

**DMAW**

Direct Marketing Association of Washington  
Lunch & Learn | Thursday, May 19, 2022  
SEIU | Washington, DC

**Nonprofit  
Industry  
Report  
for 2021**



**BENCHMARK**

# Welcome & Opening Remarks



**Polly Papsadore**

**Senior Vice President of Business  
Strategy**

**Production Management Group**



# Young Professionals Happy Hour & *Speed Networking*

Wednesday, June 1, 2022 | 6:00 PM - 8:00 PM  
City Tap House Dupont, Washington, DC

Register today!



YOUNG PROFESSIONALS

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2022

# Digital Day Forum



**Wednesday, June 29, 2022 | 8:30 am – 6:35 pm** *(Happy Hour included!)*

**Register Today!**



**17<sup>th</sup> Annual Bridge to Integrated Marketing &  
Fundraising Conference**

July 27-29, 2022

Gaylord National Hotel & Convention Center, National Harbor, MD

*Early Bird Deadline ends June 13!*

# SAVE THE DATES!



**Google Analytics**

Wednesday, August 24

**Retention**

Thursday, September 15

**SAVE THE DATES!**

# **Sustainer Day**

**Thursday, September 29**

**8:30AM – 4:00PM**

# Our Presenters



**Deb Ashmore**

**Principal Analytics Consulting  
Blackbaud/Target Analytics**



**Sarah DiJulio**

**Partner  
M+R**



# donorCentrics 2021 Benchmarking



DEB ASHMORE



blackbaud®

# Q4 2021 *donorCentrics* Index of Direct Marketing Fundraising

For the twelve months ending Q4 2021, Target Analytics evaluated transactions from:



59 organizations



26 million donors



78 million gifts

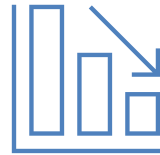


\$3.45 billion

- Direct marketing giving only (mail, telemarketing, web, canvassing; no events)
- Individual payments greater than \$10,000, soft credits, matching gift payments are excluded

# Q4 2021 Summary

## Modest Donor Declines, but Revenue Increases Continued in 2021



Median donor counts declined by 2.1%, driven primarily by a 5.1% decline in new donors.

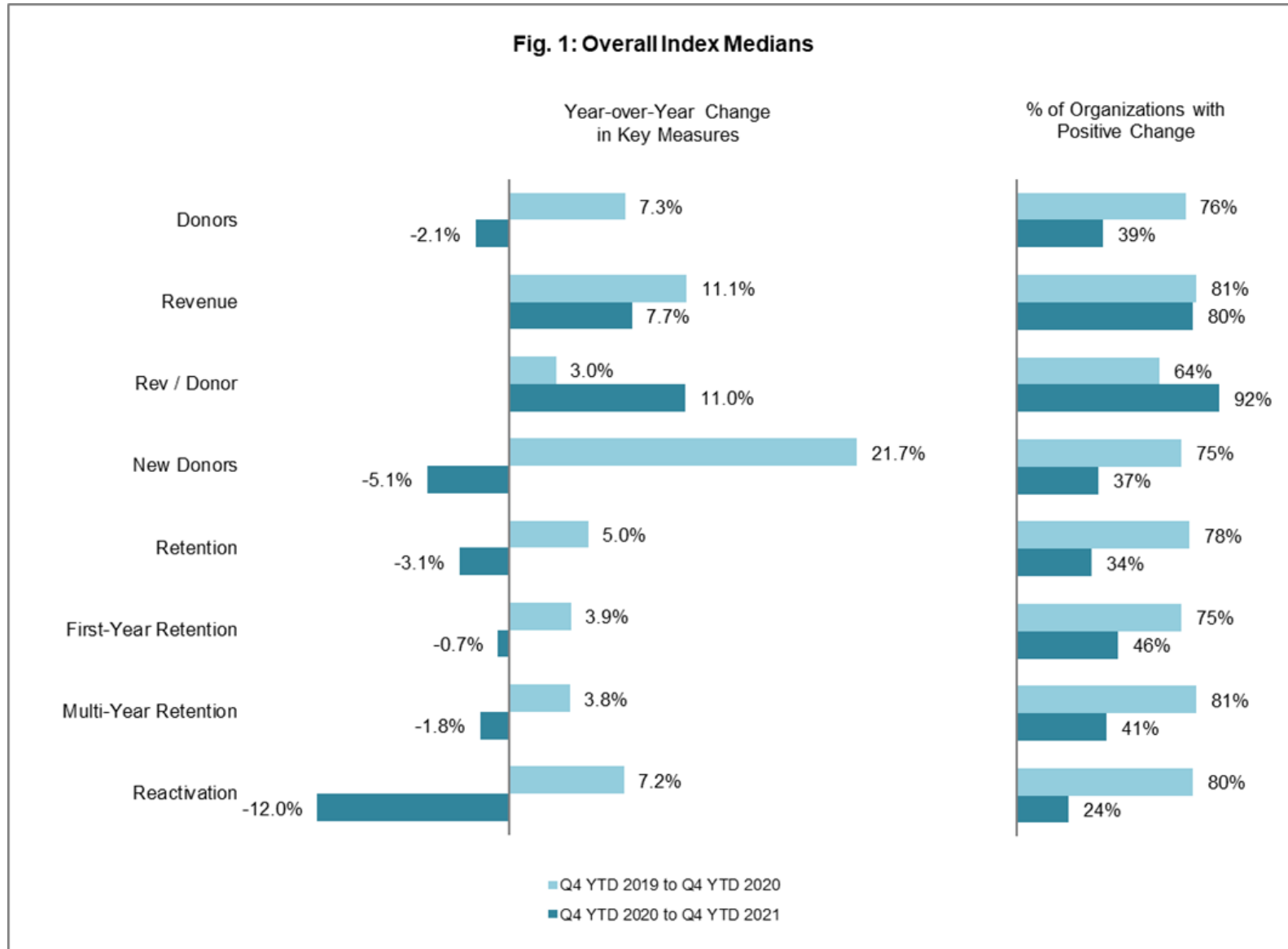


Median revenue increased by 7.7% with a revenue per donor increase of 11%.



Median overall retention rate declined by 3.1% with declines in both first year and multi-year donor retention.

# Q4 2021 donorCentrics Index



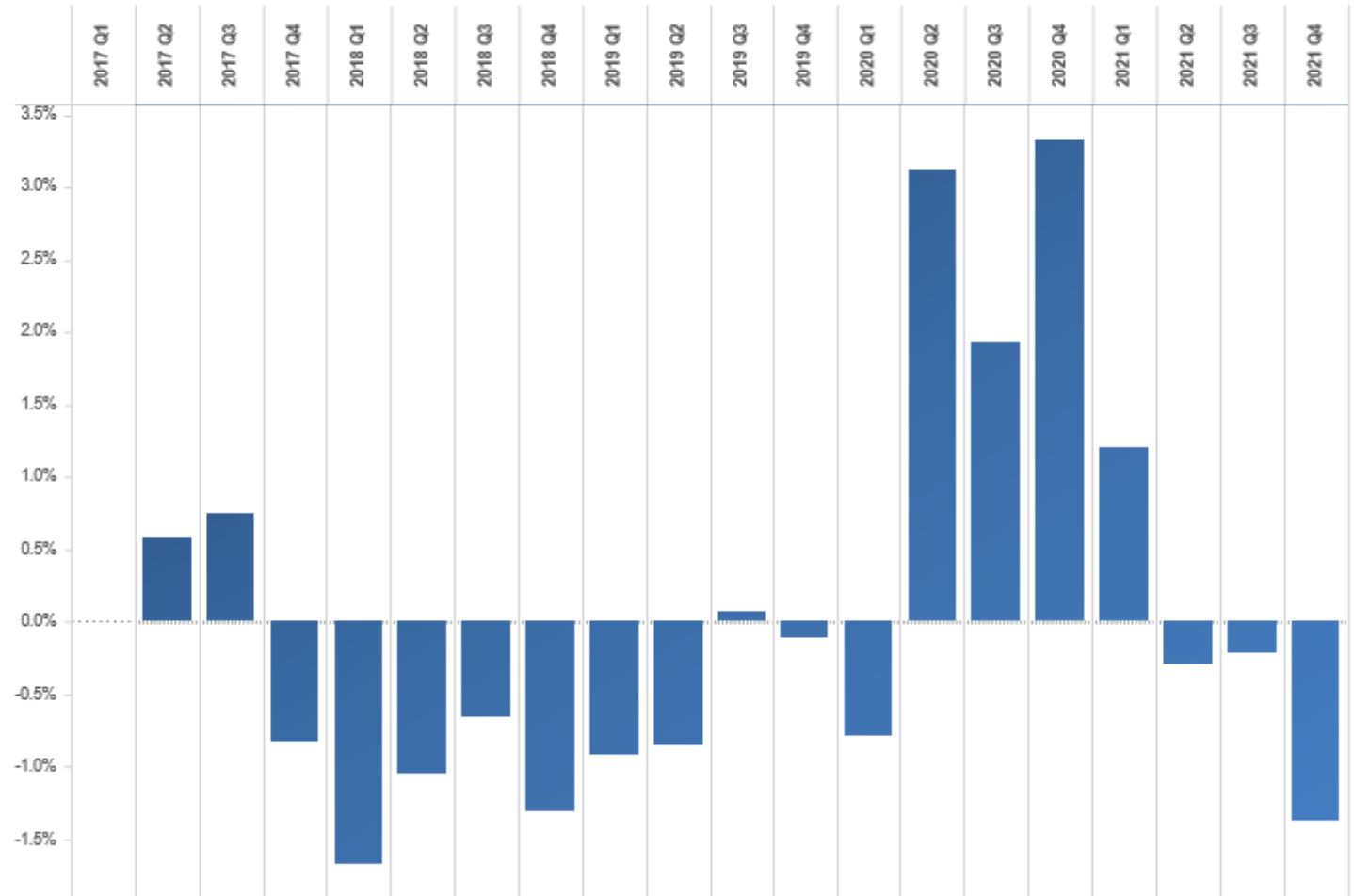
- Revenue continued to see growth at 7.7%, with 92% of participating organizations experiencing an increase in revenue per donor.
- Donors declined by 2.1% with a 5.1% decline in new donors.
- Overall retention experienced a decline of 3.1% though first-year retention rates were essentially flat. Following gains in these metrics last year and following large gains in new and overall donors in the prior year, this is very encouraging.
- Reactivation is the only metric with steep declines in 2021.

# Quarter to Quarter Change - Donors

Modest donor declines that started in Q2 2021 intensified in Q4 2021. However, these follow more significant donor gains in the prior year.

## Growth in Donors for Sector Cohorts

Each data point shows the median percent change in 12-month donors from previous quarter.

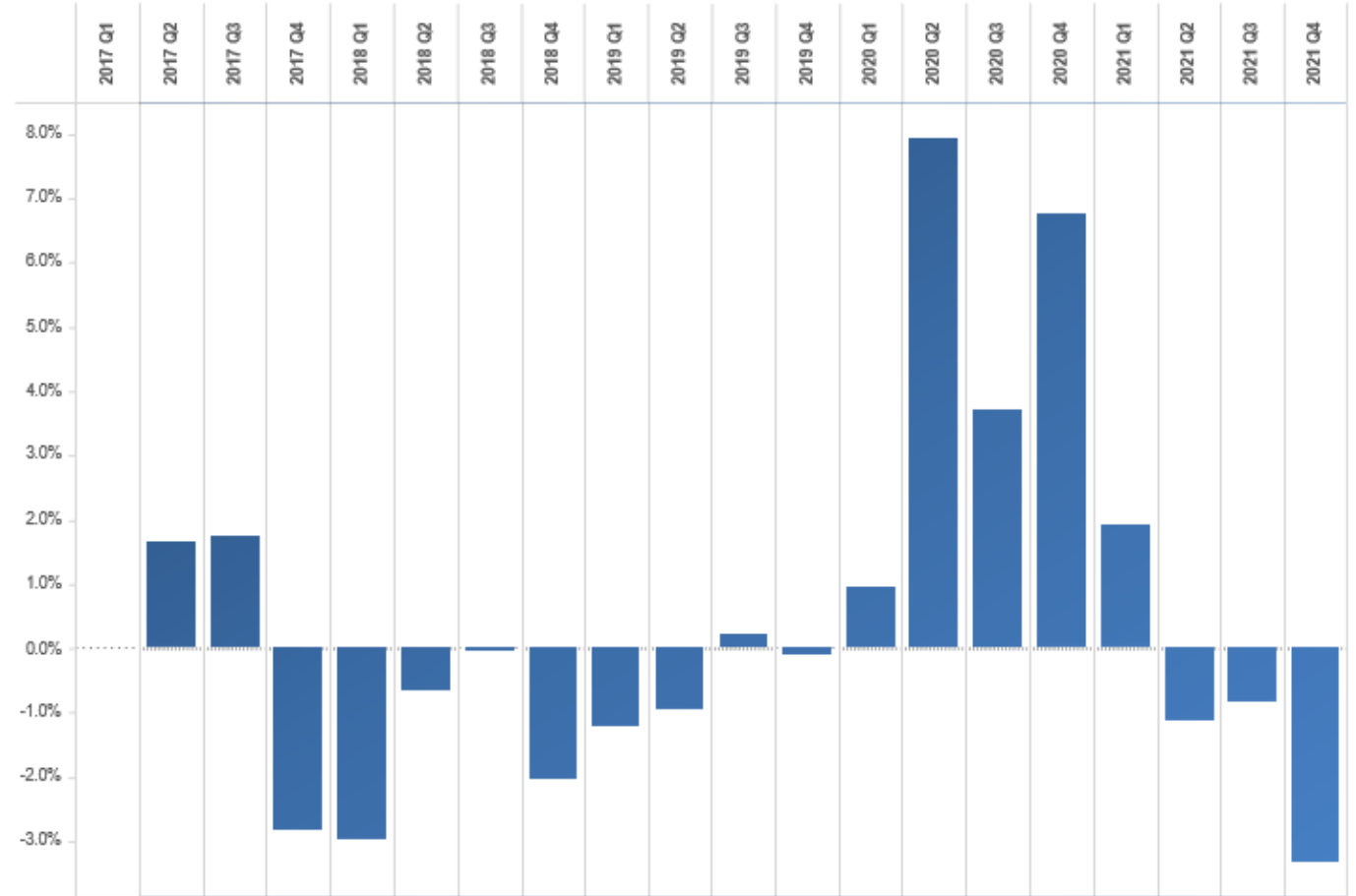


# Quarter to Quarter Change – New Donors

New donor declines that started in Q2 2021 also intensified in Q4 2021. However, these, too, follow more significant donor gains in the prior year.

