

The background image shows two women wearing face masks and working under a white tent. They are packing brown paper bags with white handles. One woman is holding a box of 'Campbell's Soup' and the other is placing items into a bag. There are many more bags on the ground and stacks of boxes in the background. The image has a blue tint and decorative orange and red circular graphic elements on the left and right sides.

20

# The State of Generosity

*Rethinking Community Engagement in Every Role*

25

# Tim Sarrantonio

- 13+ years in the nonprofit tech industry
- Passionate about empowering folks like you with the resources that allow you to design magical generosity experiences
- Writer, speaker, and brand director with Neon One; father and husband to budding artists and lover of the Adirondacks outside of work
- Chair of the Fundraising Effectiveness Project
- Committed to getting his CNP in 2025



# Parking Lot

Whenever there is a point raised or questions asked that don't directly relate to the subject or session, I'll make a note of it and put it into a "Parking Lot"

You can also jot down your notes and then save them for later if you feel they do apply to the topic.

This is a special Choose Your Own Presentation format, so you'll also get the full deck.







# State of the Nonprofit Sector

- **You've seen the headlines.** According to the Fundraising Effectiveness Project's 2024 Q4 Report, we continue to prioritize affluence over affinity.
- **Trust is at a crisis point.** According to Pew Research Center, only 34% of Americans say most people can be trusted.
- **Scarcity is the default setting.** There are two mindsets that dominate asset planning and both are ultimately rooted in the belief that there's an increasingly small pool of resources.





Part One

# BENCHMARKS

# \$592.50 billion

In 2024, Americans gave \$592.50 billion to charity, growing 6.3% over 2023. When adjusted for inflation, total giving grew by 3.3%.

Donor-advised funds are among the fastest growing forms of giving. Learn more about where grants from DAFs go in the chapter on donor-advised funds.



Four of nine subsectors reached their all time high in 2024, even when adjusted for inflation: **education**; **health**; **arts, culture, and humanities**; and **environment/animals**.

## Where did the generosity come from?

### Contributions by source

By percentage of the total

**66%** \$392.45 billion

### Giving by Individuals

↑ increased 8.2% from 2023

**19%** \$109.81 billion

### Giving by Foundations

↑ increased 2.4% from 2023

**8%** \$45.84 billion

### Giving by Bequest

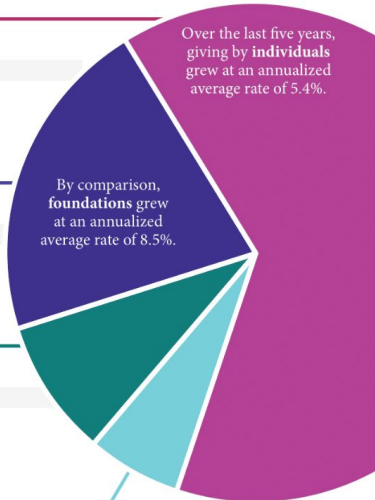
↓ declined 1.6% from 2023

**7%** \$44.40 billion

### Giving by Corporations

↑ increased 9.1% from 2023

\*All figures on this infographic are reported in current dollars unless otherwise noted. The inflation rate in 2024 stood at 2.9%, and results may differ when adjusted for inflation. Learn more in the chapters.



## Where did the charitable dollars go?

### Contributions by destination

percentage of the total contributions\*

↑ 1.9%		\$146.54 billion to <b>Religion</b>	23%
↑ 5.0%		\$91.15 billion to <b>Human Services</b>	14%
↑ 13.2%		\$88.32 billion to <b>Education</b>	14%
↑ 3.5%		\$71.92 billion to <b>Foundations</b>	11%
↑ 19.5%		\$66.84 billion to <b>Public-Society Benefit</b>	11%
↑ 5.0%		\$60.51 billion to <b>Health</b>	10%
↑ 17.7%		\$35.54 billion to <b>International Affairs</b>	6%
↑ 9.5%		\$25.13 billion to <b>Arts, Culture, and Humanities</b>	4%
↑ 7.7%		\$21.57 billion to <b>Environment/Animals</b>	3%
↓ 11.9%		\$23.59 billion to <b>Individuals</b>	4%

→ change in comparison to total raised in 2023

\*Percentages for recipient categories are calculated using the sum of recipients, which can differ from total giving for any given year. This difference is called unallocated giving, and totaled -\$38.60 billion in 2024.



Giving USA Foundation™, The Giving Institute, and the Indiana University Lilly Family School of Philanthropy are pleased to continue their partnership in providing the most comprehensive, longest-running, and most rigorously researched resource on U.S. charitable giving, *Giving USA: The Annual Report on Philanthropy*. It is a privilege to report on Americans' generosity and related historical trends on U.S. charitable giving.



Visit [givingusa.org](https://givingusa.org)

# Fundraising Effectiveness Project (FEP)

## Mission

The mission of the Fundraising Effectiveness Project is to provide trusted data insights that enable fundraisers to improve their outcomes.

## Vision

Fundraising Effectiveness Project envisions a sector where actionable data insights guide every fundraiser's decisions to increase generosity.

