



The Network for Good Online Giving Index 2010

Insights and Trends on Charitable Engagement

About this Index

Network for Good, the Internet's leading nonprofit giving platform, has a unique perspective on the experience and behaviors of charitable giving across several distinct channels including: individual charity websites, charity portals and social giving (peer-to-peer) websites. As a platform powering giving opportunities on all three of these channels, Network for Good has created this Online Giving Index with insights and trends to inform charitable engagement for both nonprofits seeking to strengthen relationships with donors and other entities seeking to integrate giving in online consumer, employee or stakeholder programs.

This Index builds on data and observations from our landmark giving study released in November 2010 and will be updated quarterly to provide timely and relevant snapshots of the state of charitable giving. *The Online Giving Study*, by Network for Good and TrueSense Marketing and sponsored by AOL, highlights analysis on \$381 million in online giving through Network for Good's platform, including 3.6 million gifts to 66,470 different nonprofits from 2003-2009. Learn more at www.onlinegivingstudy.org.

The Network for Good Online Giving Index 2010 includes trends and analysis on \$124.6 million in donations to more than 42,000 charities through the Network for Good platform in 2010, including donations to more than 10,000 nonprofits through their own websites and to other nonprofits through 20 partner websites and our own giving portals at www.NetworkforGood.org and www.SixDegrees.org.

Quarterly updates to this Index will be available at www.onlinegivingstudy.org/quarterlyindex.

Definitions

Charity Websites. Many charities use Network for Good as the giving engine behind their websites. There are two types of charity website giving experiences:

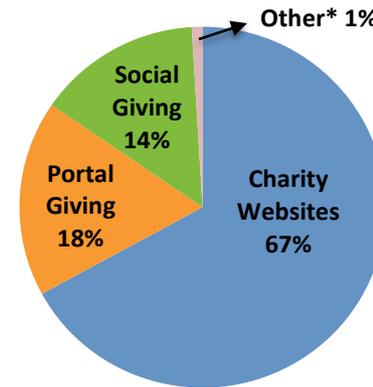
- 1) **A charity website with a generic giving page** that does not visually match the charity's website but goes to a Network for Good-branded multi-step checkout process that has the charity name and address to identify it.
- 2) **A charity website with a branded giving page** that is integrated with the charity's own website. Other than the NetworkforGood.org URL, it is not evident that one has left the website to make a gift.

Portal Giving. Network for Good powers giving portals, where donors can search and support any charity registered with the IRS. These include NetworkforGood.org, GuideStar, Charity Navigator, and The Capital One Giving Site, among others.

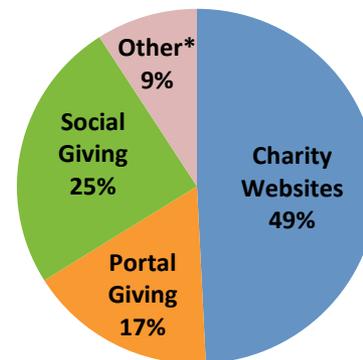
Social Giving. Network for Good powers social networks for social good, where donors can give to many charities and, in many cases, fundraise among their friends and family. Such sites include Causes on Facebook, Change.org, Crowdrise, and SixDegrees.org, among others.

Note on Data: All growth rates and average donation amounts are calculated based on a consistent sample of partners and nonprofit customers year over year. All donation breakdowns by channel are based on total donation volume.

2010
Breakdown of Donations \$



2010
Breakdown of Donations #



* Other includes nonprofit event giving, employee giving, and optional contributions to partners.
Source: Network for Good

Online Giving Up Across All Channels

Donation Dollar (\$) Index 2010 vs. 2009

Charity Websites (Generic)*	↑	7%
Charity Websites (Branded)*	↑	14%
Portal Giving**	↑	42%
Social Giving***	↑	1%
Overall Giving	↑	24%

Donation Number (#) Index 2010 vs. 2009

Charity Websites (Generic)*	↑	8%
Charity Websites (Branded)*	↑	9%
Portal Giving**	↑	54%
Social Giving***	↑	1%
Overall Giving	↑	17%

Source: Network for Good

Note: Growth rates for Charity Websites, Portal Giving and Social Giving channels are based on a consistent sample of partners and nonprofit customers year over year.