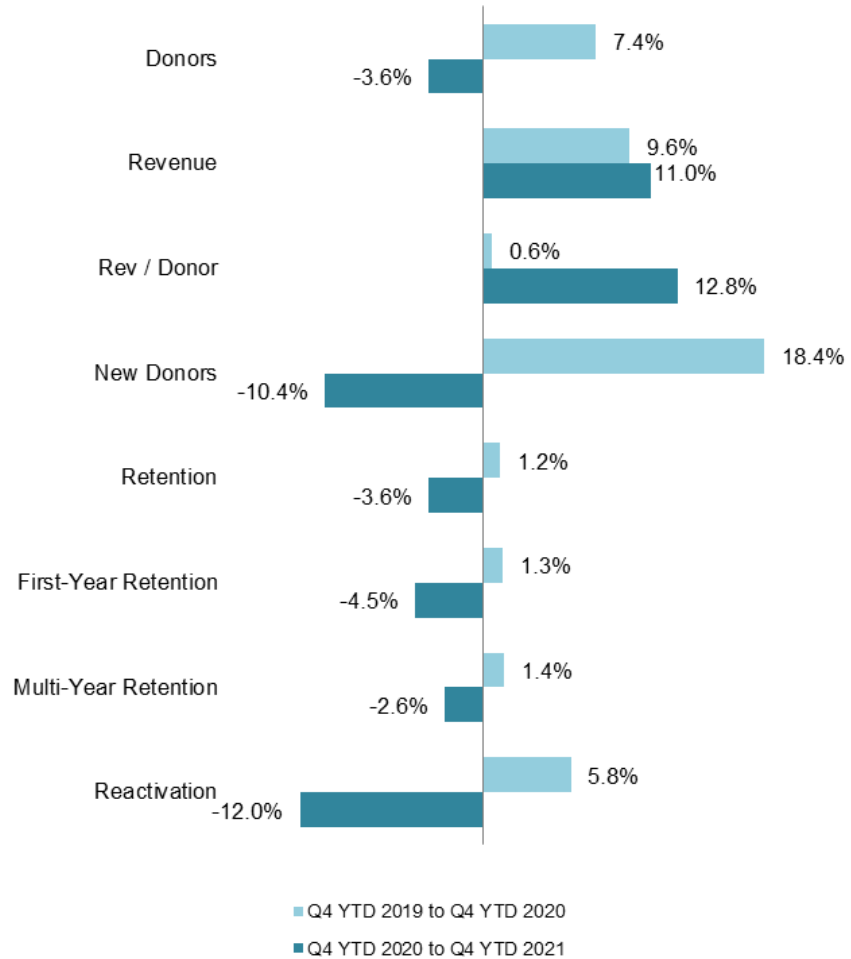
## Growth in New Donors for Sector Cohorts

Each data point shows the median percent change in 12-month new donors from previous quarter.

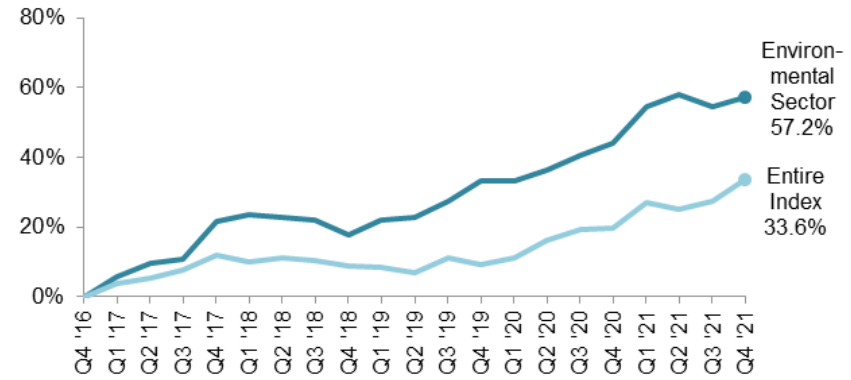


# Q4 2021 donorCentrics Index - Environmental

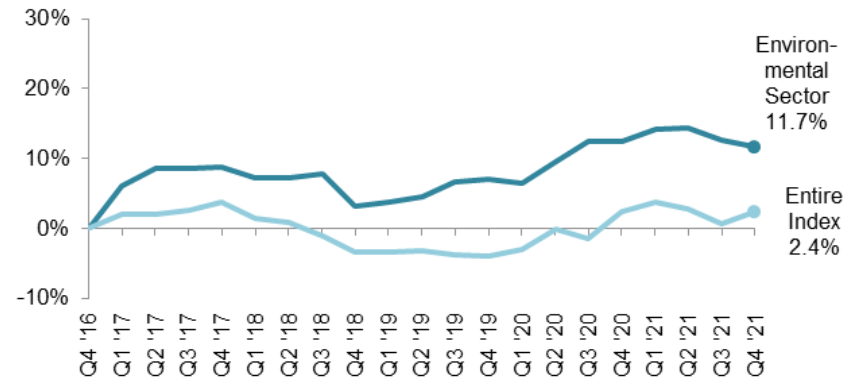
**Fig. 9: Environmental Sector Medians**  
Year-to-Date Change in Key Measures



**Fig. 10: Five-Year Environmental Revenue Trends**  
12-Month Quarter-End Median Change from Q4 2016

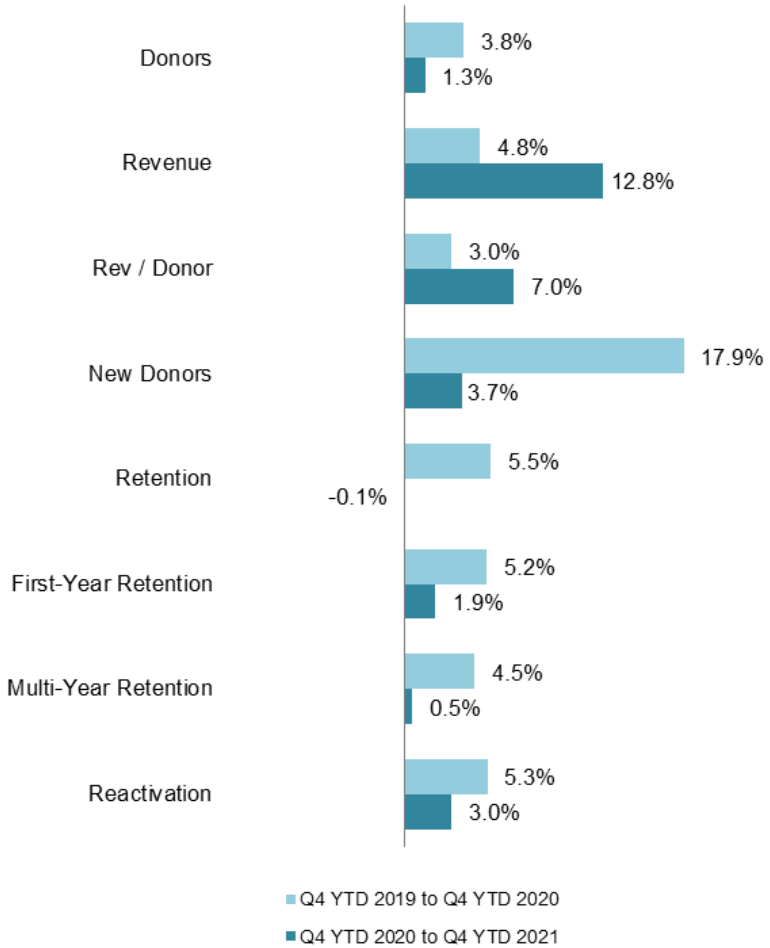


**Fig. 11: Five-Year Environmental Donor Trends**  
12-Month Quarter-End Median Change from Q4 2016

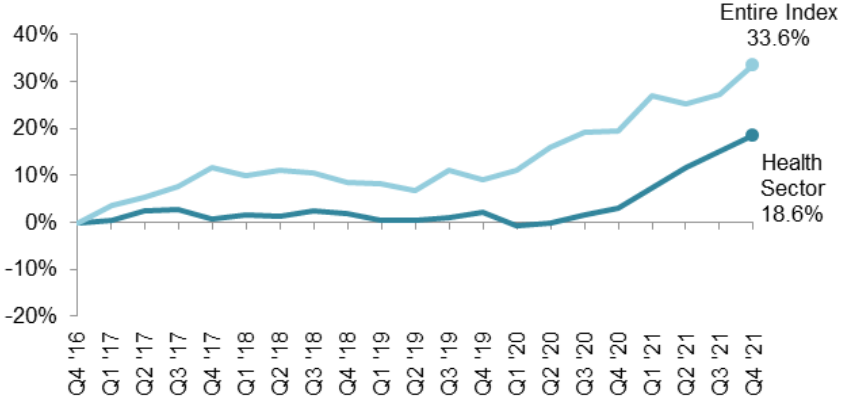


# Q4 2021 donorCentrics Index - Health

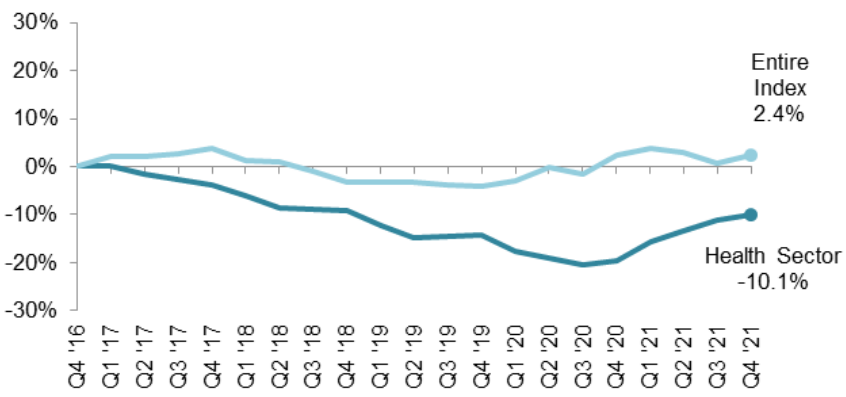
**Fig. 12: Health Sector Medians**  
Year-to-Date Change in Key Measures



**Fig. 13: Five-Year Health Revenue Trends**  
12-Month Quarter-End Median Change from Q4 2016



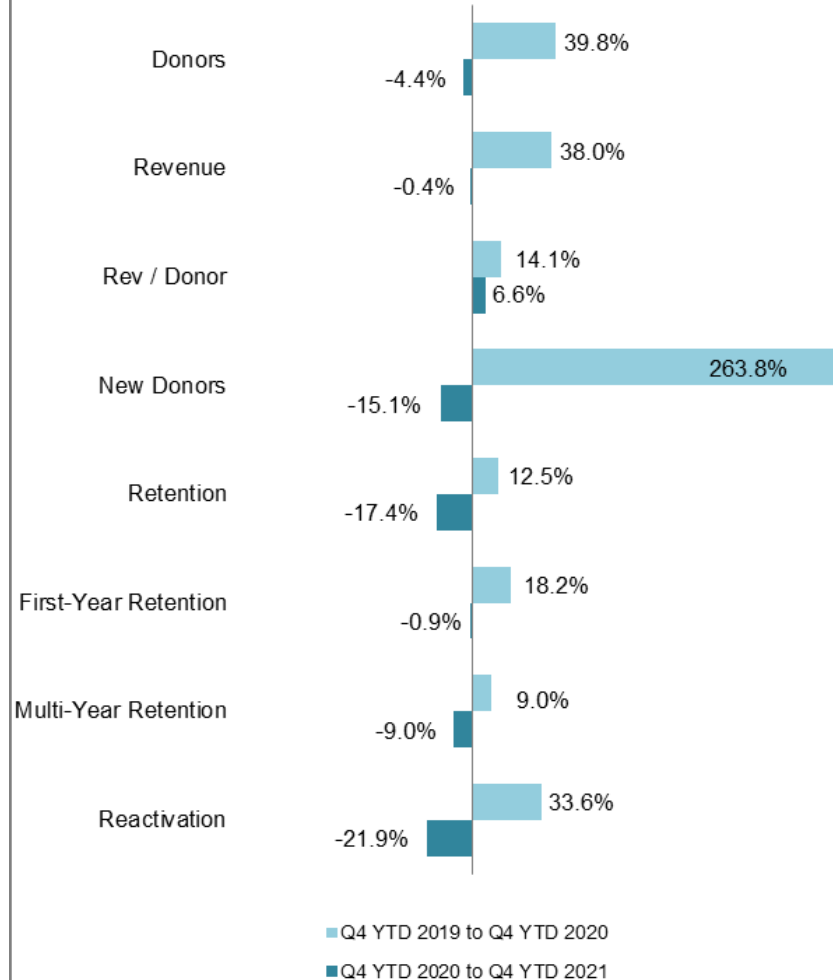
**Fig. 14: Five-Year Health Donor Trends**  
12-Month Quarter-End Median Change from Q4 2016



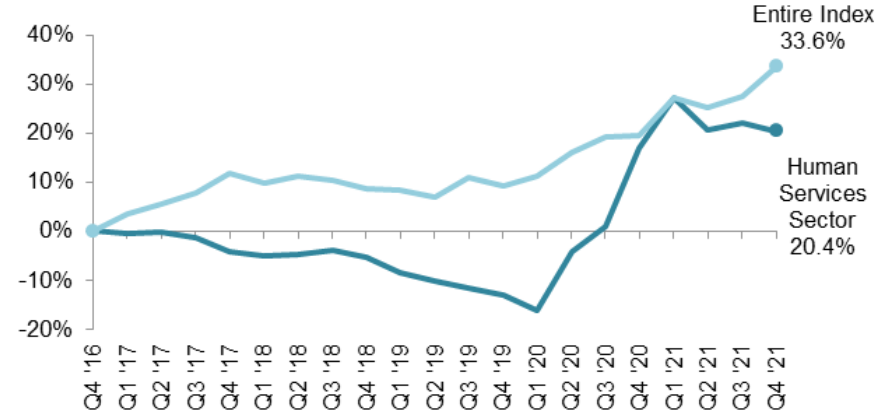


# Q4 2021 donorCentrics Index – Human Services

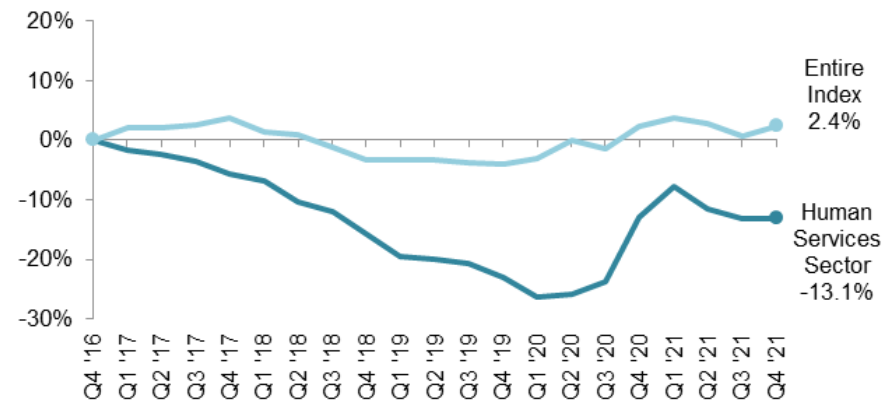
**Fig. 15: Human Services Sector Medians**  
Year-to-Date Change in Key Measures



