

Quarterly Fundraising Report™

Year-to-Date Nonprofit Sector Trends

Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Fundraising dollars decreased, driven by a decline in the large donor and new donor segments.
- While overall retention increased — and contrary to intuition — retention in all categories of donors dropped.
- Donor participation fell as acquisition of new donors and small donors remained a challenge.



DONORS

-3.8%

(+/- 1.5%)

YOY change



DOLLARS

-0.7%

(+/- 2.0%)

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 Q1 (from January of a given year to the end of March of the same year).

Current Dataset

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 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 ("data drift"). Throughout this report, ranges for each metric express uncertainty in the estimates.



DONORS

2.0M

in 2023



DOLLARS

\$1.8B

in 2023



ORGANIZATIONS

8,061

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.

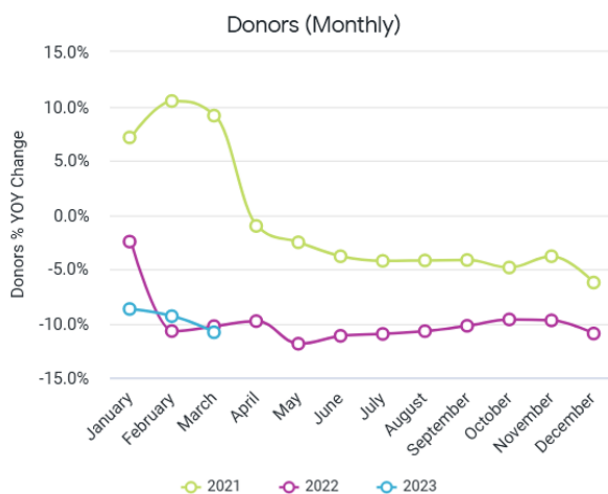
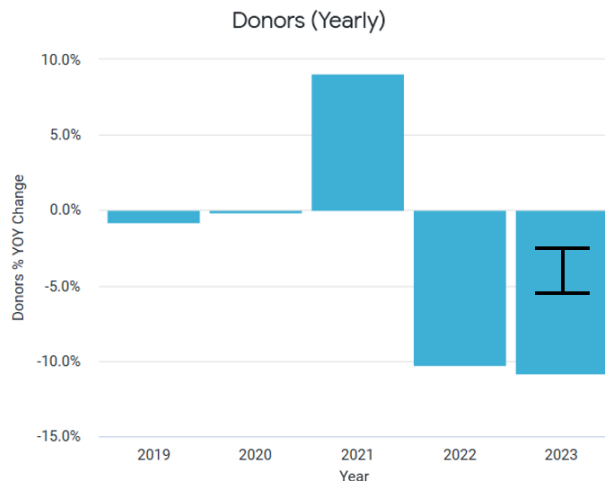


Donors: Time Series

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Donor participation dropped -10.8% when not accounting for late data. After adjusting for delays in data reporting ("data drift"), we estimate the actual decrease was -3.8%.
- This was the 7th consecutive quarter of year-over-year decline in donor participation.



- 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.

