

Quarterly Fundraising Report™

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Dollars from large donors significantly weakened, leading to a decrease in money raised.
- 2022 saw a small increase in dollars from recaptured donors, while funding through retention and acquisition remain a challenge.
- Many acquired donors in 2021 did not return in 2022.



DONORS

-10.0%

(+/- 2.0%)

YOY change



DOLLARS

-1.7%

(+/- 2.0%)

YOY change



RETENTION

-3.5%

(+/- 1.0%)

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 data from the full year of 2022.

Current Dataset

Year-to-Date Nonprofit Sector Trends
 Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

⚠️ 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 ("data drift"). Throughout this report, ranges for each metric express uncertainty in the estimates.



DONORS

7.4M
 in 2022



DOLLARS

\$9.6B
 in 2022



ORGANIZATIONS

8,816
 in 2022

- 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.

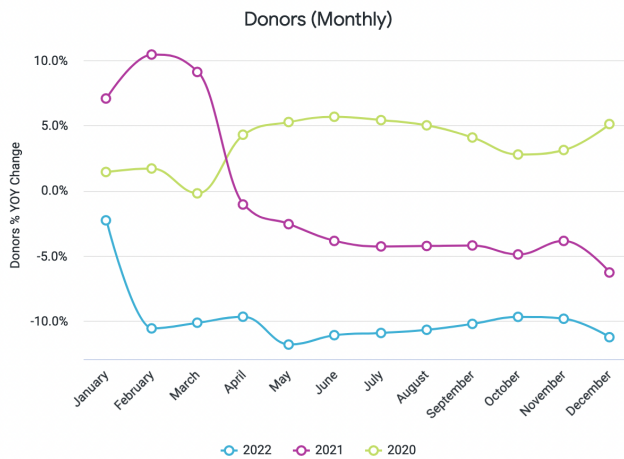
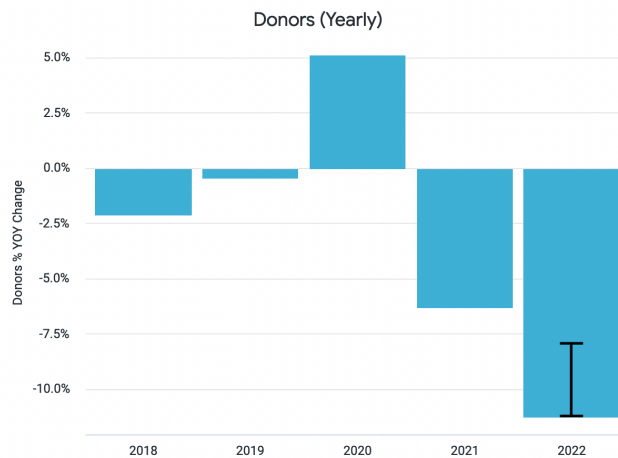


Donors: Time Series

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Donor participation has dropped -11.5% when we take the data at face value. But after adjusting for delays in data reporting ("data drift"), we estimate the actual decrease is -10%.
- This marks the second consecutive year with significantly decreased donor participation.



- Dollars from large donors are down significantly, driving negative topline fundraising.
- Low donor counts are driven by weak acquisition rates and low retention from 2021.

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.

