



DonorPerfect Fundraising Benchmarks Report:

Data Insights for Growing Nonprofits

Most Small Nonprofits Are Experiencing Declines in Fundraising Due to the Widespread Impact of COVID-19

In a year marked by the global COVID-19 pandemic and record unemployment, nonprofits of all sizes and sectors have been tasked with the incredible challenge of simultaneously managing a dramatic shift in the landscape of fundraising and a sudden and overwhelming demand for their programs and services.

Despite their own struggles, nonprofit organizations continue to focus their efforts on sustaining the wellbeing of those they serve and progressing work and ideas that support an equitable society, as the disparities among members of our communities are more apparent than ever.

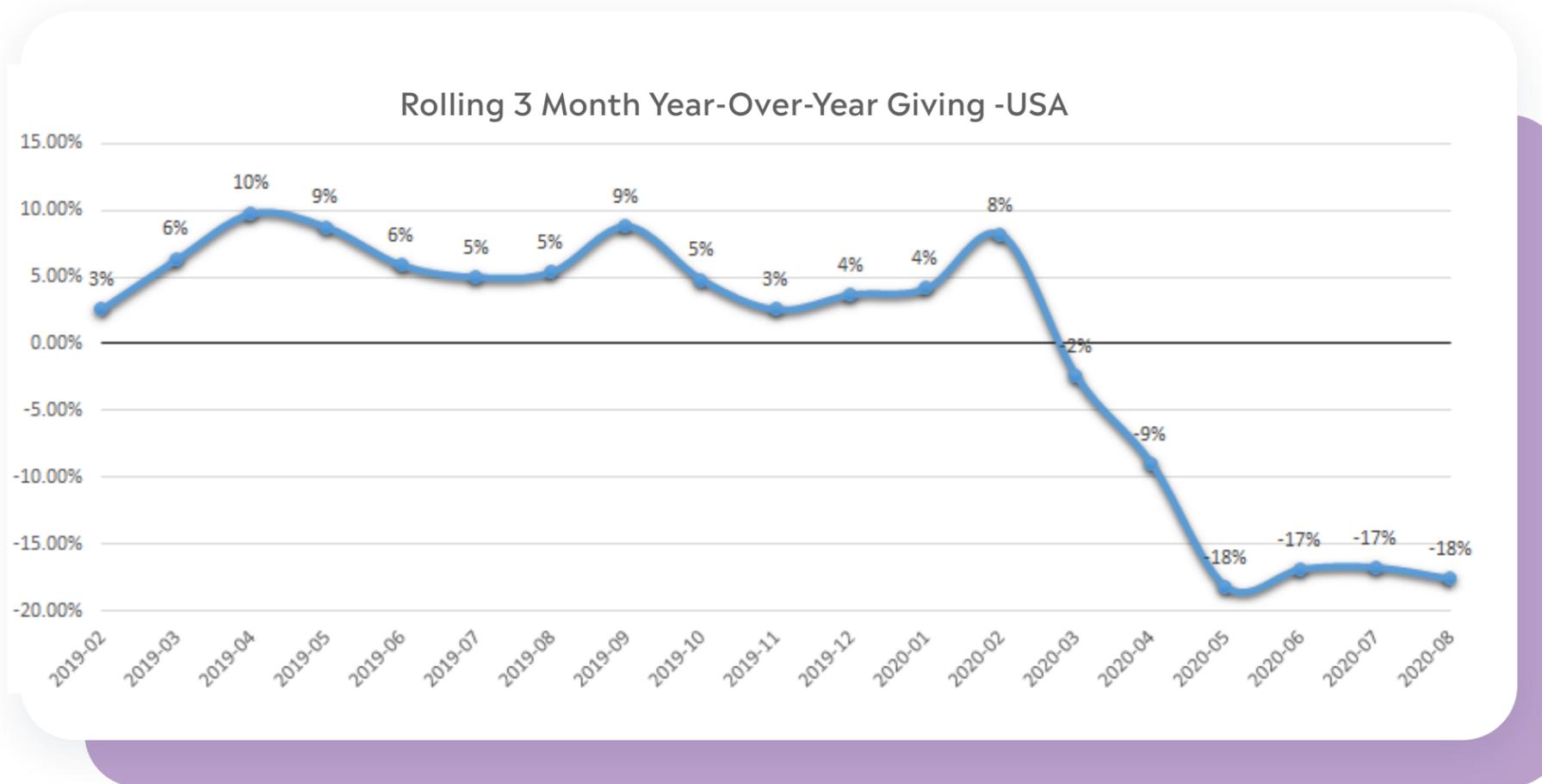
We hope that this snapshot of the billions of dollars in donations collected by the DonorPerfect community can help nonprofits understand the trends and how the results of their organization compare to benchmarks of similar nonprofits.