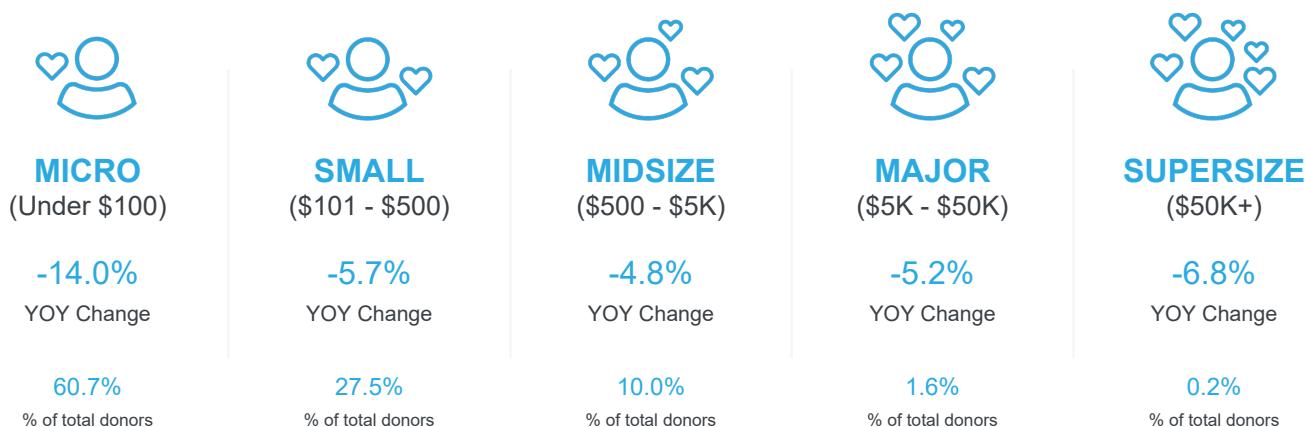


Donors by Donor Size

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- The most substantial donor group consisted of those contributing less than \$500, accounting for 88.2% of all donors.
- The decrease in donors was largely caused by losses of donors contributing \$500 and below.



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
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- New Retained donor participation was down -18.2% year-over-year.
- New Retained donors accounted for 17% of the decrease to the donor pool, despite accounting for just 9% of donors.
- New donors dropped by -19.2%, driving another large decrease in donor participation. This group accounted for 50% of the topline decrease and represented just 25% of the donor pool.
- Repeat Retained declined by only -5.1%, but as they represented 52% of the donor population, their decrease accounted for 23% of the overall decrease.



NEW DONORS

-19.2%
YTD Change

25.4%
% of total donors



NEW RETAINED DONORS

-18.2%
YTD Change

9.4%
% of total donors



REPEAT RETAINED DONORS

-5.1%
YTD Change

52.2%
% of total donors



RECAPTURED DONORS

-8.4%
YTD Change

13.0%
% of total donors

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.

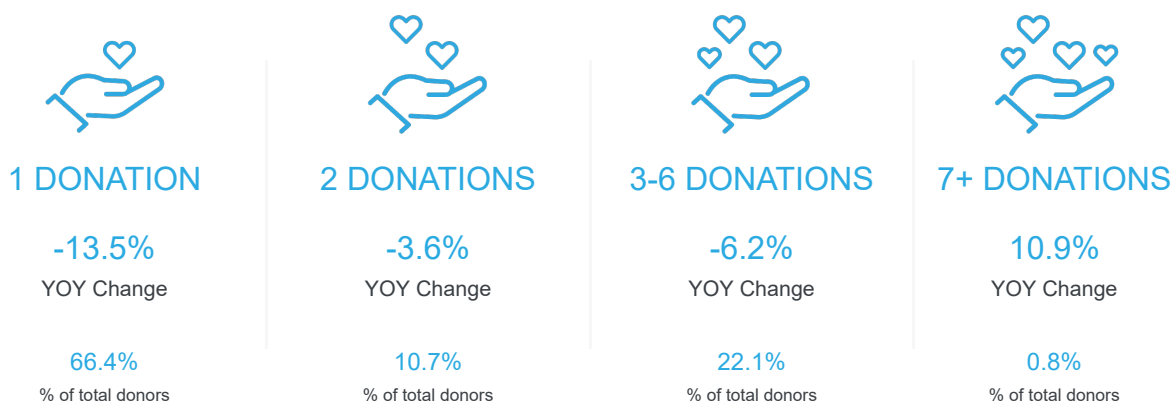


Donor by Donation Count

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- One-time donors were the largest group of donors but their participation dropped the most year-over-year, driving the overall decrease in donor participation.
- Donors who made at least 7 donations (our most active category) increased year-over-year.



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.