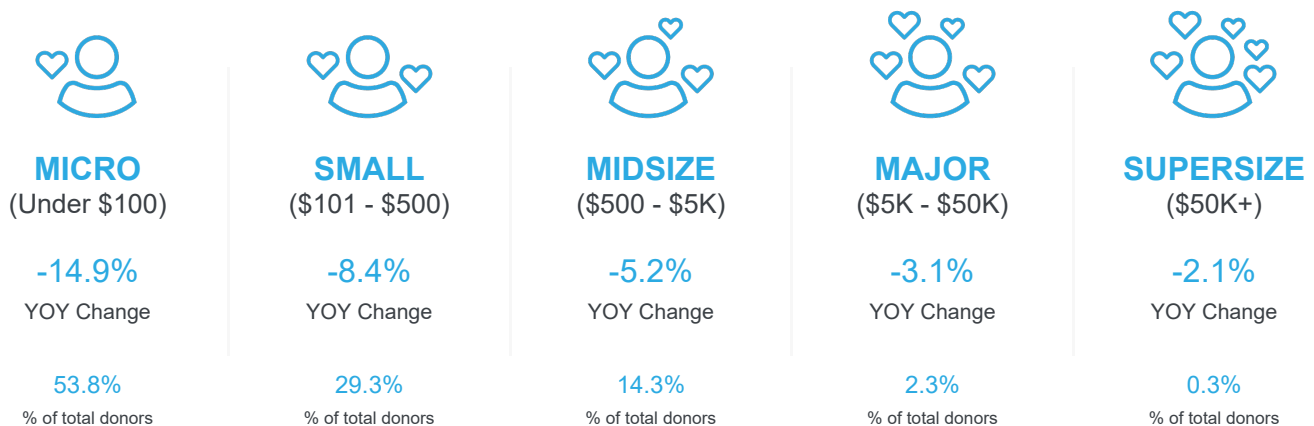


Donors by Donor Size

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- The majority of all donors (83.1%) consist of those contributing less than \$500, representing the most substantial donor group.
- Almost all of the decrease in donors, roughly 90%, is attributable to losses of donors of \$500 and below.
- The number of Major and Supersize donors decreased the least, but they are also the smallest categories of donors.



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.

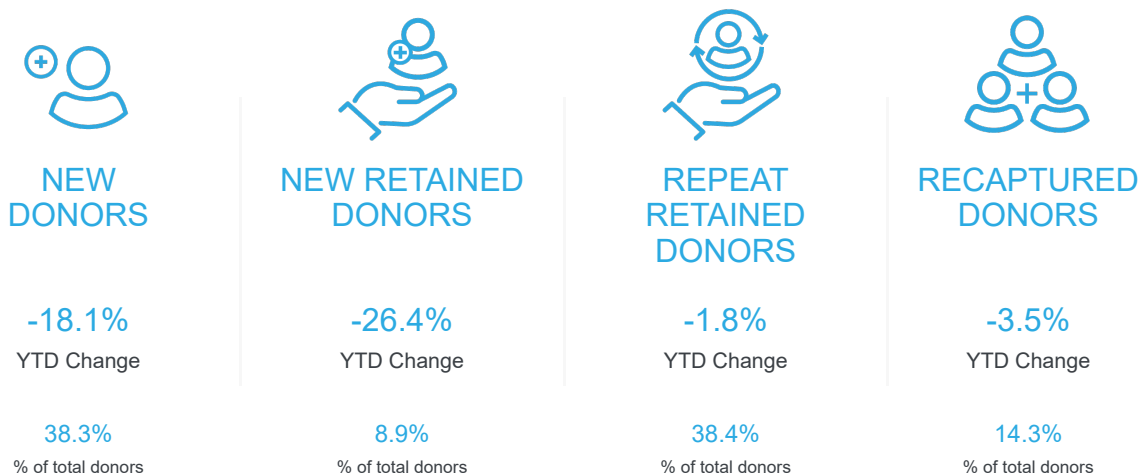


Donors by Life Cycle

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- New-retained donors ended the year at -26.4% year-over-year participation.
- New-retained donors account for 21% of the decreased donor pool, despite (now) accounting for just 9% of donors.
- Another large driver of decreased donor participation are new donors, which dropped ~18%. They drive 60% of the topline decrease, and now account for 38% of the donor pool.
- These decreases in New and New-Retained donors account for nearly all of the change.



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.

