THE 2020

SMALL NONPROFIT

BENCHMARK





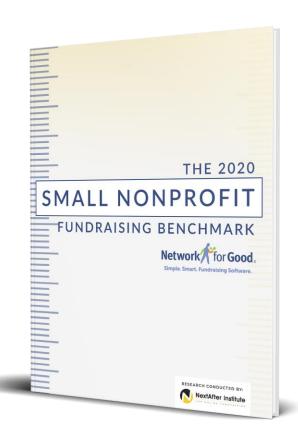






THOUGHTS, FEELINGS, STRATEGIES, AND DATA FROM OVER 2,700 SMALL NONPROFITS.

SMALLNONPROFITBENCHMARK.COM







Today

Agenda

- Why do the study?
- Snapshot of small nonprofit fundraising
- Key findings & how small nonprofits can improve their fundraising
- Questions & discussion





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- Why do the study?
- Snapshot of small nonprofit fundraising
- Key findings & how small nonprofits can improve their fundraising
- Questions & discussion

Caveats

- Unless I say otherwise, I'm talking about small nonprofits
- Small does not mean bad, big does not mean good
- No judgement, just optimization
- Some of the key findings may seem repetitive but until things change they bear repeating
- Focused on online and direct response (no grants, major gifts, etc.)





QUESTIONS PLEASE

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Why do the study?

The Small Nonprofit Fundraising Benchmark Study



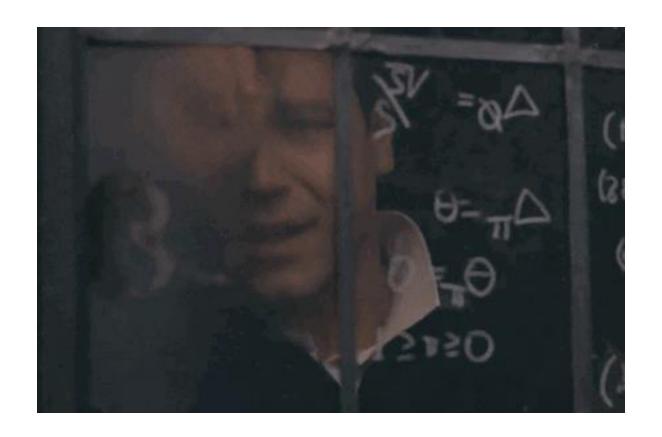


The need.





What It Can Feel Like...





I Know!









1. How am I doing?2. How do I compare?

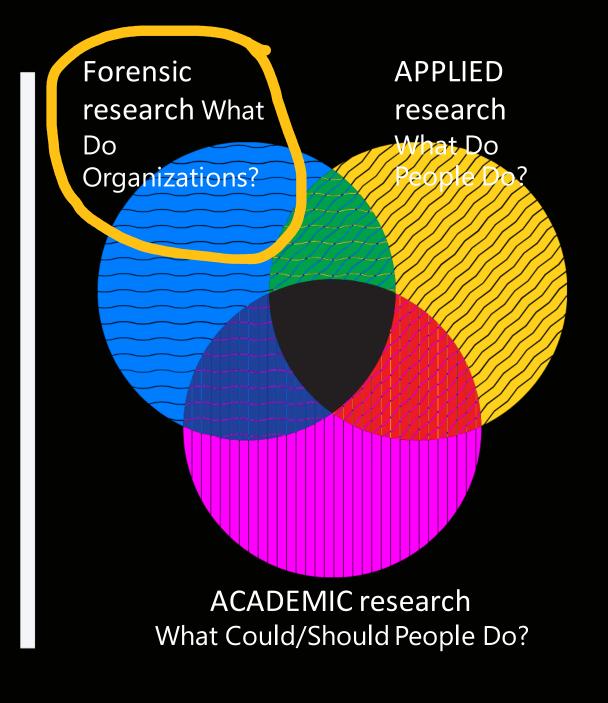






DECODE
WHAT WORKS IN
FUNDRAISING
AND MAKE IT
ACCESSIBLE TO
AS MANY
NONPROFITS AS
POSSIBLE.

OUR MISSION





Coronavirus

Nonprofit Fundraising Response



CORONAVIRUS NONPROFIT FUNDRAISING RESPONSE TOOL.

NEXTAFTER.COM/NONPROFIT-CORONAVIRUS-RESPONSE/ NEXTAFTER.COM/CANADIAN-CHARITY-COVID19-RESPONSE/

Nonprofit Fundraising Data to Help You Respond During the COVID-19 Crisis

"How should our organization respond to the coronavirus?"

This has been one of the most common questions being asked by nonprofit fundraisers and marketers. But the truth is that *no one truly knows what the "correct" response is.*

The good news is that data can give us new fundraising and marketing insights to test during this time.

In the charts below, you'll find the latest

- Nonprofit web traffic trends
- COVID-19 related email volume and examples
- Resources to help you improve your fundraising

What would you like to see?