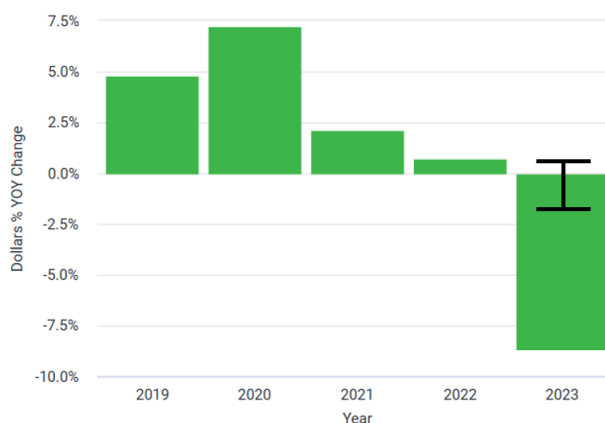
Dollars: Time Series

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

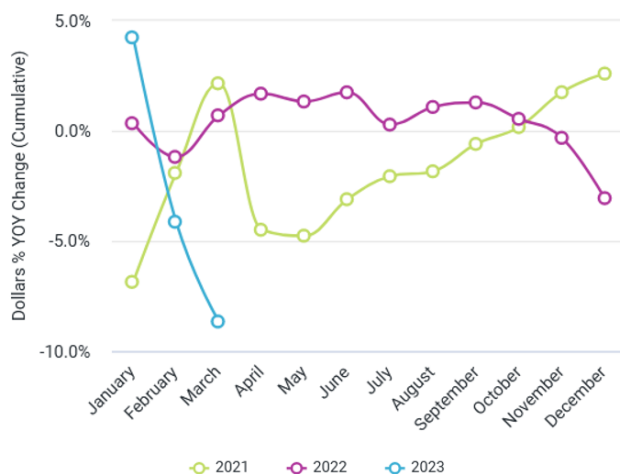
Key Insights

- Fundraising dollars decreased by -8.7%, but after adjusting for delays in data reporting ("data drift"), we estimate dollars decreased by -0.7% compared to 2022.

Dollars Growth (Yearly)



Dollars Cumulative YOY Change (Monthly)



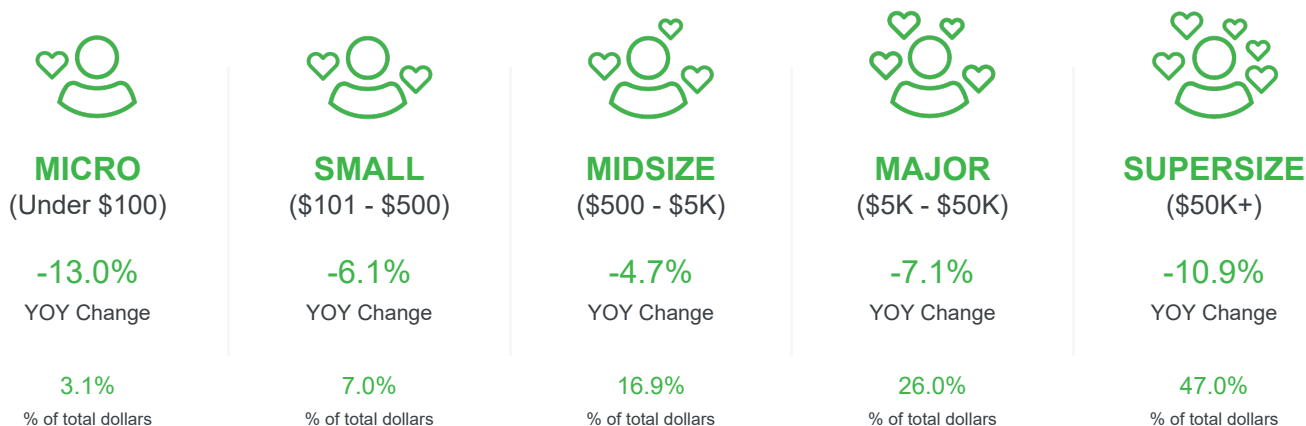


Dollars by Donor Size

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- All donor sizes saw a relative decrease in donations through the end of March.
- Micro and Supersize donors experienced the largest drop in dollars donated, falling by over -13.0% and -10.9% respectively.
- Even though Supersize donors represented a small part of the population (0.2% of donors), they represented a larger share of the total donations (47%) and therefore accounted for 52% of the overall decrease



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



Dollars by Life Cycle

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- New and New Retained donor groups saw a large decrease in total dollars donated.
- New donors were the largest driver of the overall decrease in dollars donated.
- Dollars donated by Repeat donors stayed relatively constant while accounting for 63% of all dollars donated.