## Partners:



## Q4 Report Topline Metrics



DONORS

-4.5%



DOLLARS

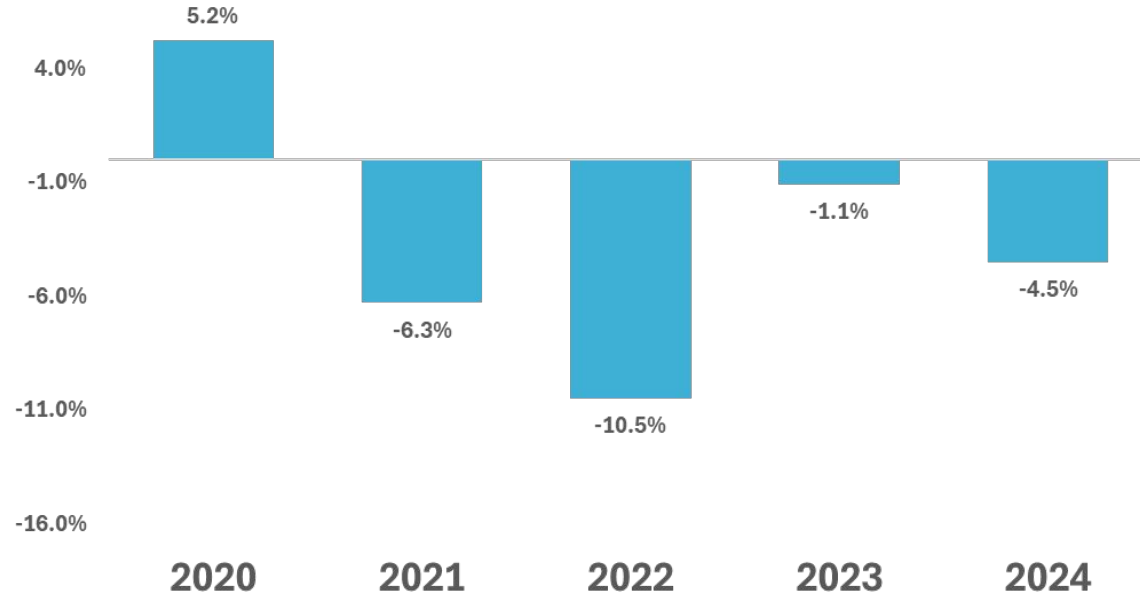
+3.5%



RETENTION

-2.6%

# Donor “Growth”



# Donor Size



**MICRO**  
(\$1 - \$100)

**-8.8%**  
YOY Change

**50.8%**  
% of total donors



**SMALL**  
(\$101 - \$500)

**-4.0%**  
YOY Change

**30.3%**  
% of total donors



**MIDSIZE**  
(\$501 - \$5K)

**-1.2%**  
YOY Change

**15.8%**  
% of total donors



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

**+0.9%**  
YOY Change

**2.7%**  
% of total donors



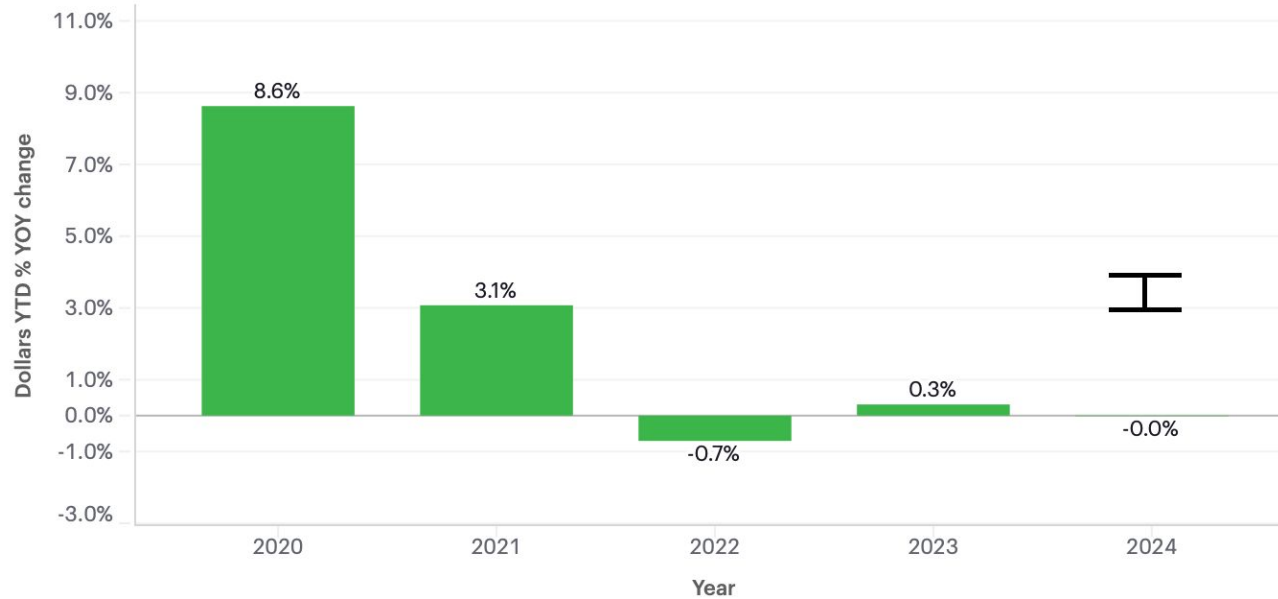
**SUPERSIZE**  
(\$50K+)

**+2.6%**  
YOY Change

**0.4%**  
% of total donors

# Dollars Growth

Dollars (Yearly)



# Dollars by Donor Size



## MICRO

(\$1 - \$100)

-8.9%

YOY Change

1.6%

% of total dollars



## SMALL

(\$101 - \$500)

-4.3%

YOY Change

4.8%

% of total dollars



## MIDSIZE

(\$501 - \$5K)

-0.7%

YOY Change

16.0%

% of total dollars



## MAJOR

(\$5K - \$50K)

+0.9%

YOY Change

25.2%

% of total dollars



## SUPERSIZE

(\$50K+)

+0.5%

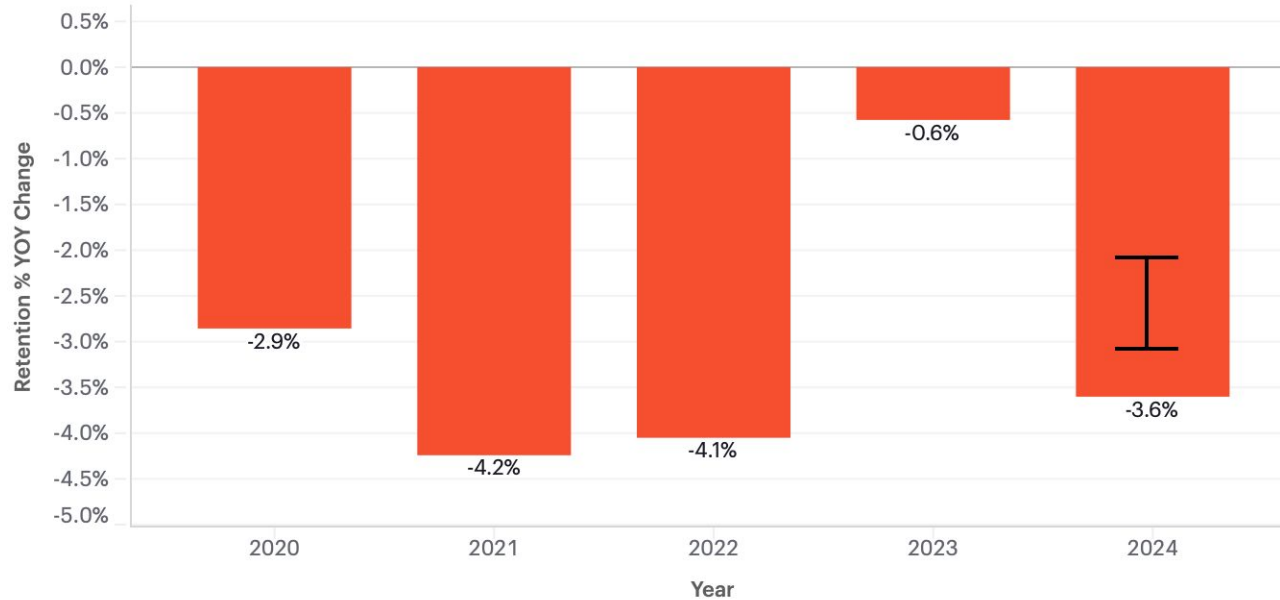
YOY Change

52.5%

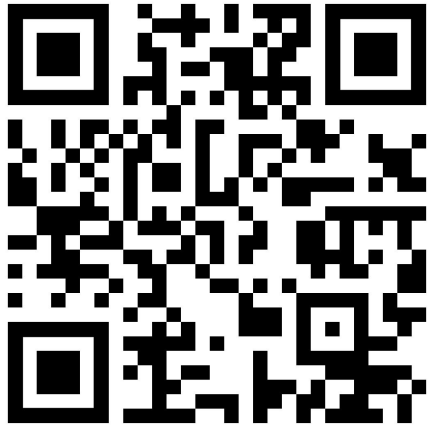
% of total dollars

# Retention Growth

Retention (Yearly)



# We need your voice



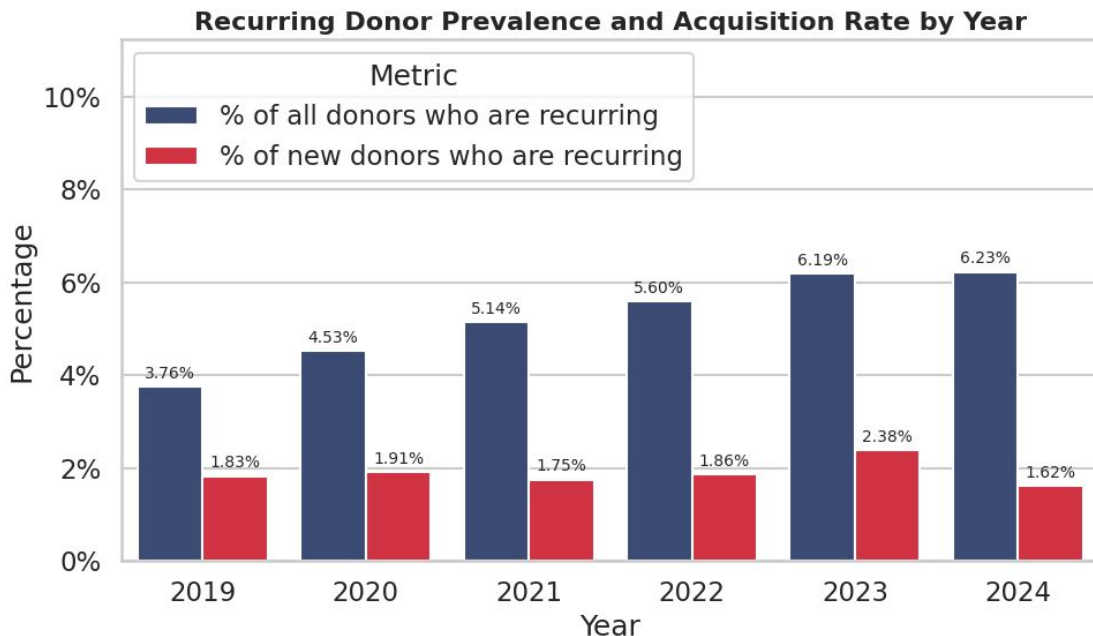
We want to hear directly from you. Scan this QR code to take a 5-minute survey that will help shape the future of fundraising research and strategy. Your voice is essential to making this effort truly representative.