Web Traffic Trends

Email Trends & Examples

Resources

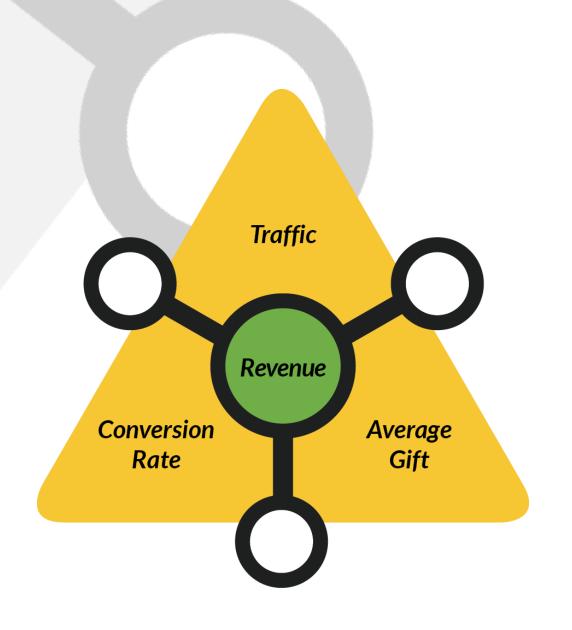
Get Updates on Response Trends



Nonprofit Website Traffic Trends

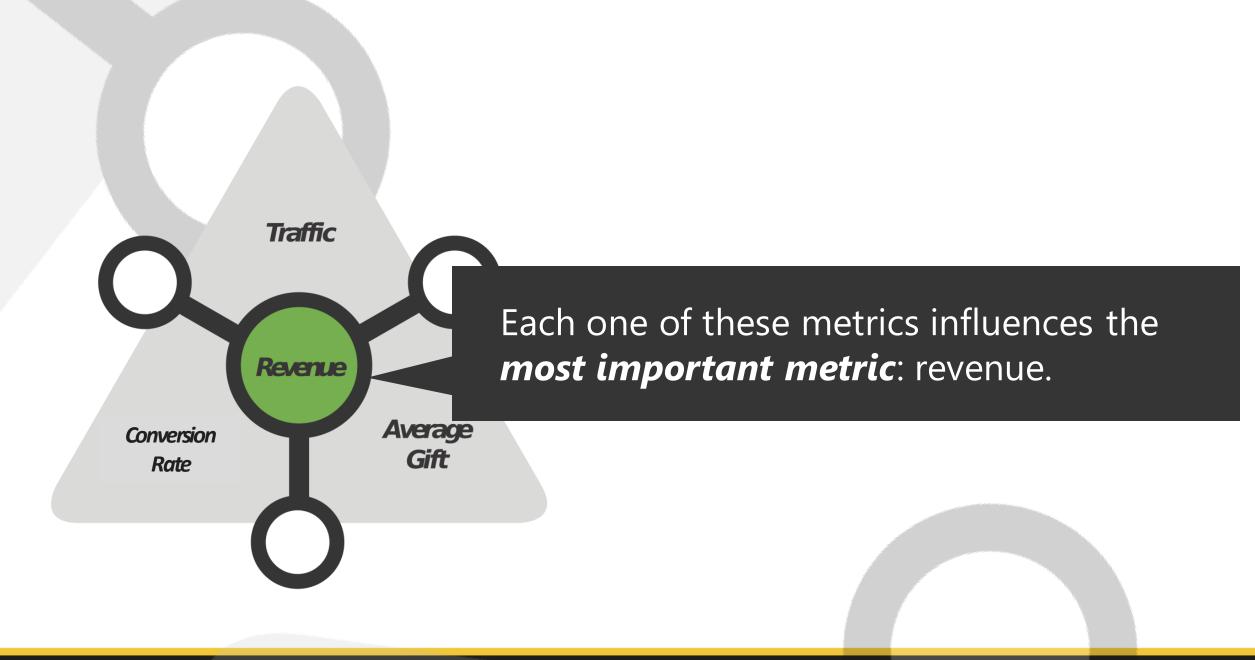






Keep it simple and start by looking at *3 key metrics*.





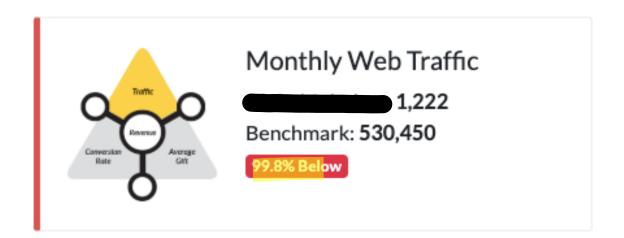


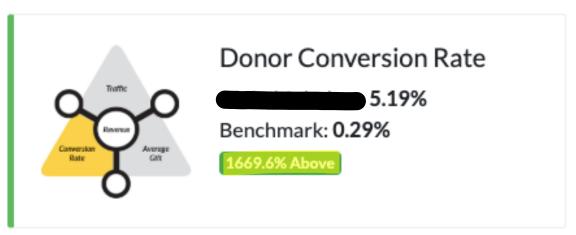
The problem.