NEW DONORS

-34.4%

YOY Change

13.9%

% of total dollars



NEW RETAINED DONORS

-15.2%

YOY Change

7.5%

% of total dollars



REPEAT RETAINED DONORS

-0.4%

YOY Change

63.2%

% of total dollars



RECAPTURED DONORS

-3.8%

YOY Change

15.4%

% of total dollars

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
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- One-time donors gave less year-over-year. As this group represented a big share of all dollars donated, they drove overall donations down.
- Two-time donors gave -5.1% less compared to last year.
- More frequent donors (three or more donations) gave more compared to last year.



1 DONATION

-13.7%

YOY Change

58.9%

% of total dollars



2 DONATIONS

-5.1%

YOY Change

14.9%

% of total dollars



3-6 DONATIONS

2.1%

YOY Change

20.4%

% of total dollars



7+ DONATIONS

4.6%

YOY Change

5.8%

% of total dollars

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.

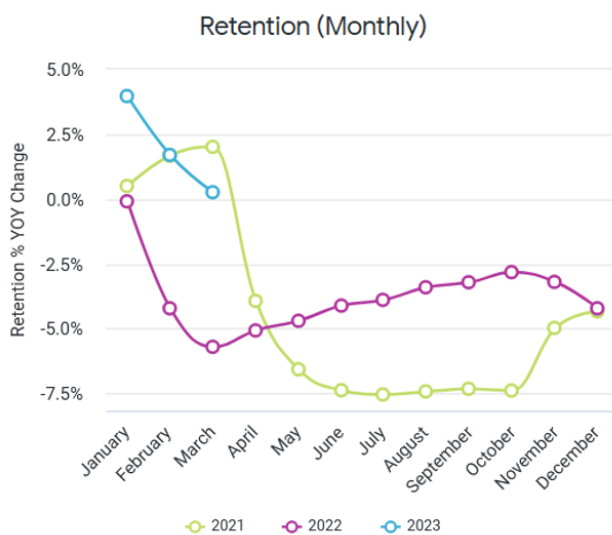
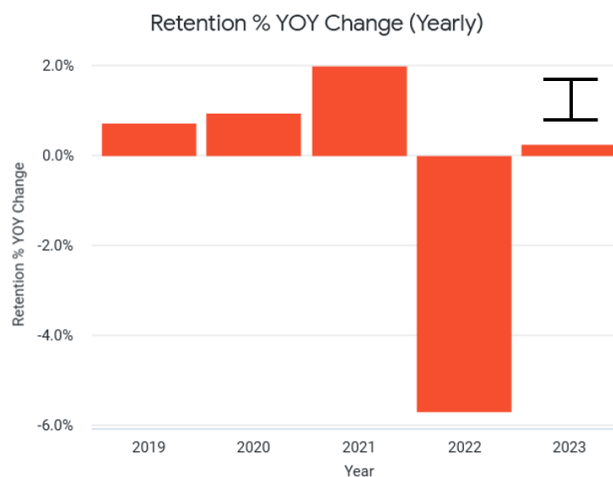


Retention Rate: Time Series

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Retention increased by 0.3% year-over-year, but after adjusting for late data we anticipate retention was at 1.3% year-over-year.
- Year-to-date retention of 2022 donors stood at 17.3% in Q1 2023.



- While overall retention increased slightly, this is a bit misleading. As a blended rate, shifts in the donor composition can move the rate in unexpected ways. The larger proportion of repeat donors caused this increase, even though that segment saw a decline in retention.