Part Two

# OPPORTUNITY

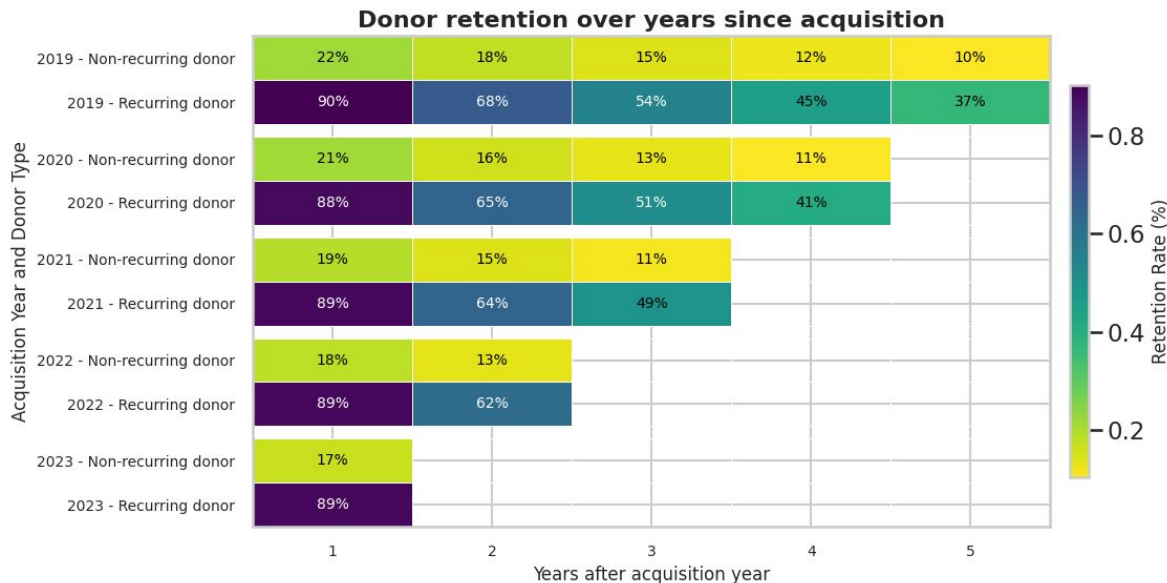
# Current Rates of Recurring Giving



- The percent of donors giving on a recurring schedule has increased and is now around 6%.
- The percent of new donors acquired as recurring is under 2% and has remained relatively static.



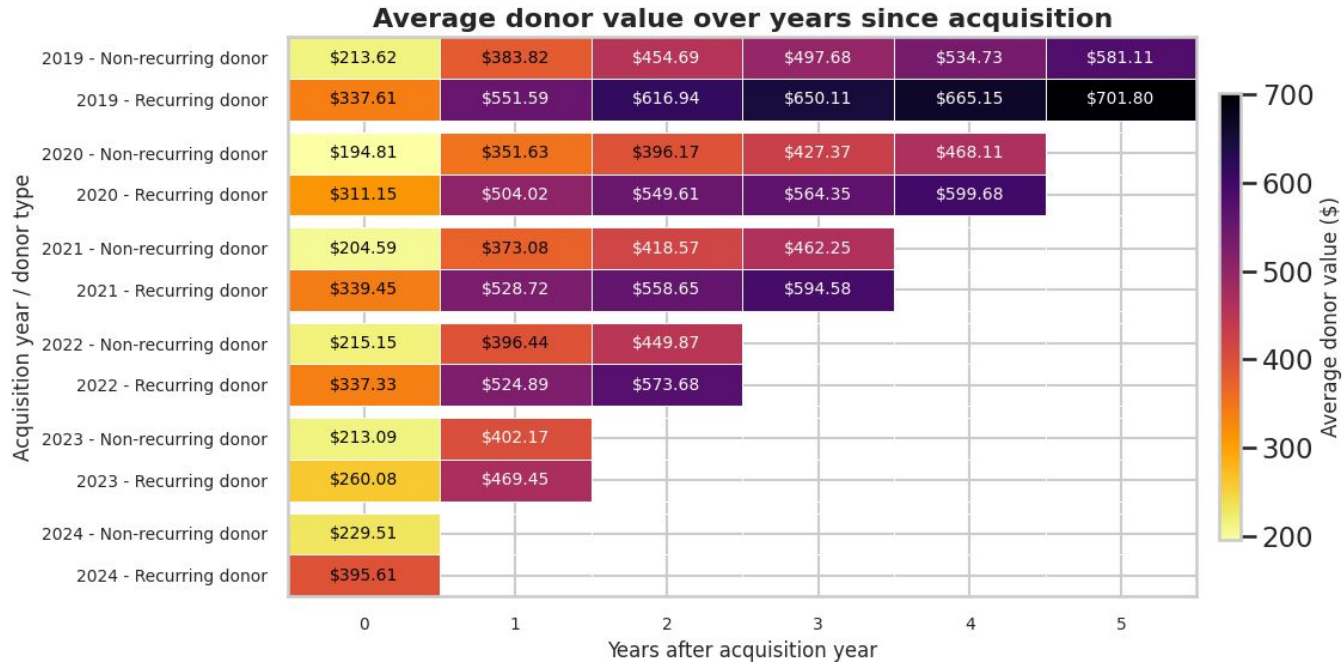
# Retention Over Time



- Recurring donors are retained at much higher rates.
- One year after acquisition, 90% of new recurring donors are retained compared to just 20% of new non-recurring donors.



# Average Donor Value



→ Recurring donors have a higher average donor value than non recurring donors.



# Meet Your Everyday Donors

To understand how people support their favorite causes, we built a panel of 99,522 “everyday donors”—the 96.9% of people who gives  $\leq \$5,000$  annually—and looked at the different ways they supported their favorite causes between January 1, 2020 and December 31, 2024. Then we explored:



**Multi-year  
donors**



**Multi-org  
donors**



**Planners**



**Members**



**Connectors**

# How did people behave when they...

- ★ Donated for multiple years?
- ★ Supported multiple nonprofits?
- ★ Set up recurring gifts?
- ★ Created pledges?
- ★ Purchased memberships?
- ★ Registered for events?
- ★ Volunteered?
- ★ Participated in peer-to-peer campaigns?



