



Building a Sustainable Future: A Guide to Healthy Fundraising

Wendy Mercurio, Content and Education Specialist at Qgiv



Donation Forms | Event Registration
Text Fundraising | Peer-to-Peer | Auctions



A little housekeeping...



We're recording this webinar!

All registrants will receive an email containing a link to the recorded webinar AND a ton of other resources!



Feel free to ask questions!

Use the Questions chat box to ask your questions. We will have a Q&A session at the end of the presentation.



FUNDRAISING TECH

Made for you



Designed with you in mind

Designed for fundraisers by fundraisers through customer-led development input



Time saving data tools

Save time, attract and retain donors, and raise more money with all of your fundraising data in one place



Powerful integrations

Easily integrate with your third-party CRM, email provider, and accounting software



A little about me...

Wendy Mercurio

Content and Education Specialist | Qgiv

Former Director of Development

- Served child welfare and food rescue missions

📍 **Home base is in little Rhode Island!**





+ Agenda

- + A look into Qgiv's most recent research study, *The Sustainable Giving Report*
 - Economic Instability
 - Wellness of Nonprofit Teams
 - Building Sustainable Streams of Revenue
- + Panel discussion with industry experts





Meet our Speakers



Mallory Erickson

- + Executive coach and fundraising consultant
- + Host of *What the Fundraising* podcast





Meet our Speakers



Ephraim Gopin

- + Nonprofit fundraising and marketing expert
- + Founder of 1832Communications





Meet our Speakers



Woodrow Rosenbaum

- + Chief Data Officer at GivingTuesday
- + Founder and CEO of With Intent





Meet our Speakers



Jaime Van Essen

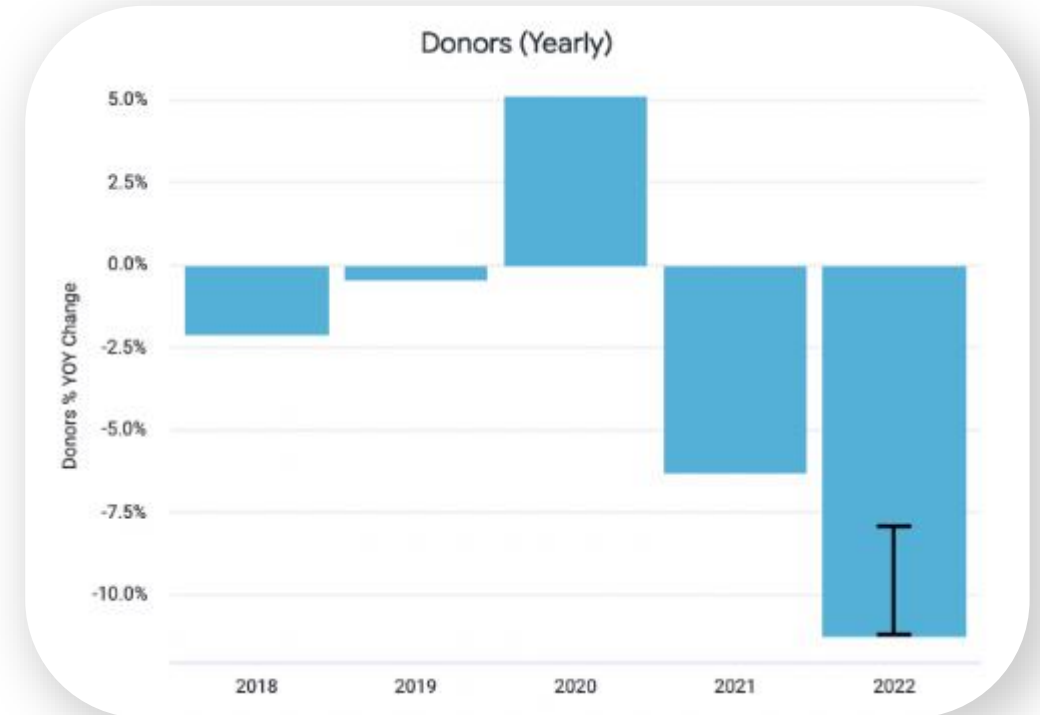
- + Strategist at Kennari Consulting
- + Data system expert





Why focus on sustainable fundraising?

- + 2022 ended with the **lowest donor retention rate on record (42.6%)**, donor numbers have decreased 10%, and overall dollars raised is down for the first time since **2018**.
- + Add in the Great Resignation shaking up nonprofit teams + the effects of inflation and you have a fundraising environment that fosters pressure to *raise more* money with *even fewer* resources.



Overview of the Research Study

Sustainable Giving Report



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Who Responded

Fundraisers

290 Qgiv clients responded in March of 2023. The majority of fundraisers that responded:

- + Fundraise between \$1 million and \$5 million annually.
- + Work for small to medium sized nonprofits.
- + Support Youth Development and Human Service Missions.
- + 40% responded that their organization employs between 1 and 10 staff.
- + 30% responded that their organization employs between 11 and 50 staff.



Who Responded

Donors

2,007 donors responded in March of 2023. The majority of respondents:

- + Were between 35 and 40 years old.
- + Had an average gift between \$5 and \$55.
- + Had an average yearly contribution between \$100 and \$499.
- + Gave to human service organizations (18.6%), animal welfare (11.7%), and health services (11.8%).



Economic Instability



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+

Economic Instability

+ Since 2020:

Prices have
increased
5.26% per year

+

Supply chain
issues & product
shortages

+

Climbing
interest rates

=

?