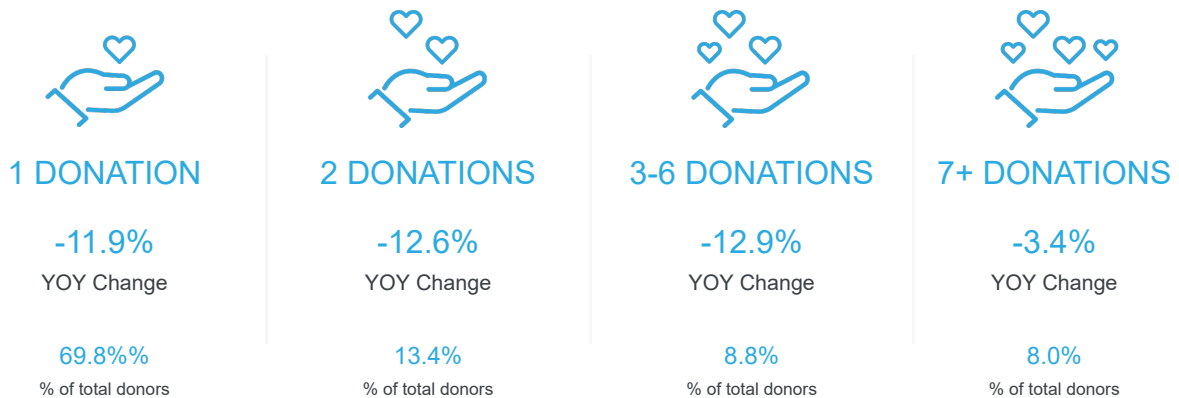


Donor by Donation Count

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- One-time donors still comprise the largest group of donors and have dropped the most, driving the decrease in overall donor participation.
- Donors who have made at least 7 donations (our most active category) decreased the least.
- The overall trend of decreased donor numbers is evident in all segments of donors by donation count.



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 during 2022.

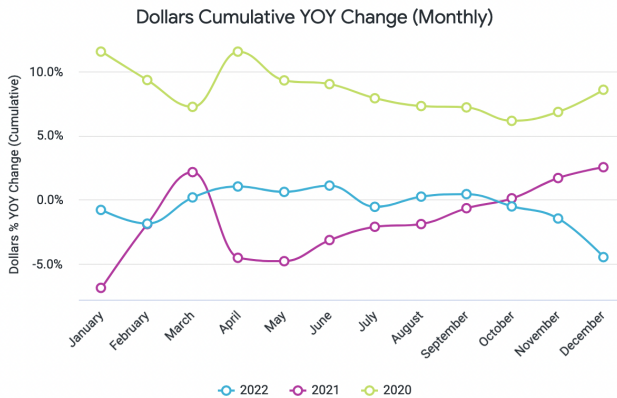
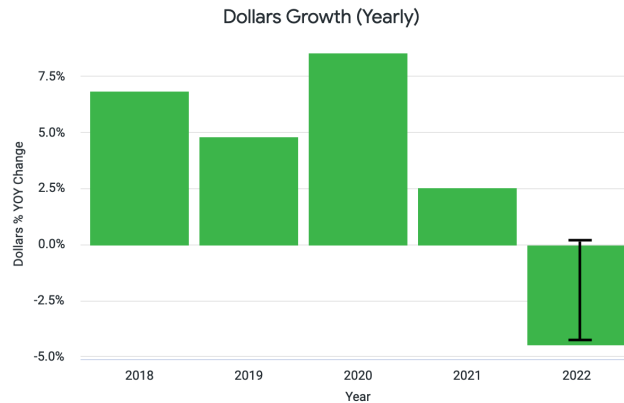


Dollars: Time Series

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Fundraising dollars have decreased by -4.7%, but after adjusting for delays in data reporting ("data drift"), we estimate dollars decreased by -1.7% compared to 2021.



- Fundraising decreased at the end of the 2022 calendar year, contrasting with the previous years when fundraising gained momentum towards the end of the year.
- Dollars from large donors are down significantly, leading to a decrease in money raised.