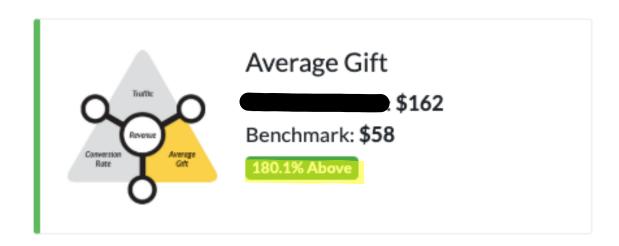


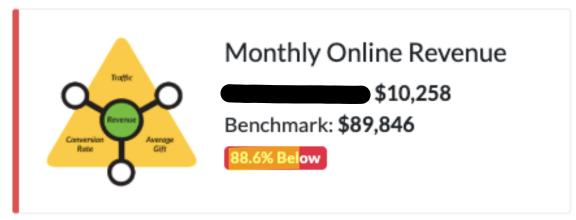


ORGANIZATION FCORM Metrics Compared to Overall Benchmark



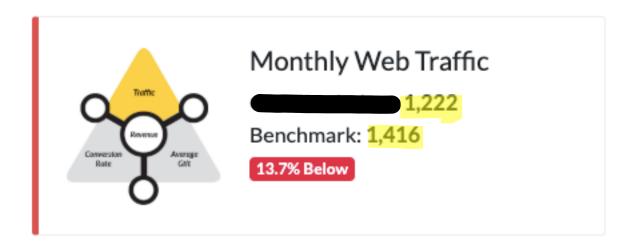


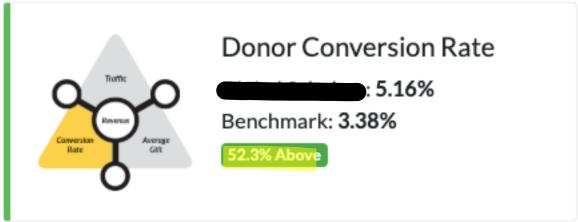


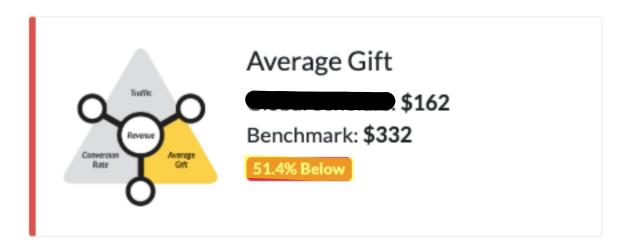


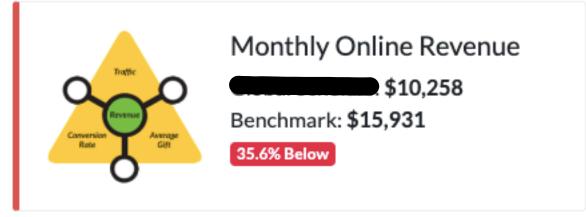


ORGANIZATION Compared to <5,000 Visit Traffic Segment





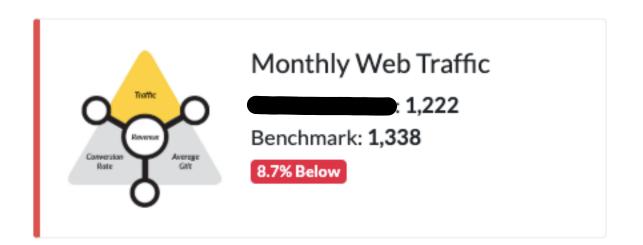


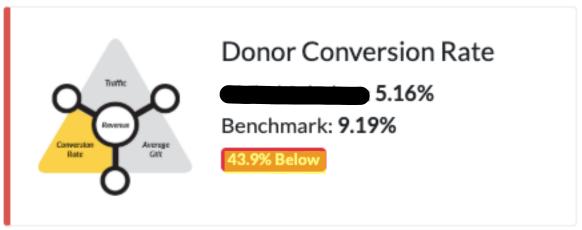


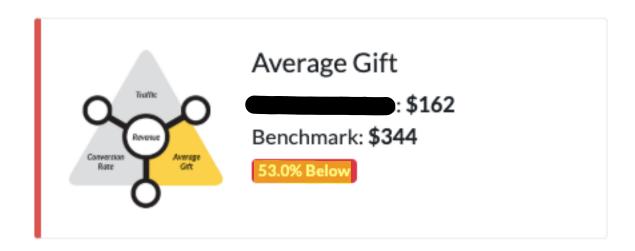


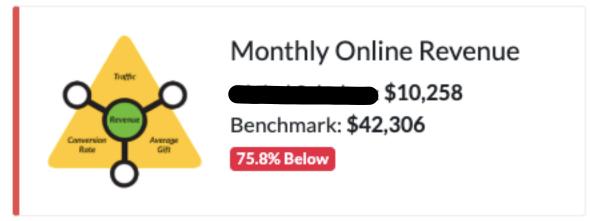


ORGNAIZATION Compared to <5,000 Visit Traffic Segment AND Christian Ministries







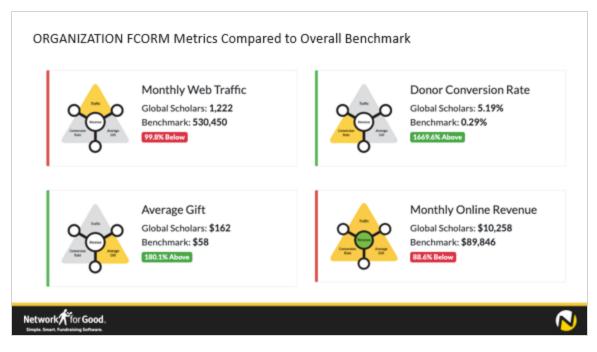




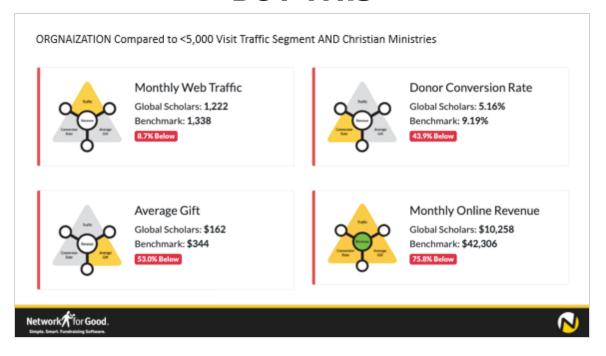


Who You Compare Yourself With Matters for Performance and Strategy

NOT THIS

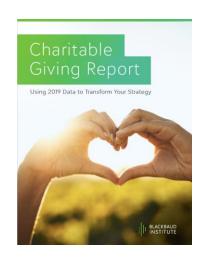


BUT THIS



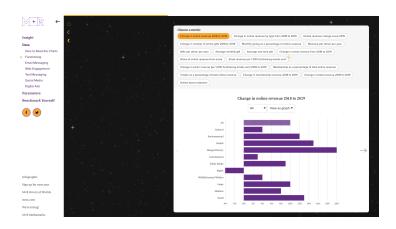


Other Great Benchmarks





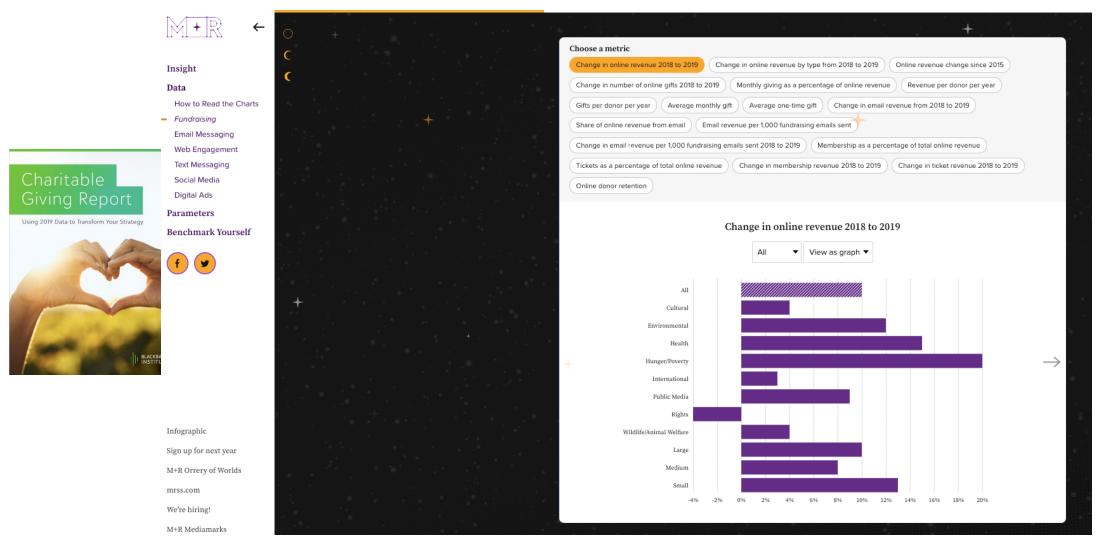








Other Great Benchmarks







Online Revenue Attribution

The best and easiest indicator of channel value is revenue, but very few organizations (all sizes) have Google Analytics Ecommerce set up and set up properly.

Default Channel Grouping	Acquisition			Behavior			Conversions eCommerce ▼		
	Users ? ↓	New Users ?	Sessions ?	Bounce Rate ?	Pages / Session	Avg. Session Duration ?	Ecommerce Conversion Rate ?	Transactions	Revenue ?
	8,673,638 % of Total: 100.00% (8,673,638)	8,463,957 % of Total: 100.13% (8,452,696)	23,058,004 % of Total: 100.00% (23,058,004)	42.09% Avg for View: 42.09% (0.00%)	3.15 Avg for View: 3.15 (0.00%)	00:03:31 Avg for View: 00:03:31 (0.00%)	0.00% Avg for View: 0.00% (0.00%)	0 % of Total: 0.00% (0)	CA\$0.00 % of Total: 0.00% (CA\$0.00)