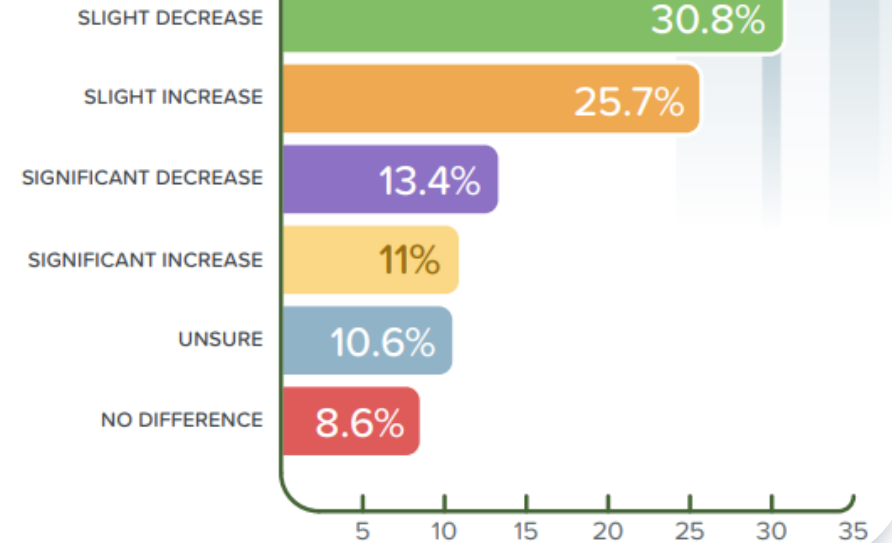


Economic Instability

Fundraiser Responses

- + Fundraising revenue has decreased.
- + In-person events have taken the hardest performance hit, followed by direct mail appeals.
- + Over half of our respondents said their one-time in-person events didn't perform as well as in years past (galas, luncheons, races, etc.).

In the last three years, what trend in fundraising revenue have you noticed?



Economic Instability

Donor Responses

- + Over half of the donors we surveyed said the nonprofits they support are talking about inflation/rising costs.
- + **Your donors are feeling the effects of inflation.** Donors shared:
 - + 45% have been severely impacted, 31% negatively impacted, and 23% felt a neutral impact.
- + Inflation has negatively impacted the charitable giving of almost half of all donors (48.23%).



- 36.4% My giving has remained the same
- 34.9% My giving has decreased
- 13.3% My giving has stopped all together
- 11.2% My giving has increased
- 4.2% Instead of donating money I have given my time or made in-kind donations

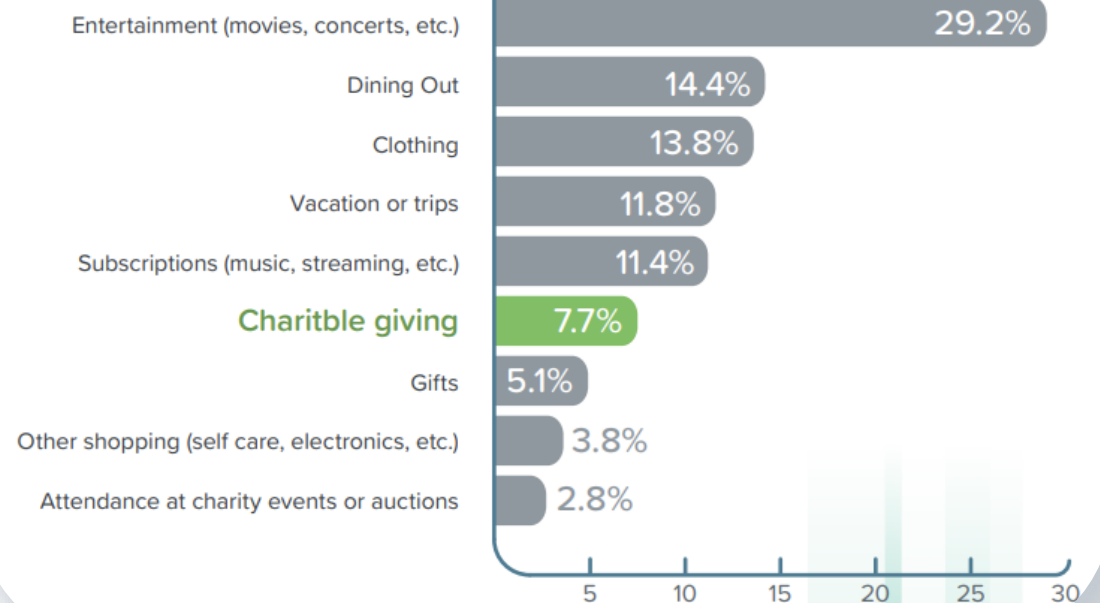
Economic Instability

Donor Responses

- + The majority of donors will cut spending on **entertainment or dining out** before changing their charitable giving.



If your budget is tight, what's the first area of discretionary spending you cut?