Note: Overall growth rates exclude one time donation events: 2010 Haiti earthquake response, 2009 America's Giving Challenge, and 2009 Give to the Max Day.

* Only 1% of donation volume growth on Charity Websites (both dollars and number or transactions) is attributed to Haiti earthquake response.

** More than 25% of donation dollar growth and 45% of transaction number growth in Portal Giving is attributable to Haiti earthquake response.

*** About 5% of donation volume growth in Social Giving (both dollars and number or transactions) is attributable to Haiti earthquake response.

- Online Giving increased across all channels in 2010, in keeping with overall migration of individual giving toward online and other technology.
- Charity Websites with a branded donation page received more donations and at higher average values than those with a generic donate page. Even in a struggling economy, nonprofits that reinforced their connection to their supporters through a branded donation experience saw more donor loyalty and more funds overall.
- Portal Giving experienced significant growth in donation volume driven by Haiti earthquake response and a strong December fundraising season. However, the average gift size fell 8%, indicating that more people gave on portal sites but at lower dollar amounts. The downward trend in average gift size may be indicative of increased adoption of online giving among mainstream donors, as opposed to early adopters (who are wealthier and more involved than average). It also shows the impact of the proliferation of giving opportunities in general that results in people giving more often (at supermarket checkout, for a child's birthday in lieu of gifts, in support of a friend's cancer walk) but at lower levels.
- Social Giving (including crowdfunding and peer-to-peer giving sites) is an emerging channel with big potential: while the average gift size on these sites is lower, the aggregation of many small gifts can result in significant resources for charities. Social Giving is driven primarily by giving events that rally vast networks to drive donations (examples: America's Giving Challenge on Causes on Facebook in 2009 or New York Marathon fundraisers on Crowdfunder in 2010) and also by personal fundraising campaigns where individuals ask friends and family to support their favorite charity (example: a Birthday Wish on Causes on Facebook). The modest growth points to the importance of giving events that mobilize large networks to achieve the true promise of Social Giving.

Key Trends in Giving 2010

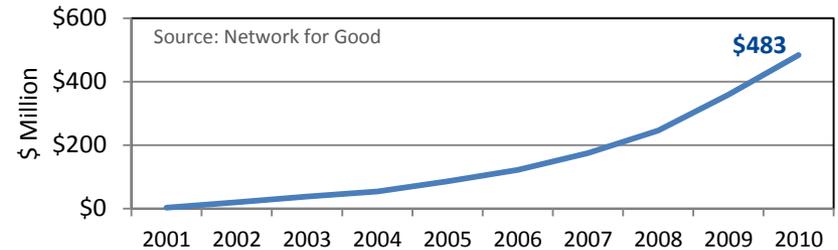
Overview: Network for Good processed 1.4 million donations in 2010, resulting in over \$124.6 million in funds for over 42,000 charities of all types and sizes – that includes everything from the Red Cross, to Partners In Health, to a local animal shelter or neighborhood PTA. The value of donations through our platform grew 24% year over year and the number of transactions grew 17%, excluding one-time donation events like the Haiti earthquake response.

Charity Websites: Dollars donated through charity websites increased 13% over 2009 and accounted for more than half of all donations through Network for Good in 2010. Donation dollars through websites with custom donation pages saw the most growth (14% increase in funds versus 2009 compared to only 7% for charities with generic donate pages). When a charity has created a branded donation experience that reinforces its connection to its supporters, the results speak for themselves: higher average gifts that grow over time. In 2010, Network for Good saw a 4% increase in average gift size for charities with a branded donation page, versus a flat average gift for those with a generic donate page. Further, a typical charity with a branded donate page received five times more donations and raised an average of \$12,000 more than a typical charity with a generic donate page raised in 2010.

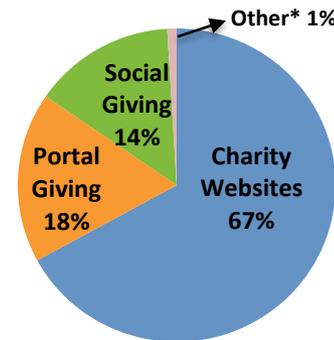
Portal Giving: In 2010, a large number of donors gave to charity online, especially in response to the earthquake in Haiti and at the end of the year. The number of donations made on portal sites increased by more than 50% versus 2009. However, the value of those donations only increased 42%, indicating that more people gave smaller individual contributions.