**Fig. 16: Five-Year Human Services Revenue Trends**  
12-Month Quarter-End Median Change from Q4 2016

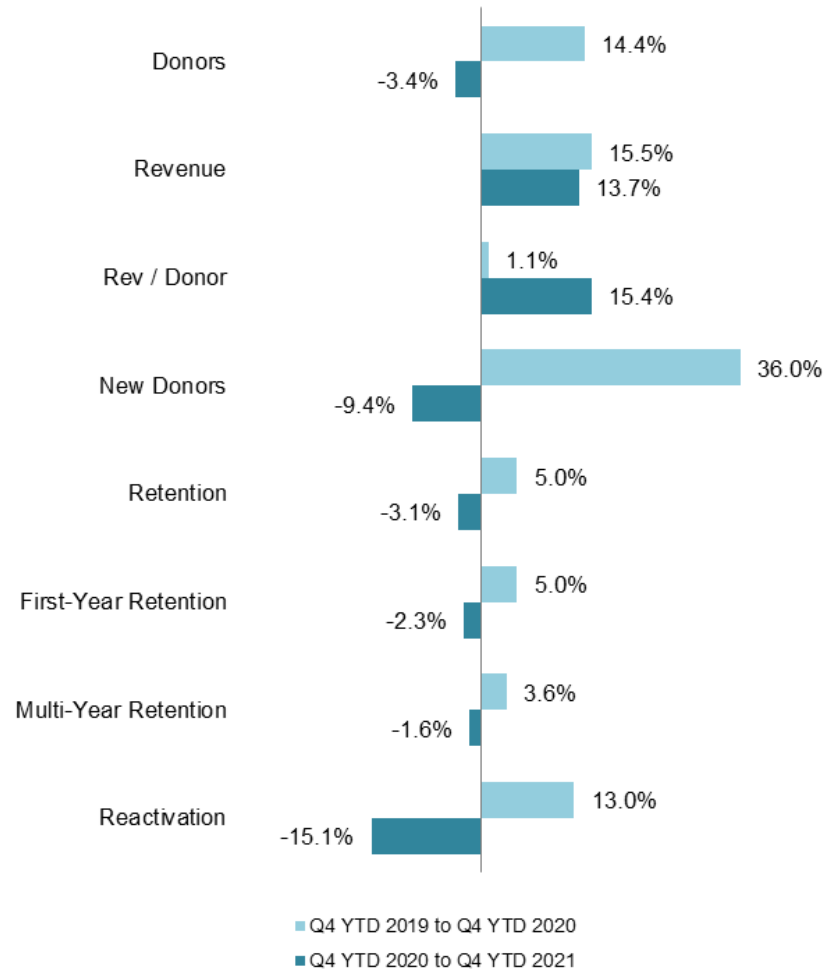


**Fig. 17: Five-Year Human Services Donor Trends**  
12-Month Quarter-End Median Change from Q4 2016

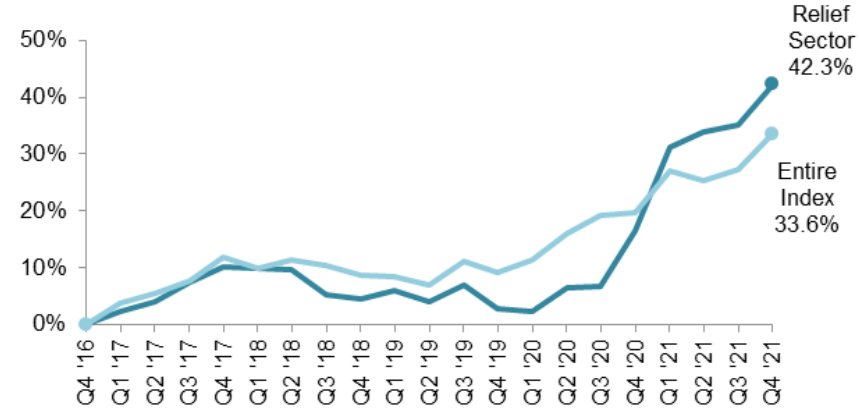


# Q4 2021 donorCentrics Index - Relief

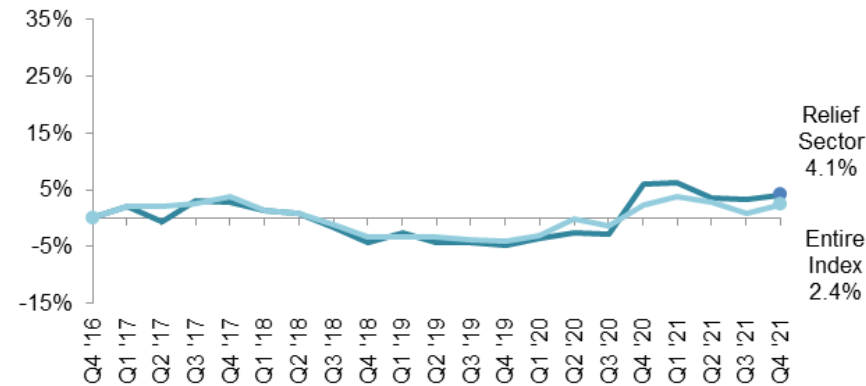
**Fig. 18: International Relief Sector Medians**  
Year-to-Date Change in Key Measures



**Fig. 19: Five-Year Relief Revenue Trends**  
12-Month Quarter-End Median Change from Q4 2016

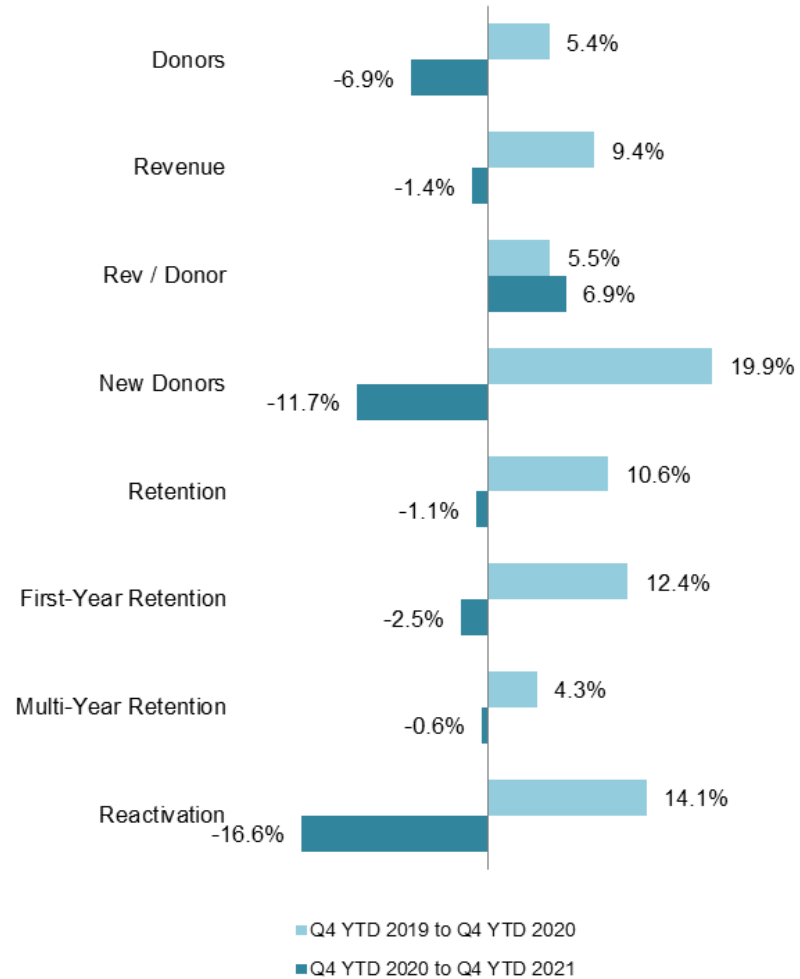


**Fig. 20: Five-Year Relief Donor Trends**  
12-Month Quarter-End Median Change from Q4 2016

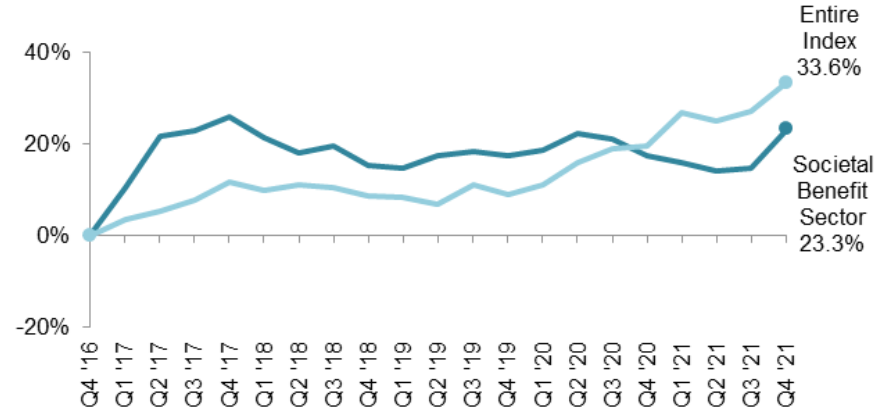


# Q4 2021 donorCentrics Index – Societal Benefit

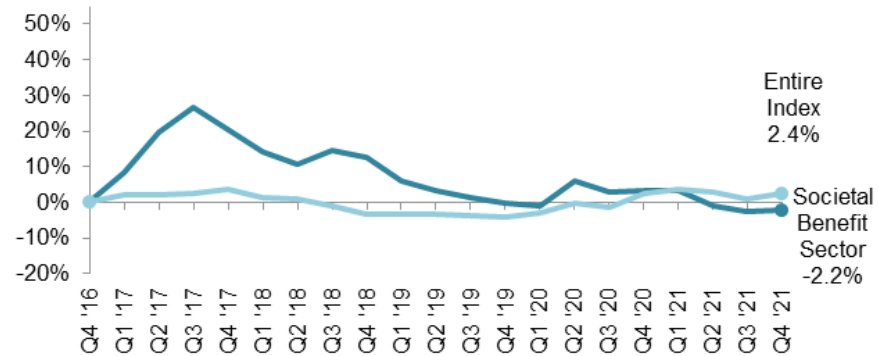
**Fig. 21: Societal Benefit Sector Medians**  
Year-to-Date Change in Key Measures



**Fig. 22: Five-Year Societal Benefit Revenue Trends**  
12-Month Quarter-End Median Change from Q4 2016



**Fig. 23: Five-Year Societal Benefit Donor Trends**  
12-Month Quarter-End Median Change from Q4 2016



# Key Findings from the 2022 Sustainer Summit

## Sharing and Learning



Sharing and learning from 36 organizations of different sizes and missions.



## Data and Analysis

Analysis of giving from a total of nearly 20 million donors who gave 71 million gifts and for a total of \$2.9 billion in FY2021.

# Overall donors and revenue increased from FY2020 to FY2021

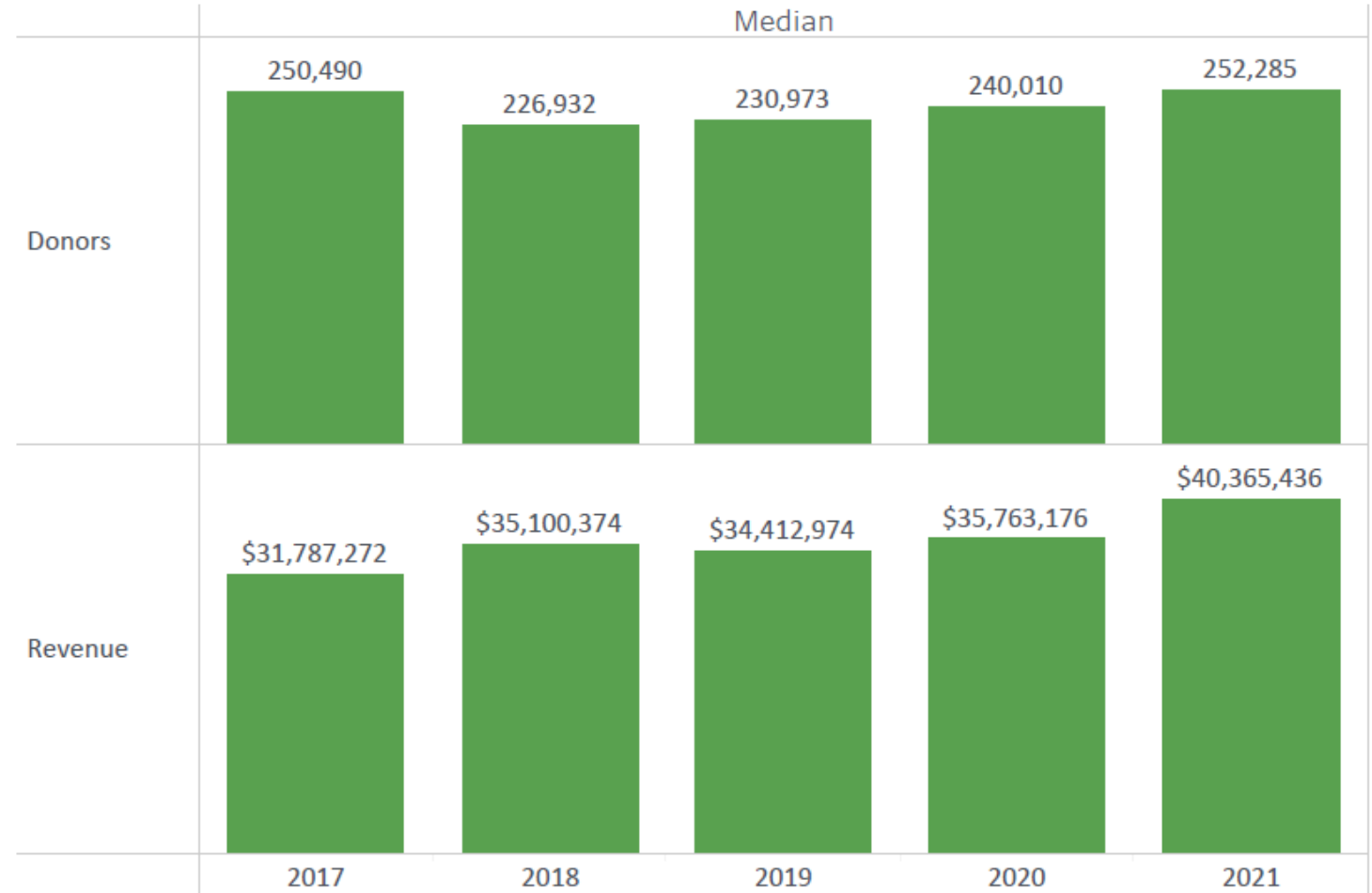
**5%**

5% increase in the median number of active donors in 2021.



