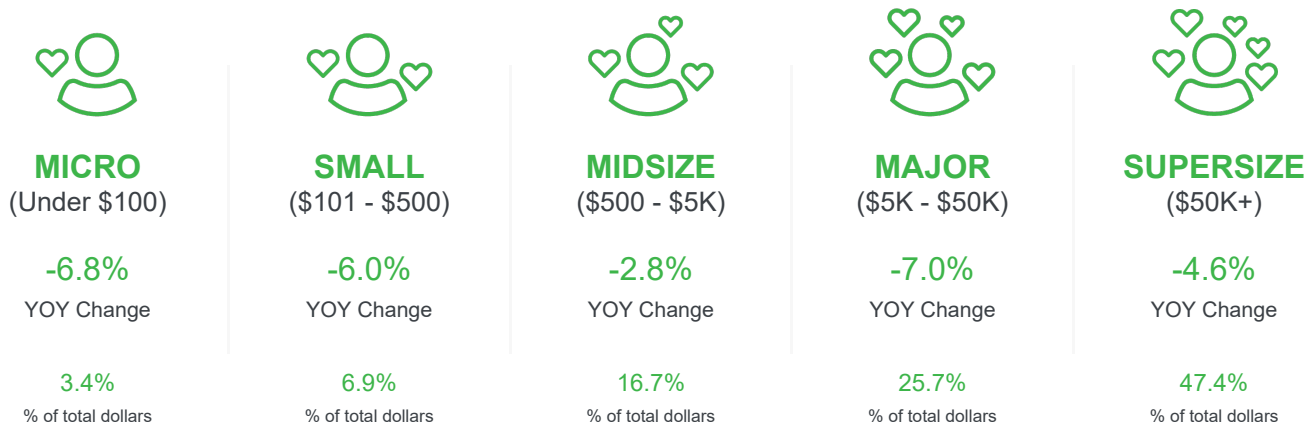


Dollars by Donor Size

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- All donor types show a decline in dollars - likely due to data reporting delays.
- We expect larger donation sizes to report lower growth - size and delay in data reporting are correlated.
- Compared to previous quarters in 2021, we see relative increases in the midsize and supersize segments
- We expect the largest relative drop to be in the micro-segment once all data is reported



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

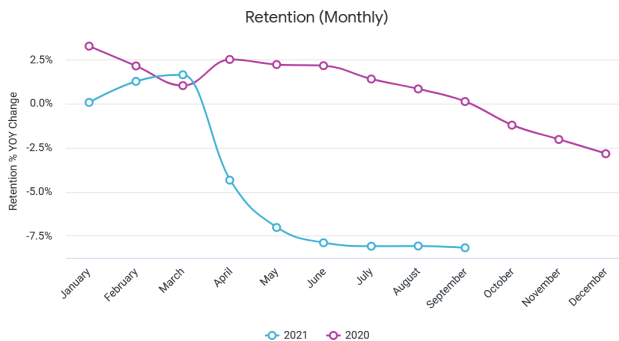
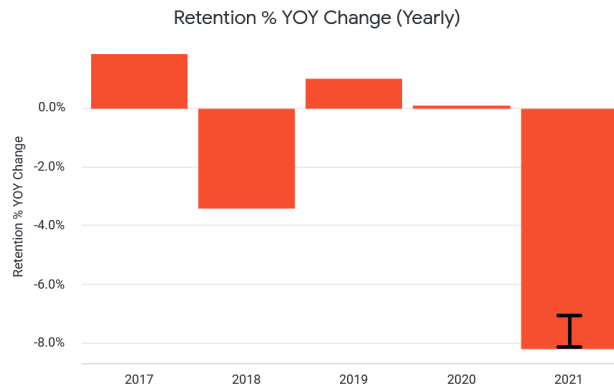


Retention Rate: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- Retention rates remain abnormally low in 2021.
- We estimate that retention will land around -7.2% through Q3 after full reporting.



- One possible explanation is the also high org-dropout rate

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.

UPPER: percent year-over-year change (on YTD totals) through this quarter, over the last 5 years. Shows what's typical across years.

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Retention Rate: Donor Type

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Key Insights

- In 2020, 'new' donors spiked due to new and shifted giving to COVID-related causes.
- Through Q3 2021, we still see increased retention of these 2020 new donors (+1.9%).
- This follows the same trend noticed earlier in the year.
- The drop in recaptured donor rate is expected after historic recapture last year.



NEW DONOR RETENTION RATE

1.9%

YOY Change

18.6%

retained YTD



REPEAT DONOR RETENTION RATE

-6.9%

YOY Change

62.1%

retained YTD



RECAPTURE RATE

-18.4%

YOY Change

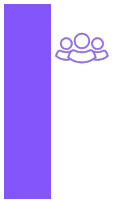
19.3%

retained YTD

NEW DONORS - never gave to this organization before (in this dataset).

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



Organizations

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- Trends observed in Q2 2021 keep up in this quarter
- Organization size matters more in 2021, as small orgs keep gaining and large orgs are flat or pulling back.
- Organization cause matters less in 2021, as fundraising normalizes away from COVID.
- Orgs not reporting data keeps increasing in Q3, increasing confidence that there are true long-term impacts to fundraising operations post-2020.