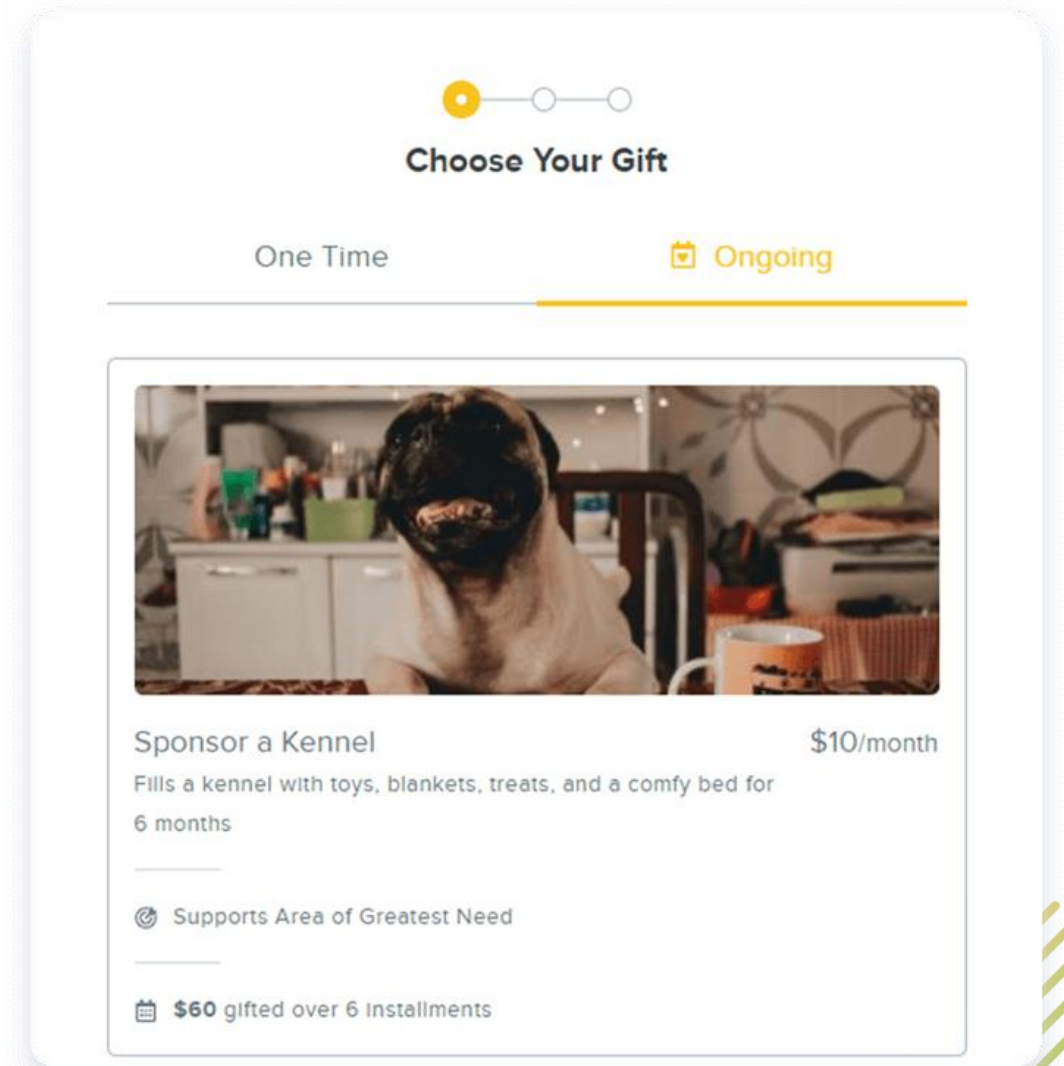




Qgiv Takeaways

Your donors want to support you!

- + Over 80% of the donors we surveyed *continued* making some sort of monetary gift despite 76% reporting they'd had to make spending cuts!
- + Nonprofit supporters will cut discretionary spending in five other areas before they choose to alter their giving!
- + Understand the importance of "Thank You."



Wellness of Nonprofit Teams

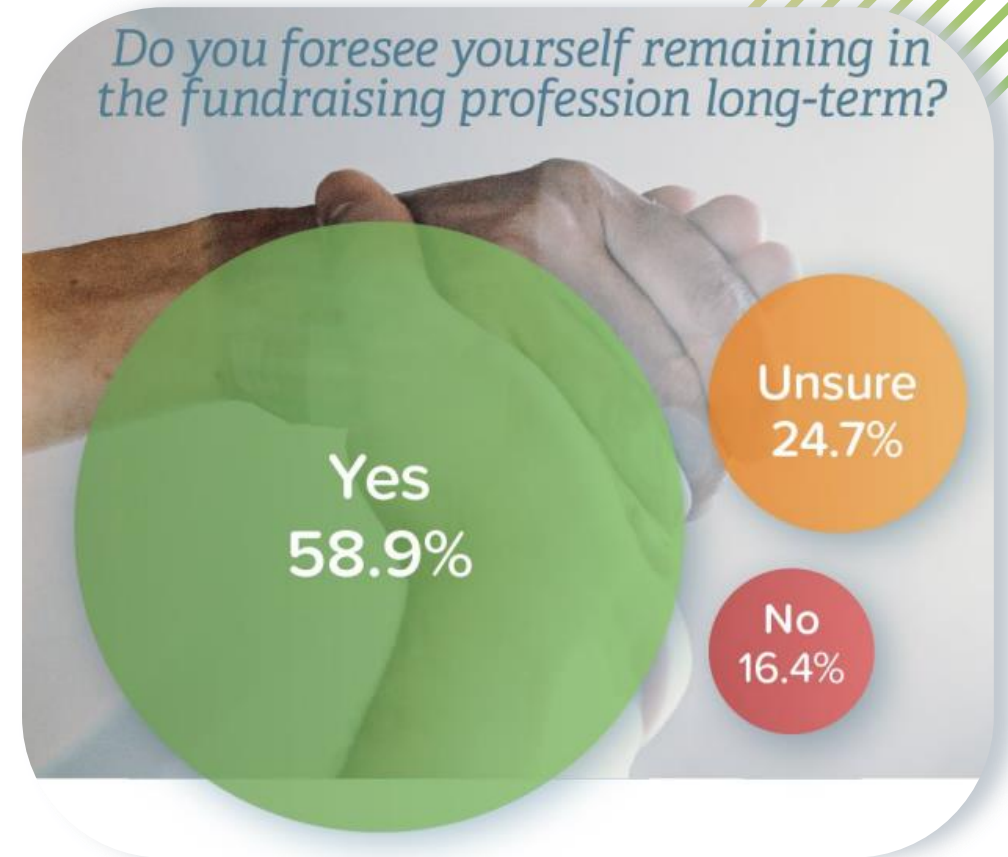


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Wellness of Nonprofit Teams

Fundraiser Responses

- + Over half of respondents plan to remain in the fundraising profession.
- + Other **career aspirations and pay** were the top reasons for departing the profession.
- + Top job satisfaction factors for fundraisers are the **mission of their nonprofit** and their **relationship with peers**.