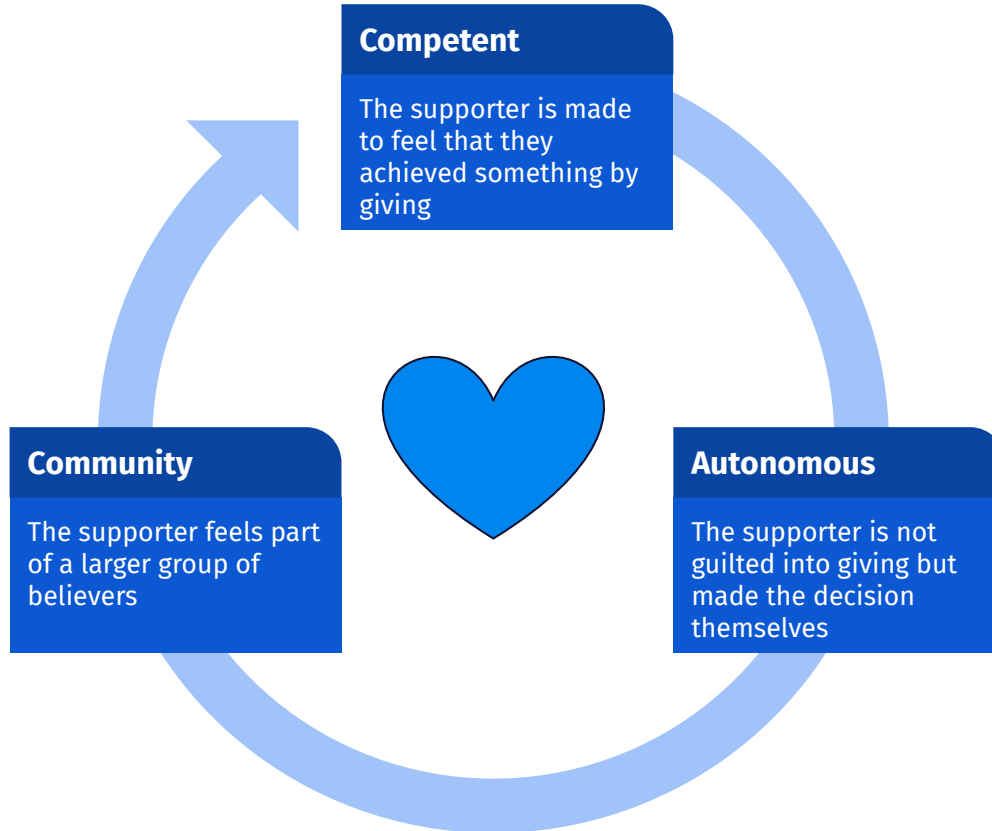


Part Three

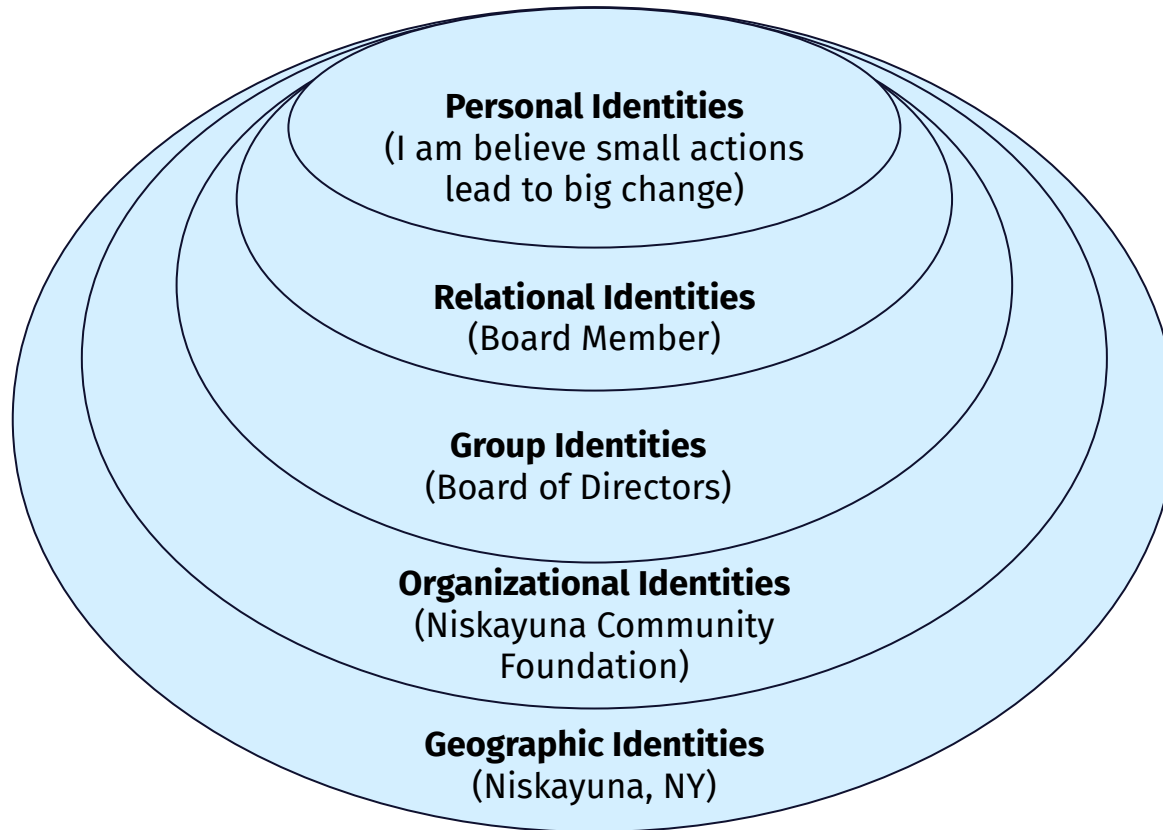
# MINDSET SHIFT



# What establishes connection?



# What builds the strongest trust?



**Moral Identity**  
(I am a kind and caring person)



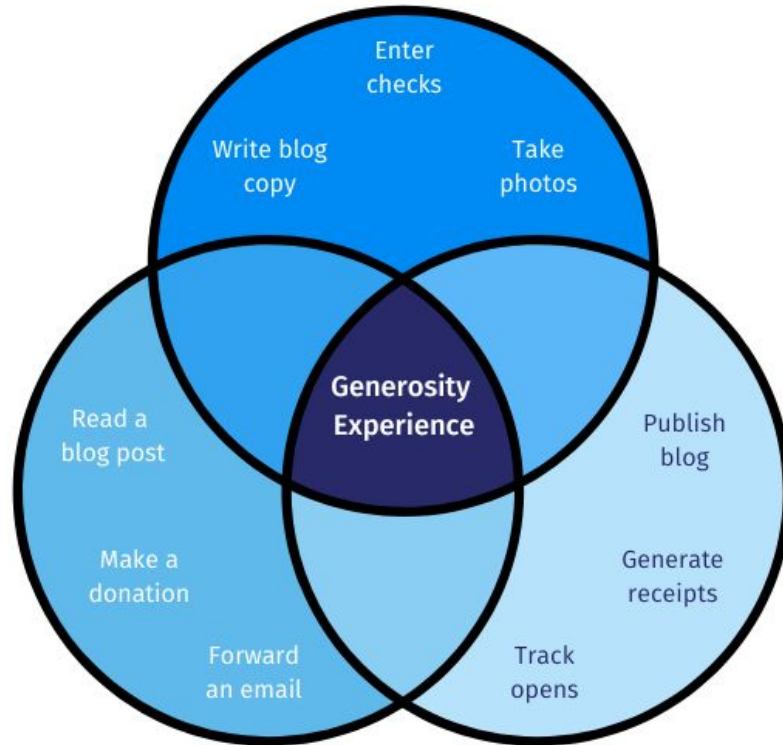
# Most of our tech is designed for this:



Staff

Supporters

Technology





Meet your

# Multi-Year Donors

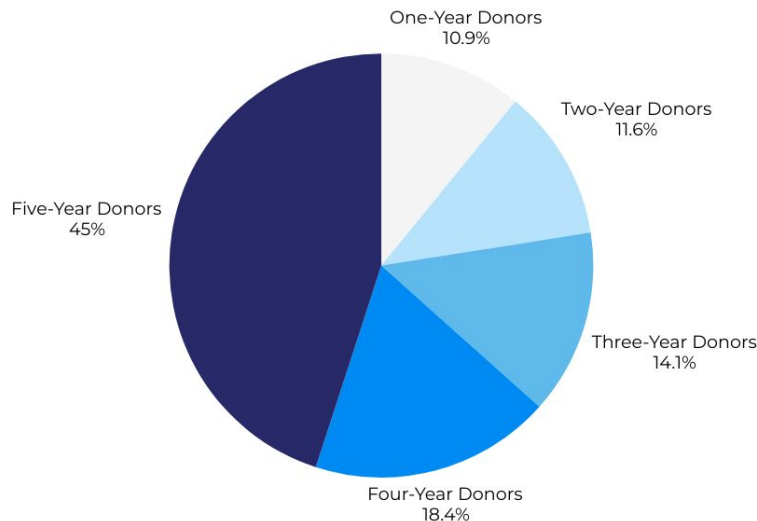


# Multi-Year Donors

The number of people who actively supported nonprofits decreased as time went on. But those smaller cohorts donated more money over five years. Of our panel...