As a partner in our customers' fundraising success, DonorPerfect uses year-over-year giving to guide our efforts in supporting the nonprofits we serve. This data influences the way we innovate our products, services, and resources and empowers us to equip our customers with the features and expertise they need where and when they need them.

Report Highlights

- Small nonprofits experienced a significant drop in giving growth (-18% in the most recent 3-month rolling average) as a result of the pandemic
- The impact of the COVID-19 pandemic varies by organization size with larger nonprofits faring better.
- The type of organization is a major factor in giving growth, as Arts and Educational nonprofits are suffering the largest declines.

Year-Over-Year Giving



Data Source: DonorPerfect Customers (n=7500)

Prior to the COVID-19 pandemic, donation activity at small nonprofits was consistently growing, achieving a rolling 3-month growth rate of between 3-10%. This changed dramatically with the start of the pandemic in March. Because the chart represents a 3-month rolling average, the decline looks somewhat gradual, but the reality is better reflected in the 17-18% decline reported in the more recent 3-month periods.

While this is a very worrisome trend, it is worth noting that fundraising activities for most nonprofits are seasonal, with a high percentage of funds raised in the last quarter of the year.

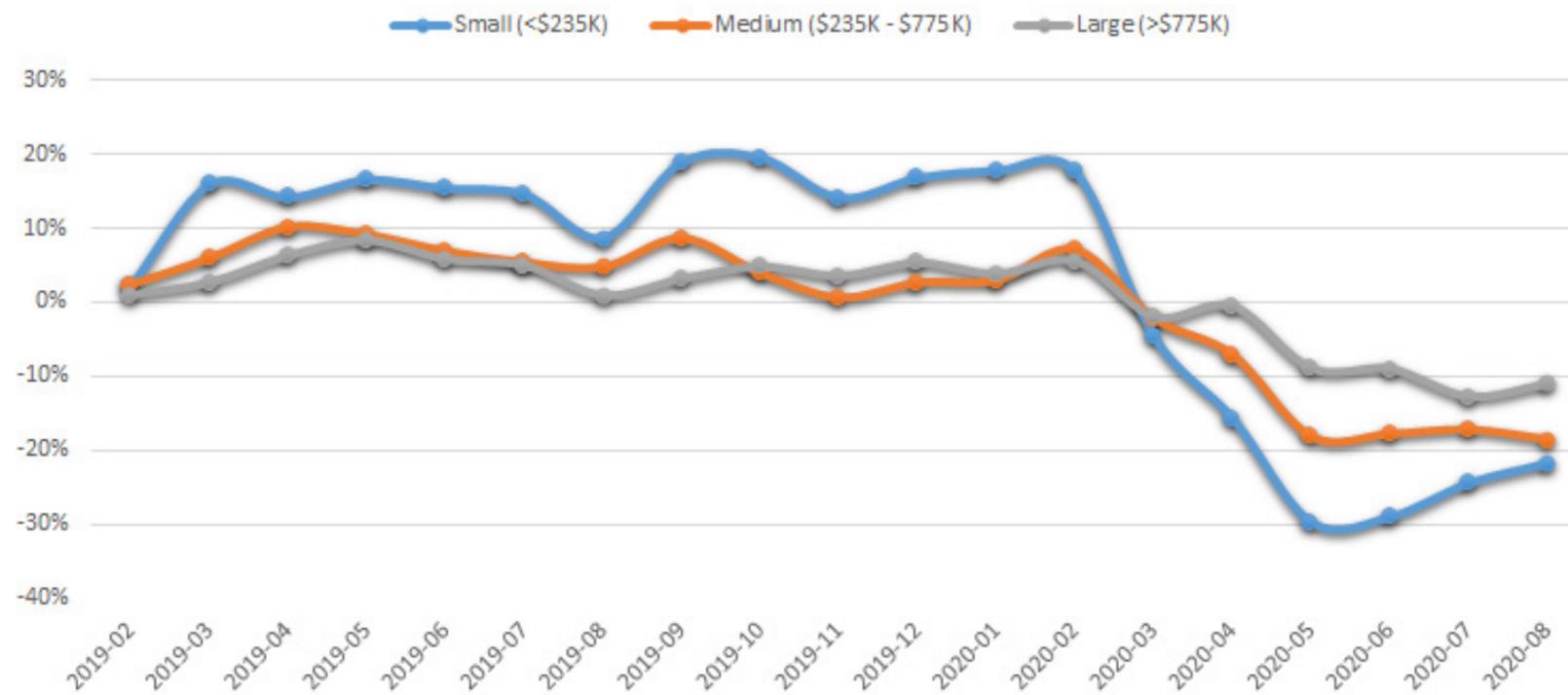
Year-Over-Year Giving By Organization Size

The chart below segments organizations by the level of donations raised. We analyzed data from the prior two years so segmentation wouldn't be affected by the impact of the pandemic.