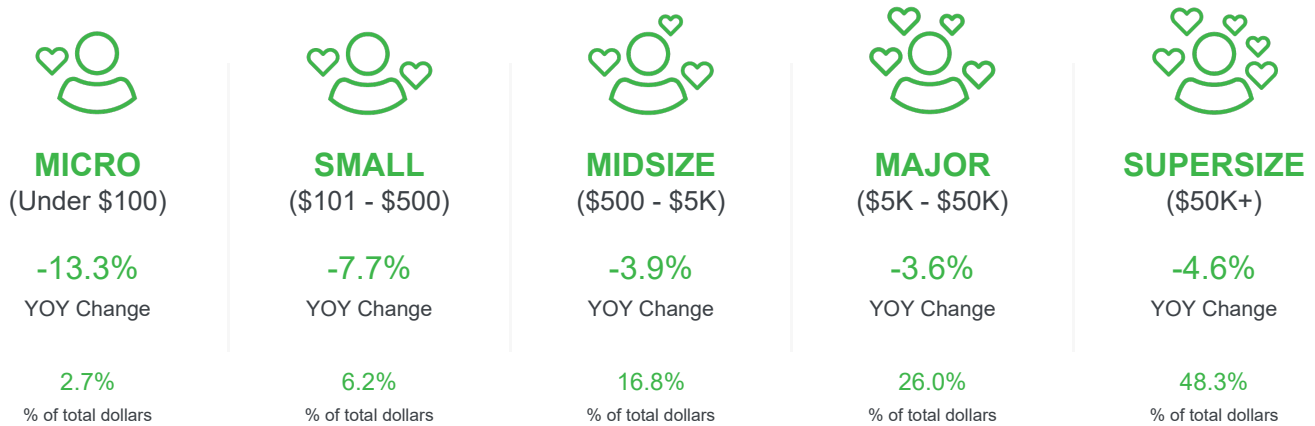


Dollars by Donor Size

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Following the trend from previous quarters, fundraising dollars from Small and Micro donors (sub \$500) are still negative year-over-year.
- However, we see amounts raised by Large and Major donors decrease for the first time in 2022.
- Major and Large donors account for almost all of the decrease in dollars raised. \$50k+ donors are responsible for almost half of the decrease in the topline dollar figure.



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

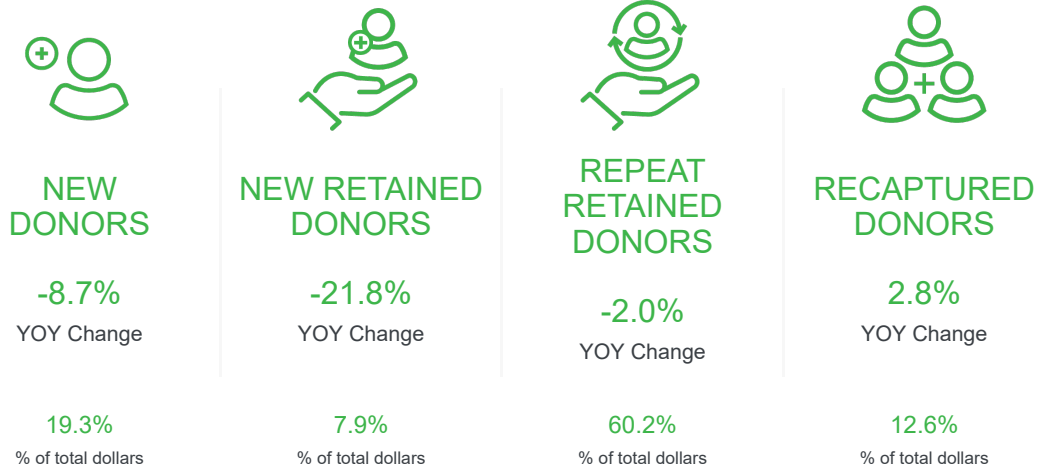


Dollars by Life Cycle

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Steep drop in fundraising from New-Retained donors follows trend of previous quarters.
- Fundraising from New donors decreased sharply in December.
- Recaptured Donors showed positive growth of 2.8%.



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.