1. Organic Search	4,977,295 (51.55%)	4,429,182 (52.33%)	14,276,256 (61.91%)	38.19%	3.58	00:03:54	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
2. Direct	2,751,452 (28.50%)	2,678,780 (31.65%)	4,844,264 (21.01%)	44.22%	2.16	00:02:35	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
3. Referral	728,747 (7.55%)	442,731 (5.23%)	1,645,916 (7.14%)	39.85%	3.80	00:04:54	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
4. Social	596,810 (6.18%)	521,655 (6.16%)	900,534 (3.91%)	76.25%	1.59	00:01:16	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
5. (Other)	310,876 (3.22%)	177,335 (2.10%)	774,346 (3.36%)	53.36%	2.43	00:02:55	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
6. Paid Search	133,271 (1.38%)	105,710 (1.25%)	194,007 (0.84%)	49.80%	3.08	00:02:39	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
7. Boosted Post	85,960 (0.89%)	71,660 (0.85%)	100,291 (0.43%)	95.17%	1.06	00:00:12	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
8. Email	68,967 (0.71%)	35,856 (0.42%)	320,835 (1.39%)	50.56%	2.39	00:03:12	0.00%	0 (0.00%)	CA\$0.00 (0.00%)
9. Display	1,186 (0.01%)	1,048 (0.01%)	1,555 (0.01%)	73.89%	1.44	00:01:29	0.00%	0 (0.00%)	CA\$0.00 (0.00%)





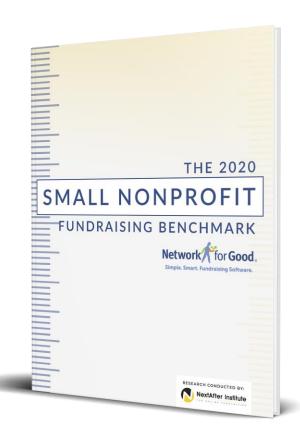
The idea.





THOUGHTS, FEELINGS, STRATEGIES, AND DATA FROM OVER 2,700 SMALL NONPROFITS.

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Collect Data Specific to Nonprofits <\$1M

How are small nonprofit's feeling?

- Survey responses from 1222 people, 926 were from 'small' nonprofits
- Responses from early February to early March 2020
- "Small" defined as <\$1M total revenue

How are small nonprofit's doing?