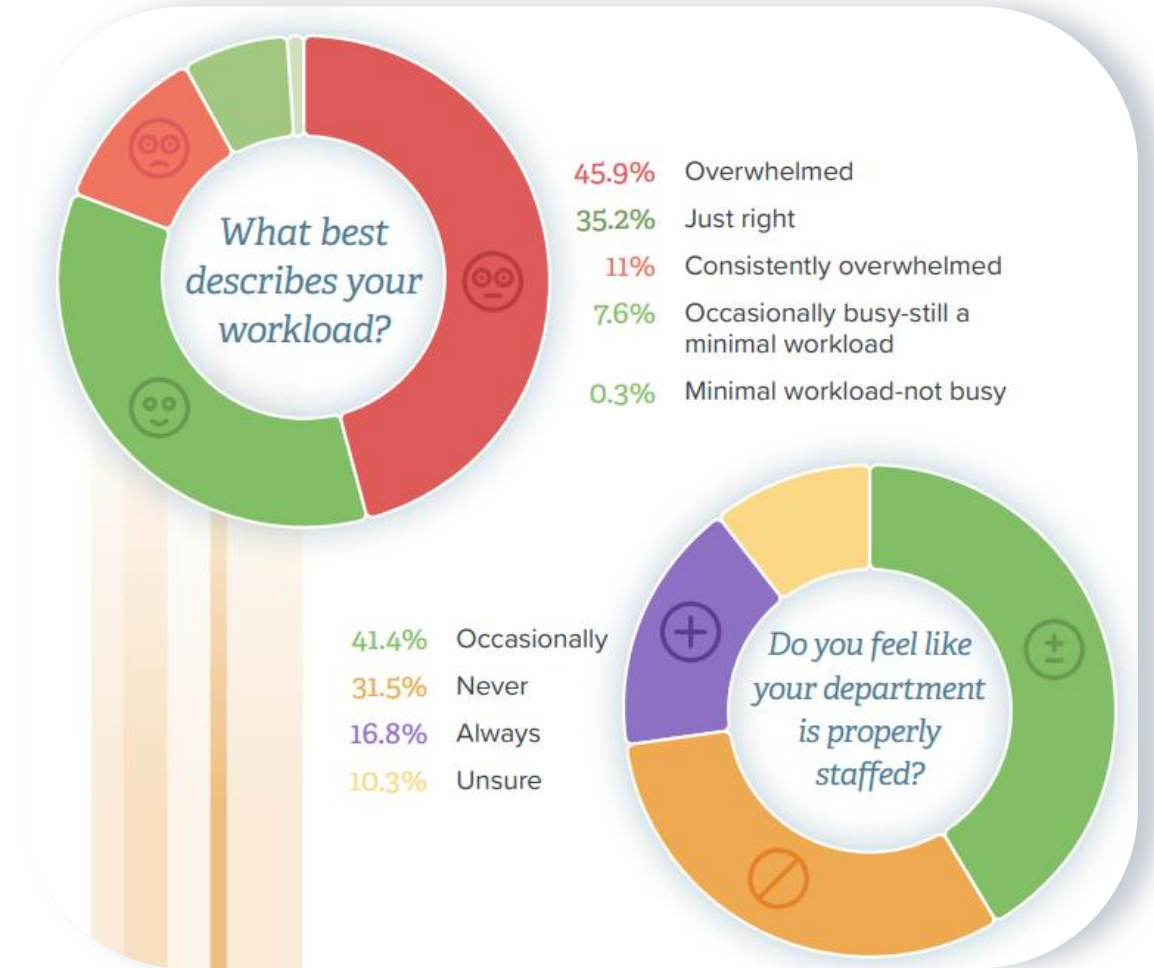


Wellness of Nonprofit Teams

Fundraiser Responses



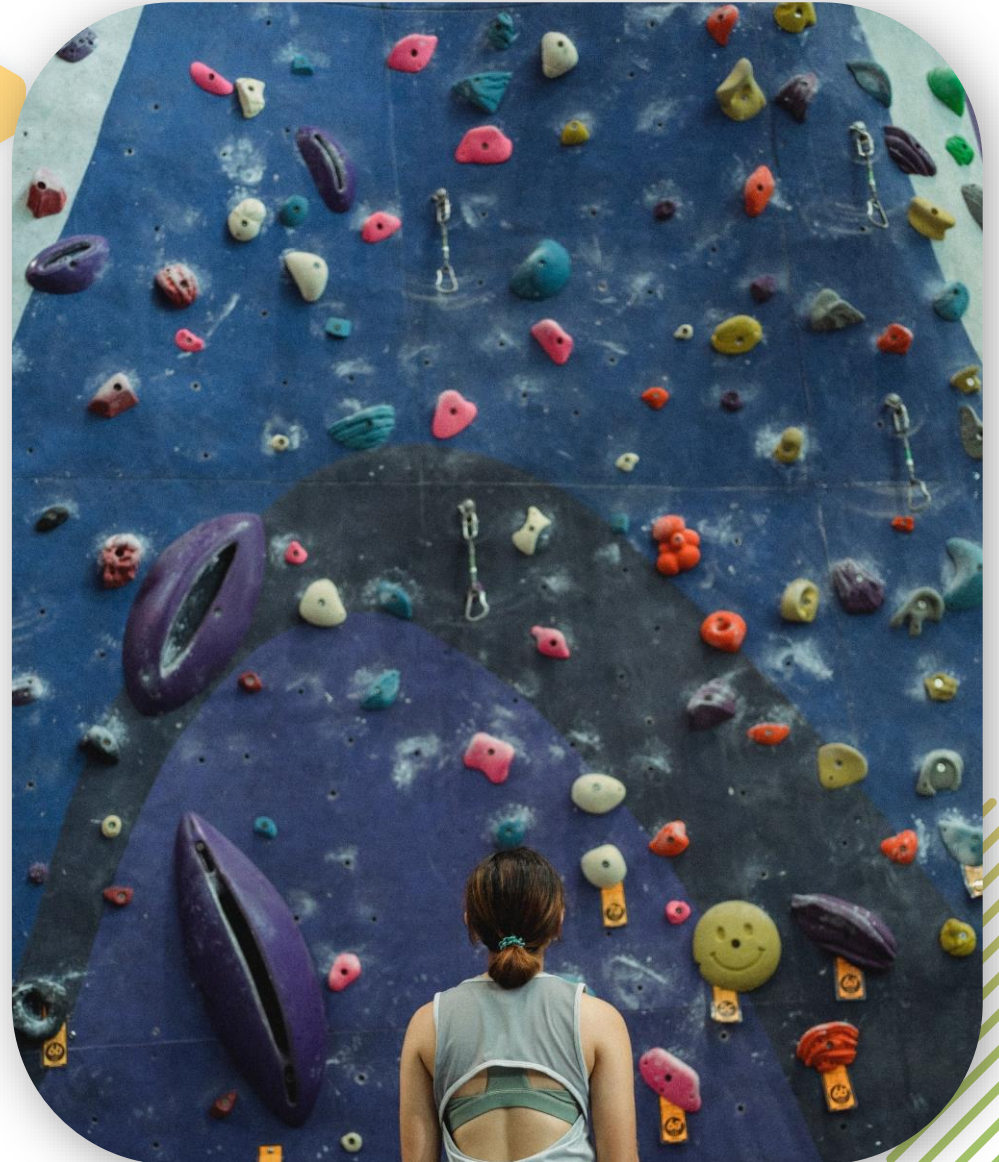
- + Over 55% of fundraisers feel overwhelmed with their workload.
- + Over 40% believe their development department is only occasionally staffed properly, and 30% believe their department is never properly staffed.



