

Critical Insights About Giving And Givers

Scott Holdman, Pat Traynor, and David Hunnicutt

Charitable giving plays an important role in the lives of most Americans. And for good reason.

To be sure, it's widely known there are a multitude of benefits associated with giving and volunteering. These benefits include, but are not limited to: happiness, well-being, greater life satisfaction, less stress, improved relationships and increased longevity.

Because of the numerous positive individual and collective outcomes related to giving, it should come as no surprise that the number of nonprofits in the U.S. continues to grow at a substantial clip.

With this in mind, the most significant opportunity for nonprofit leaders like you is to attract and retain the right givers who can help to advance your organization's cause. To do this, you'll need to have a firm grasp on the trends concerning who gives and how much they give.

In this article, we've highlighted 22 fascinating fast facts about giving and givers. This information should help you to better understand how your organization can more-appropriately position its cause to capture the attention of those who can help.



22 Fascinating Fast Facts: Giving And Givers

If your ultimate goal is to engage others in advancing your organization's cause, then it only makes sense you'll have to understand who these givers are, how much they give and where you can find them.

Here, then, are 22 fast facts about giving and givers to help you get the job done.

Fascinating Fast Fact #1:

Charitable giving in the United States is common. In fact, four out of five Americans contribute to nonprofits each year.¹

Fascinating Fast Fact #2:

In essence, there are six primary motivations for charitable giving. 1.) repayment—this motivation drives a donor to give to causes or organizations that have directly affected

their life; 2.) association—this motivation drives a donor to give to established, brand name organizations; 3.) high-impact—this motivation drives a donor to give to organizations they feel are making the biggest difference; 4.) faith-based—this motivation drives a donor to give to organizations that fit with their religious beliefs; 5.) locality—this motivation drives a donor to give to organizations working in their cities or local communities and; 6.) personal ties—this motivation drives a donor to give to organizations where they know the leadership or when they are asked by a friend. ¹

Fascinating Fast Fact #3:

Sixty-four percent of all donations are made by women. ²

Fascinating Fast Fact #4:

Though Millennials may not be ready to give larger individual gifts, there is an opportunity to raise more over time. In fact, 52% of Millennials report that they are interested in monthly giving. ³

Fascinating Fast Fact #5:

The 8% of households with over \$1 million in assets account for 50% of all charitable giving. ⁴

Fascinating Fast Fact #6:

As a general rule, retaining and motivating existing donors costs less than acquiring new donors. For most charitable organizations, pursuing strategies for reducing donor and dollar losses is the least expensive strategy for increasing net fundraising gains—especially

AT-A-GLANCE:

Six Motivations For Charitable Giving



#1: Repayment. This motivation drives a donor to give to causes or organizations that have directly affected their life.

#2: Association. This motivation drives a donor to give to established, brand name organizations.

#3: High-Impact. This motivation drives a donor to give to organizations they feel are making the biggest difference.

#4: Faith-Based. This motivation drives a donor to give to organizations that fit with their religious beliefs.

#5: Locality. This motivation drives a donor to give to organizations working in their cities or local communities.

#6: Personal Ties. This motivation drives a donor to give to organizations where they know the leadership or when they are asked by a friend.

—More Money For More Good

for nonprofits that are sustaining losses or achieving only modest net gains in gifts and donors.⁵

Fascinating Fast Fact #7:

The average recurring donor gives 42% more in one year than donors who give one-time gifts.³

Fascinating Fast Fact #8:

Eighty-eight percent of dollars raised comes from 12% of an organization's donors.⁶

Fascinating Fast Fact #9:

Eighty-eight percent of donations go to nonprofits a donor has given to at least once before.¹

Fascinating Fast Fact #10:

More than one-third (33.6%) of overall charitable giving happens in the last three months of the year, with the highest percentage (17.5%) coming in December.⁷

Fascinating Fast Fact #11:

There continues to be a spike in giving during June that happens because of a focus by some nonprofit organizations on end-of-fiscal-year giving.⁷

Fascinating Fast Fact #12:

To double charitable giving in five years requires an average annual rate growth of 14.9%. The 33 year growth rate average is 7.6% (1970-2003).⁵

WORTH ACCESSING:

Five Must-Reads



More Money For More Good

To learn more, log on to: <http://www.guidestar.org/ViewCmsFile.aspx?ContentID=4718>.

2007-2061 US Wealth Transfer: A Golden Era Of Philanthropy

To learn more, log on to: <http://www.wealthtransferreport.com>.

2016 Fundraising Effectiveness Survey Report

To learn more, log on to: <http://afpfep.org/reports/>.

Charitable Giving Report: How Nonprofit Fundraising Performed In 2013

To learn more, log on to: <https://www.blackbaud.com/>.

Online Fundraising Scorecard: A National Study Analyzing Online Fundraising Habits And Donor Experience

To learn more, log on to: <https://www.dunhamandcompany.com/onlinefundraisingscorecard/>.