- Actual data from 2832 Network for Good customers, 1865 were 'small' nonprofits
- Data is calendar year (Jan Dec) and covers 2017, 2018, 2019
- Median total revenue from IRS for "small" was \$100k - \$500k





Collect Data Specific to Nonprofits <\$1M

How are small nonprofit's feeling compared to big nonprofits?

- Survey responses from 1222 people, 926 were from 'small' nonprofits (296 were 'big')
- Responses from early February to early March 2020
- "Small" defined as <\$1M total revenue

How are small nonprofit's doing compared to big nonprofits?

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Where is the data coming from?

The Small Nonprofit Fundraising Benchmark Study





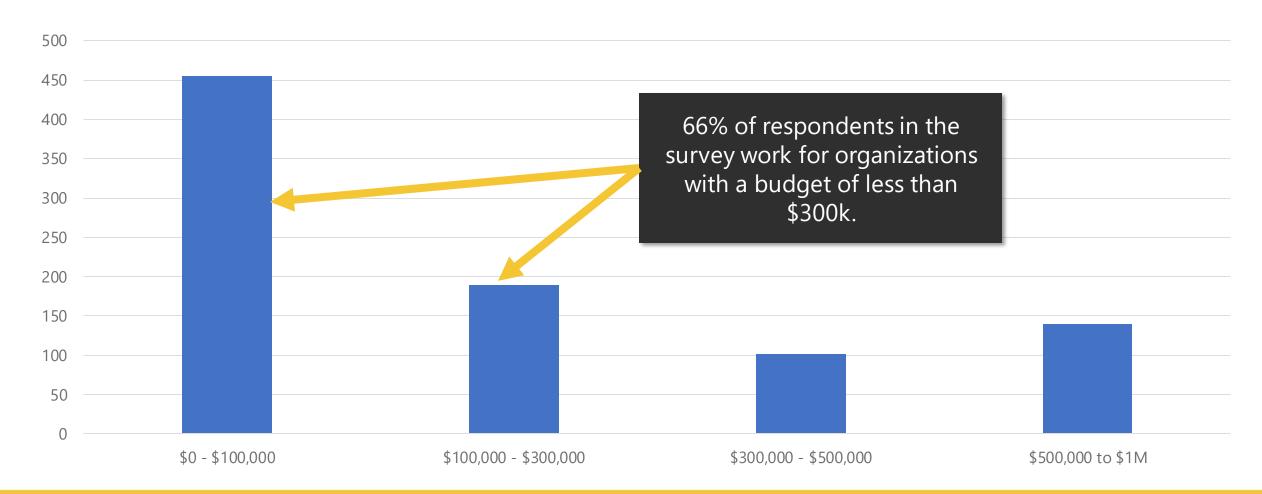
Who Took the Survey (size range)







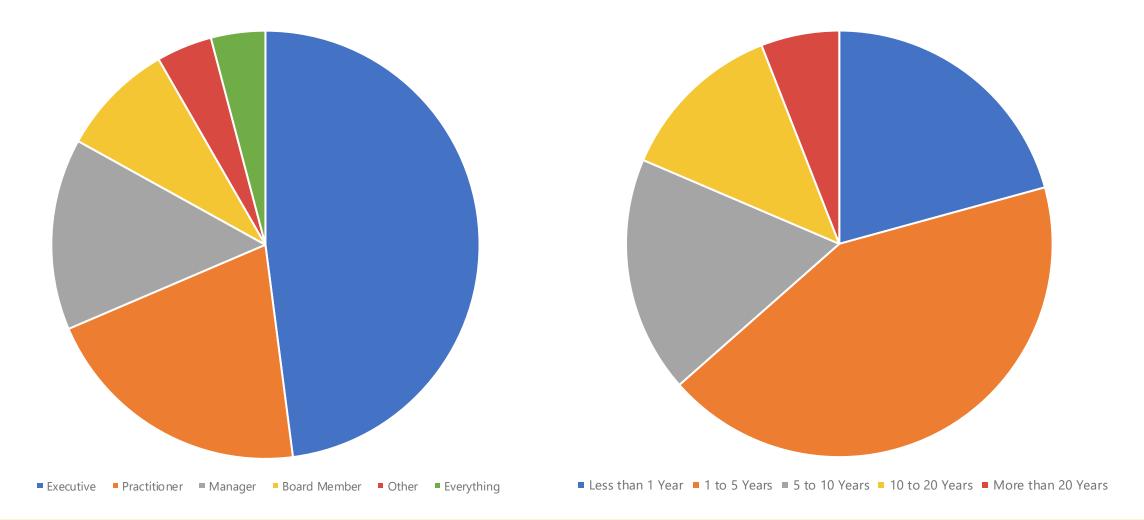
Who Took the Survey (size range)