Wellness of Nonprofit Teams

Fundraiser Responses

- + 51% of fundraisers think their goals are “mostly” attainable.
- + 57.8% responded they “could use a few additional resources,” and 26.6% answered that they would “need significantly more resources” to meet their goals.



Wellness of Nonprofit Teams

Donor Responses



- + Donors are open to covering administrative costs.
- + 36% of donors have a willingness to cover costs associated with administration.
- + Only 10% were firmly opposed.





Qgiv Recommendations

- + **Educate your supporters on the roles and responsibilities of different staff.** Regular employee spotlights on social, email, etc. can help your supporters understand who the “doers” are behind the incredible work they support.
- + **Promote a mission-forward culture.** Fundraisers said that their nonprofit’s mission is the top factor that lends to their job satisfaction.
- + **Advocate for additional fundraising resources and staff.**



**AFP Compensation
Report**

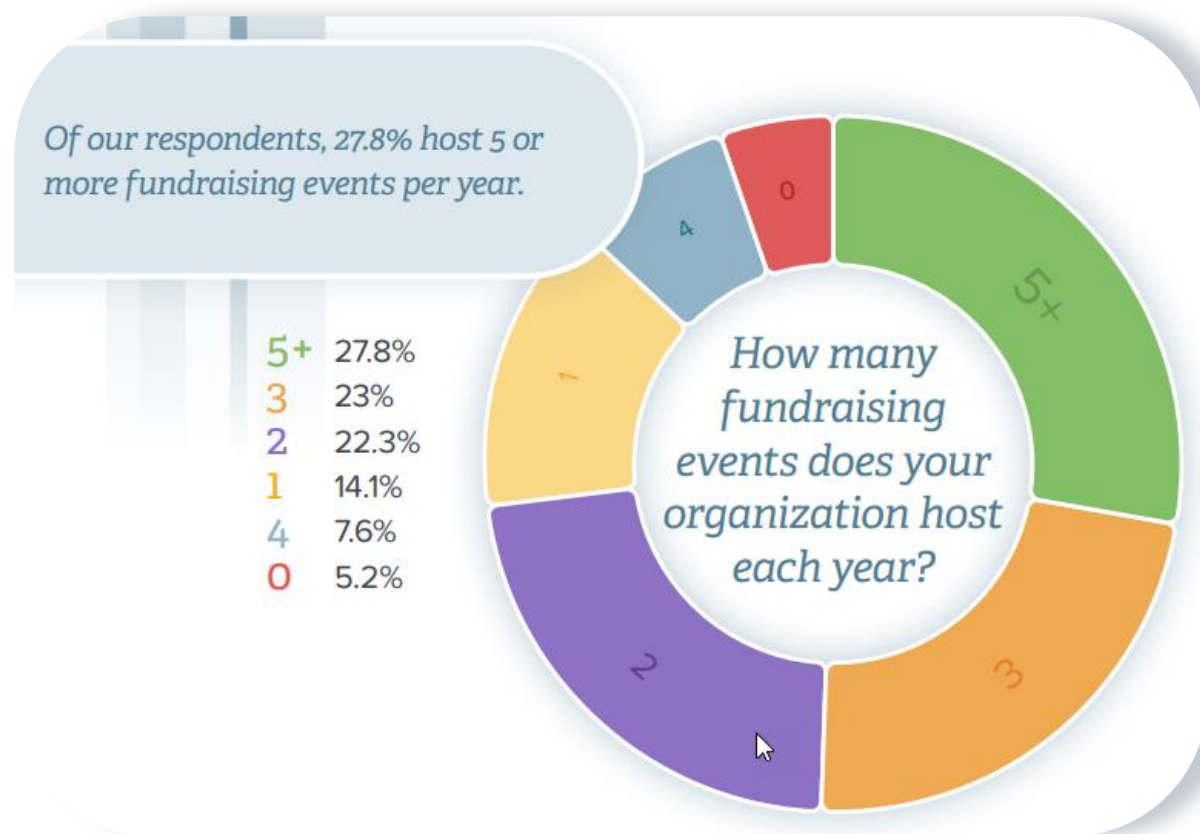
Building Sustainable Streams of Revenue



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Fundraiser Responses

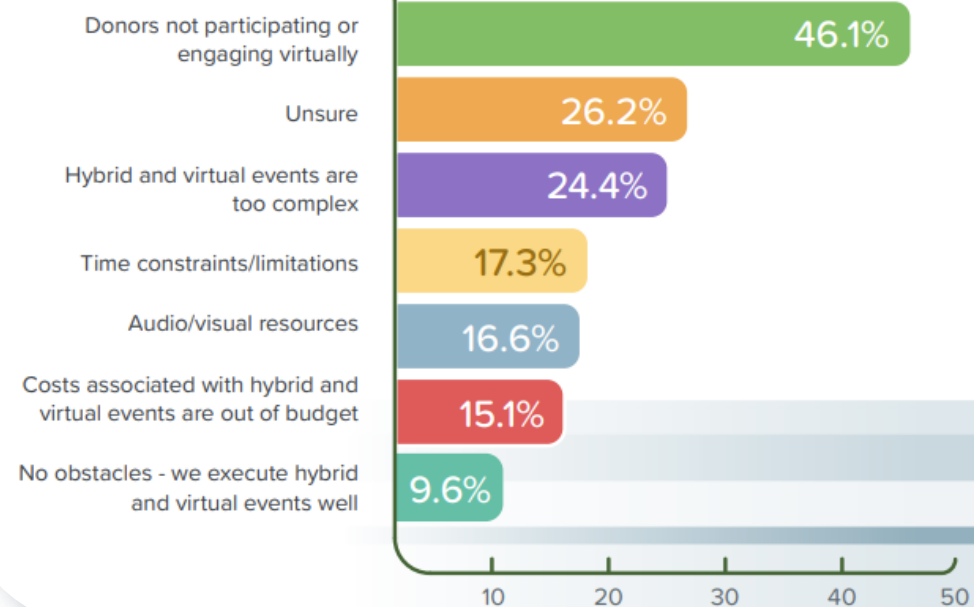
- + 27.8% of respondents host **5 or more fundraising events per year.**
- + Galas, auctions, and peer-to-peer fundraising events are the most popular event styles.