- ★ 11.7% gave during all five years
- ★ 9.9% gave during four years
- ★ 32.3% gave during three years
- ★ 46.1% gave during one year

Total Dollars Donated from 2020-2024



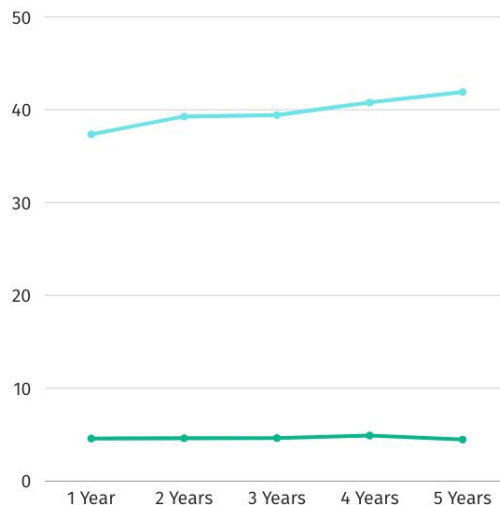
# Engagement Grows Over Time

In *The Nonprofit Email Report*, we found that nonprofits generally saw open rates of 28.59%. The donors in our panel opened emails at much higher rates, and they became slightly more inclined to open them over time.

- ★ Five-year donors had an average email open rate of **41.91%**
- ★ Email engagement **increased with each year of giving**, from 37.26% (1-year) to 41.91% (5-year).

But wait, there's more!

Email Engagement + Active Years



● Open Rate

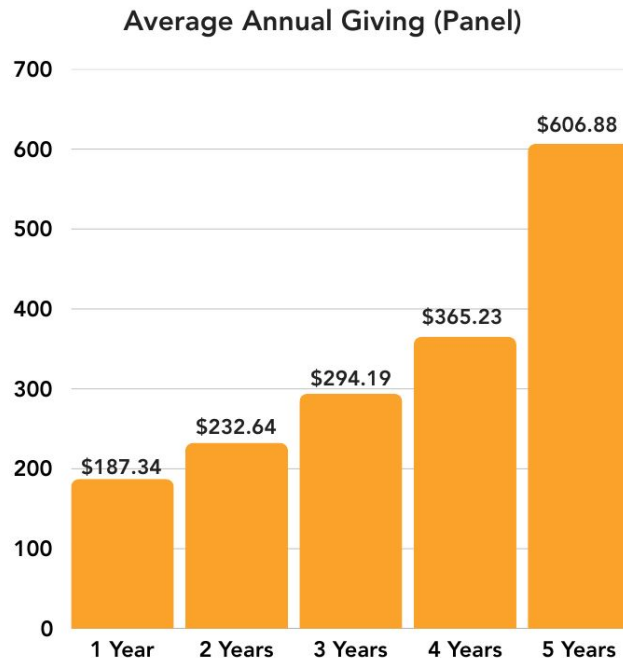
● Click-Through Rate

## Multi-Year Donors

This isn't just because they had a higher volume of donors. Their average annual giving\* went up every year, too.

Initial donations for everyone were generally under \$200.

Donor retention is important! People are more than stable supporters—they tend to increase their giving over time.





Meet your

# Multi-Org Donors



## Single-Org Supporters

**70.25%**  
of the panel

**59%**  
of all transactions

**49.8%**  
of revenue

## Multi-Org Supporters

**29.75%**  
of the panel

**40.6%**  
of all transactions

**50.2%**  
of revenue



## Multi-Org Donors

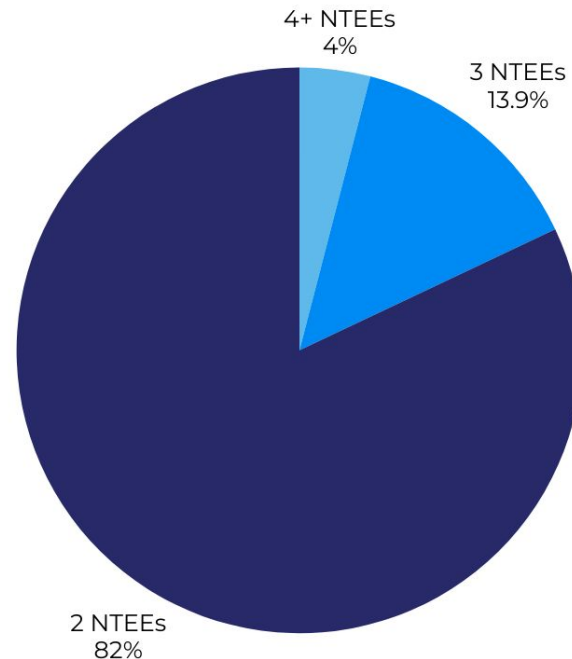
Of the people who supported multiple nonprofits, most (59.64%) gave to a single cause categories. The remaining 40.36% gave to more than one.

Of *those* people:

- ★ 82% gave to two causes
- ★ 13.9% gave to three causes
- ★ Around 4% gave to four or more causes (the most was 12!)

This is a sign that most are motivated by a deep affinity to a particular cause/causes

Multi-Cause Donor Breakdown

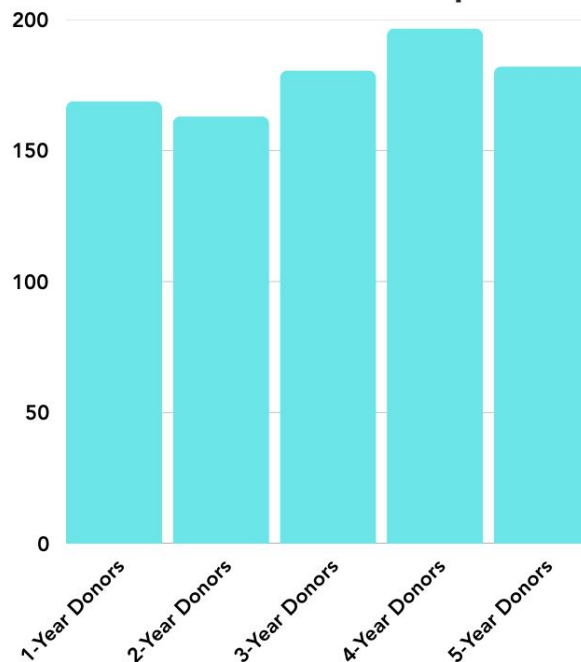


# More emails ≠ more generosity

Multi-organization donors are the most intriguing and newest type of insight since we don't often hear about how they may think differently about generosity.

- ★ Multi-org donors gave more overall than single-org donors—but they actually received **fewer emails** (55 vs. 59 over five years) and were enrolled in fewer automations (7 vs. 9).
- ★ **More emails didn't drive more giving**—quality and relevance mattered more than frequency.

Email + Direct Mail Frequencies



# What Does This Mean?

This reiterates a years-old talking point: retaining your donors is the best way to grow your impact.

**Focus on retention**—and that means retention for *everybody*, regardless of their gift size.

And think beyond retention! People are willing to increase their financial gifts and get involved in other ways. How will you ask them to do so?



Check out our  
podcast!



Volunteer Upgrades with Laura Block

Interview with Eric Guzman

Nonprofit Hotline - Tech Tips!



# Choose Your Own Presentation

We have 45 minutes total, so I want to try something a bit different today.

You get to choose what we drill into next more deeply. I'll then shift into live Q&A around that segment.

- ★ Planners
- ★ Members
- ★ Connectors





Meet your  
**Planners**



## Planners (“Planned Giving” already means something else!)

In our study, people in this group are those who obviously plan their giving in advance. This cohort includes:

- ★ People who make recurring gifts
- ★ People who pledge money

They have a lot in common!