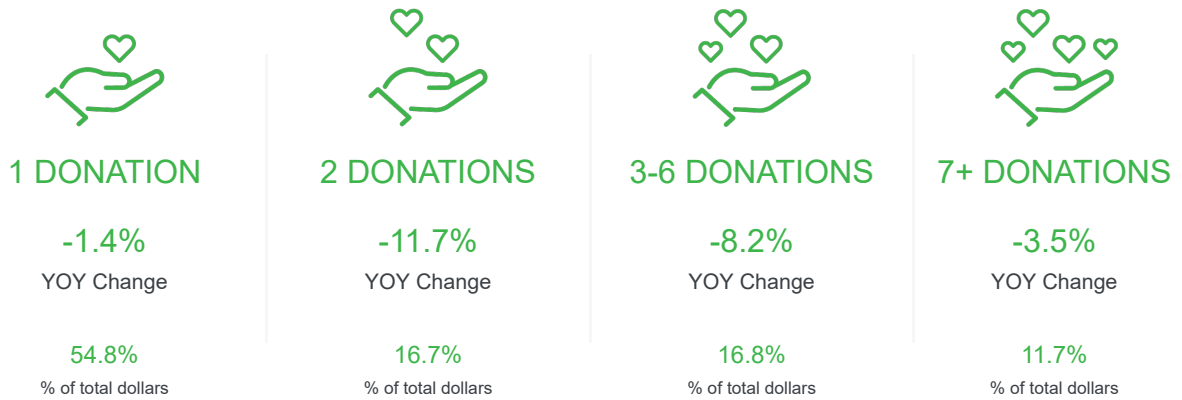


Dollars by Donation Count

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Fundraising trends when viewed by donation count have remained stable throughout 2022.
- The decline in fundraising is seen consistently across all donor segments. While the most active donors (7+ donations) and One-time donors had the smallest declines, fundraising dollars fell across all segments.



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 during 2022.

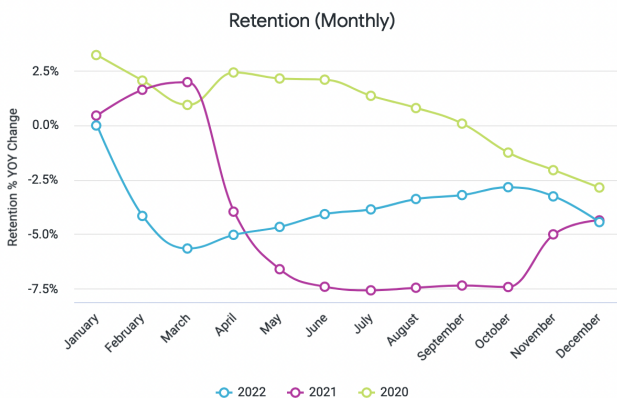
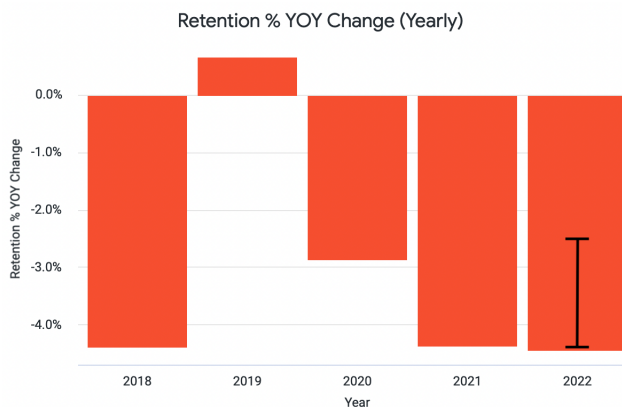


Retention Rate: Time Series

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Retention has decreased by -4.5% year-over-year, but after adjusting for late data we anticipate retention to be at -3.5% year-over-year.
- Year-to-date retention of donors from last year stands at 42.6% in Q4.



- Year-over-year retention rates were steadily increasing throughout the year, but they suddenly dropped in the fourth quarter.
- These year-over-year drops are significant, especially given the fall in retention rates in 2021.



Retention Rate: Donor Type

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Retention is negative across the board by donor type.
- Repeat donors are the largest category and have decreased the least, stabilizing retention numbers.



