

eBook



The 2015 Online Fundraising Report

How donors are giving online and how to get the most from your digital strategy

Network  **for Good**®

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About this Report

The growth of online giving continues to outpace the overall growth of charitable giving. How do you connect with donors and raise more through a rapidly evolving digital landscape?

Network for Good's Online Fundraising Report looks at online donation trends and fundraising best practices to help you get more from your online fundraising efforts. Combining data from [The Digital Giving Index](#), Network for Good's 13 years of online donation experience, and other fundraising studies, this report provides an in-depth look at online giving trends, plus actionable tips for:

- Assessing your online fundraising strategy
- Optimizing your donation page and website to improve conversion and increase the size of your average online gift
- Creating an integrated marketing plan to attract and retain more donors



About the Author

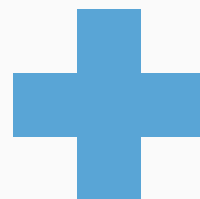
This report was compiled and written by Caryn Stein, Vice President of Communications and Content for Network for Good. Caryn leads Network for Good's training programs and is the editor of The Nonprofit Marketing Blog. As a nationally-recognized speaker and coach, Caryn has helped hundreds of nonprofits improve their online fundraising strategy and donor communications.

Executive Summary

The [2014 Digital Giving Index](#) data referenced in this report covers \$233 million in online giving to 45,000 nonprofits through Network for Good's platform in 2014.

- **The online giving experience has a significant impact on donor conversion, retention, and gift levels.** The more intimate and emotionally coherent the giving experience, the stronger the relationship between donor and nonprofit appears to be. Just like traditional fundraising, online fundraising is all about creating and building relationships.
- **The experience matters.** The average donation size through generic giving pages is 30% lower than for donations made via charity-branded giving pages.
- **Recurring giving is a major driver of giving over time** and should be prioritized in the giving experience.
- **Online giving spikes during the month of December and disasters.** During disasters or large-scale giving events, donors are more likely to consider new giving options, while in December they are more likely to give based on relationships with the charities.
- **Social fundraising is on the rise.** Social fundraising dollars grew 70% from 2013 to 2014. The popularity and ease of peer fundraising campaigns coupled with social media and mobile technology has led to explosive growth in this type of giving.

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The State of Online Giving

Why Online Giving Matters for Your Organization

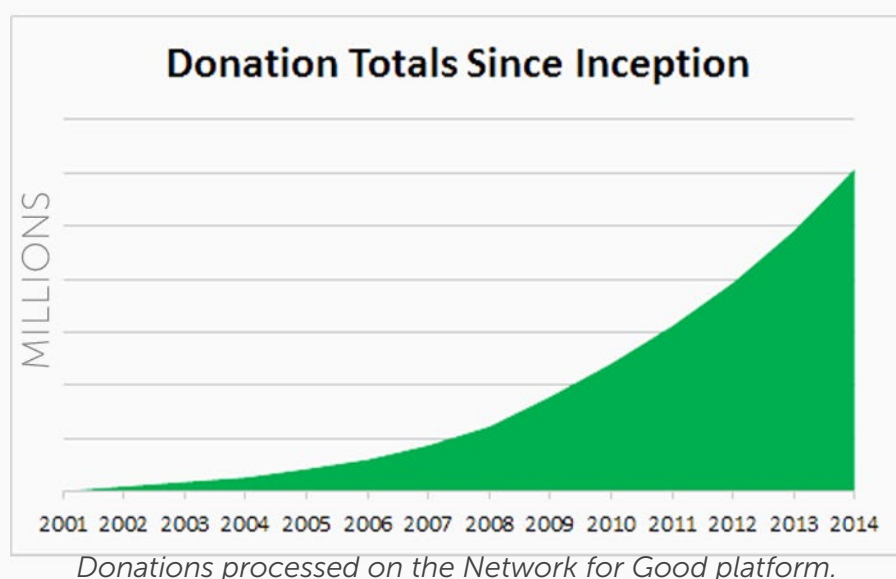
We lead increasingly digital lives, from our work, to personal communication, to shopping, and even banking; there's not much that we don't do online. Our philanthropic tendencies are no different. As we become more comfortable with online—and mobile—transactions, we can leverage the opportunity of anywhere, anytime giving.