Retention Rate: Donor Type

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Retention decreased across the board by donor type.
- Recaptured donors suffered a relative decrease in retention of -18.9%. However, this group's retention rate was already low last year (1.2%) so the relatively large decrease this year only represented a small absolute decrease of -0.2%.
- Overall retention was slightly positive, despite each segment trending negative. This was mostly due to a change in donor composition: there were relatively less new and small donors which mechanically drove the overall retention up. This is a common statistical phenomenon when a general trend suggests a certain direction while smaller segments within that larger trend are pointing towards the opposite direction.



NEW DONOR RETENTION RATE

-4.8%

YOY Change

6.9%

retained YTD



REPEAT DONOR RETENTION RATE

-2.1%

YOY Change

23.8%

retained YTD



RECAPTURE RATE

-18.9%

YOY Change

1.0%

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
Q1 2023 (JAN 1, 2023 - MAR 31, 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 donors (but the biggest in terms of dollars donated).



MICRO
(Under \$100)

-4.2
YOY Change

9.9%
retained YTD



SMALL
(\$101 - \$500)

-2.0%
YOY Change

23.0%
retained YTD



MIDSIZE
(\$500 - \$5K)

-2.9%
YOY Change

31.7%
retained YTD



MAJOR
(\$5K - \$50K)

-3.6%
YOY Change

28.6%
retained YTD



SUPERSIZE
(\$50K+)

-6.1%
YOY Change

31.9%
retained YTD

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

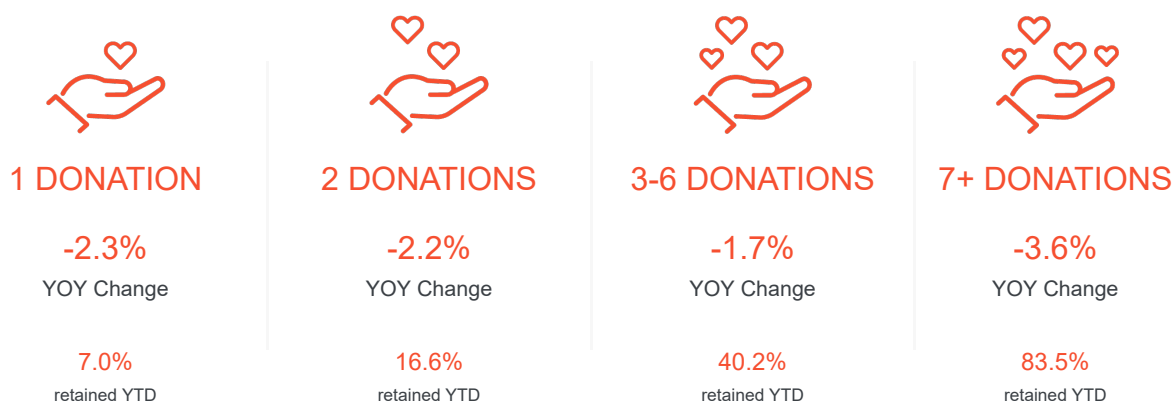


Retention Rate by Donation Count

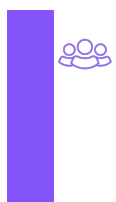
Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- The most frequent donors (7+ donations) experienced the largest decrease in retention, although they represented the smallest group in terms of donors.
- 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 year-to-date.



Organizations

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Organization size (based on amount raised) factored into fundraising more than last year at the same time.
- The proportion of organizations not reporting data was higher than in Q1 of the previous two years.



Organization
Size Impact

38.8%

YOY Change



Organization
Cause Impact

-9.9%

YOY Change



Organizations
Not Reporting

6.2%

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.