Social Giving: In 2010, Social Giving made up a quarter of the donation transactions processed by Network for Good. Social fundraising efforts may result in lower average gifts (under \$40), but sites like Causes on Facebook and Crowdrise give individuals a way to connect their social networks to their favorite causes and provide resources that charities wouldn't have achieved otherwise through their normal supporter cultivation activities.

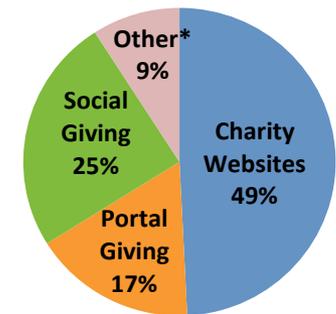
Growth in Donations through Network for Good



2010 Breakdown of Donations \$

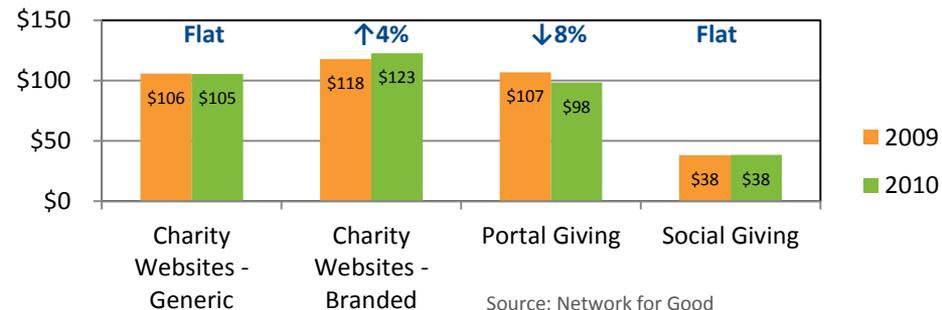


2010 Breakdown of Donations #



* Other includes nonprofit event giving, employee giving, and optional contributions to partners.
Source: Network for Good

Average Gift Size 2010 vs. 2009



Spotlight: December Giving

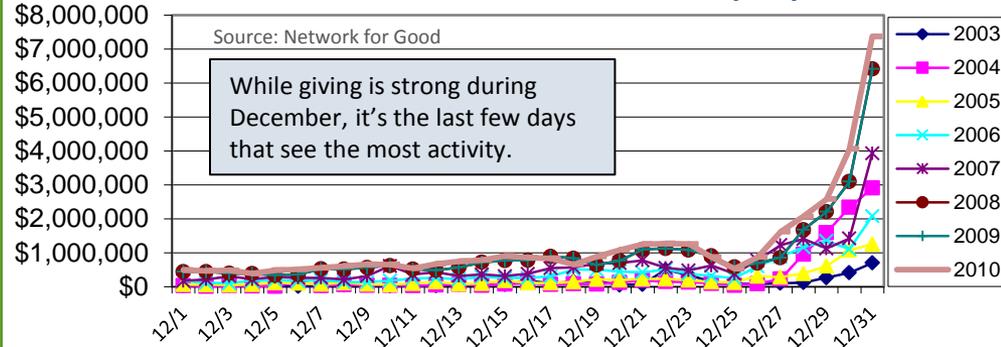
Overview: Roughly one-third of annual giving occurs in the month of December alone; and in 2010, 10% of donations made via the Network for Good platform came in on the last two days of the year. In December 2010, about 18% more donation dollars were contributed to charities through Network for Good compared to December 2009. The vast majority of those donation dollars were contributed directly on charity websites.

Charity Websites: More than 50% of all donation transactions in December 2010 were made on charity websites, but those transactions accounted for almost three-quarters of all donation dollars. Donors giving through generic donate pages on charity websites averaged \$172 per gift and donors engaged in a branded giving experience on a charity website averaged almost \$200. In sum, donors were about 90% more generous in December than over the rest of the year. Further, a typical charity with a branded donate page received over four times more donations and raised an average of \$3,500 more than a typical charity with a generic donate page raised in December.