## **Recurring Donors**

**2.90%**

of the panel

Both gave above panel  
benchmarks

**8.97%**

were also  
pledgemakers

## **Pledge- makers**

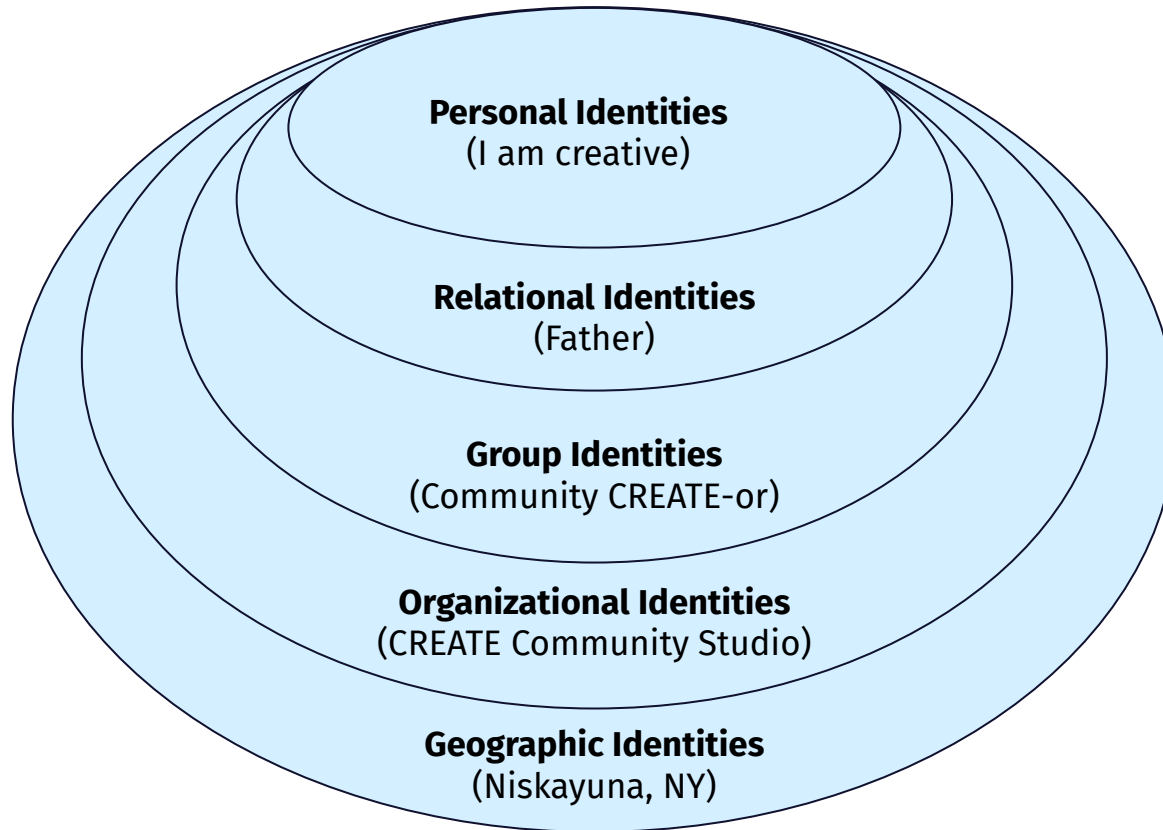
**3.62%**

of the panel

**7.22%**  
also made a  
recurring gift



# Identity-Centric Audience Development



**Moral Identity**  
(I am a kind and caring person)



# Sample Motivational Characteristics



## **Benefit**

To ensure personal enjoyment by funding an arts program



## **Reputation**

To network with like-minded people



## **Narrative**

To help a cause that has affected you personally



## **Local**

To foster a thriving community where you live



## **Global**

To fight inequalities wherever they may occur



## Understand **why** they give

We used AI to conduct a textual analysis of around **13,000 notes from donors** as they initiated their recurring donations.

Sentiments in those notes fell into two categories: **emotions and identities.**

# Understand **why** they give

Common **emotional sentiments** included:

**Gratitude** for the nonprofit's work

**Love** for the organization or people

Desire to **honor or remember** someone

**Being inspired** by the nonprofit's work



# Understand **why** they give

Common **identity-based notes**  
included references to:

 Ability

 Race

 Age

 Religion

 Ethnicity

 Sexual Orientation

 Gender

 Socioeconomic  
Status

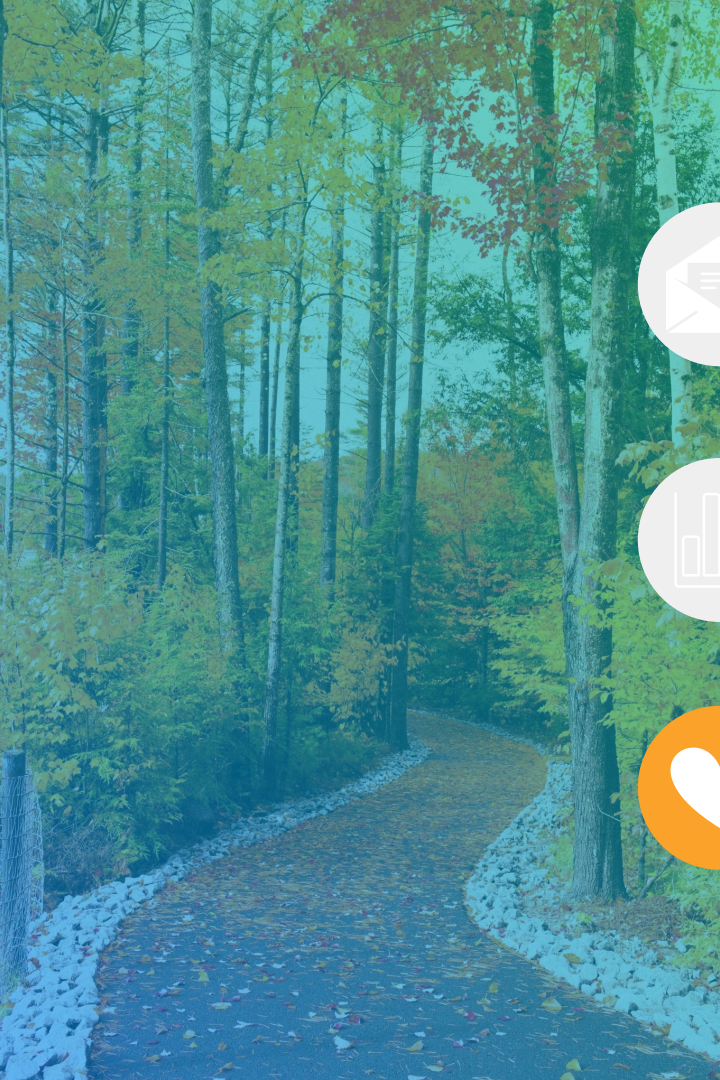


# What can you do with this?

Use technology to **gain deep insight** into why your recurring donors support you the way they do. You can try:

**01 |** Inviting your donors to **leave a note** during the donation process

**02 |** **Sending a survey** and inviting them to share their motivations and desires



# What can you do with this?

Recurring donors give because **they are emotionally invested** in your work. Their gift is connected to **who they are and what they value**. In future appeals:

**01 |** Use language that **taps into donors' emotions** and **speaks to their identity**

**02 |** Reinforce the connection between **your donor and your work**

# Let's Get Into Questions





Meet your  
**Members**



# Members

In our study, this is a group that has had a membership with an organization at some point in time.

12.79% of the people in our panel fall into this group, and they were well-represented in every other cohort.



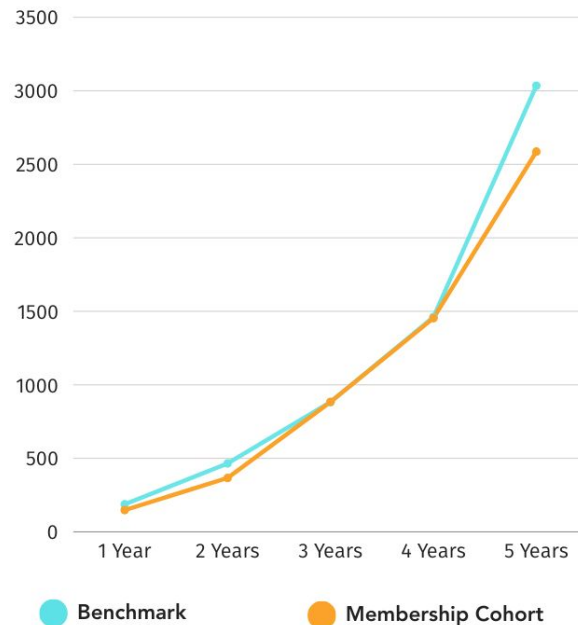
# Members

Members are generally a pretty stable group and stay engaged for longer periods of time than donors. But they generally gave at or below the benchmarks set by the rest of the panel.