It's no surprise, then, to find that digital giving continues to grow rapidly. Since 2010, Network for Good has published the [Digital Giving Index](#) which looks at online giving trends across the Network for Good giving platform. This includes donation pages, peer fundraising campaigns, portal giving, and employee giving.

For the past several years, year-over-year growth in online giving has outpaced growth in overall giving. As online giving methods adapt to changing technology and habits, we expect these trends to continue and accelerate. As more donors move online, both in their giving and in their interactions with causes, having a strong digital strategy is no longer optional.

Blackbaud has reported that online charitable giving grew 9% in 2014, while Giving USA found only a 3% growth rate for giving overall. At Network for Good, we saw a big jump in year over year activity, with a 23% increase in online donations from 2013 to 2014.

Online Giving Growth in 2014



Online Giving By Channel

Discussions of online fundraising often focus on technology, but raising funds online is not solely about technology, any more than raising funds through the mail is about paper. At its core, online fundraising is still about the relationship between the nonprofit and the donor. That said, it's important to understand how an online giving channel can affect this relationship.

Giving is an emotional, personal experience, so the fundraising technology we use needs to match up with that expectation. Online donors expect a connection—not simply a transaction—with the organizations they support. The donor's online experience is directly tied to their likelihood of giving, giving more—and giving more often.



Although some amount of online giving may always be transactional—where donors don't want a relationship with the organization—there's no excuse for not improving the online giving experience with the donors who *do* want a relationship. Even small nonprofits with limited resources can and should offer giving channels that reinforce a connection with donors online. The good news is that it's no longer difficult to do so.

Where Donors Give Online

Most charitable online giving through Network for Good is via charity giving pages (55%), followed by social giving sites (23%), employee giving programs (11%), and then online giving portals (11%).

Online Giving Channel Definitions

Branded Giving Pages: This type of charity giving page looks and feels like the nonprofit's website or campaign. These pages include photos, colors, logos, and text entered by the nonprofit. They also include options tailored to a specific campaign.

Generic Giving Pages: This type of charity giving page sends donors to a checkout experience that includes the nonprofit's name and contact information, but doesn't visually match the organization's website or campaign.

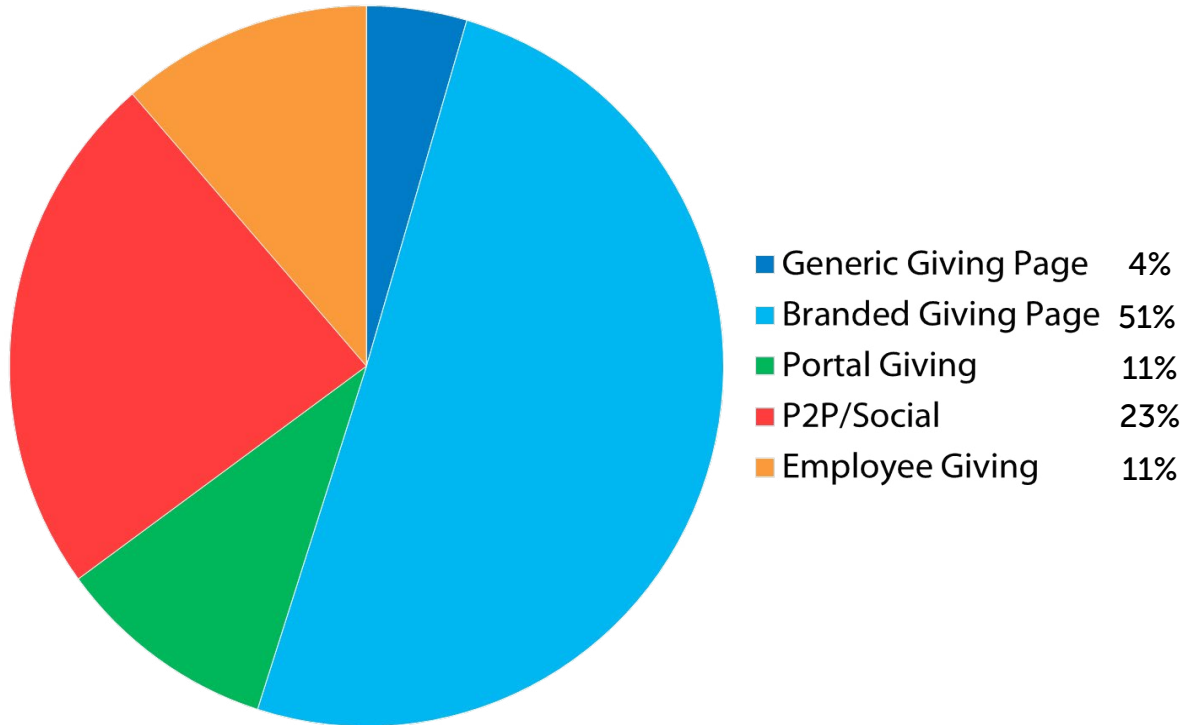
Portal Giving: Giving portals allow donors to search and support any charity registered with the IRS. These include NetworkforGood.org, GuideStar.org, and CharityNavigator.org