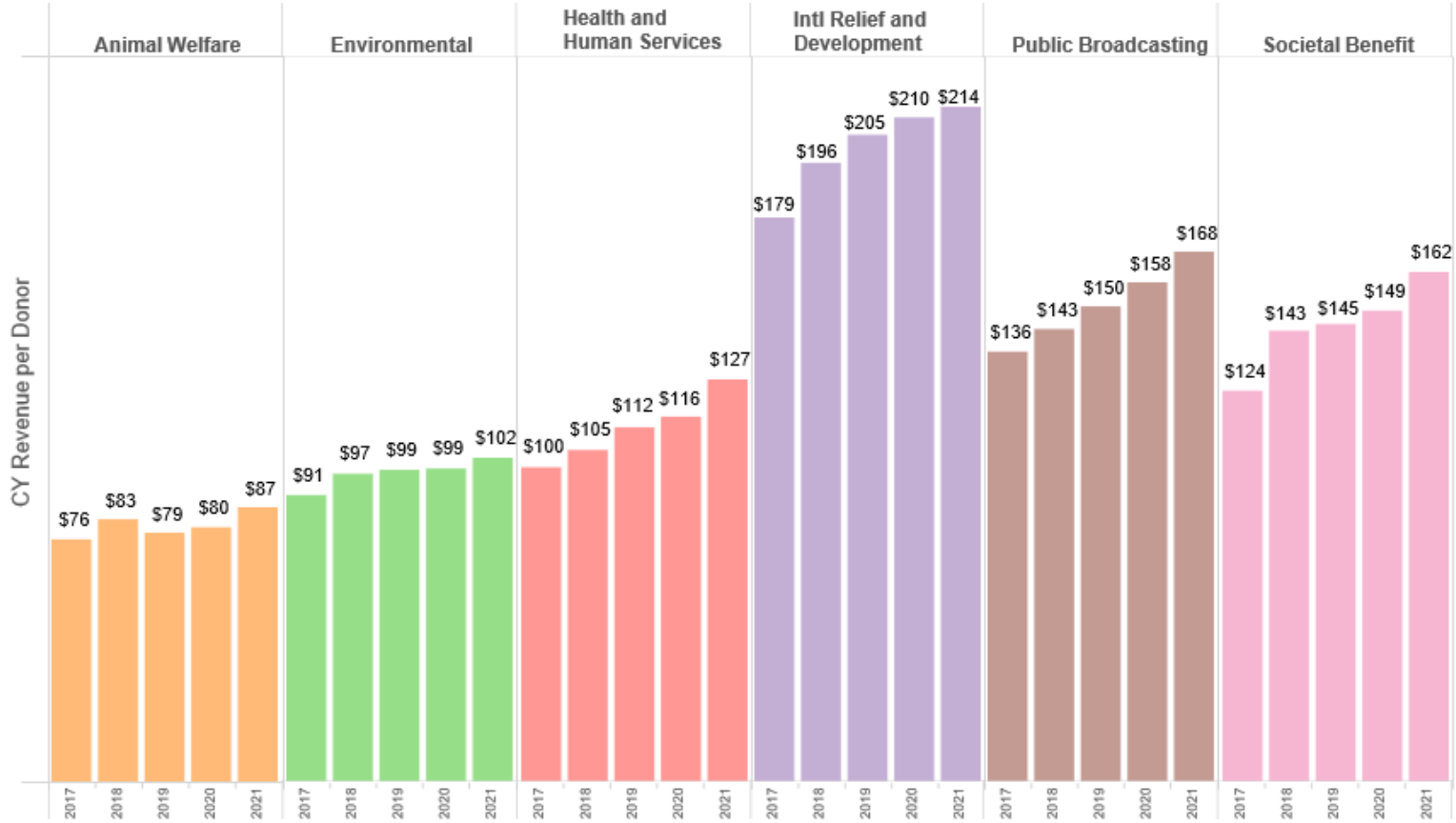
**13%**

13% increase in median revenue in 2021.



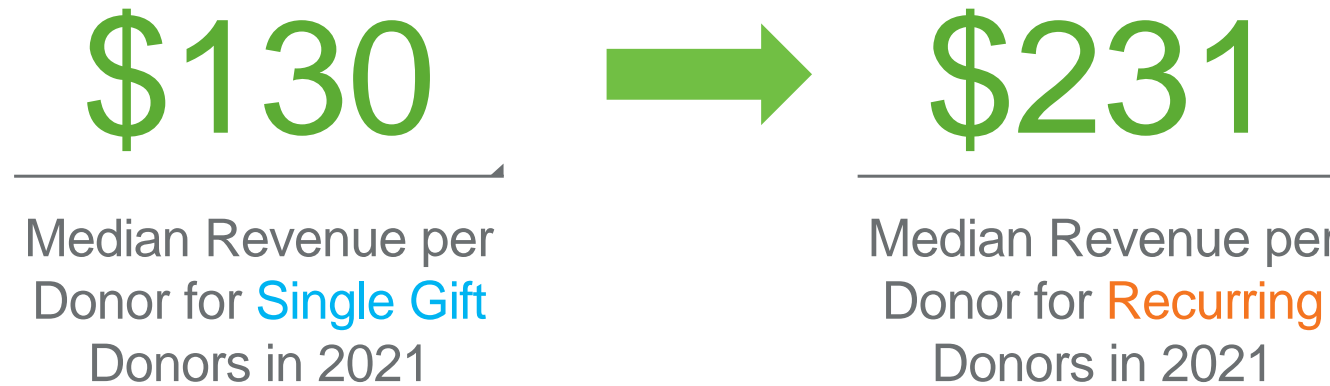
Blackbaud Target Analytics®

# Overall Revenue per Donor Increasing Across All Sectors



**Median CY Revenue per Donor by Sector**  
(36 Organizations) (2017 - 2021)

# Growth in Recurring Donors a Driver for Growth in Overall Donor Value

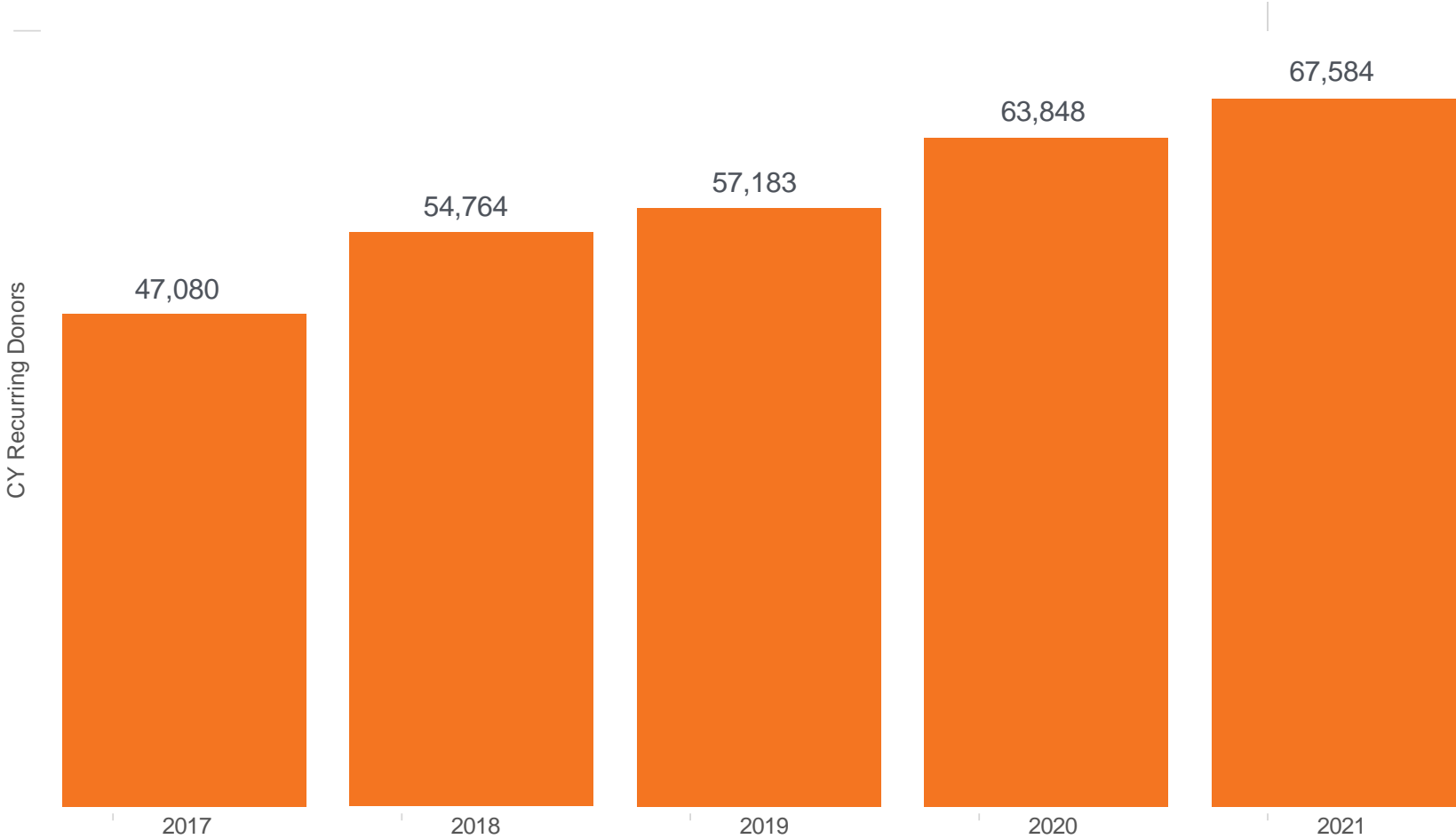


The average recurring gift in 2021 was \$22.

At the median, the number of recurring gift donors has increased every year since 2017.

+44%

Change in median recurring donors over 5 years



**Median CY Recurring Donors**  
(36 Organizations) (2017 - 2021)



# Recurring Donors and Revenue are increasing as a share of totals

15%

Median % of total donors giving recurring gifts in FY17

20%

Median % of total revenue from recurring gifts in FY17

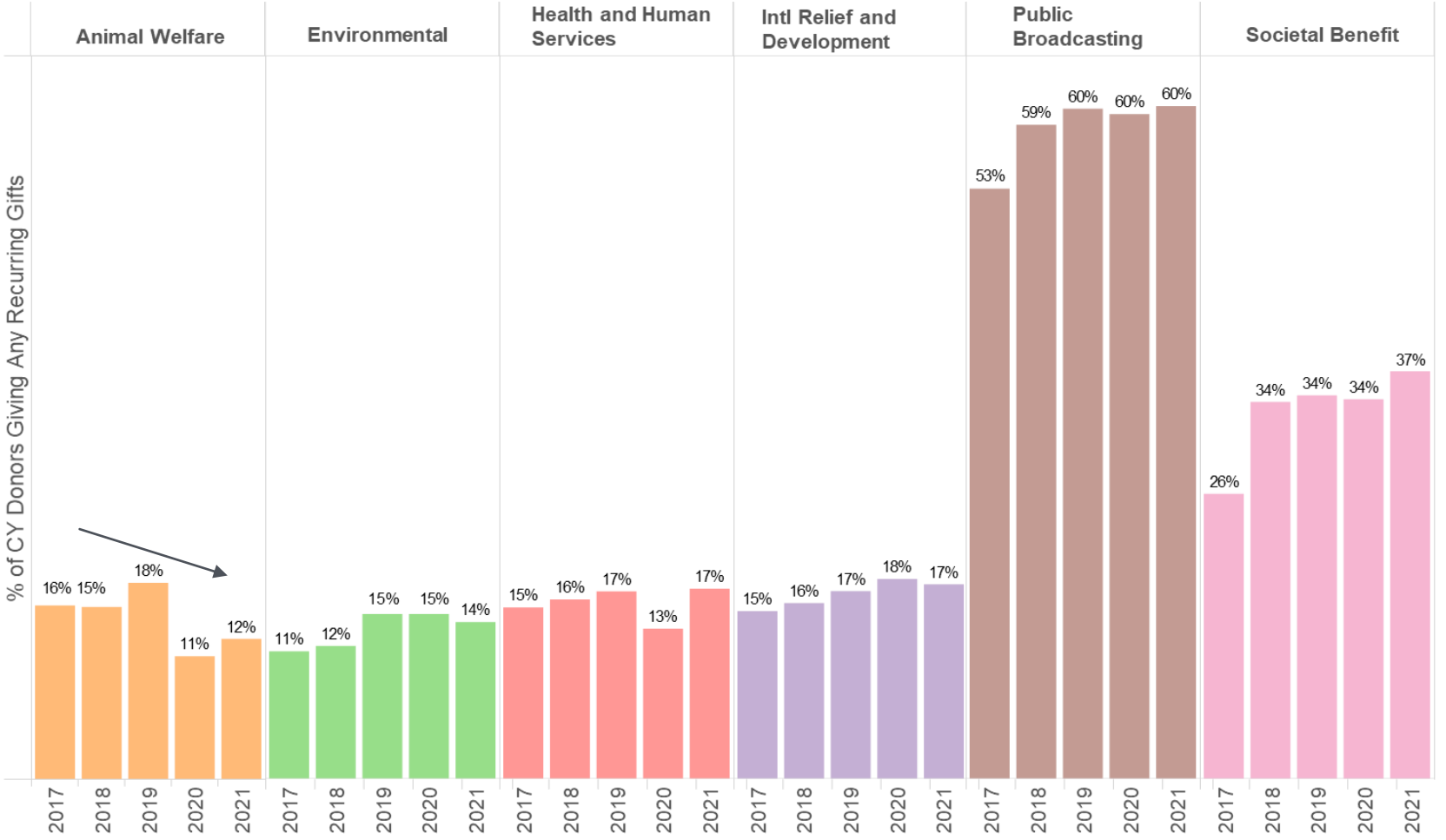
18%

Median % of total donors giving recurring gifts in FY21

29%

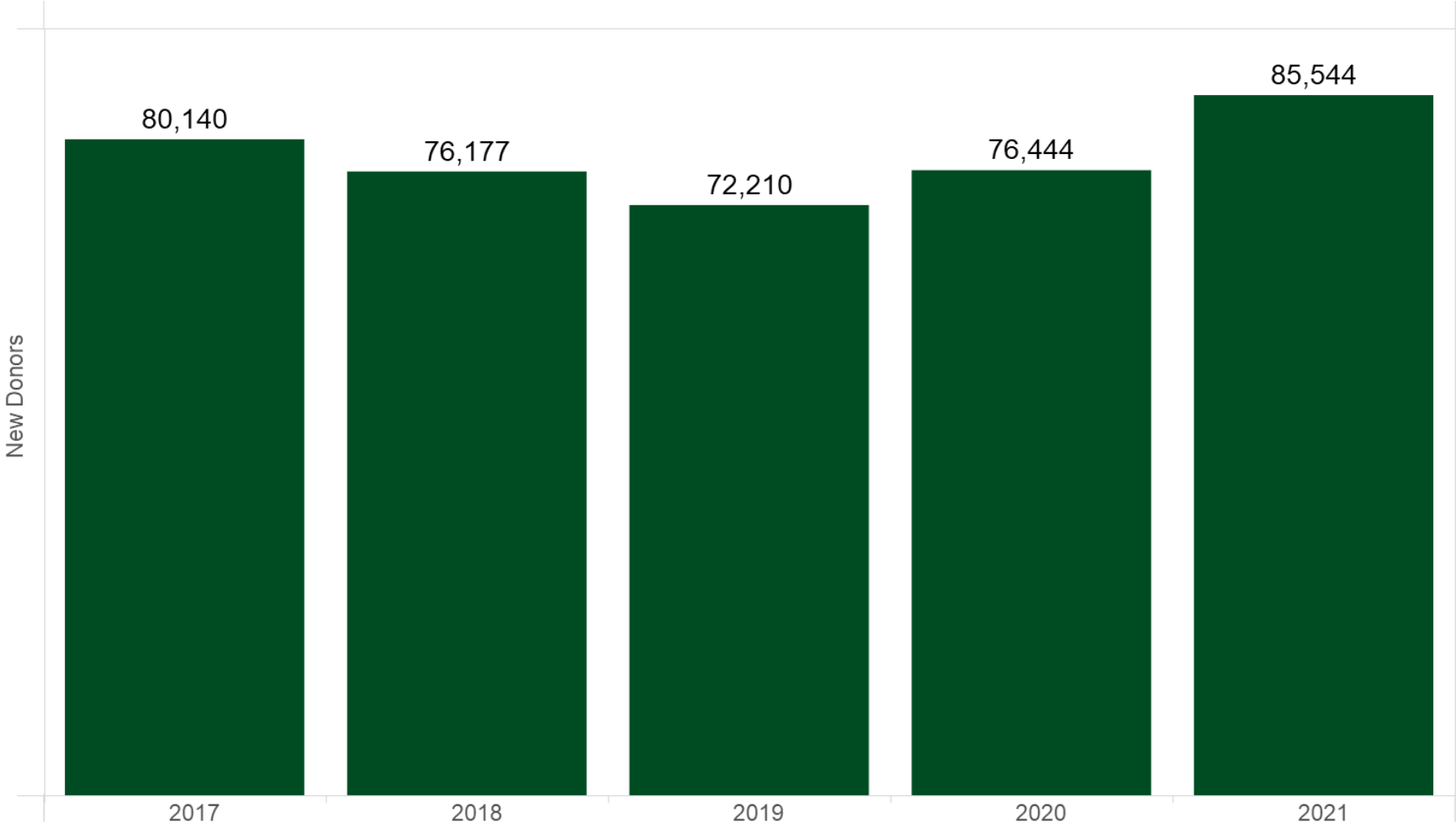
Median % of total revenue from recurring gifts in FY21

The share of Active Donors that are Sustainers increased over time for most sectors.