Organization Size Impact

11%

YOY Change

Size matters more than in 2020



Organization Cause Impact

-38%

YOY Change

Cause matters less than in 2020



Organizations Not Reporting

211%

YOY Change

More orgs did not report in 2021

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: Splits

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- Fundraising by size remains similar to Q2 2021, indicating a return towards 'normal'.
- Smaller organizations are fundraising more strongly in 2021 vs 2020.
- Larger organizations are fundraising less strongly in 2021 vs 2020.

	ORGANIZATION SIZE	% 2021 DOLLARS	% GROWTH (MEAN)	% GROWTH (MEDIAN)
1	1. <=\$100k	1.9%	11.6%	-6.0%
2	2. \$100k-\$250k	5.7%	8.6%	-0.6%
3	3. \$250k-\$1M	17.8%	2.1%	-2.8%
4	4. \$1M-\$5M	36.5%	-2.3%	-3.4%
5	5. \$5M-\$25	38.1%	-13.4%	-7.4%

% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for all organizations of this organization size.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth across each organization of this organization size.



Organization Cause: Split

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Key Insights

- Organization causes like 'Art, Culture, and Humanities' & 'Environment and Animals' show the highest YOY gains.
- Organization causes like 'Health', 'Religion', and 'Public/Social Benefit' show the highest YOY losses.
- These year-over-year figures show general reversals from 2020 trends

ORGANIZATIONAL CAUSE	% 2021 DOLLARS	% DOLLAR GROWTH (MEAN)	% DOLLAR GROWTH (MEDIAN)
I. Arts, Culture, and Humanities	3.6%	5.7%	-2.4%
II. Education	15.0%	2.6%	-2.3%
III. Environment and Animals	5.1%	12.6%	3.6%
IV. Health	12.4%	-8.0%	-4.5%
V. Human Services	30.4%	-7.3%	-5.0%
VIII. Religion Related	9.9%	-12.0%	3.6%
VI. International, Foreign Affairs	3.1%	-3.5%	-0.9%
VII. Public, Societal Benefit	6.2%	-8.5%	-7.1%
X. Unknown, Unclassified	14.3%	-6.6%	-4.4%

% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for all organizations of this NTEE major group.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth across each organization of this NTEE major group.

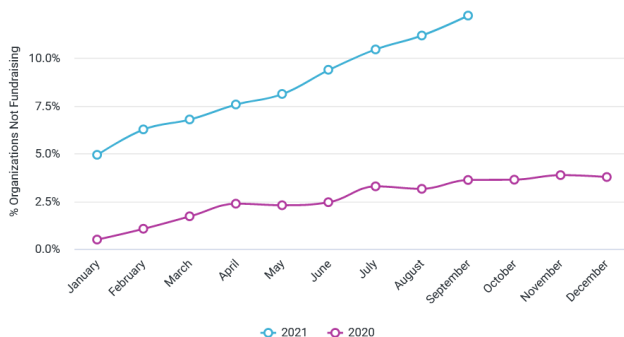
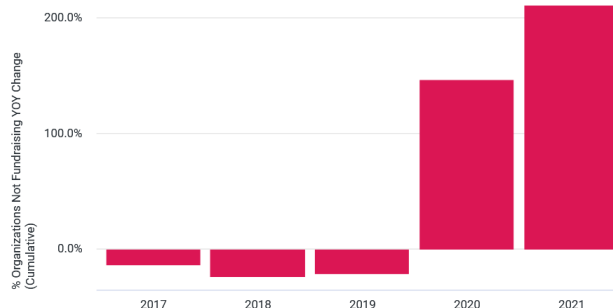


Organizations Not Reporting: Time Series

Year-to-Date Nonprofit Sector Trends
Q3 2021 (JAN 1, 2021 - SEPT 30, 2021)

Key Insights

- Last year, we saw organizations leave our dataset within the year for the first time.
- This year, we have yet to receive fundraising information for ~2.5% of panel orgs.



- We tentatively suspect that abnormally high dropout rates are due to the impact of covid on fundraising and reporting.
- The nature and rate of dropout warrants deeper investigation in future reports. [Click here](#) for more details.

NOTE: We only look at organizations within the panel of a given year based on our panel rules: stable organizations over the past 3 years w/ \$5K - \$25M received in the prior year. This ensures consistent historical data & shields the results from outliers.

UPPER: percent year-over-year change (on month totals) through this quarter, over the last 5 years. Shows what's typical across years.

LOWER: percent of organization drop-out in each month. Organizations may drop out one month, and then return in a subsequent month.

FUNDRAISING EFFECTIVENESS PROJECT

The Fundraising Effectiveness Project (first established in 2006) and the Growth in Giving database (created in 2012) are both 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 (in alphabetical order) Bloomerang, DonorPerfect, and NeonCRM. Additional partners include the 7th Day Adventists, The Biedermann Group, DataLake Nonprofit Research, and DonorTrends (a division of EveryAction). For more information and how you or your fundraising software provider can participate, please visit www.afpfeop.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 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 3.6% of the total relevant filers. Details regarding estimation methodology for data drift (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 for this analysis possible.



DATA REPORTING

The Quarterly Report wouldn’t be possible without the data processing and analytics provided by these firms.