Social Giving: Social, or peer, fundraising includes campaigns where individuals raise money on behalf of a charity among their networks, friends, and family.

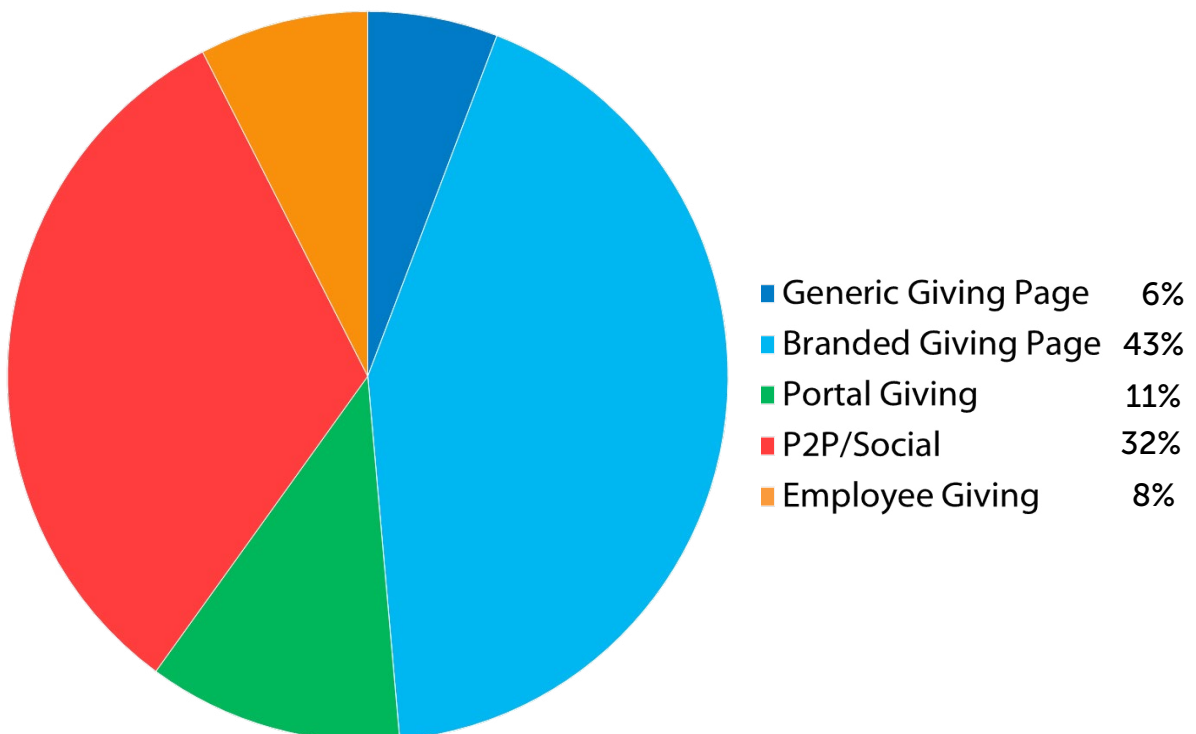
Employee Giving: Network for Good also powers company-sponsored giving programs, where donors can give through a payroll deduction, or via cash donations. They often include an employer match incentive.