Year-Over-Year Giving by Organization Size: 3 Months Ended 8/20

Small	Medium	Large
less than \$235,000 in annual donations	between \$235,000 and \$775,000 in donations	over \$775,000 in donations
↓22%	↓18%	↓11%

Rolling 3 Month Year-Over-Year Giving by Organization Size

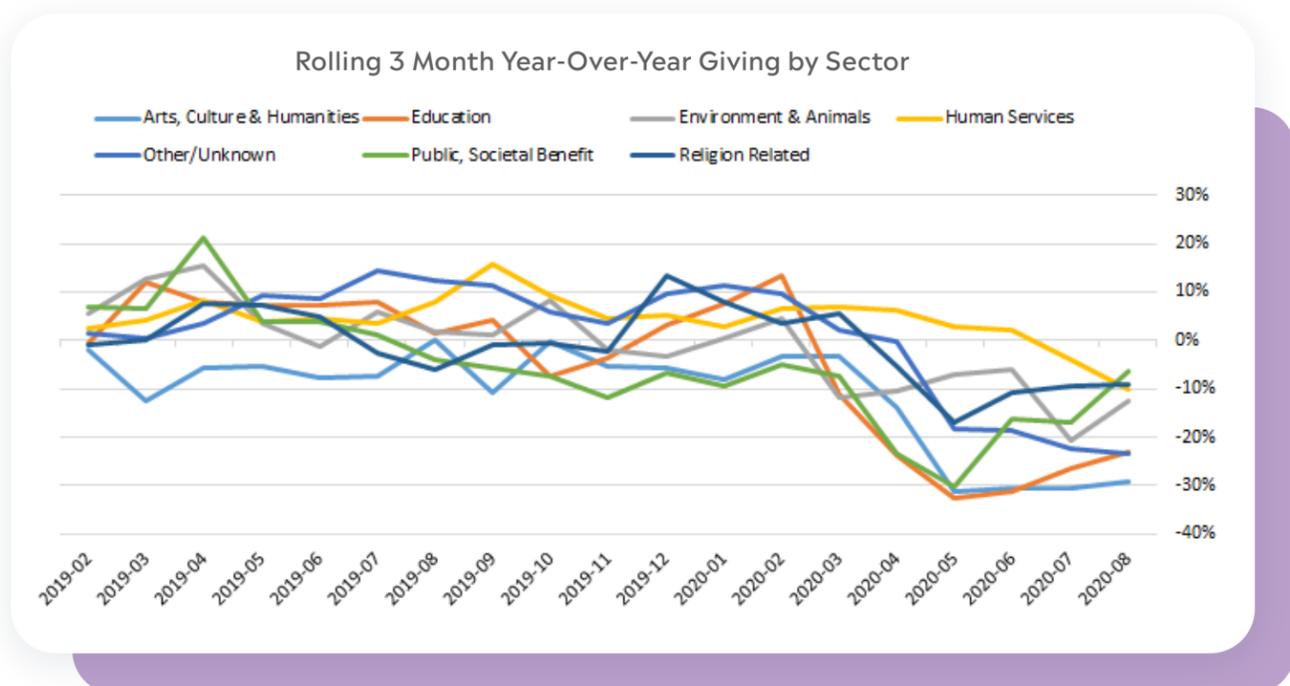


Although organizations of all sizes were impacted, this chart shows that the impact has been most severe for non-profits in our small and medium-sized segments. Interestingly it also reveals that before the pandemic, the small segment was actually growing giving more rapidly than medium and large segment organizations.

There are many possible explanations for this divergence and we are conducting additional analysis and research and plan to share a more in-depth analysis shortly.

Year-Over-Year Giving By Organization Type

There are many different types of nonprofits, and the pandemic's impact on them varied rather substantially based on the organization's sector. To show these variations, we divided organizations into seven general categories.



- All sectors showed a decline in giving as a result of the pandemic.
- Human Services, Faith Based, and Public and Societal Benefit sectors were the least impacted, presumably because their fundraising efforts could be more directly connected to addressing the societal impacts of the pandemic.
- Arts, Culture & Humanities and Education sectors were the most severely impacted.
- Most sectors have begun to show some improvement in giving levels in recent months though the 3-month rolling average remains negative compared to the prior year for every sector.

Organization Sector	Year-Over-Year Giving - 3 Months Ended 8/20
Arts + Culture (531 orgs)	↓29%
Education (944 orgs)	↓23%
Human Services (1934 orgs)	↓10%
Public + Societal Benefit (400 orgs)	↓6%
Faith Based (458 orgs)	↓9%
Environment + Animals (457 orgs)	↓12%
Unknown/Other (2,782 orgs)	↓23%

We hope that providing these high-level benchmarks will allow our clients and other nonprofits to better assess their fundraising results. We will update these metrics on a regular basis. Future reports will drill down into the primary drivers of year-over-year giving, such as donor retention, donor acquisition, and average donor annual giving levels.