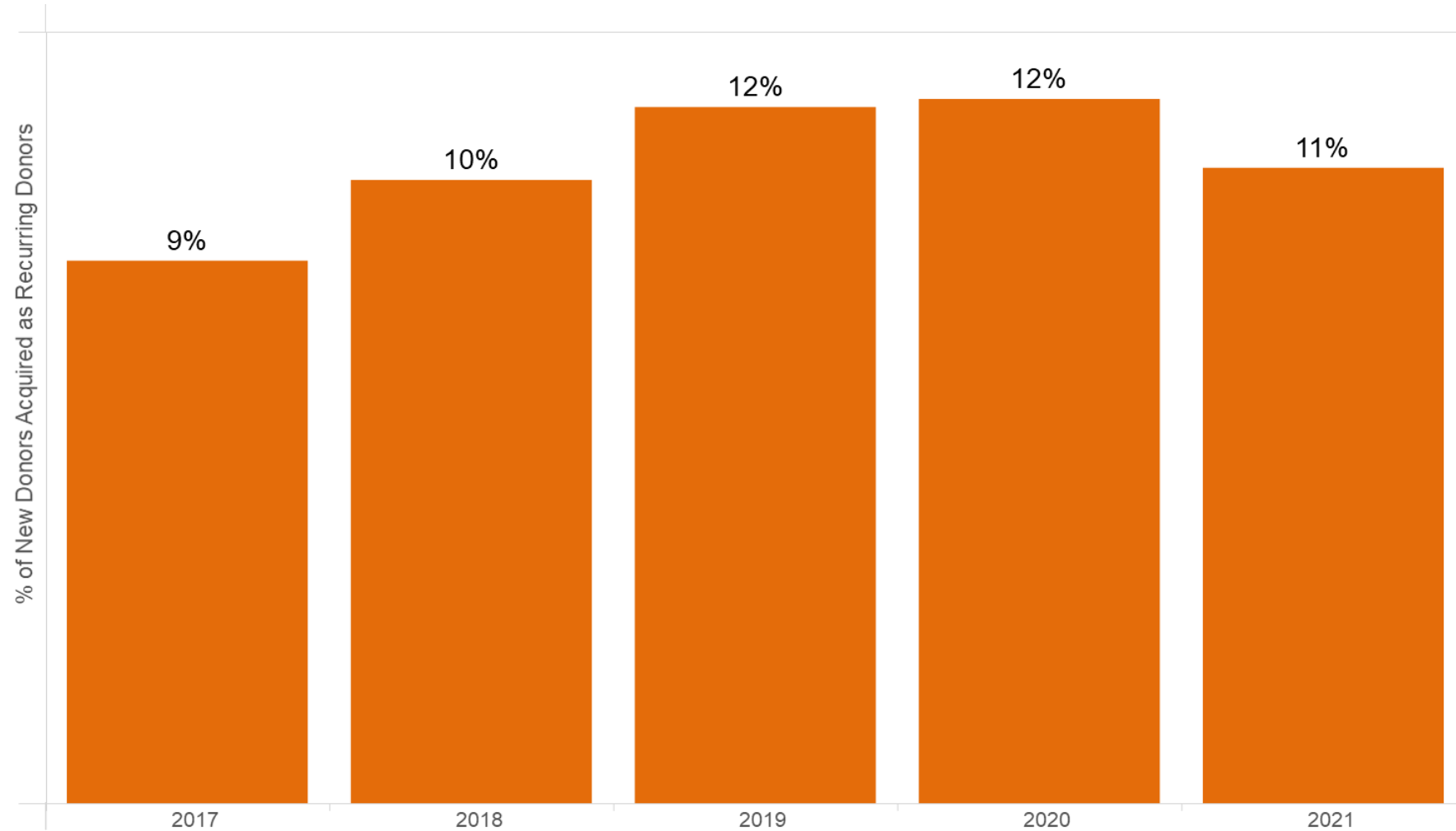
**Median % of CY Donors Giving Any Recurring Gifts by Sector**  
 (36 Organizations) (2017 - 2021)

# Overall New Donors Increased in FY21



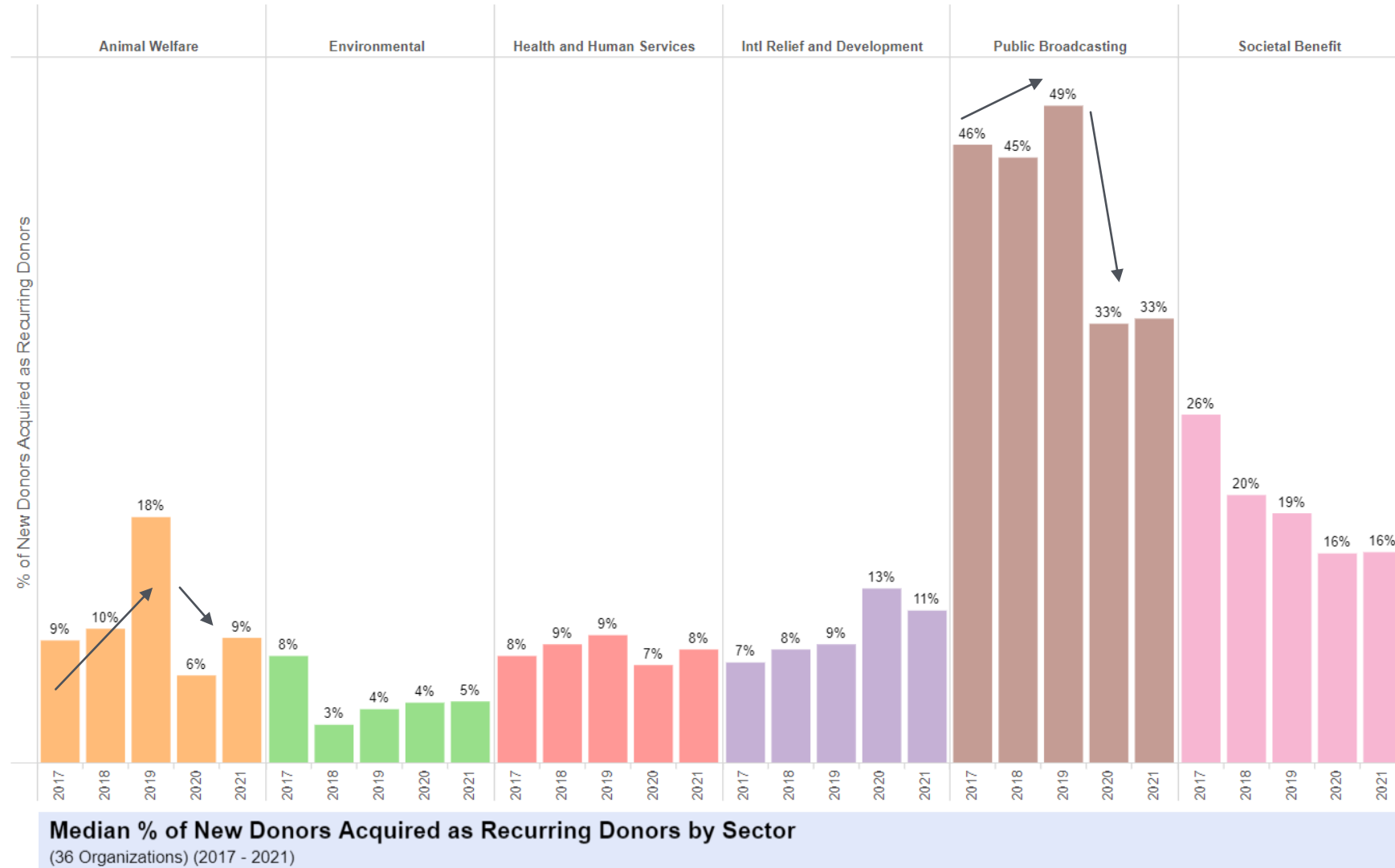
**Median New Donors**  
(36 Organizations) (2017 - 2021)

# Share of New Donors Acquired as Recurring Declined in 2021

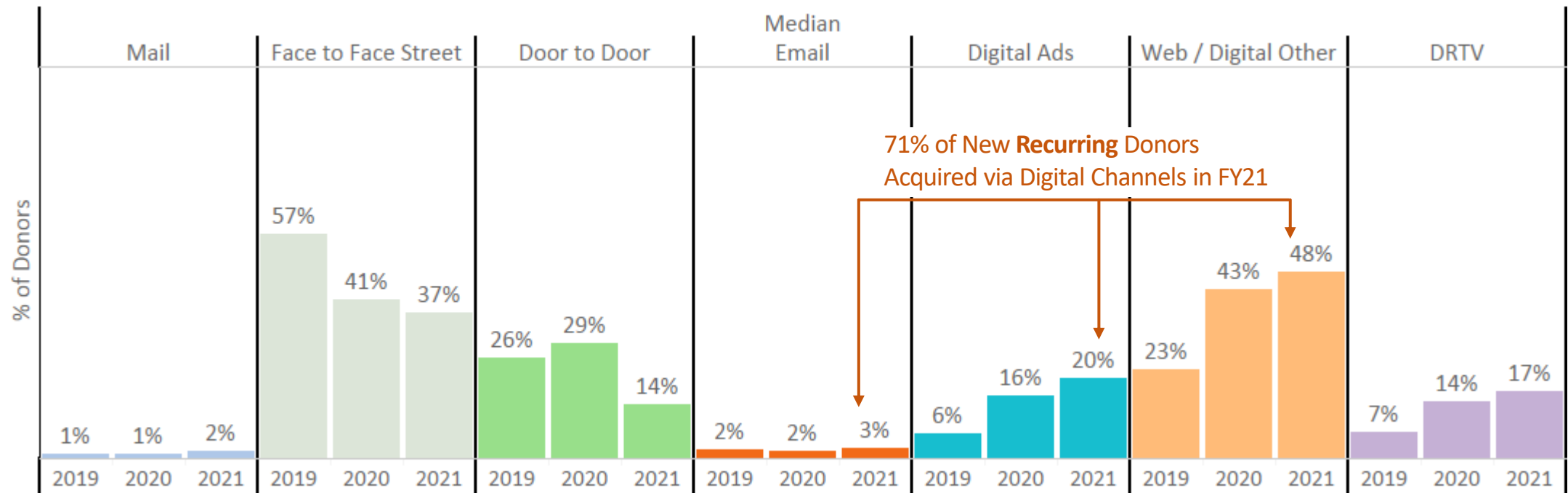


**Median % of New Donors Acquired as Recurring Donors**  
(36 Organizations) (2017 - 2021)

Share of New Donors Acquired as Recurring has declined over time for most sectors following years of increases.

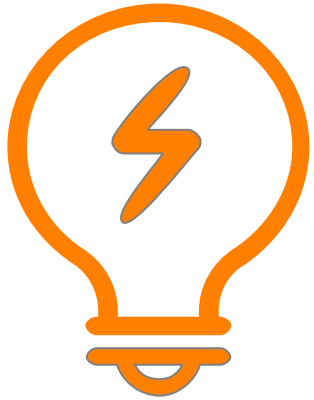


# Shifts in Recurring Donor Acquisition by Source Likely Related to Pandemic



Median % will not add up to 100%

# Key New Donor Acquisition Take-Aways



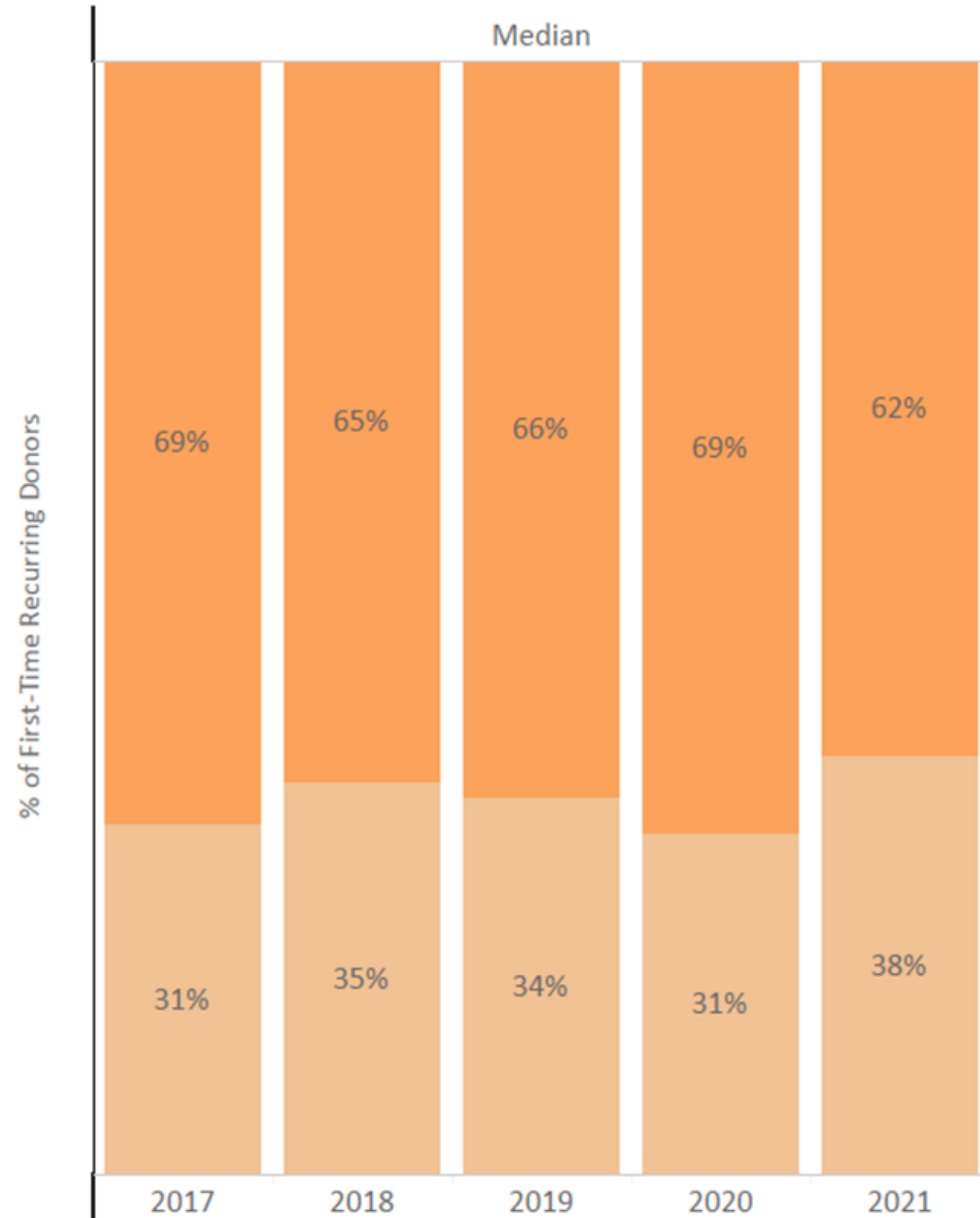
- Most are finding that the benefit of defaulting their online donation forms to a monthly gift option outweighs the cancellations that come through from donors who didn't realize they were signing on for a recurring donation.
- Some organizations have also looked to mitigate cancellations by adding a pop-up reiterating the donor is committing to a monthly gift, prompting donors to confirm their monthly gift choice, and/or bold labeling of donate tiles with "Give Monthly" type wording.
- Annual sustainers or auto-renewals have re-emerged with the improvements in credit card updaters and EFT expansion. These donors are proving to have high retention rates comparable or sometimes better than monthly donors. We will be watching these donors for upgrading and additional gift making trends.
- As with last year, Connected TV is a rising space for testing and experimentation, with the more traditional DRTV fundraising channel also experiencing growth for many. How shrinking and more fragmented audience will impact DRTV and Connected TV should be considered.