NEW DONOR RETENTION RATE

-16.9%

YOY Change

19.1%

retained YTD



REPEAT DONOR RETENTION RATE

-5.2%

YOY Change

58.1%

retained YTD



RECAPTURE RATE

-15.2%

YOY Change

4.1%

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

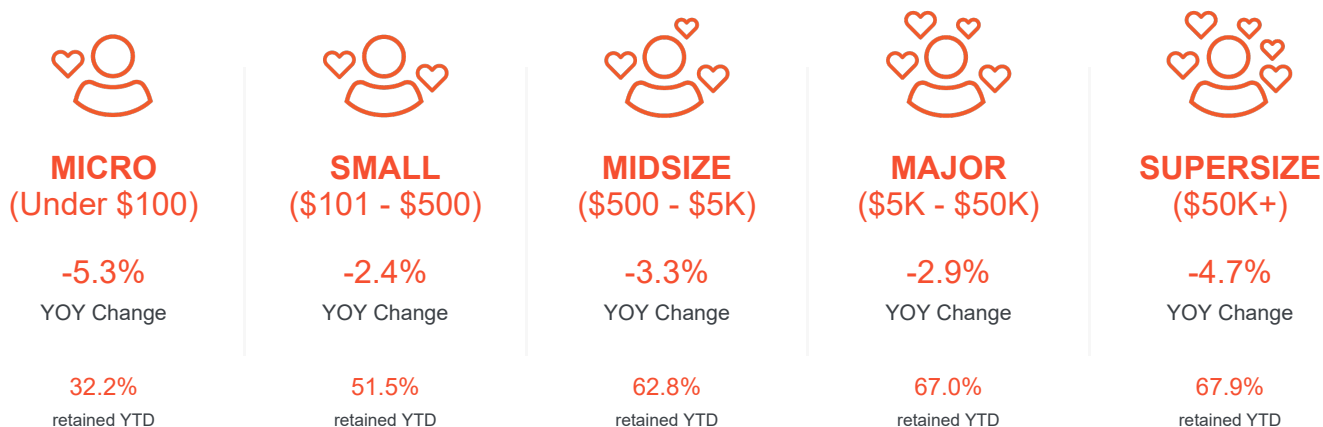


Retention Rate by Donor Size

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Micro, Small, and Midsize donors are the vast majority of donors, and therefore drive retention metrics the most.
- Notably this year, Supersize donors (\$50k+) are down -4.7%, the second largest decrease after Micro donors (sub \$100). This mirrors the trends seen when looking at dollars by donor size.



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

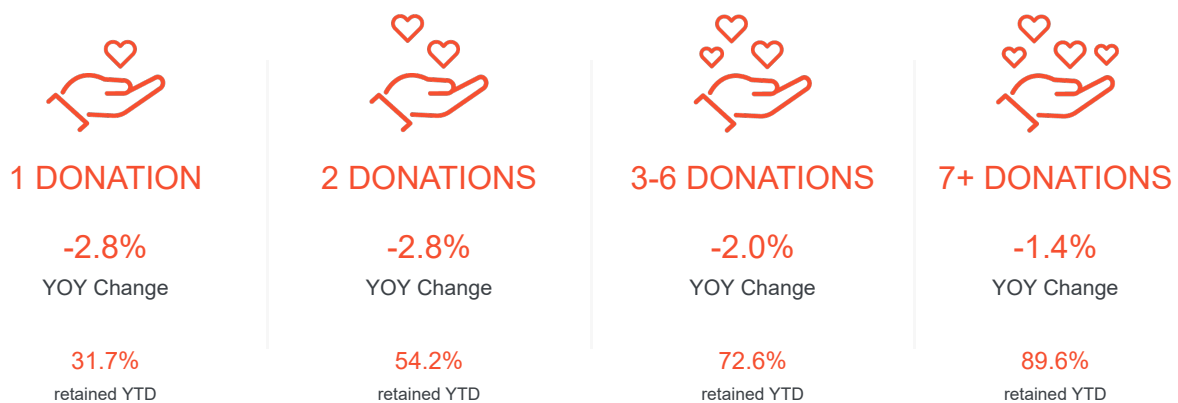


Retention Rate by Donation Count

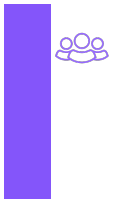
Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Retention decreased across all donor segments in 2022.
- One time donors had the largest decrease in retention rates.
- Since one-time donors are the largest cohort, their decrease primarily drives down overall retention metrics.
- Overall, the most active donors have been retained the best, despite all groups showing year-over-year decline.



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 during 2022.



Organizations

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Organization size (based on amount raised) factored into fundraising much more significantly than last year.
- The proportion of organizations not reporting data has decreased slightly this year, but is still higher than the rates observed prior to the Covid-19 pandemic in 2019. In 2022, 2.5% of organizations provided no fundraising information, compared to 2.8% 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.