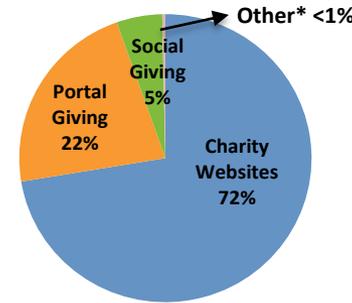
Portal Giving: About one-quarter of December 2010 donations were made through a charity portal such as Charity Navigator, GuideStar or The Capital One Giving Site, where it is easy to research charities and give to multiple organizations at once. The average donation through portals in December 2010 remained flat versus 2009 at just under \$155. However, that average is almost 90% higher than for portal donations made January through November 2010, demonstrating that donor generosity at year-end extends beyond charity websites.

Social Giving: Peer-to-peer giving occasions at year-end are growing through social media outlets such as Causes on Facebook and Crowdrise. Over 35,000 users created Holiday Wishes on Causes that raised over \$460,000 for several charities. Crowdrise featured a holiday fundraising challenge with matching funds from Judd Apatow and incorporated celebrity campaigns from the likes of Barbara Streisand and Ashton Kutcher. Social Giving accounted for 16% of all transactions in December, even though the dollar value of those donations made up just 5% of funds. Average donation amounts on these sites at year-end tend to be lower (less than \$50) and even declined in 2010.

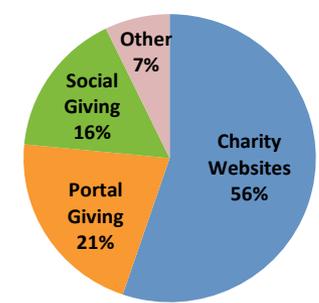
December Donation Dollar Amounts by Day



December 2010 Breakdown of Donations \$

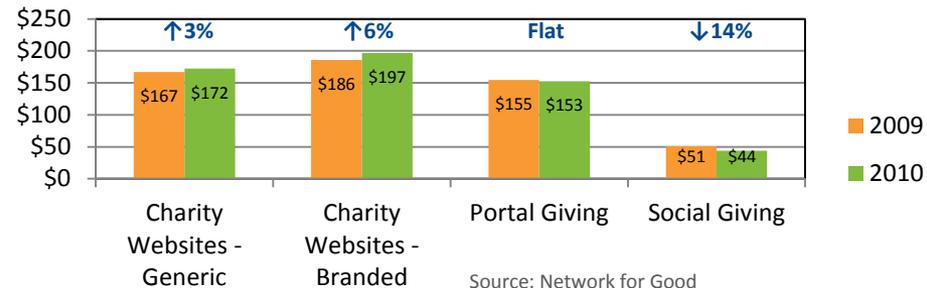


December 2010 Breakdown of Donations



* Other includes nonprofit event giving, employee giving, and optional contributions to partners.
Source: Network for Good

Average Gift Size December 2010 vs. December 2009



Source: Network for Good

Spotlight: Disaster Giving & Haiti Earthquake Response

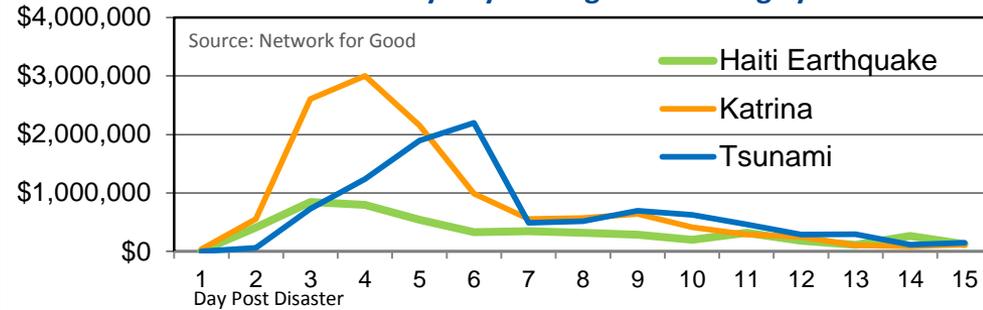
Overview: In response to the January 2010 Haiti earthquake, donors contributed more than \$5.2 million through the Network for Good platform. As with past disasters, including Hurricane Katrina and the South Asia Tsunami, giving peaked in the first few days after the disaster struck when media attention was high. Unlike past disasters, however, only 27% of funds raised went to the Red Cross which historically received the majority (60%) of donations. Even more striking, the top ten charities for Haiti relief accounted for less than 70% of total donations. Technology is leveling the playing field for smaller charities to cultivate supporters and promote their missions.