Uptick in the share of first-time recurring donors acquired via conversion in FY21\*

Origin Gift Type

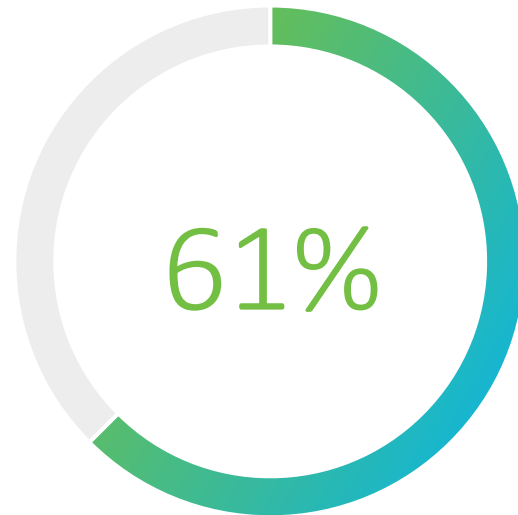
- New Donors Acquired Directly to Recurring Giving
- Single-Gift Donors Who Converted to Recurring Giving

Acquired Direct to Recurring vs. Converted to Recurring



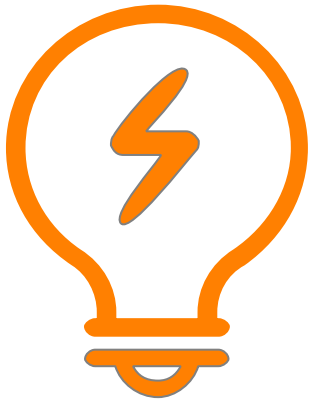


# A Majority of Summit Participants Increased Converted Donor Counts in 2021



Sustainer Summit Organizations that increased the number of donors that converted to recurring from FY2020 to FY2021

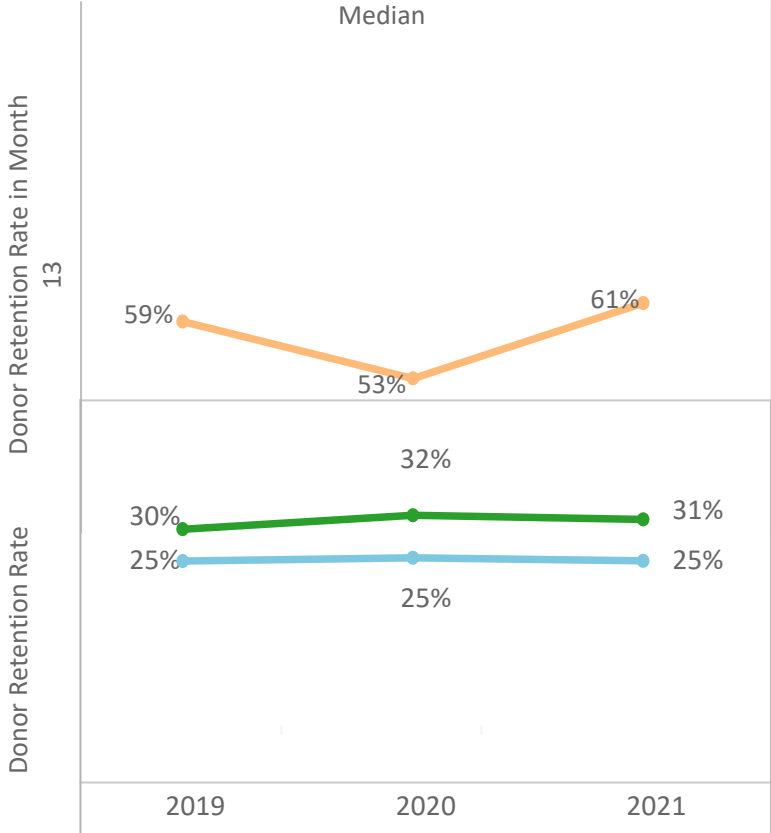
# Key Conversion Take-Aways



- The largest source for conversion in 2021 was digital efforts with the most growth in email and digital ads.
- The share of donors converting via Telemarketing declined for the second year in a row, however many are still seeing value in this channel.
- New donor conversion efforts occurred within 30 days, if not sooner.
- Automated e-mail donor welcome series included a conversion ask.
- In direct mail, the conversion ask is included in most solicitations and as soon as within the gift acknowledgment letters.
- DRTV and other broadcast channels are effective for converting current and former single gift donors when these organizations take the “sustainer first” approach.

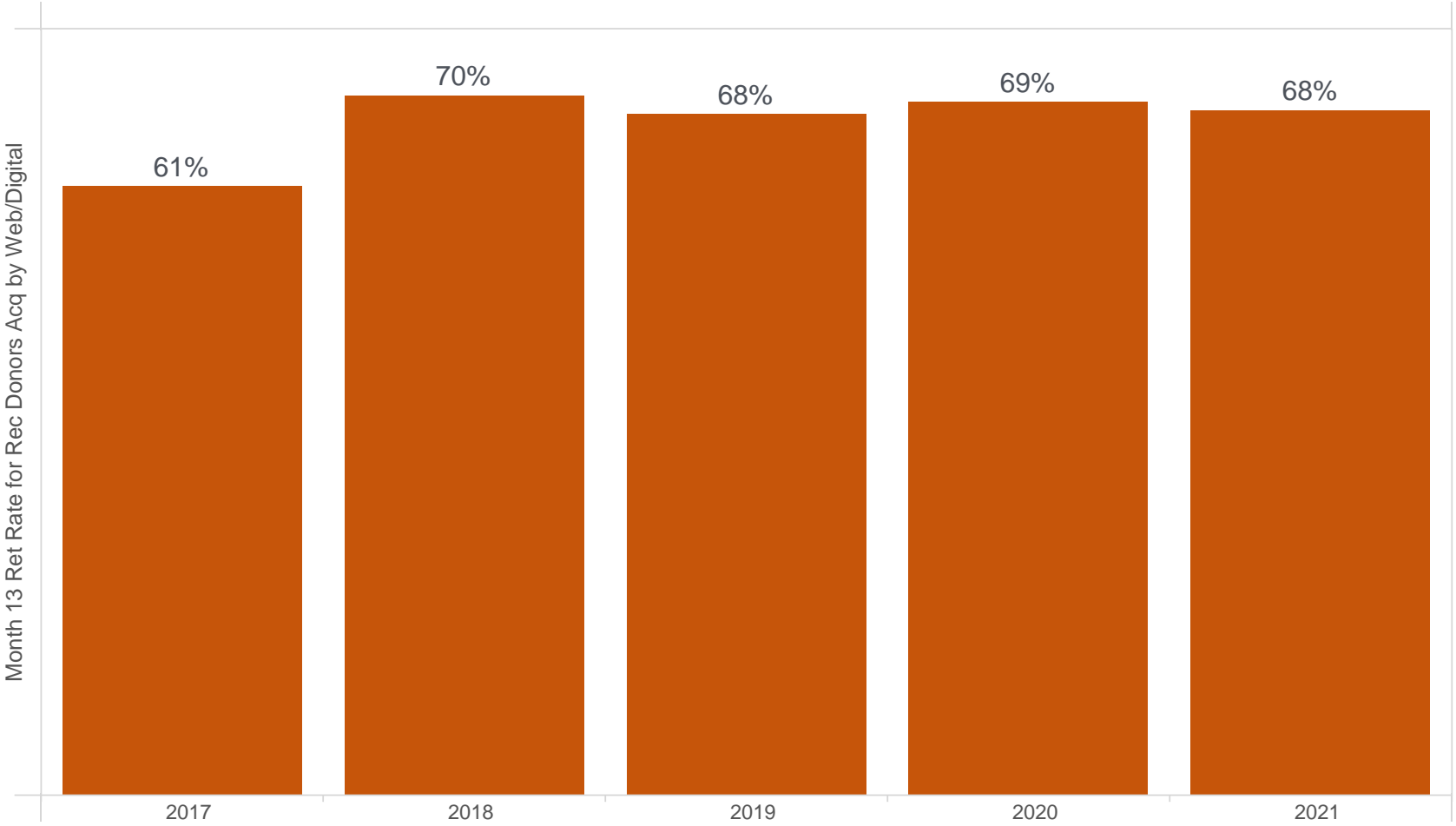
# Overall New Donor Retention Trends Were Stable, with Considerable Lift for Recurring

## First-Year Donor Retention



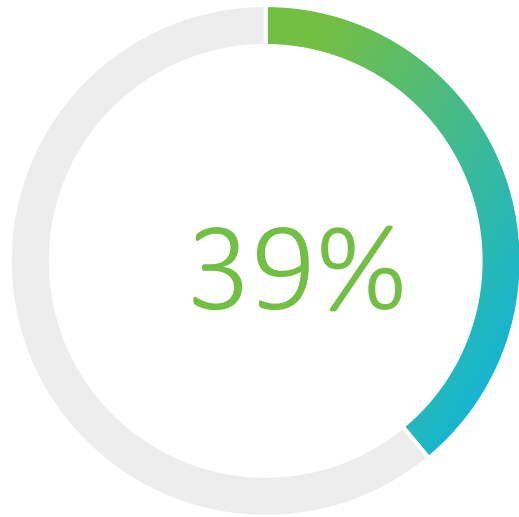
- Gift Type in the Prior Year
- Single Gifts Only in PY
- Any Recurring Gifts in PY
- All Donors

# Median Month 13 Retention of New Recurring Donors Acquired via Digital Channels Is 7 Points Above Overall 13th Mo Retention Rates in 2021



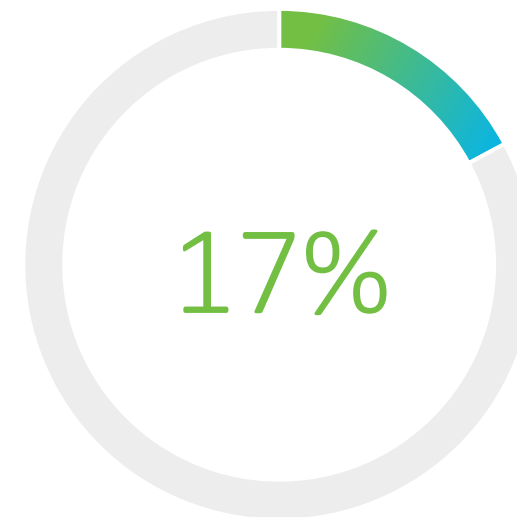
**Median Month 13 Ret Rate for Rec Donors Acq by Web/Digital**  
(36 Organizations) (2017 - 2021)

## Compare Long Term Retention for Donors Acquired as Recurring or Single Gifts in 2017



At the median, 39% percent of donors **acquired to recurring giving in 2017** were still giving in 2021

Compare to:



At the median, 17% percent of donors **acquired with a single gift in 2017** were still giving in 2021

## Compare Long Term Values for Donors Acquired as Recurring or Single Gifts in 2017



The median long-term value per donor **acquired as recurring in 2017** is \$620 in 2021

Compare to:



The median long-term value per donor **acquired as single gift in 2017** was \$201 in 2021

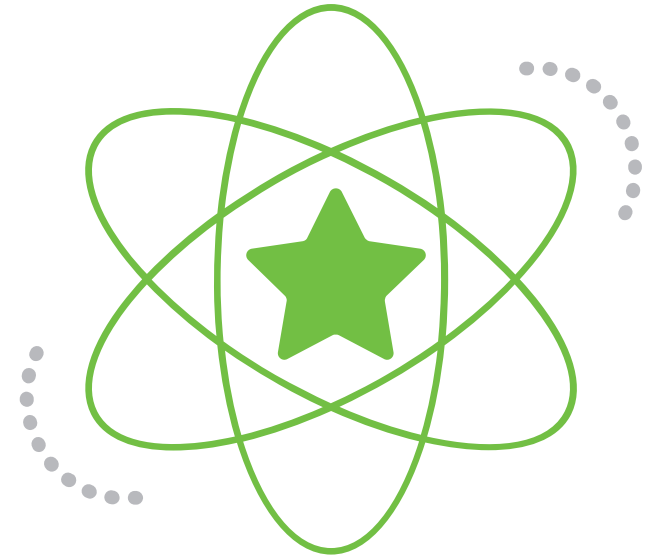
# The Headlines

Early investments in recurring donors helped weather the challenges over the last two years.

SUSTAINERS CAN BE ACQUIRED DURING EMERGENCIES.

*The ability to remain both steadfast in our effort to acquire donors and be nimble in our strategies were key success factors in 2021.*

Donor loyalty was never more important or **profoundly awe-inspiring** than during this uniquely challenging period.



# Thank You!

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[Deb.Ashmore@blackbaud.com](mailto:Deb.Ashmore@blackbaud.com)



blackbaud®



Platform

**M + R**

Station

**B E N C H M A R K S**

Time

**2 0 : 2 2**

# We are M+R

We are communicators, marketers, fundraisers, and campaigners who help causes that inspire people to act. We work exclusively with nonprofits who are alleviating suffering, fighting for human rights and democracy, dismantling inequality, making art and knowledge accessible to everyone, and fostering a healthier and sustainable world.

More resources, advice, and tools from nonprofits can be found at [mrss.com](https://mrss.com).

Find out more about working at M+R and join our crew at [mrss.com/careers](https://mrss.com/careers).





# 187 Participants — THANK YOU!!



Cultural



Disaster/  
International  
Aid



Environmental



Health



Hunger/  
Poverty



Other



Public  
Media



Rights



Wildlife/  
Animal  
Welfare

# Benchmarks Terminology

**SECTOR:** Participants self-identify by sector. In cases where a chart does not report a given sector, it's because we lacked sufficient data to report a reliable average.