Online Giving By Channel

2014 Distribution of Online Dollars by Channel
(total contributions)



2014 Distribution of Online Donations by Channel
(number of donations)



The Giving Experience Matters

Not all online giving is the same. What we continue to find is that:

The channel matters

The context matters

The experience matters

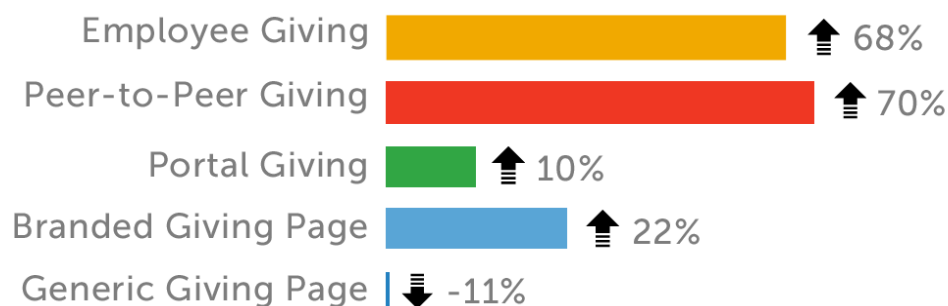
Online donors expect a connection—not simply a transaction—with the organization they support. The level of connection to an organization that a donor experiences online is directly tied to their likelihood of giving, giving more—and giving more often. Even small upgrades to the donor experience make a measurable difference in online giving.

The rate of growth and size of gifts vary from channel to channel. The channel is almost always connected to the context of the donor's inspiration to give as well as the experience that they have while giving.

Average Gift Size by Channel



Growth Rate by Channel (2013 vs. 2014)



The Giving Experience Matters

Generic giving pages and e-commerce tools can help make giving easy, but they don't fully capture the potential of online giving. The effect of the giving experience shows in the data – donors are more likely to give and give more on branded giving pages vs. generic giving experiences, e-commerce-style solutions, or charity giving portals.

Generic Giving Page



Branded Giving Page



Average gift size is 43% larger on a branded giving page.

The difference in donor experience has a significant impact on giving levels. In addition to the degree of charity branding, other factors affecting the donor experience are the login required for generic giving pages and the multi-page checkout process. The more steps required to complete a donation, the less likely a donor is to give.

Donation data shows that branded giving pages raise, on average, **seven times more dollars** than generic pages.



Donors are 31% more likely to initiate a recurring gift on a branded page versus unbranded page.

Donors are also more likely to give recurring gifts on a branded page.

On the Network for Good platform, we see that donors who give monthly contribute **42% more in a year** than donors who give one-time gifts.

Monthly gifts really do add up, and a well-positioned recurring gift option on a branded giving page will help a cause raise more over time.

It's worth noting that 12% of donors giving through the Network for Good platform are recurring donors.

Online Giving By Time of Year

In addition to the channel, the time of year can affect donation volume with seasonal trends or giving events.

Through any given year, we see donation volume spike during the month of December and during large-scale disasters. Average donation size also varies by time of year, with the largest gifts being made during December, followed by disaster giving, and then the rest of the year.

Average Gift by Time of Year

REST OF YEAR



\$104

#GIVINGTUESDAY



\$142

DECEMBER 31



\$229

DISASTER



\$119

December Giving Still Dominates

Nearly a third of annual giving happens in December. On Network for Good's platform, giving ramps up through the month with the last few days of the year showing the largest donation volume. Giving during the last three days of the year in 2014 made up 12% of the total volume of gifts for the year. Year-end fundraising is still big!