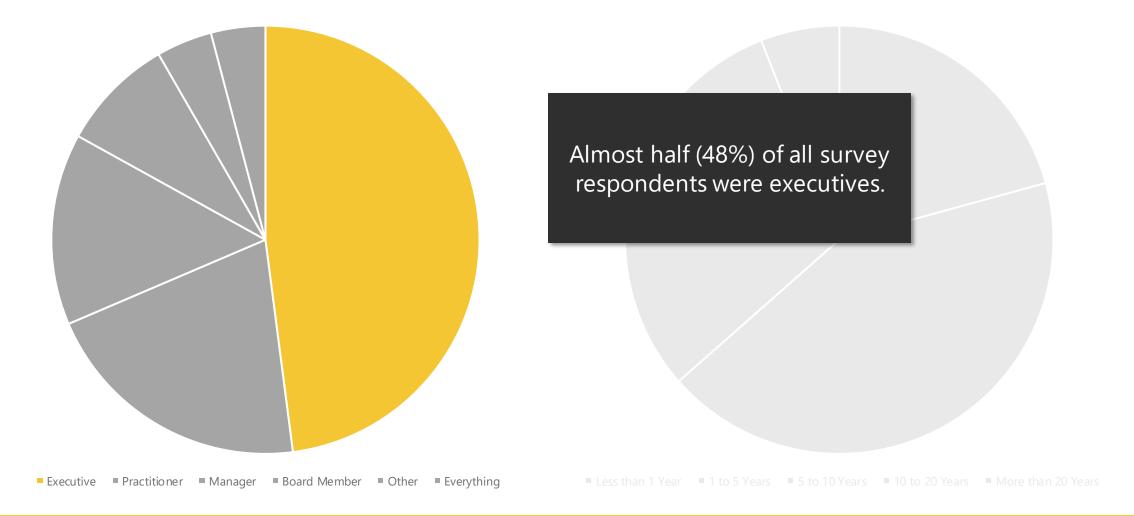
Who Took the Survey (role & tenure)





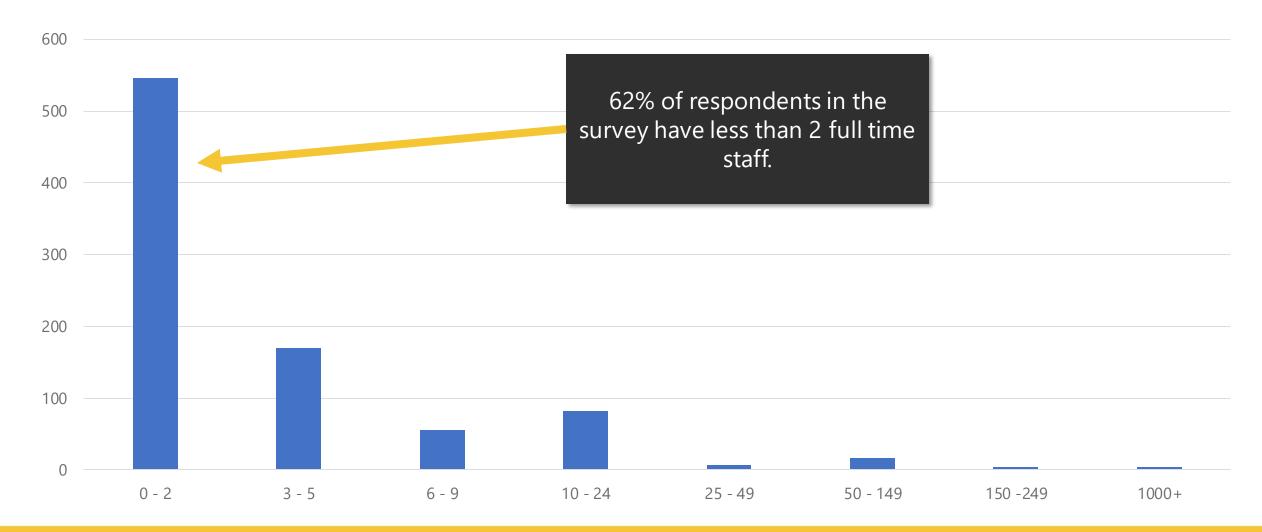


Who Took the Survey (role & tenure)





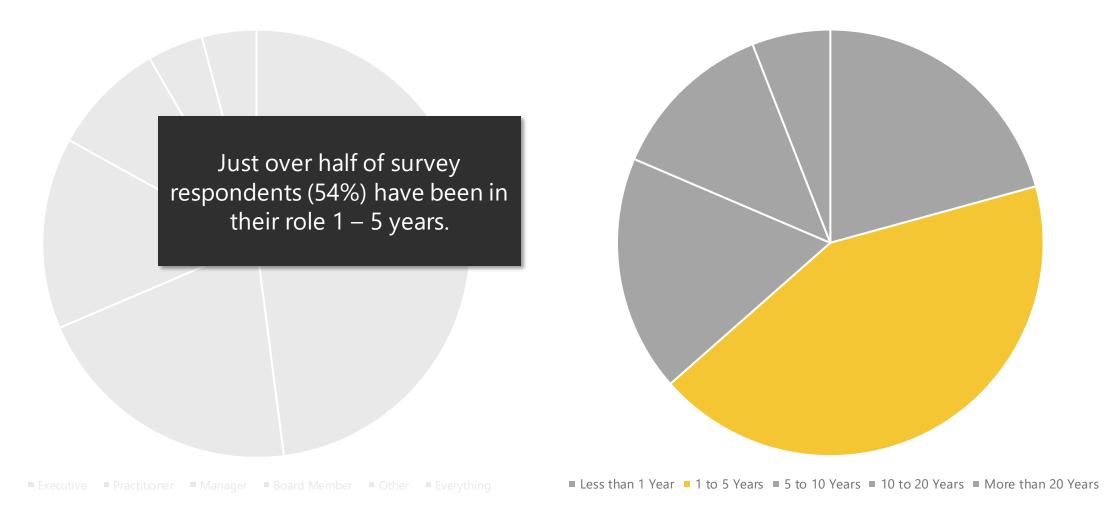
Who Took the Survey (FTEs)