**SIZE:** We use these definitions for nonprofit size:

Small: Nonprofits with annual online revenue less than \$500,000

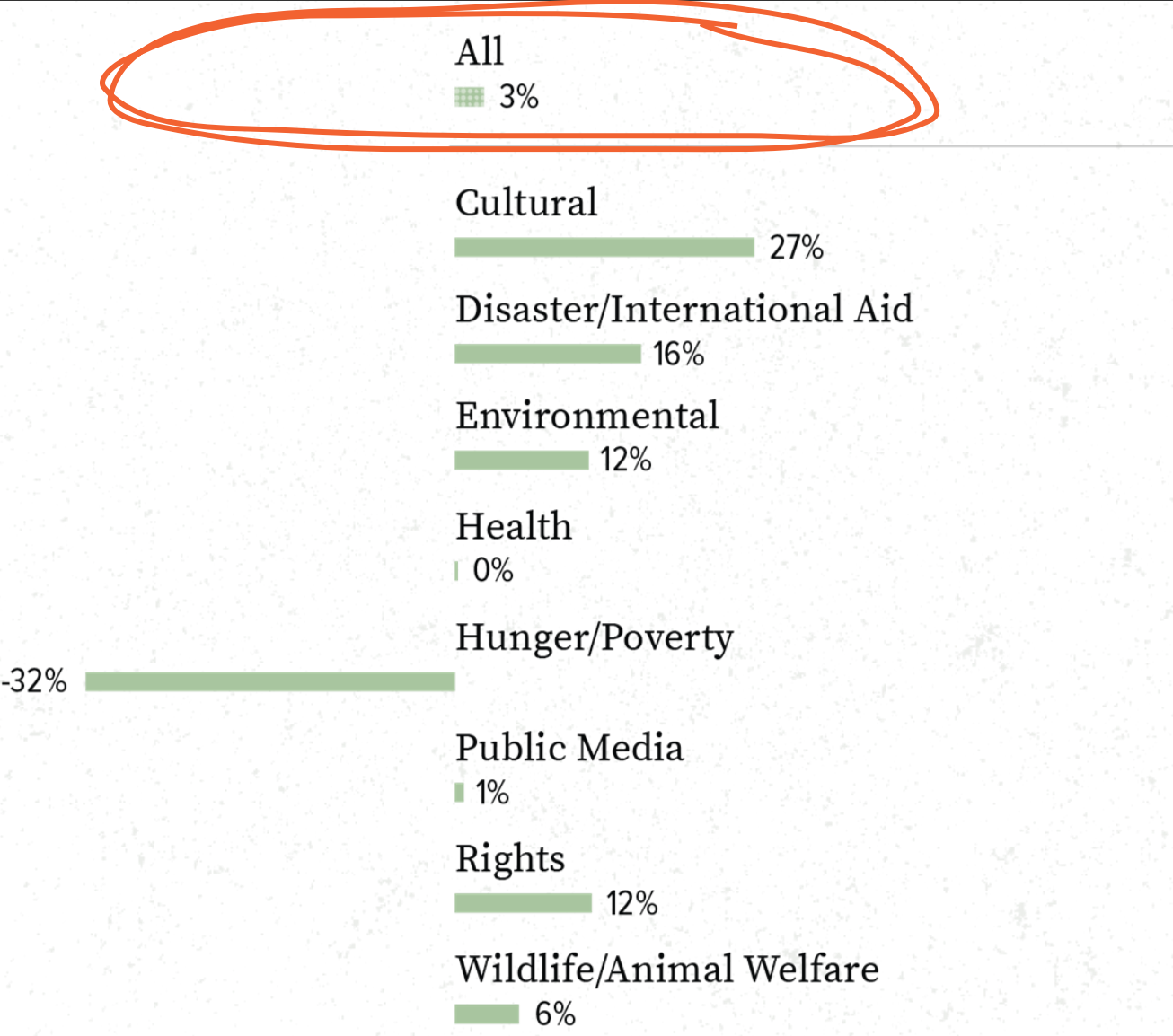
Medium: Nonprofits with annual online revenue between \$500,000 and \$3,000,000

Large: Nonprofits with annual online revenue greater than \$3,000,000

**AVERAGE:** We use the *median* figure when we calculate averages, to avoid swings based on outliers.

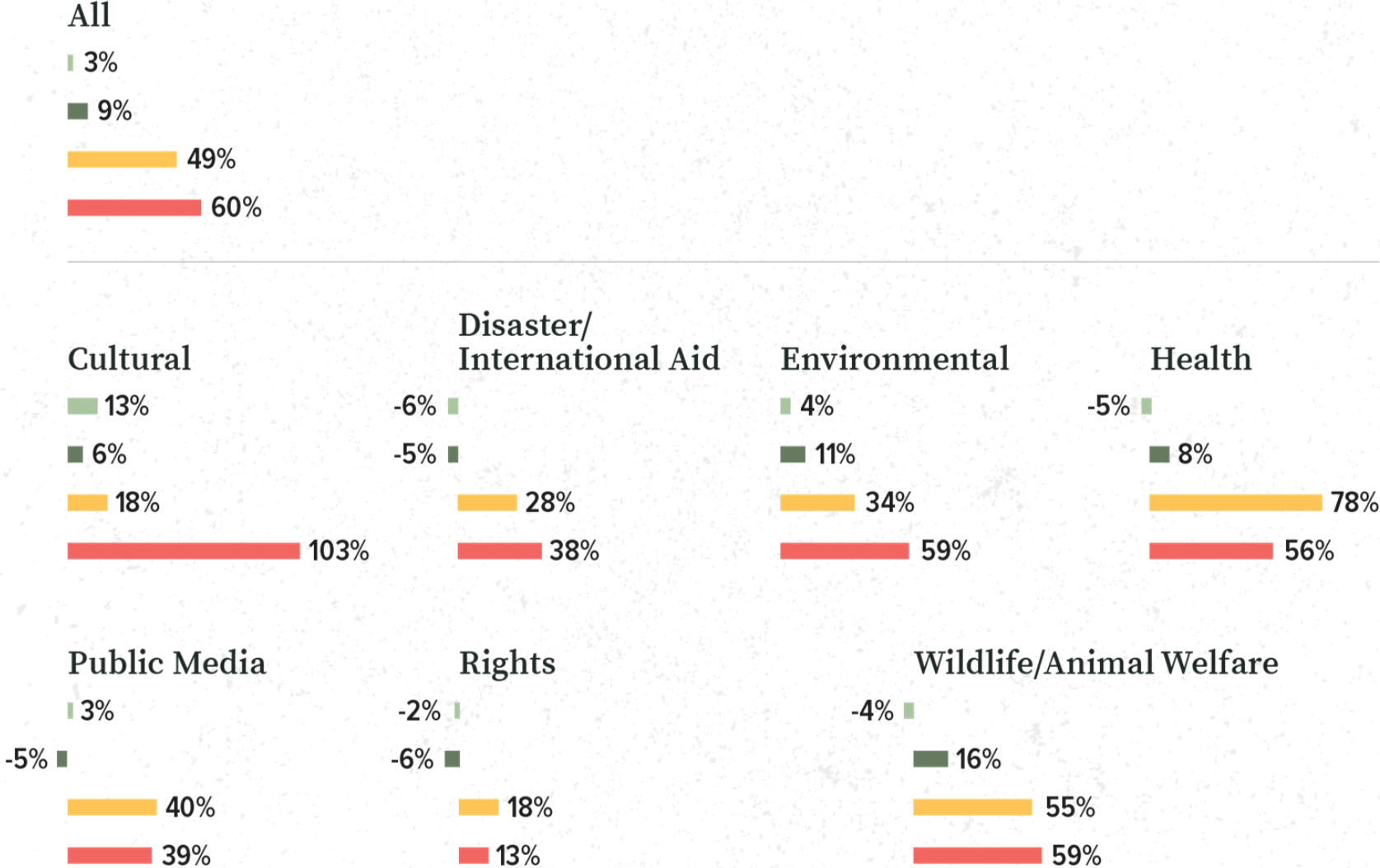
**YEAR-OVER-YEAR CHANGES:** We base all YOY changes using historical data from this year's participants, rather than referencing previous editions of Benchmarks.

# Change in online revenue 2020–2021



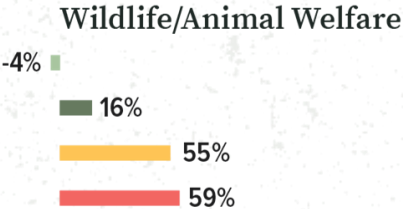
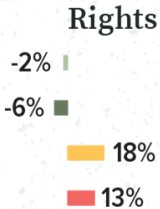
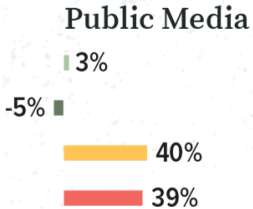
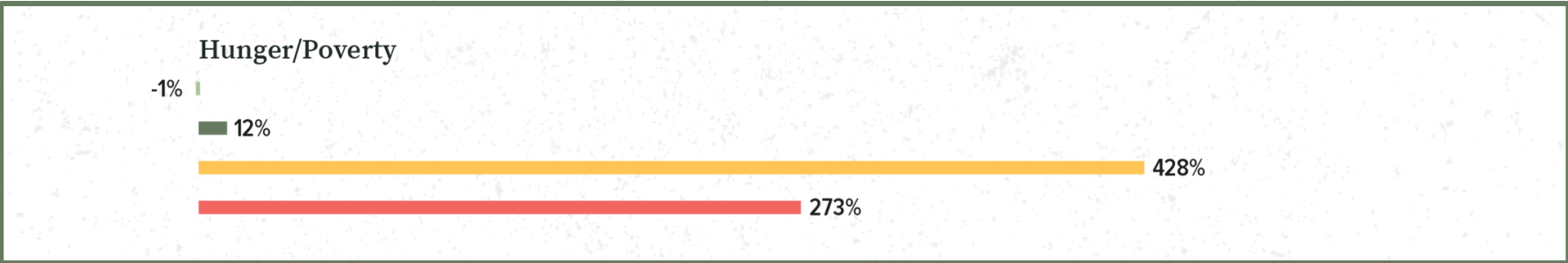
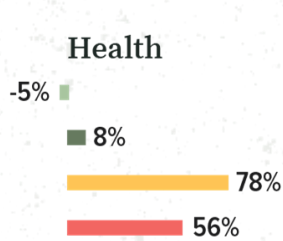
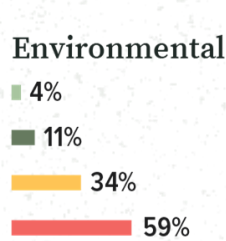
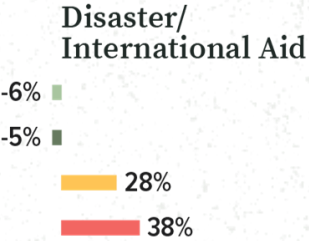
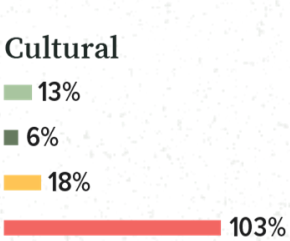
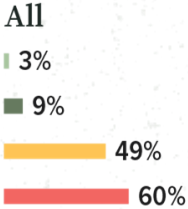
# Online revenue change since 2017

● 2017-2018 ● 2017-2019 ● 2017-2020 ● 2017-2021



# Online revenue change since 2017

● 2017-2018 ● 2017-2019 ● 2017-2020 ● 2017-2021





# FUNDRAISING



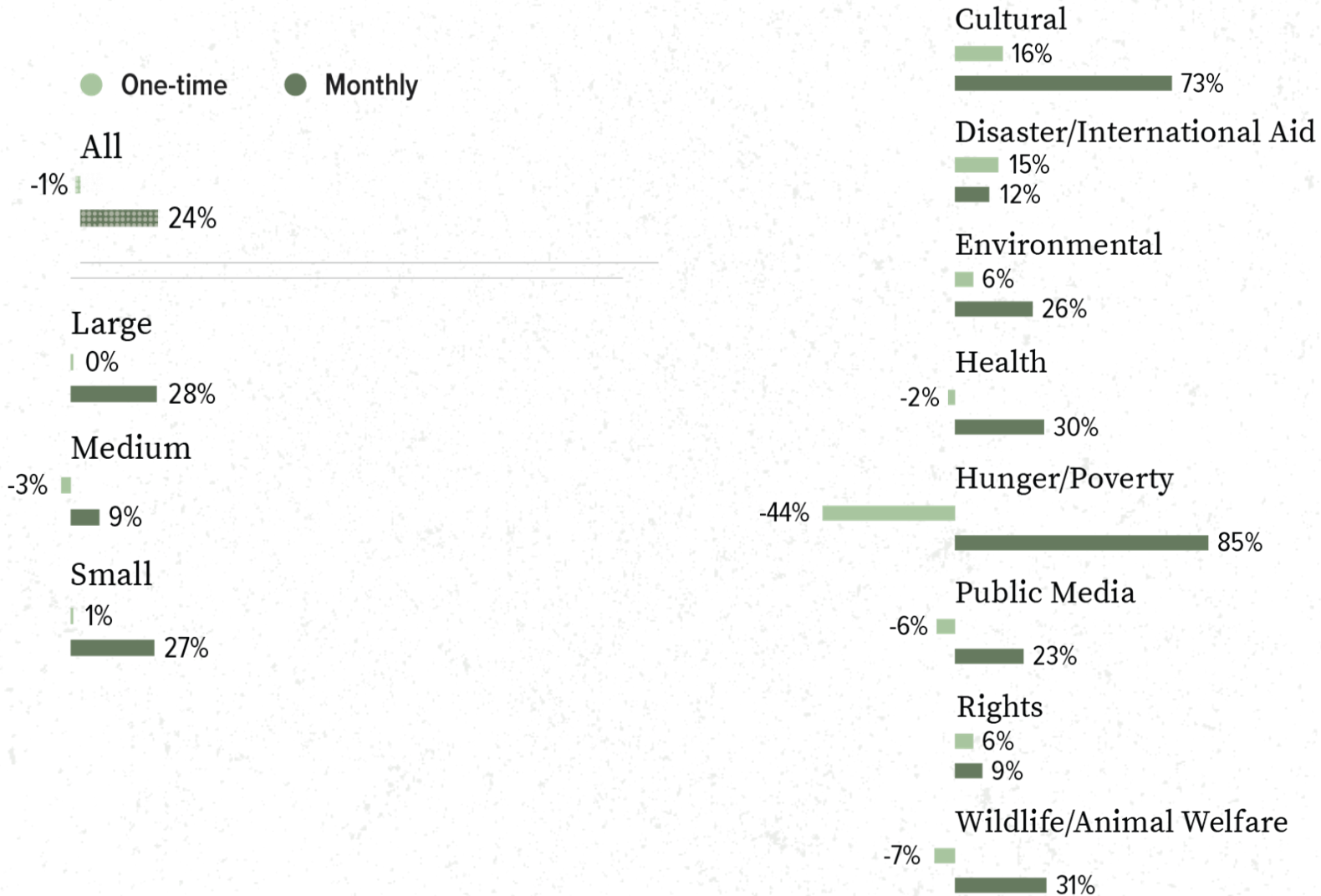
**EOY**  
FUNDRAISING

FUNDRAISING

DATE	RAISED ONLINE
2021	\$1,035,968,996

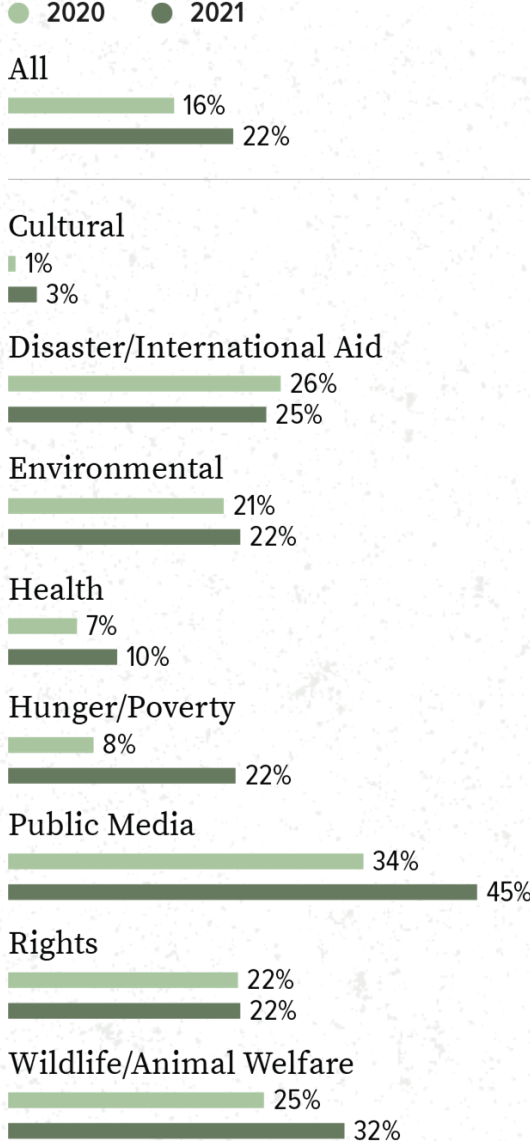
1324 6785

# Change in online revenue by type 2020 to 2021



# Monthly giving as a percentage of online revenue

Monthly giving accounted for 22% of all online revenue in 2021, up from 16% in 2020.