31%
of the year's online
donation volume
comes in **December**

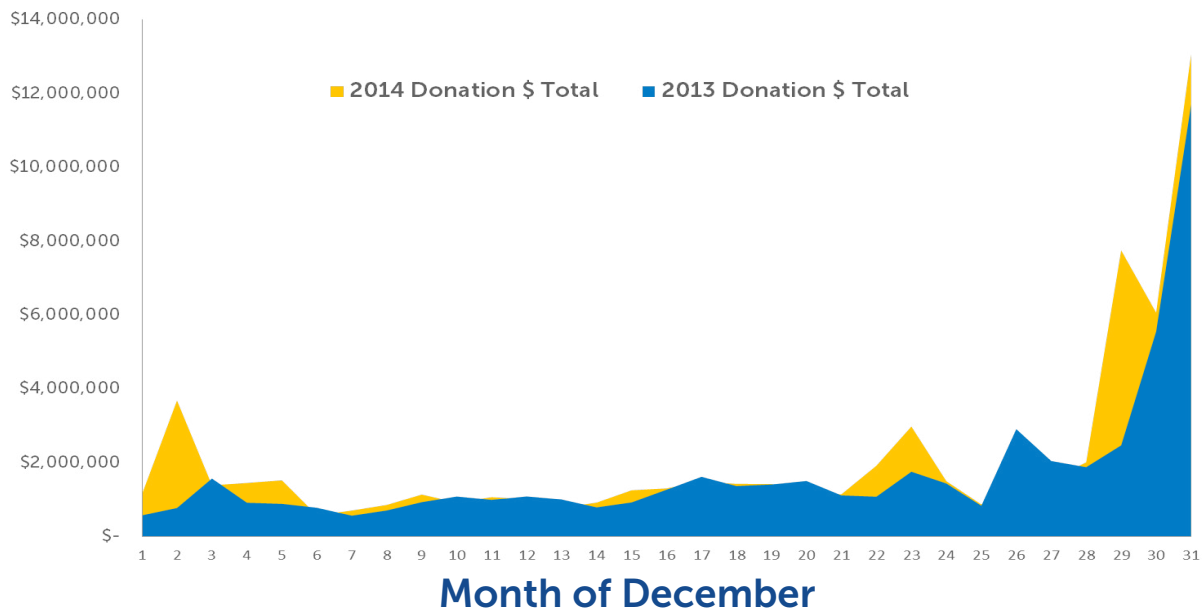


viva procrastination!

The last three days
of the year make up
12% of all annual
donations

Giving spikes on specific days, even within the month of December and end-of-year giving is growing. To take a closer look, we examined December giving by day on the Network for Good platform for those organizations who raised funds through Network for Good in December in both 2013 and 2014. (This represented 18,947 nonprofits.)

We saw that those nonprofits grew their December giving totals by 23% and the number of donations increased 25% year over year. This growth is likely due to the expansion of #GivingTuesday and well-coordinated campaigns in the last few weeks of the year.



#GivingTuesday Takes Hold

At Network for Good, we continue to see the #GivingTuesday movement grow. We saw a marked increase in the number of donations, the number of nonprofits participating in this giving day, as well as a 148% growth in donation volume when compared with #GivingTuesday 2013.

Did #GivingTuesday simply shift donations from donors who would have given anyway to earlier in the month?

Generally speaking, we've seen giving days attract new donors who would not have otherwise given in December, and inspire existing donors to give both at the beginning and the end of the month. While we typically see the last three days of December account for 10% of annual giving volume, in 2014 these last three days of the year equaled 12% of annual giving volume. It doesn't appear that #GivingTuesday is cannibalizing other year-end giving



148%
growth in
donation volume

2.5x increase in donations

1.6x increase in nonprofits

Emerging Trends in Online Giving

While donors reasons for giving to causes they care about hasn't changed, the way they connect with causes and show their support is evolving thanks to the adoption of social media and ubiquity of mobile devices. Here are three key trends that are shaping how donors engage with nonprofits and how organizations can leverage these trends.

Social Fundraising

The power of peer fundraising and socially-driven campaigns has increased dramatically as the tools and communication channels that make it easy for donors to advocate on organizations' behalf have become mainstream. Social fundraising has seen explosive growth over the last few years, **growing 70% in 2014**. Better still, **the average donation amount for gifts through these campaigns has grown 52%** just in the last year. Our research has consistently shown that peer-to-peer campaigns are additive to other fundraising methods, allowing nonprofits to grow both their revenue and their donor base.



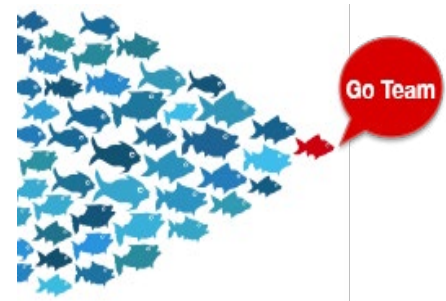
Mobile

With the majority of all email opens now happening on mobile devices, nonprofits that don't have a strong mobile strategy will be left behind in online fundraising. There are many ways for causes to connect with donors via mobile, but the easiest, and most successful, is through the mobile web. Mobile-friendly and responsive pages allow donors to quickly give on the go, especially during disasters, events, and year-end. In 2014, **Network for Good's branded mobile giving pages netted 155% larger gifts vs. donations through third-party apps**.