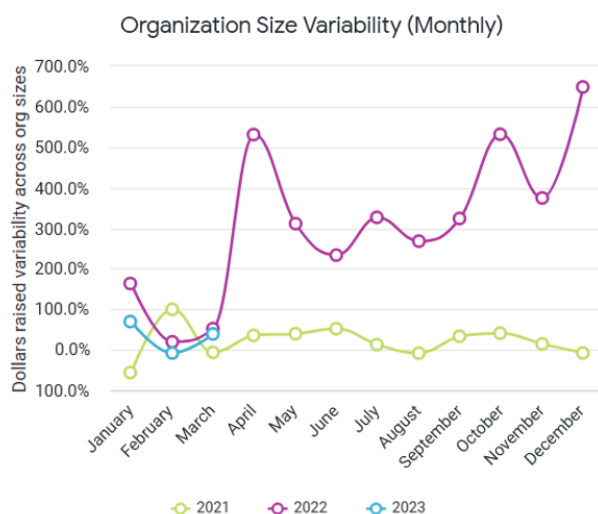
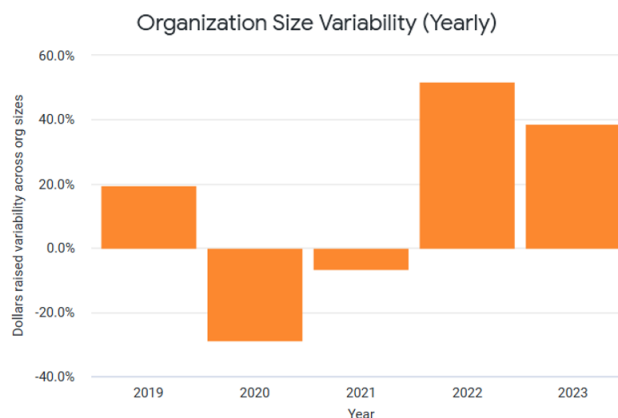


Organization Size Impact: Time Series

Year-to-Date Nonprofit Sector Trends
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- The variability in dollars raised depending on organization size slightly increased compared to last year.



- Organization size variability has historically been volatile towards the beginning of the year.

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
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Organizations of all sizes — except those raising between \$100K and \$250K — saw a decrease in fundraising.
- Organizations of all sizes saw a decrease in median fundraising.
- Very large organizations (raising more than \$1M) represented a larger share of the total donations and suffered the largest decrease on average.

ORGANIZATION SIZE	% 2022 DOLLARS	% GROWTH (MEAN)	% GROWTH (MEDIAN)
1. <=\$100k	1.2%	-0.5%	-16.0%
2. \$100k-\$250k	4.9%	3.7%	-7.6%
3. \$250k-\$1M	15.2%	-5.9%	-6.3%
4. \$1M-\$5M	36.6%	-7.4%	-5.8%
5. \$5M-\$25	42.1%	-12.1%	-9.6%

% 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.



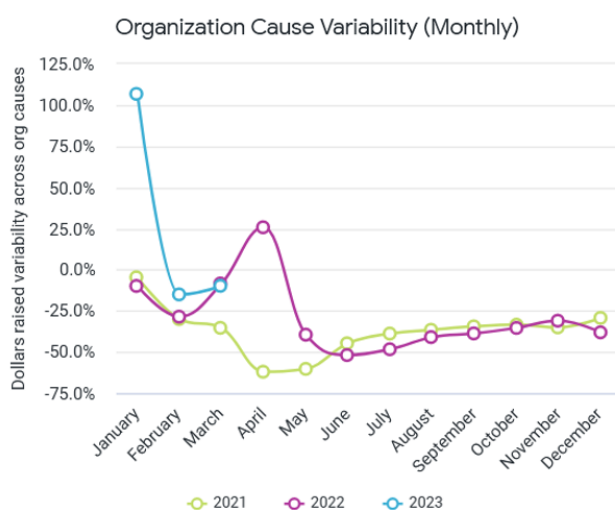
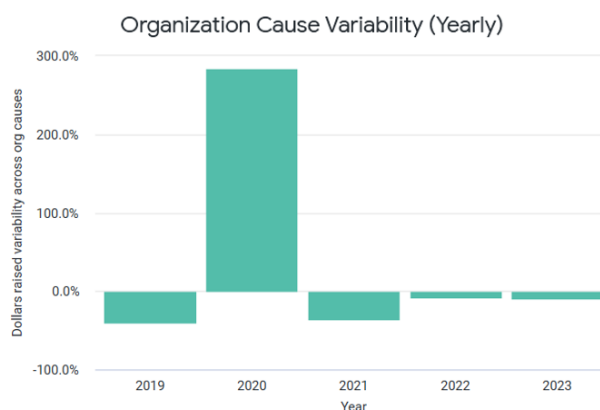
Organization Cause: Time Series