- + Almost all fundraisers solicit sponsorships to support their fundraising event efforts and offer revenue enhancers.



Fundraiser Responses

- + Responses were split for virtual and hybrid events—48% don't host them and 44% do.
- + For those that don't host them,
 - + 46% said their biggest obstacle is the donors not engaging.
 - + 24% said hybrid/virtual events are too complex.

What is your organization's biggest obstacle hosting virtual and hybrid events?

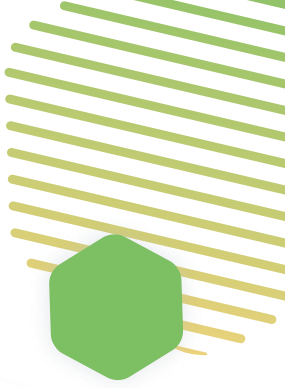
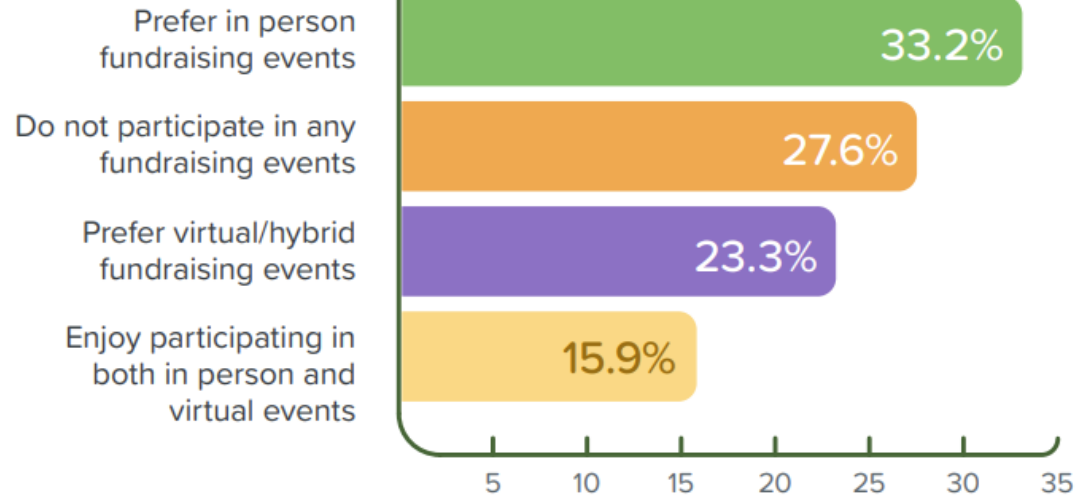


Sustainable Streams of Revenue - Fundraising Events

Donor Responses

- + The most popular event formats among respondents were breakfast/luncheons, races, sporting events, and auctions.
- + **Donors prefer all types of fundraising events.**

Do you prefer to participate in virtual/hybrid events or in-person fundraising events?



Sustainable Streams of Revenue - Fundraising Events

Donor Responses

- + Those that did attend a virtual or hybrid event enjoyed it!
- + The top reasons for expectations being met or exceeded included:
 - + Excellent **storytelling, engaging content, and an excellent auction or raffle.**
- + For those whose expectations weren't met:
 - + 29% believed that video content could have been added or improved upon.
 - + 25% hoped for more engagement.