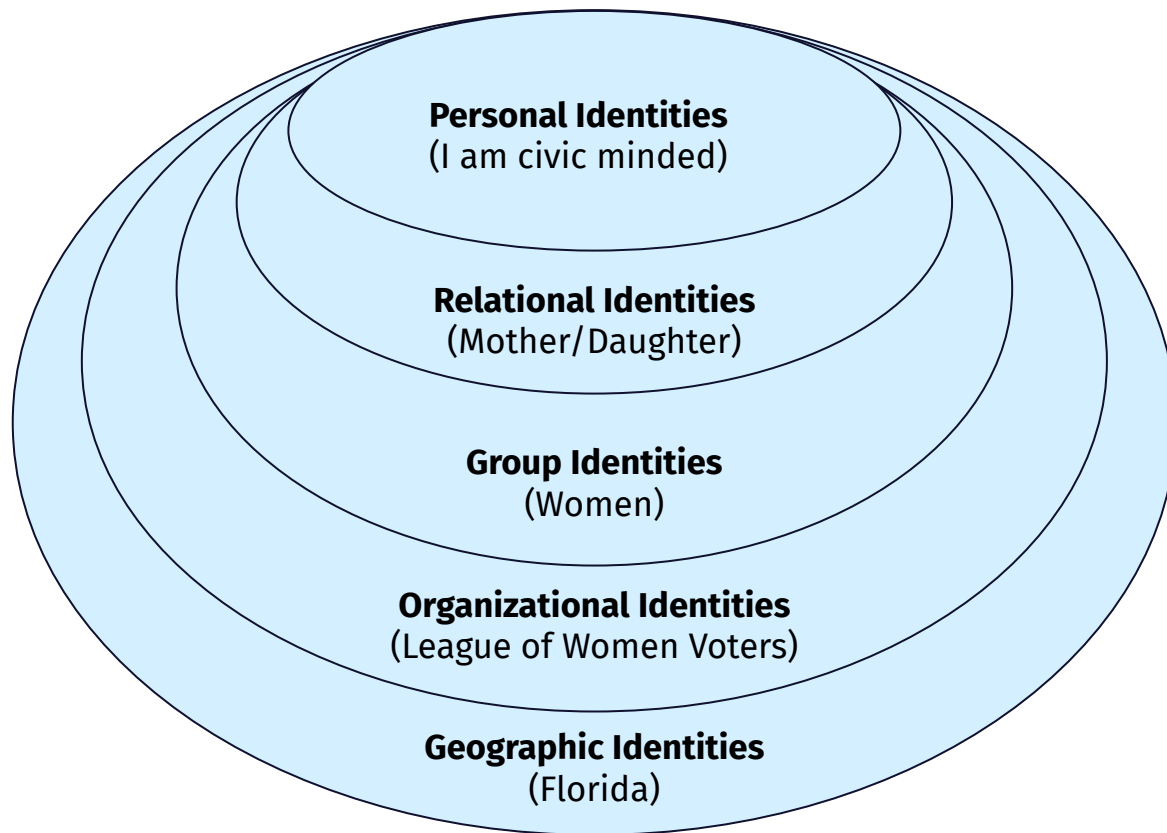
Why?

Part of it could be that purchasing a membership is more transactional than donating. It's a different kind of relationship!

Average Membership Giving: Cumulative



# Identity-Centric Audience Development



**Moral Identity**  
(I am a kind and caring person)



# Sample Motivational Characteristics



## **Benefit**

To ensure personal enjoyment by funding an arts program



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**02 |** Reinforce the connection between **your donor and your work**

# Let's Get Into Questions





Meet your

# Connectors



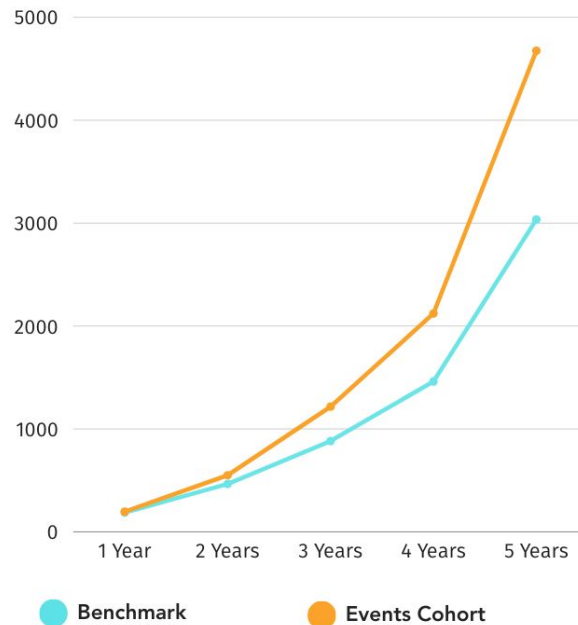
## Event Registrants

This was the largest group of supporters—18.20% of our panel had registered for an event.

Do generous people attend events, or does attending events make someone more generous?

We may never know—but there's a strong correlation between event participation and increased giving.

Average Event-Goer Giving: Cumulative



# Volunteers

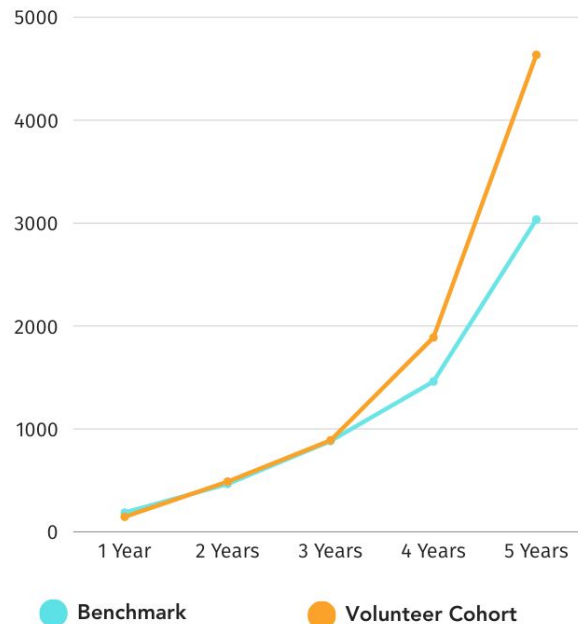
Our panel included 3,729 people who had a history of volunteering—that's 3.75% of our panel.

This group of supporters generally gave at benchmark levels for three(ish) years, then accelerated their financial gifts in years four and five.

If you're not intentionally building volunteer retention plans, now's the time to start!

Fun fact: there was a *lot* of overlap between this group and peer-to-peer participants!

Average Volunteer Giving: Cumulative



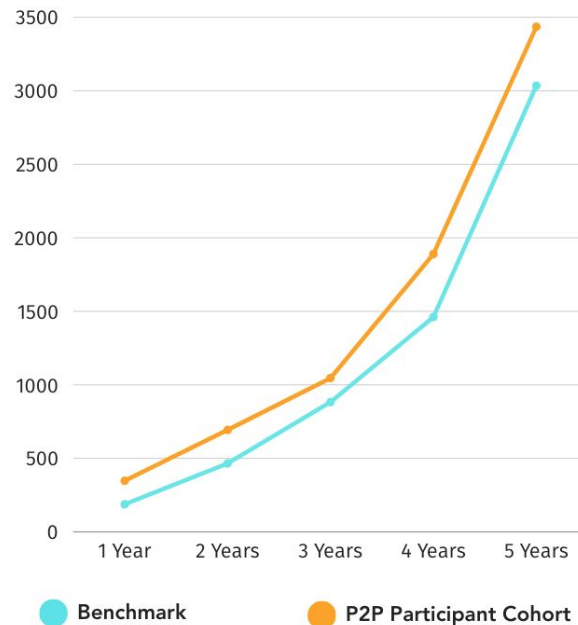
## Peer-to-Peer Participants

This was the smallest cohort in the study. 1,477 people (1.48% of our panel) had participated in a peer-to-peer campaign.