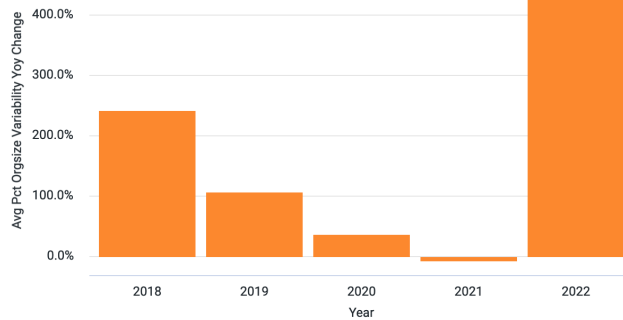
Organization Size Impact: Time Series

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

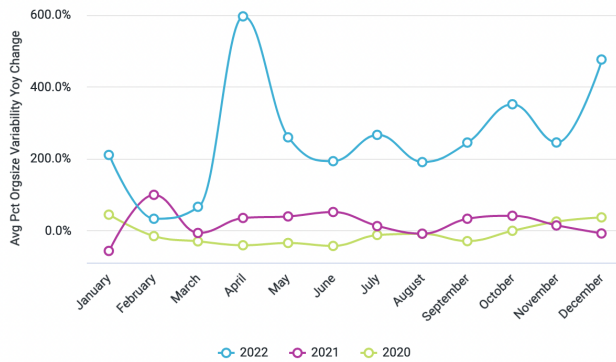
Key Insights

- Organization Size Variability can be seen the uniformity of fundraising performance across organization size.
- Organizations fundraised at very different levels when grouped by size, especially when compared to 2021 where fundraising was much more uniform across organizations of varying sizes.

Organization Size Variability (Yearly)



Organization Size Variability (Monthly)



- The largest organizations saw large decreases in fundraising in 2022.



Organization Size Impact: Splits

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- All organization sizes, except organizations raising \$1M+, grew in the mean but shrank in the median amount of fundraising.
- Most of the decrease in gross fundraising can be attributed to the decrease in organizations raising over \$5M.

	ORGANIZATION SIZE	% 2022 DOLLARS	% GROWTH (MEAN)	% GROWTH (MEDIAN)
1	1. <=\$100k	1.5%	9.2%	-4.6%
2	2. \$100k-\$250k	5.2%	5.4%	-1.5%
3	3. \$250k-\$1M	16.3%	3.9%	-0.6%
4	4. \$1M-\$5M	35.8%	-1.9%	-2.3%
5	5. \$5M-\$25	41.2%	-11.2%	-7.3%

% 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.

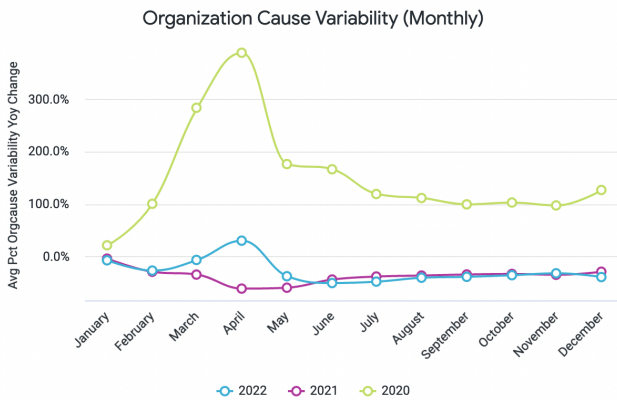
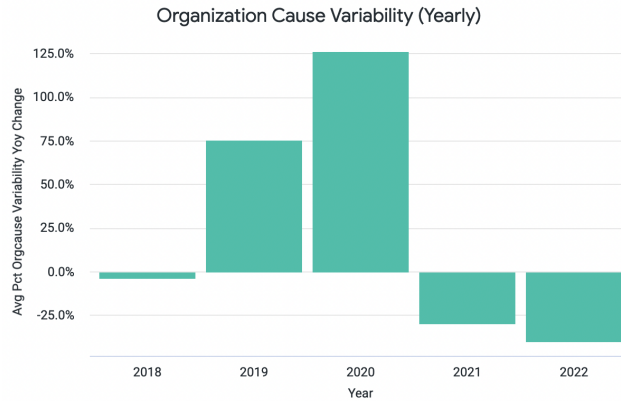


Organization Cause: Time Series

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Organization cause explained less of the variance in fundraising amounts than in 2021.
- Most cause areas saw a decrease in fundraising, except healthcare-related causes.