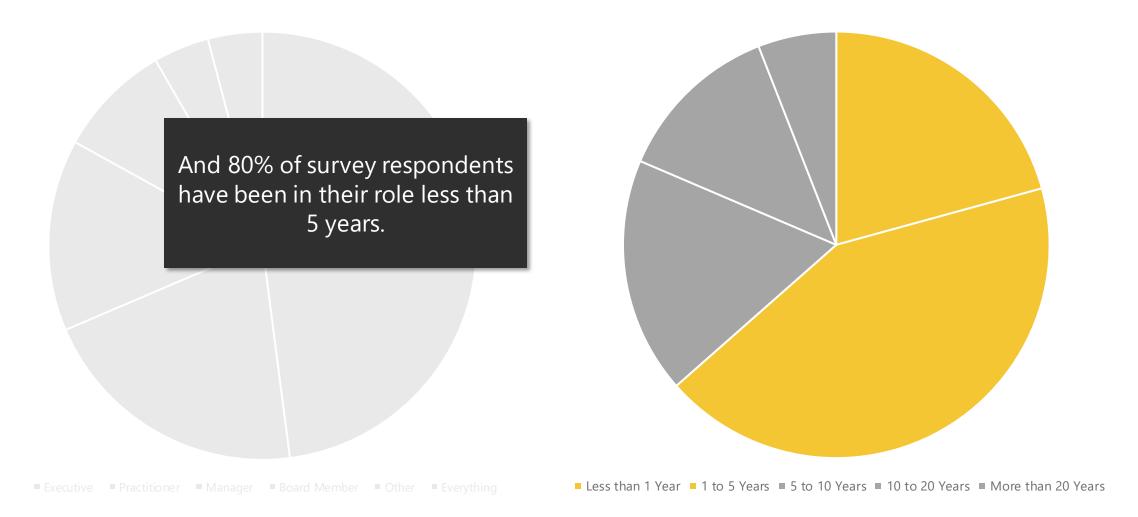
Who Took the Survey (role & tenure)







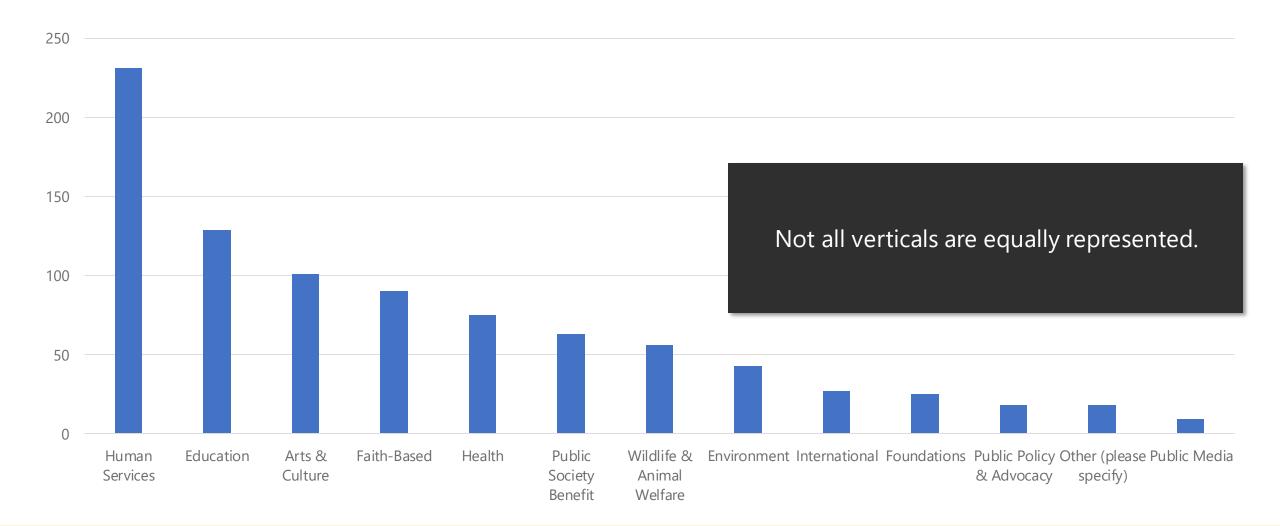
Who Took the Survey (role & tenure)







Who Took the Survey (vertical)







Where Is the Data Coming From?

Survey Data

- Cleaned responses on a question by question basis
 - Removed 0's or outliers for just that question but kept person in for other questions
- All responses are self reported

Fundraising Data

- Organizations use Network for Good as a CRM
- Received at least 1 donation in 2017, 2018, 2019
- Most values are median (middle) and on a per organization basis
- Online includes PayPal, Square, etc.
 and only what we KNOW was online





Snapshot of small nonprofit fundraising.