# Percent of all online revenue raised by month

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
All	5%	5%	7%	6%	6%	5%	5%	5%	6%	6%	11%	25%
Cultural	4%	6%	6%	5%	7%	11%	9%	5%	6%	6%	10%	23%
Disaster/International Aid	4%	5%	6%	6%	6%	5%	5%	8%	5%	5%	8%	23%
Environmental	5%	5%	6%	7%	5%	5%	5%	6%	6%	6%	11%	31%
Health	5%	4%	5%	6%	7%	5%	4%	5%	6%	6%	13%	30%
Hunger/Poverty	8%	6%	8%	6%	5%	5%	4%	5%	5%	6%	15%	23%
Public Media	7%	7%	10%	8%	6%	8%	5%	4%	5%	6%	9%	17%
Rights	5%	4%	6%	5%	7%	6%	6%	6%	6%	6%	10%	24%
Wildlife/Animal Welfare	5%	6%	6%	6%	6%	6%	6%	7%	7%	7%	12%	18%

# Average one-time gift

● 2020 ● 2021

All



Cultural



Disaster/International Aid



Environmental



Health



Hunger/Poverty



Public Media



Rights



Wildlife/Animal Welfare



# Average monthly gift

● 2020 ● 2021

All



Cultural



Disaster/International Aid



Environmental



Health



Hunger/Poverty



Public Media



Rights

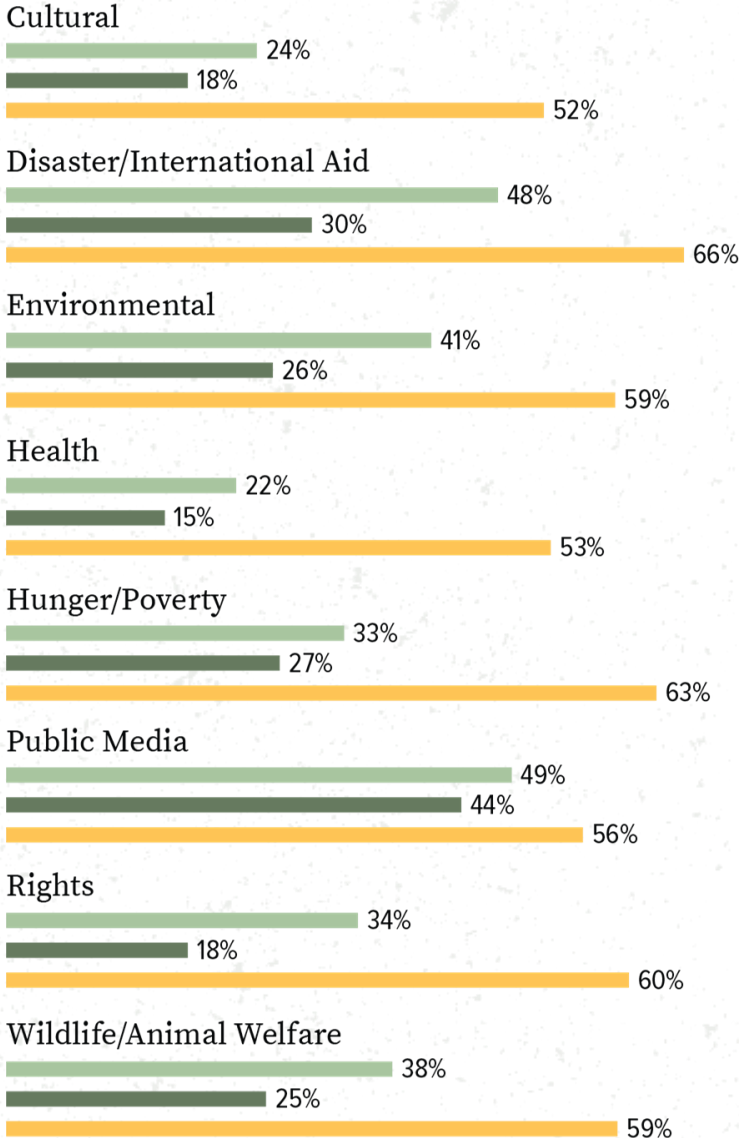
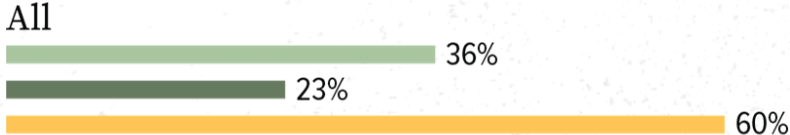


Wildlife/Animal Welfare



# Online donor retention

● Overall ● New Donors ● Prior Donors



# MESSAGING







# Messaging Points of Interest

- Email list sizes increased by 7% in 2021, building on 4% and 2% growth in the previous two years.
- Nonprofits sent an average of 63 email messages per subscriber in 2021, a 1% decline in volume from the previous year.
- For every 1,000 fundraising messages sent, nonprofits raised \$78. This marks a 3% decrease from 2020.

# Email rates by message type

	Open Rate		Click-through Rate		Page Completion Rate		Response Rate		Unsubscribe Rate	
All	22%	(+16%)							0.18%	(+1%)
Advocacy	19%	(+8%)	2.4%	(-9%)	69%	(+2%)	1.8%	(+4%)	0.15%	(+17%)
Fundraising	23%	(+26%)	0.7%	(-7%)	16%	(-3%)	0.08%	(-11%)	0.19%	(-1%)
Newsletter	23%	(+10%)	1.5%	(-1%)					0.17%	(+4%)



**ROI**  
DIGITAL ADS



COST PER DONATION

DISPLAY	SEARCH	SOCIAL
\$178	\$46	\$86

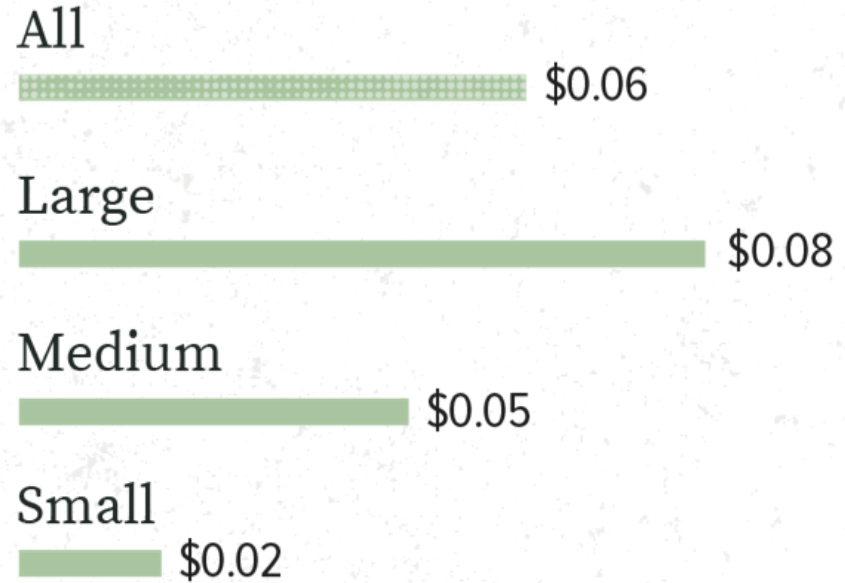


# DIGITAL ADS



# Investment in digital ads divided by total online revenue

Small nonprofits invested just \$0.02 per dollar of online revenue; for Large nonprofits, it was \$0.08 per dollar.



# Change in investment in digital ads 2020–2021

All 19%

Cultural



Disaster/International Aid



Environmental



Health



Hunger/Poverty



Public Media



Rights



Wildlife/Animal Welfare



Large



Medium



Small



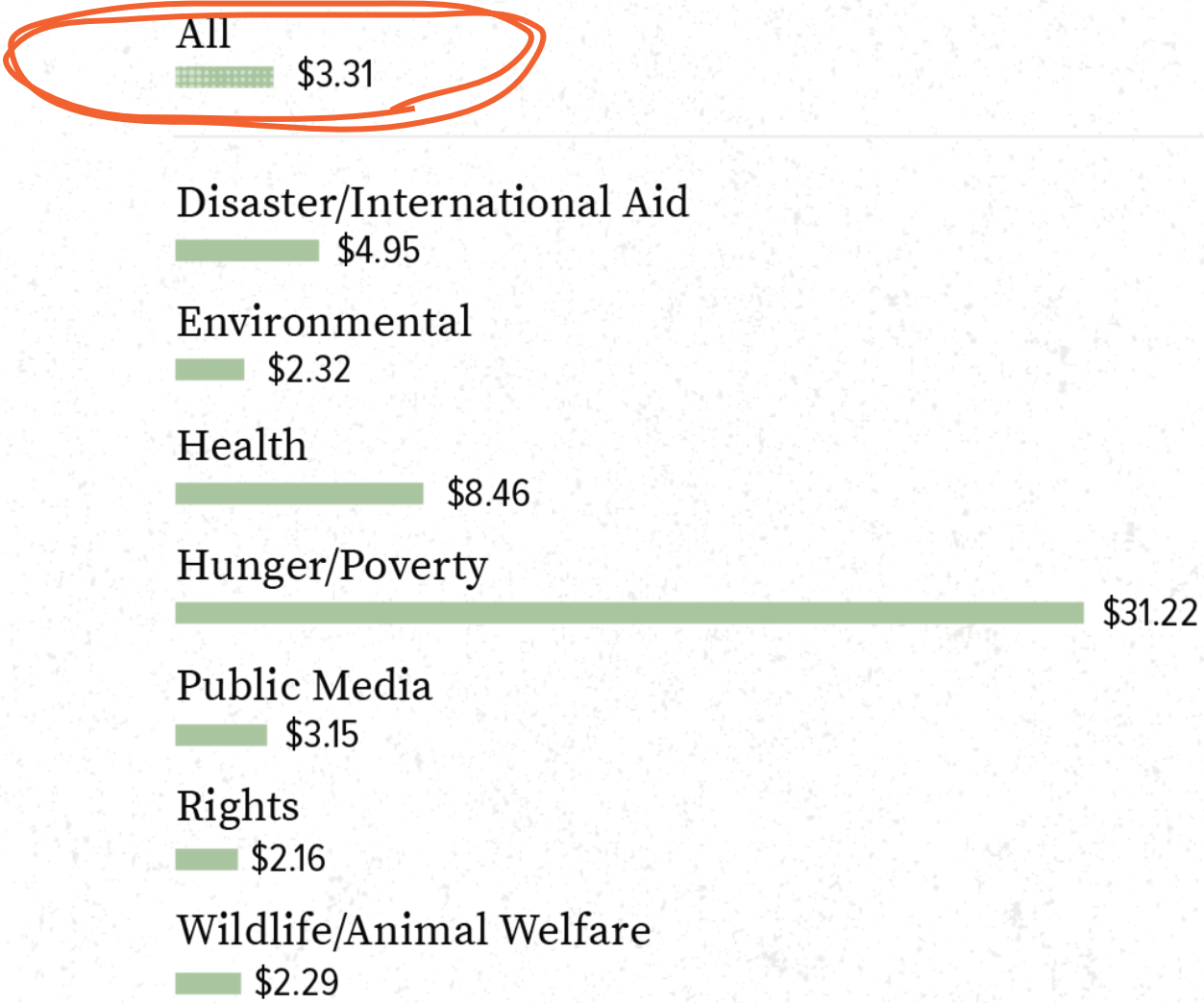
# Share of digital advertising budget by goal

	All	Large	Medium	Small
Branding, Awareness, or Education	32%	33%	24%	14%
Direct Fundraising	52%	52%	17%	74%
Lead Generation	15%	14%	53%	11%
Other	1%	1%	7%	–

# Share of direct fundraising budget by channel

	All	Large	Medium	Small
Display	32%	32%	38%	28%
Search	24%	23%	22%	53%
Social Media	36%	37%	35%	20%
Video	6%	6%	3%	–
Other	2%	2%	1%	–

# Cost per digital advertising lead





# Digital advertising: cost per donation

	Display	Search	Social Media	Video
All	\$178	\$46	\$86	\$358
Disaster/International Aid	\$204	\$47	\$130	—
Environmental	\$151	\$44	\$82	\$348
Health	\$137	\$47	\$170	—
Hunger/Poverty	\$87	\$37	\$123	—
Rights	\$154	\$50	\$68	\$1,295
Wildlife/Animal Welfare	\$155	\$34	\$41	\$53

# Digital advertising: return on ad spend (ROAS)

	Display	Search	Social Media	Video
All	\$0.59	\$3.72	\$0.57	\$0.16
Disaster/International Aid	\$0.67	\$3.02	\$0.71	—
Environmental	\$0.49	\$2.56	\$0.41	\$0.09
Health	\$1.01	\$3.66	\$0.53	—
Hunger/Poverty	\$2.97	\$12.60	\$1.33	—
Rights	\$0.95	\$3.76	\$0.62	\$0.01
Wildlife/Animal Welfare	\$0.25	\$3.18	\$0.72	\$0.55
Large	\$0.54	\$3.72	\$0.60	\$0.20
Medium	\$0.69	\$3.75	\$0.47	—
Small	—	—	\$0.31	—



**DMAW**

**THANK YOU!**

**Nonprofit  
Industry  
Report  
for 2021**



**BENCHMARK**