Year-to-Date Nonprofit Sector Trends

Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Organization cause factored slightly less in dollars raised compared to last year.



- This metric is most useful directionally: 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
Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

Key Insights

- Health causes were the only ones that showed a year-over-year increase (at 13.7%).
- Environment and Animals related causes saw a larger decrease (-17.3%) compared to last year.
- Human Services related causes also saw a larger decrease of -15.0% compared to last year.

ORGANIZATIONAL CAUSE	% 2022 DOLLARS	% DOLLAR GROWTH (MEAN)	% DOLLAR GROWTH (MEDIAN)
I. Arts, Culture, and Humanities	3.8%	-8.0%	-7.8%
II. Education	15.1%	-4.6%	-3.0%
III. Environment and Animals	5.1%	-17.3%	-5.8%
IV. Health	14.6%	13.7%	-6.5%
V. Human Services	29.8%	-15.0%	-8.0%
VIII. Religion Related	9.3%	-9.5%	-3.4%
VI. International, Foreign Affairs	2.5%	-9.1%	9.3%
VII. Public, Societal Benefit	6.2%	-7.7%	-10.3%
X. Unknown, Unclassified	13.7%	-13.5%	-11.2%

% 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

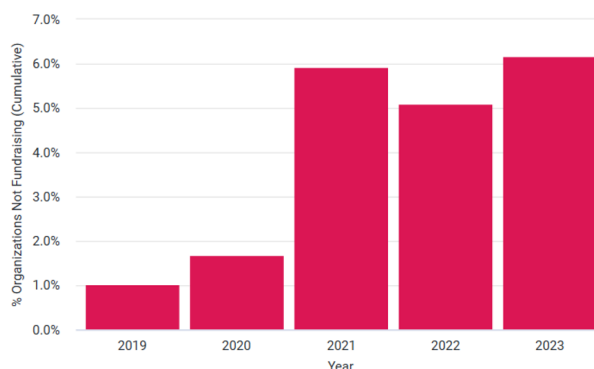
Year-to-Date Nonprofit Sector Trends

Q1 2023 (JAN 1, 2023 - MAR 31, 2023)

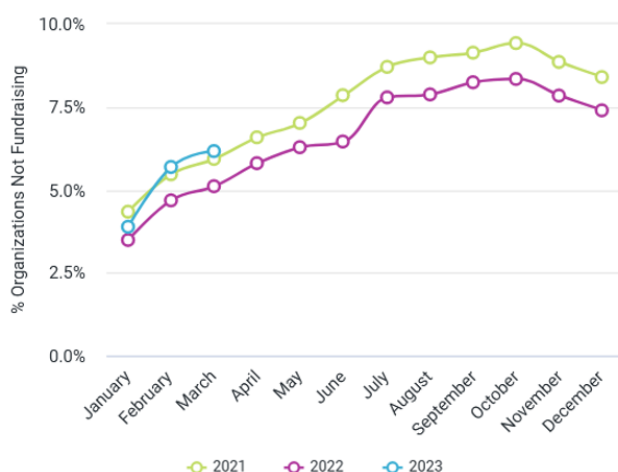
Key Insights

- Organizational dropout was worse in this quarter than in Q1 of the previous two years.

Org Dropout (Yearly)



Org Dropout (Monthly)



- 6.2% of the organizations expected to report data had not yet done so when this report was produced.

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 — 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 <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 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.