Fundraising Events

Qgiv Recommendations

- + **Donors are interested in a variety of event types!** Most fundraisers said that their annual events didn't perform as well as in years past. Now is the time to diversify and amplify your event strategy and embrace virtual/hybrid.
- + **Focus on storytelling in your events.**
- + **Continue to solicit sponsorships and provide revenue enhancers to attendees.**

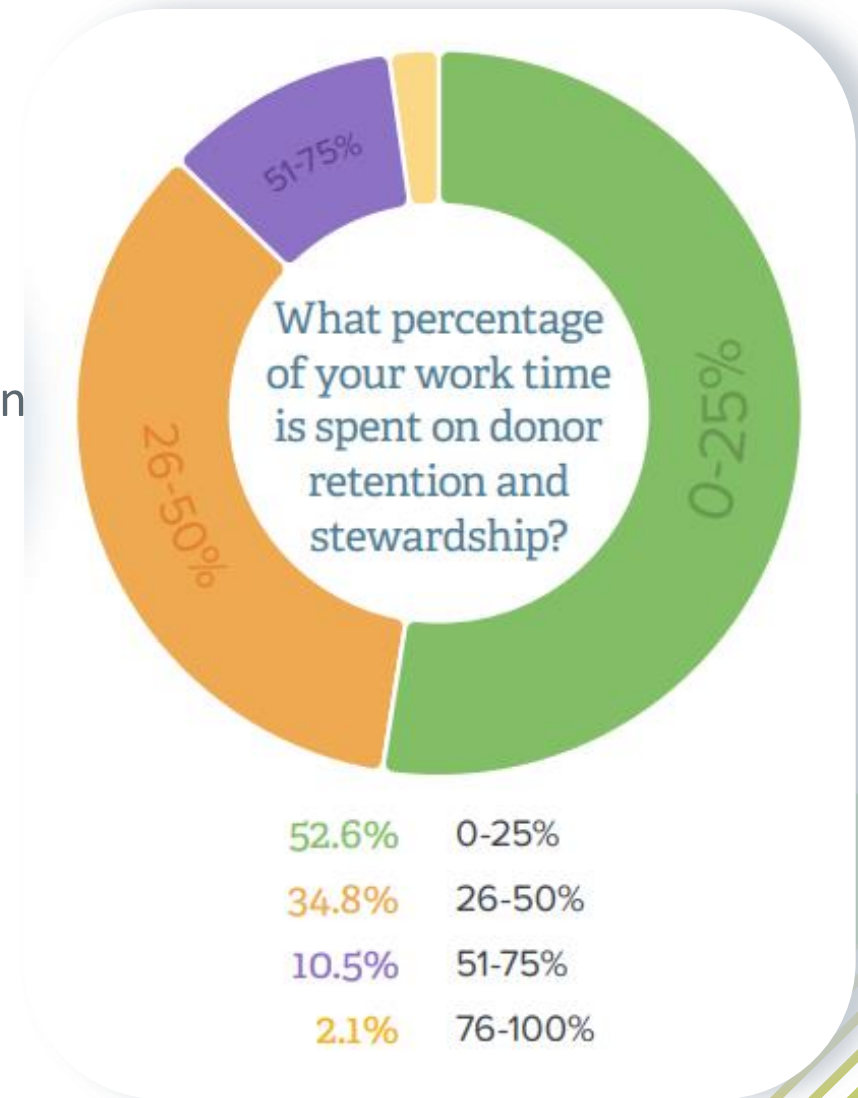


Sustainable Streams of Revenue - Recurring Donations & Retention

Fundraiser Responses



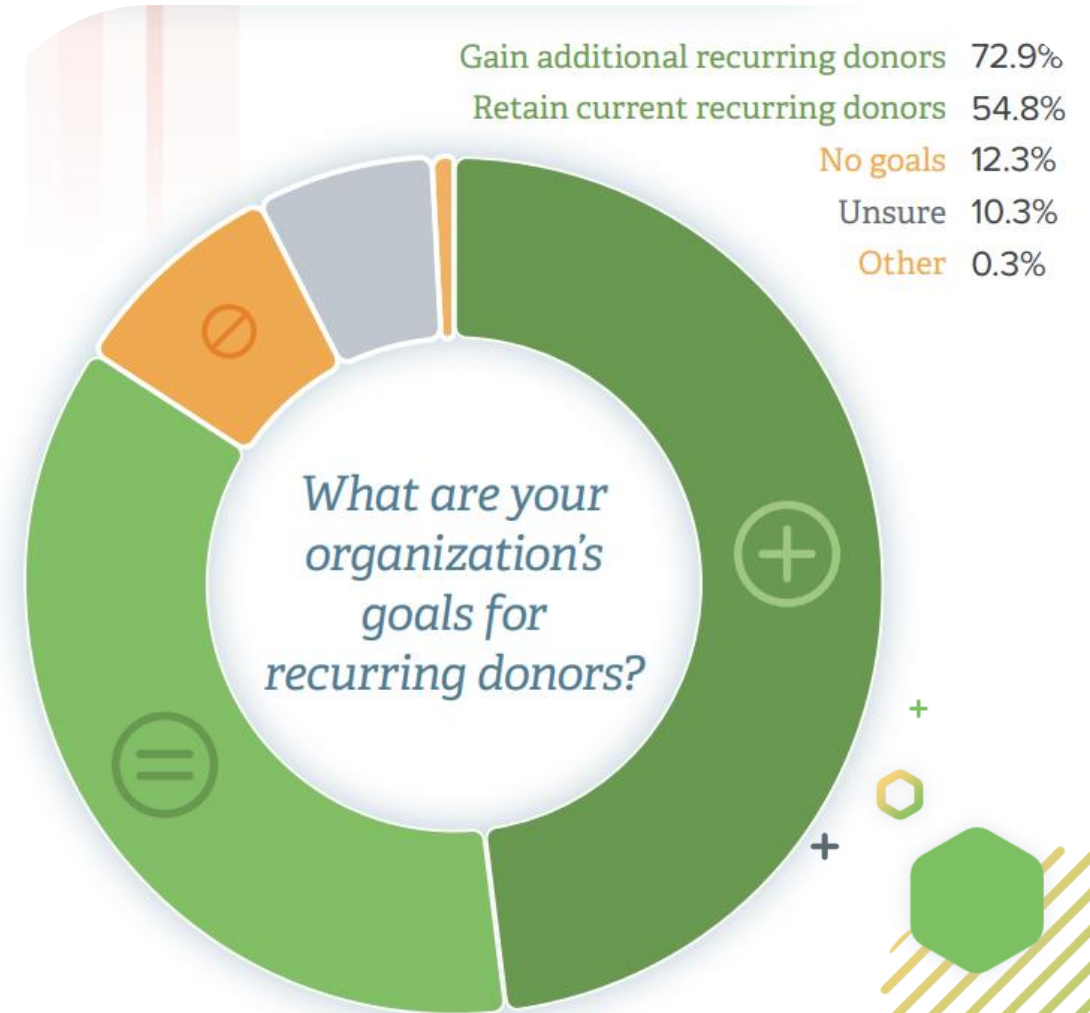
- + Donor retention rate was unknown by many fundraisers—43%!
- + Over 50% of respondents answered that they spend between **0% and 25% of their work time on donor retention and stewardship strategies.**
- + Fundraisers believe more staff, more time, and more knowledge/expertise could increase their donor retention rate.