Giving Days

Look no further than #GivingTuesday to see the power a giving day can have. Beyond funds raised, these events can help pull supporters and your community closer to your work. Just as with social fundraising campaigns, funds raised through events like giving days are proving to be additive to an organization's fundraising portfolio. As these events become more popular, we expect their average donation amounts to rise, driven by matching funds and gamification.



Shoring Up Your Online Strategy

As online giving continues to grow, organizations need to pay attention to their online strategy and donation experience. Here are some key things to keep in mind:



Focus on the Experience Your online donation page should keep donors in the moment of giving. Create a consistent branded experience with a giving page that looks and feels like your nonprofit's website. Your page should include:

- Your nonprofit's logo, name, and brand colors
- A compelling photo that illustrates the impact of your work
- Suggested giving amounts and impact labels to show what a donation can do
- Custom options for program designations and memorial gifts
- A rich post-donation experience and donor thank you process



Make it easy to give. Make your online giving process fast and simple. The more complicated the donation experience, the less likely a donor is to complete it.

- Declutter your giving page and streamline the number of fields a donor is required to fill out.
- Keep your donation form to one page on a tablet or computer.
- Offer mobile-friendly views and easy payment options for smartphones.
- Create clear calls to action and large donate buttons on your website and in emails.



Be Ready for Giving Spikes Nonprofits are likely to receive larger gifts as well as attract new donors during disasters, giving days, and the year-end giving season.

- Take advantage of seasonal giving spikes by sending a consistent series of fundraising appeals to your email list.
- Prominently feature your online giving options on your home page and throughout your website. Donors are likely to research your organization prior to giving.
- Have a plan to cultivate donors that come through giving portals, employee giving programs, or social fundraising campaigns.



Encourage Recurring Gifts Because monthly giving is one of the key drivers of donor value, nonprofits should encourage this behavior:

- Always offer a recurring gift option on your giving page.
- Present a compelling reason to give monthly, whether it's for greater impact or convenience.
- A branded giving page makes donors more likely to initiate a recurring gift, so be sure your donation page reflects your nonprofit's website..

Additional Resources

Use these guides, tools, and articles to help you improve your online fundraising strategy.

Create an Optimized Donation Experience

[The Ultimate Donation Page Course](#)

[The Ultimate Donation Page Guide](#)

Build a Monthly Giving Program

[Recurring Giving: A Quick-Start Guide](#)

[The Recurring Giving Challenge](#)

[Monthly Giving Basics](#)

Assess Your Mobile Strategy

[Your Mission is Mobile](#)

Get Ready for Giving Days

[Nonprofit's Guide to Successful Giving Days](#)

[#GivingTuesday Checklist](#)

Learn More about Social Fundraising

[The Crowdfunding Craze](#)

[The Secrets of Social Fundraising Success](#)

[The Millennial Donor Playbook](#)

About Network for Good

Network for Good powers more digital giving than any other platform. Since 2001, we've processed over \$1 billion for more than 100,000 nonprofits. We are Level 1 Audited PCI Compliant and our Donor Advised Fund is accredited by the Better Business Bureau Wise Giving Alliance, meeting all 20 of its standards for charity accountability. Plus, we're registered in every state for online fundraising.

We're a mission-minded organization, like you, and we're passionate about seeing good causes succeed. We also believe in the power of communities to do great things.

Our online fundraising solutions come with all of the support and coaching you've come to expect from Network for Good. We're here to help you connect with donors and create more successful fundraising campaigns.

Want to upgrade your nonprofit's online giving experience and raise more with your fundraising campaigns?

We're here to help.

We'd love to hear about your fundraising and donor engagement goals. We can offer suggestions for the right tools for your organization and show you some great campaigns for inspiration. To schedule a demo [contact us today](#) or give us a call at **888.284.7978** to **learn more**.

Visit us online: <http://www.networkforgood.com/NPO>