Portal Giving: Portals play a valuable role during a disaster response: highlighting the charities responding and providing a one-stop-shop for donors to give to one or multiple organizations. In fact, during a disaster, donors are more receptive to guidance on where to give and seek assurance that their donation will reach those affected. For Haiti relief, more than half of all donations through the Network for Good platform were made through portals such as NetworkforGood.org, Capital One, Charity Navigator or GuideStar.

Social Giving: Social Giving has become an essential component of disaster response, inciting a multitude of smaller donations that add up to significant funding. Nonprofits large and small have success activating their online communities through social media, but one example from the Haiti response shows how effective these tools can be. OXFAM America raised 76% of total Network for Good platform funds through several Causes set up by the organization and its followers on Facebook. The fact that most of these causes were initiated by loyal fans demonstrates the power of tapping a network of committed supporters in a crisis. Overall, 11% of total donations processed by Network for Good for Haiti response came through Causes on Facebook.

Employee Giving: In times of disaster, corporations often serve those in need by driving support among employees who are looking for a clear way to help. In response to the Haiti earthquake, companies such as Capital One, Time Warner and AOL mobilized employees to donate to a handful of trusted charities, often matching those donations to amplify the impact.

Donations by Day Through NFG Giving System

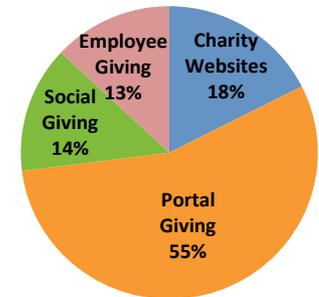


Top Haiti Relief Charities

- American Red Cross 27%
- Doctors Without Borders 16%
- Beyond Borders 5%
- OXFAM America 5%
- U.S. Fund for UNICEF 4%
- Catholic Relief Services 3%
- Week of Compassion 3%
- Partners in Health 3%
- Save the Children 2%
- CARE 2%

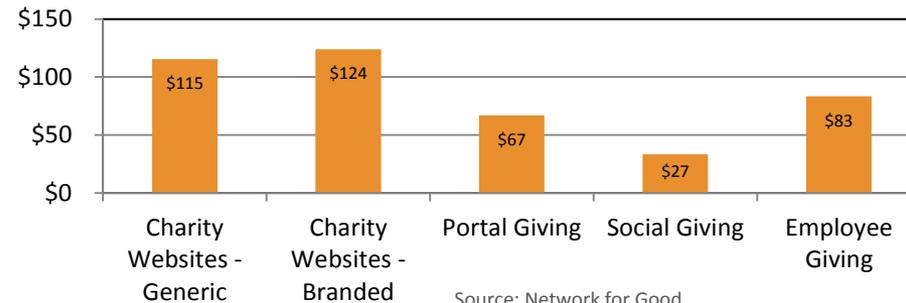
Note: Charities ranked by donation dollars (\$).
Source: Network for Good

Haiti Earthquake Relief Breakdown of Donation \$



Source: Network for Good

Average Gift Size: Haiti Earthquake Relief January 2010



Source: Network for Good

About Network for Good

Network for Good is a nonprofit that enables charitable acts anytime, anywhere through technology. Network for Good helps nonprofits raise funds for their missions through simple, affordable and effective online fundraising services—including donation processing, email outreach and online event registration tools—and offers free training through its online learning center (www.Fundraising123.org) and webinar series (www.Nonprofit911.org). Through partnership with corporations, Network for Good provides expertise and solutions to deepen engagement with consumers and employees through charitable giving and cause marketing initiatives. Network for Good has processed approximately \$500 million in donations for more than 60,000 nonprofits since its 2001 founding by AOL, Cisco and Yahoo!. www.networkforgood.org

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