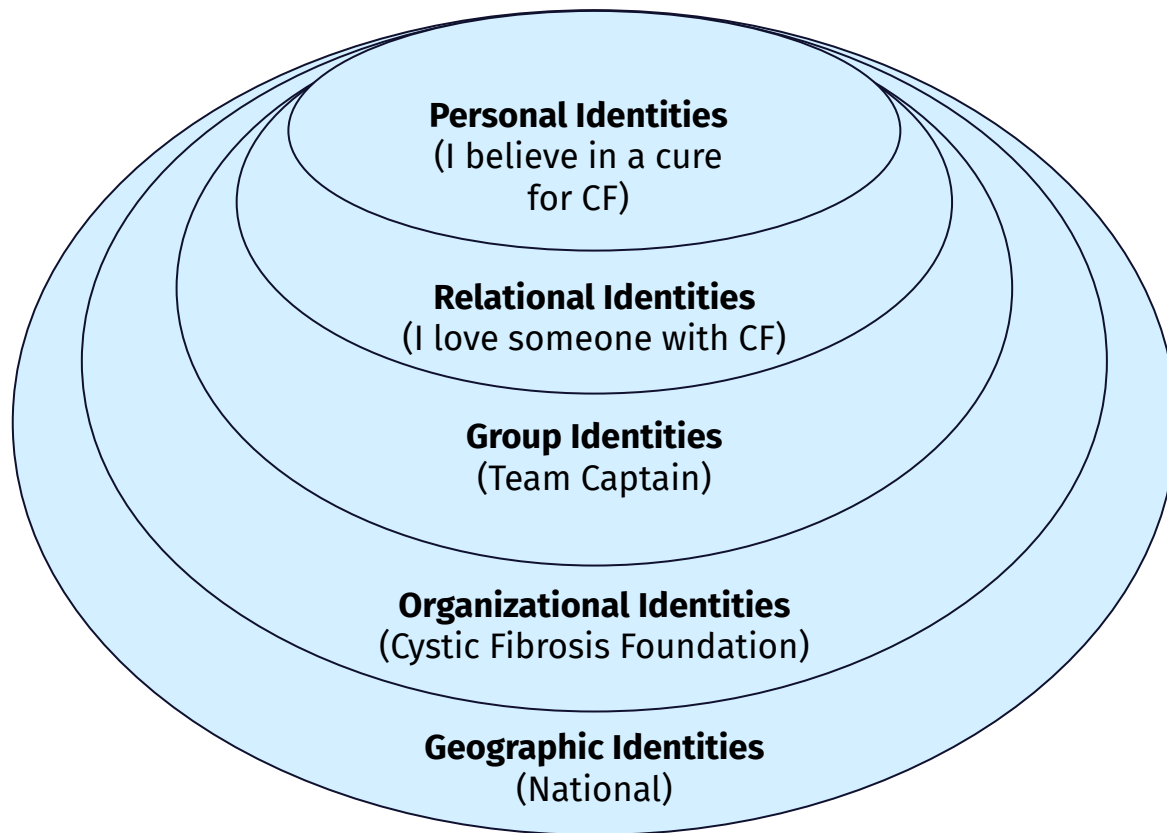
Peer-to-peer participants tended to give above panel averages, but their annual giving\* remained pretty static for the first three years they were engaged.

This is a sign that there could be room to improve participant retention and stewardship. Especially if they're volunteering, too!

Average P2P Participant Giving: Cumulative



# Identity-Centric Audience Development



**Moral Identity**  
(I am a kind and caring person)



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✉️ Age

✉️ Ethnicity

✉️ Gender

✉️ Race

✉️ Religion

✉️ Sexual Orientation

✉️ Socioeconomic  
Status

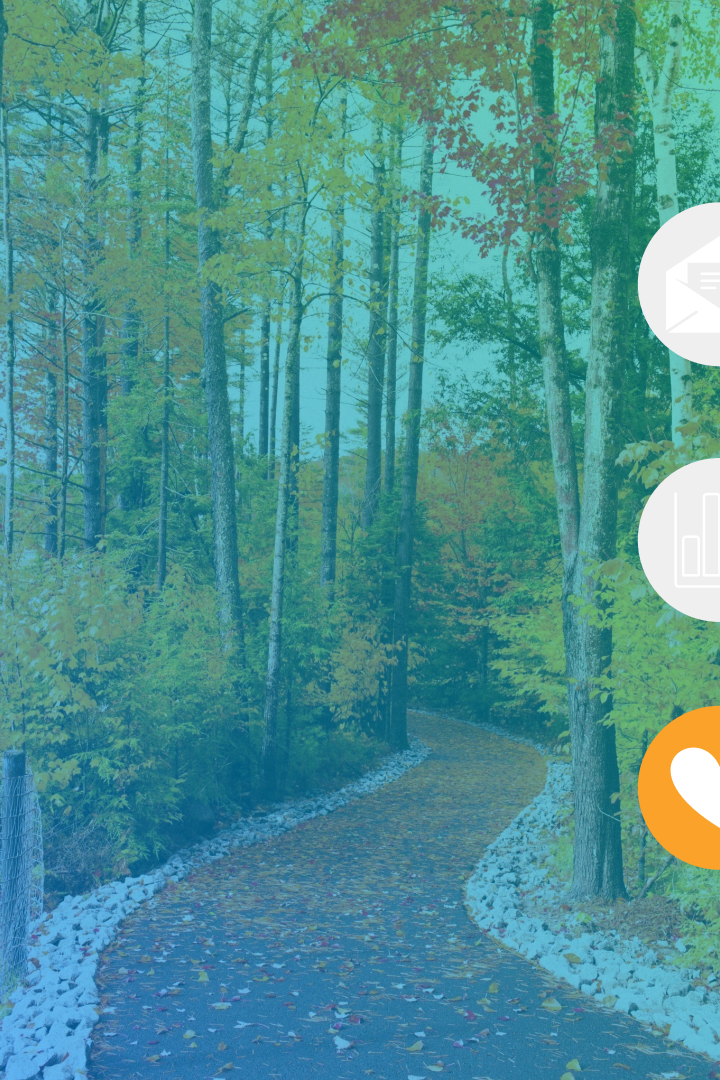


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**02 |** Reinforce the connection between **your donor and your work**

# Let's Get Into Questions





Let's end with something

BEAUTIFUL

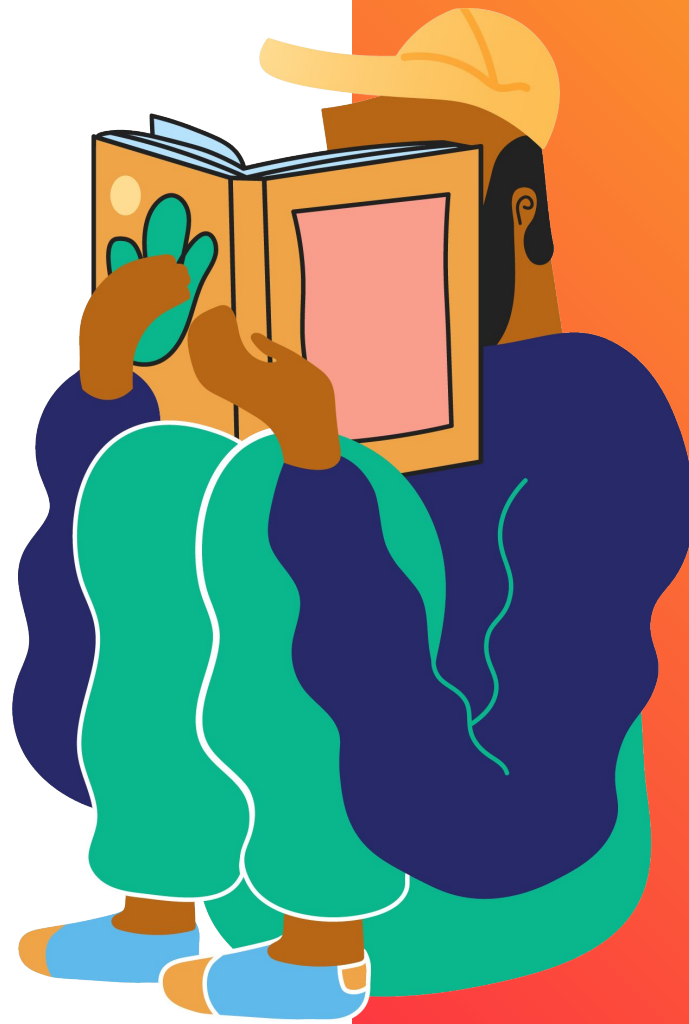
# People Are *Even More* Generous

The data we included in this report tells a story about how generosity grows. But it only tells part of that story. It doesn't include:

- ★ People whose activities are in other systems or platforms
- ★ Supporters who gave in some ways but didn't make formal donations
- ★ Information about less tangible things, like petitions, word of mouth, referrals, advocacy, and more.



# The Generosity Report





Thank you,  
Nonprofit  
Leadership Alliance!