- Health causes were the only ones that showed a year-over-year increase at +0.8%.
- International causes underperformed when compared with 2021.



Organization Cause: Split

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Health organizations were the only cause area that fundraised more year-over-year.
- International and foreign affairs causes decreased -26.5% in 2022. However, the magnitude of the drop is likely exaggerated in our sample, which contains proportionally fewer of these types of orgs.
- Public & societal benefits was also notably down -9.6% year-over-year.

ORGANIZATIONAL CAUSE	% 2022 DOLLARS	% DOLLAR GROWTH (MEAN)	% DOLLAR GROWTH (MEDIAN)
I. Arts, Culture, and Humanities	3.6%	-6.9%	-4.5%
II. Education	15.5%	-6.4%	-1.5%
III. Environment and Animals	5.2%	-2.6%	2.4%
IV. Health	12.8%	0.6%	-1.2%
V. Human Services	30.3%	-4.2%	-1.6%
VIII. Religion Related	8.7%	-4.0%	-2.1%
VI. International, Foreign Affairs	2.5%	-26.5%	-7.5%
VII. Public, Societal Benefit	6.2%	-9.6%	-0.6%
X. Unknown, Unclassified	15.3%	-1.7%	-2.1%

% 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.

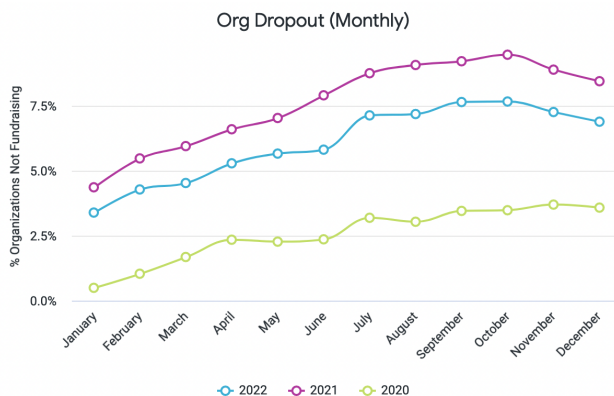
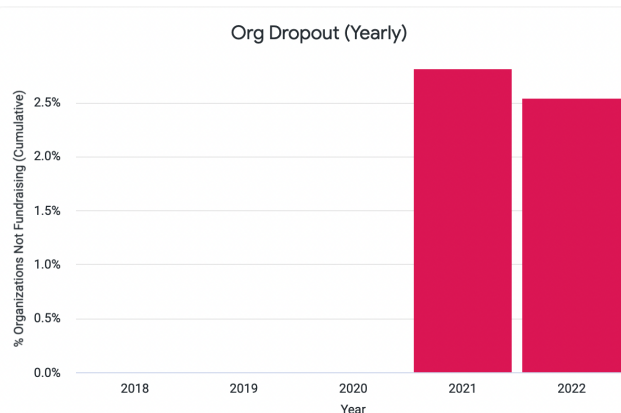


Organizations Not Reporting: Time Series

Year-to-Date Nonprofit Sector Trends
Q4 2022 (JAN 1, 2022 - DEC 31, 2022)

Key Insights

- Organization dropout stands at slightly healthier rates than last year, but still higher than what we saw pre-pandemic.
- 2.5% of the organizations expected to report data have not yet done so.



- Monthly dropout rates remain uniformly below 2021 levels, but still much higher than in 2019.

Top: 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.

Bottom: 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 - 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. 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 www.afpfep.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 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 in support of the project possible.



DATA REPORTING

The FEP wouldn't be possible without the data analysis and additional support provided by these firms.