Sustainable Streams of Revenue - Recurring Donations & Retention

Fundraiser Responses

- + 90% of fundraising respondents answered that they support recurring gifts.
- + Most organizations have a small push for recurring gifts. 50% have some additional fundraising strategies in their annual fundraising plans.
- + Targeted asks and a specific campaign for recurring donors are the most popular tactics to obtain sustaining donors.

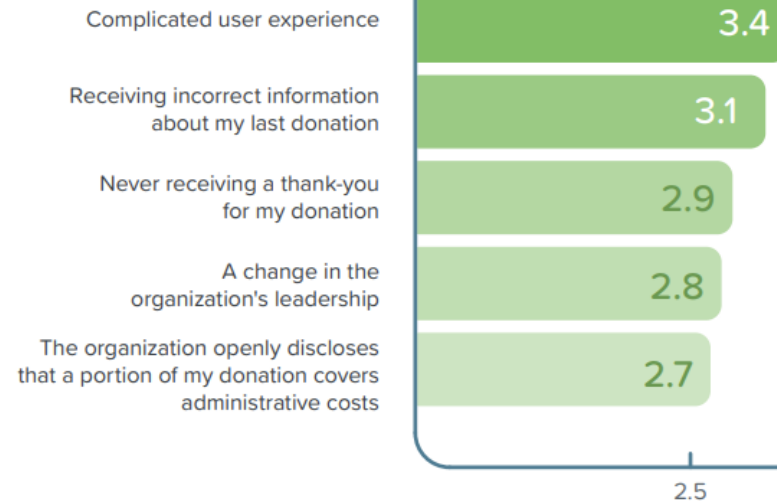




Donor Responses

- + A complicated user experience tops the list for donors stopping their support.
- + Receiving **recognition for their donation** and a **personal thank-you call or email** are the leading factors that contribute to donors making a second gift.

What is the most impactful factor that would convince you to not support or give again to an organization you've previously donated to?



Sustainable Streams of Revenue - Recurring Donations & Retention

Donor Responses

- + Over 80% of donors that responded to the survey would be highly or somewhat likely to make a second gift to an organization after receiving a personalized acknowledgement.



Recurring Donations & Retention

Qgiv Recommendations

- + **Offer giving frequencies beyond monthly.** This is something that can easily be done with your online donation forms or in your fundraising appeals. First-time donors have a retention rate of 23%, while repeat donors have a retention rate of 60%!
- + **Implement strategies to cultivate recurring donors.** Acquiring new donors costs 10-20x more than renewals!
- + Provide additional updates to recurring donors.
- + Understand your donor retention and calculate your donor retention rate.
- + Allocate resources for fundraisers to focus more time on retention.





Panel Discussion



Panel Discussion

- The Sustainable Giving Report covered a lot of trends that impact the overall sustainability of nonprofits and their development departments.
- Is there a particular trend that is especially concerning for the sector long term? Why?



Panel Discussion

- In-person fundraising events and direct mail appeals did not perform as well as years prior according to over half of our respondents.
- What can fundraisers do to "break the cycle" of underperforming appeals and events?



Panel Discussion

- Over 70% of fundraisers have a goal of gaining additional recurring donors.
- When a fundraiser is looking through their database of previous donors, are there any indicators that a donor would be a good candidate for recurring giving?
- What are some outreach strategies for recurring donors?



Panel Discussion

- Our study found that donor outreach strategies have remained largely unchanged while donor numbers have steadily declined year after year.
- How can nonprofits revive their outreach strategies, and is significant change necessary?



Panel Discussion

- According to our research, most fundraisers feel overwhelmed with their workload and that they need additional resources to meet their fundraising goals.
- What advice do you have for fundraisers advocating for themselves or their department needs? Whether that is staff, compensation, resources etc.



Panel Discussion

- Compensation was the second most selected reason for departing the fundraising profession.
- Donors have a willingness to cover the costs associated with administrative fees.
- With these data points in mind, we suggest that fundraisers consider asking their audience to cover administrative costs.
- What are some suggestions to make this decision and obtainable strategies for this suggestion?



Panel Discussion

- Donors' giving abilities and the needs of nonprofits have changed over the last three years.
- What are your recommendations for nonprofits to communicate their highest needs?



Panel Discussion

- 43% of fundraisers were unsure of their donor retention rate, and over 55% would like to spend additional time on retention efforts.
- What role does donor retention play in the overall sustainability of an organization?
- How can fundraisers advocate more resources and time to retention efforts?

Thank you for joining!

For more information, contact:

contactus@qgiv.com | 888-855-9595



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