Fascinating Fast Fact #13:

In 2015, the average donor retention rate was 46%—no change from the 2014 rate. This means that only 46% of 2014 donors made repeat gifts to participating nonprofits in 2015.⁵

Fascinating Fast Fact #14:

In 2015, the average gift and/or dollar retention rate was 48%—no change from the 2014 rate. This means that only 48% of 2014 dollars raised were raised again by participating nonprofits in 2015.⁵

“It is the mark of a truly intelligent person to be moved by statistics.”

—George Bernard Shaw

Fascinating Fast Fact #15:

In 2015, for every 100 donors gained, 96 were lost through attrition.⁵

Fascinating Fast Fact #16:

In 2015, for every \$100 gained, \$91 were lost through attrition.⁵

Fascinating Fast Fact #17:

Most organizations (99%) understand the importance of thanking a donor, but 63% did not offer a donor “next steps” to take.⁸

Fascinating Fast Fact #18:

Fifty-six percent of charitable organizations do not make a single ask in the first 90 days.⁸

Fascinating Fast Fact #19:

Twenty-two percent of organizations do not make it clear to the reader how their donations will be used.⁸

Fascinating Fast Fact #20:

Nearly two-thirds of charitable organizations do not have any type of “next step” for a donor to take after making a charitable contribution.⁸

Fascinating Fast Fact #21:

Seventy-three percent of charitable organizations do not offer any type of “share experience” at the end of the donation process.⁸

Fascinating Fast Fact #22:

The number one reason donors cite for no longer supporting a nonprofit is that they were solicited too frequently.¹

Parting Thoughts

In this article, we’ve highlighted 22 fascinating fast facts about giving and givers. By burning this information into your brain—and then reflecting on the implications—you should be able to generate some useful strategies, tactics and approaches that will better help you advance your organization’s cause. What’s more, by putting these statistics into the hands of your staff, board and volunteers, you should further be able to collectively produce an abundance of ideas and opportunities for even more growth. ●

REFERENCES

1. Ottenhoff, B. and Ulrich, G., et. al. (2012). “More Money For More Good.” Guidestar. Accessed on 10/24/16 via online at <http://www.guidestar.org/ViewCmsFile.aspx?ContentID=4718>.
2. Nonprofit Tech For Good. (2015). “20 Must-Know Fundraising And Social Media Stats.” Nonprofit Tech For Good. Accessed on 10/24/16 via online at <http://www.nptechforgood.com/2015/09/16/20-must-know-fundraising-and-social-media-stats/>.
3. Stein, C. (2014). “Why Recurring Giving Matters.” Network For Good. Accessed on 10/24/16 via online at <https://www.networkforgood.com/nonprofitblog/new-infographic-why-recurring-giving-matters/>.

REFERENCES (CONT.)

4. IMPACT Foundation, Dakota Medical Foundation, Boston College Center, Alex Stern Family Foundation and SEI. (2012). "2007-2061 US Wealth Transfer: A Golden Era Of Philanthropy." Accessed on 10/25/16 via online at <http://www.wealthtransferreport.com>.

5. Levis, B.; Miller, B.; and Williams, C. (2016). "2016 Fundraising Effectiveness Survey Report." Fundraising Effectiveness Project. Accessed on 10/24/16 via online at <http://afpfep.org/reports/>.

6. Crothers, J. (2015). "[INFOGRAPHIC] Major Gift Fundraising By The Numbers." Bloomerang. Accessed on 10/24/16 via online at <https://bloomerang.co/blog/infographic-major-gift-fundraising-by-the-numbers/>.

7. MacLaughlin, S. (2014). "Charitable Giving Report: How Nonprofit Fundraising Performed In 2013." Blackbaud. Accessed on 10/24/16 via online at <https://www.blackbaud.com/>.

8. Dunham+ Company & Next After. (2014). "Online Fundraising Scorecard: A National Study Analyzing Online Fundraising Habits And Donor Experience." Dunham+ Company & Next After. Accessed on 10/24/16 via online at <https://www.dunhamandcompany.com/onlinefundraisingscorecard/>.

ABOUT THE AUTHORS & IMPACT FOUNDATION

Scott Holdman is the Impact Institute's Director of Amazement. He is an innovator in nonprofit fundraising who, through training and coaching, helps charities as they solve complex community challenges.

J. Patrick Traynor is the President of Dakota Medical Foundation. In 2005, Pat led the establishment of Impact Foundation. His visionary leadership has helped to make the Dakota Medical Foundation and Impact Foundation a force for good in North Dakota and western Minnesota.

Dr. David Hunnicutt is the CEO of David Hunnicutt Int'l. He is a sense-maker, simplifier and the arch-enemy of underperforming cultures. Obsessed with helping leaders create breathtaking change, he is inspired to do cool stuff daily.

Impact Foundation offers resources that equip social and businesses entrepreneurs to accomplish their missions. Specifically, the Impact Foundation 1) instructs nonprofit leaders on how to master fundraising and 2) shows businesses how to secure government contracts that deliver capital essential to their bottom lines, growth and job retention.

© Impact Institute 2017