The Small Nonprofit Fundraising Benchmark Study



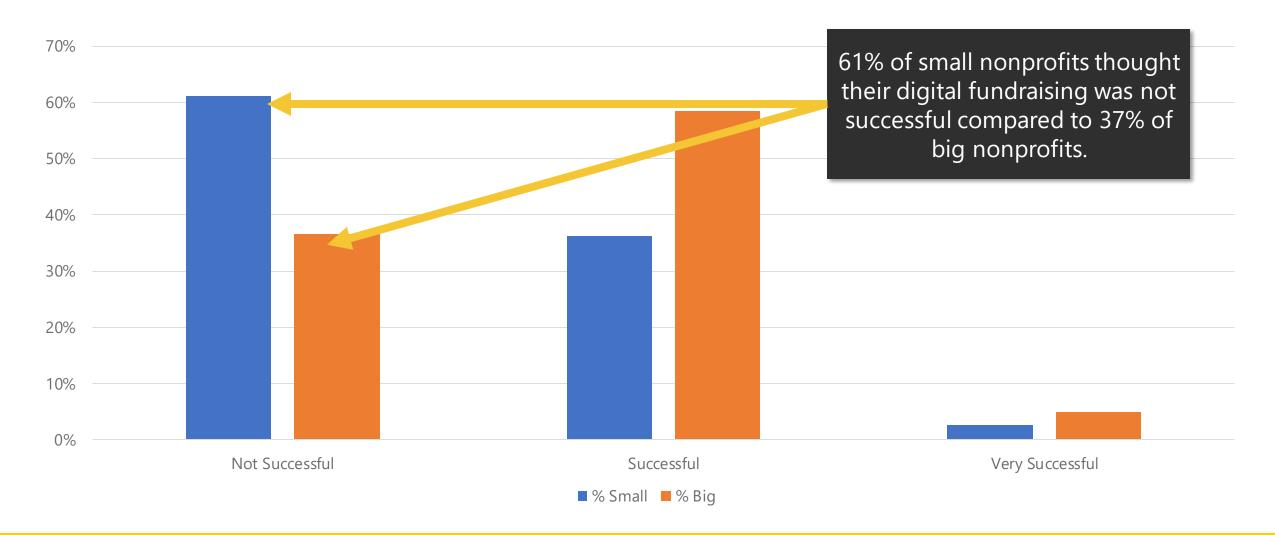


Small nonprofits don't feel like they are being successful in their fundraising.





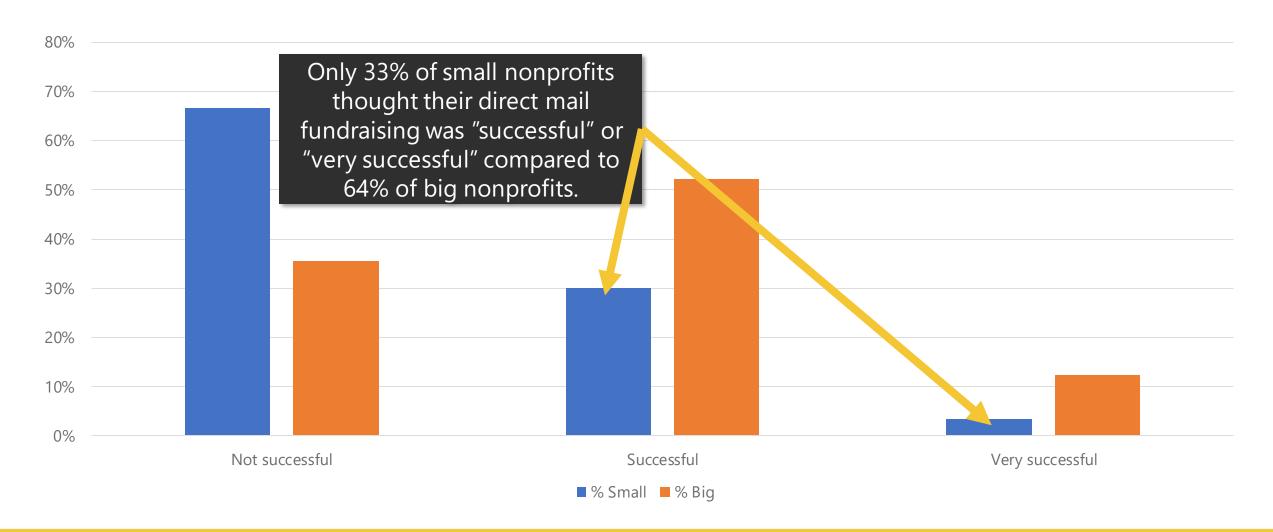
How would you rate the success of digital fundraising?







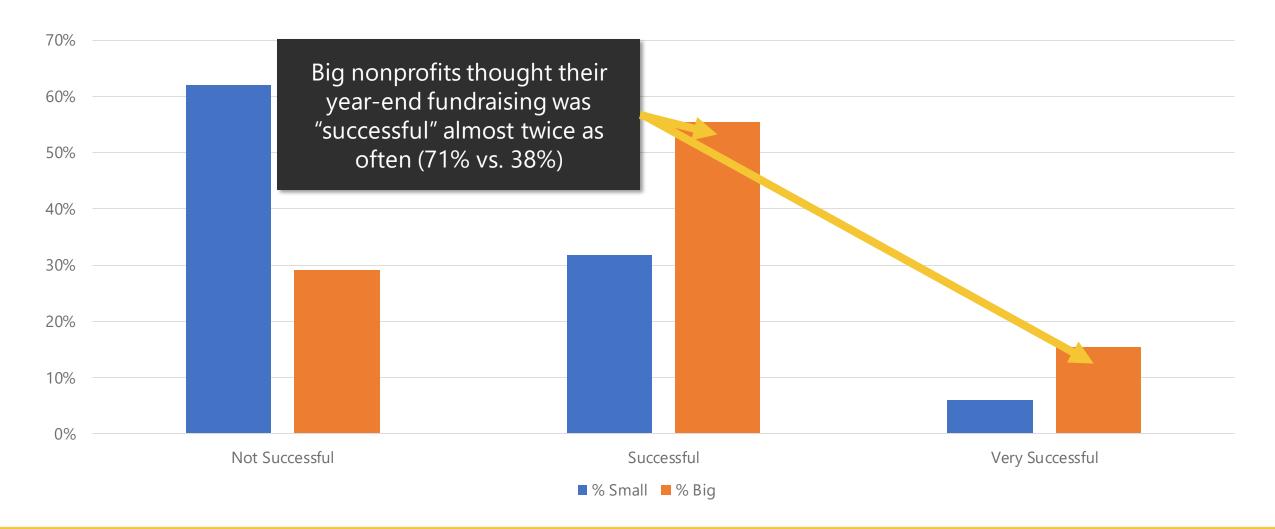
How would you rate the success of direct mail fundraising?







How would you rate the success of your year-end campaign?





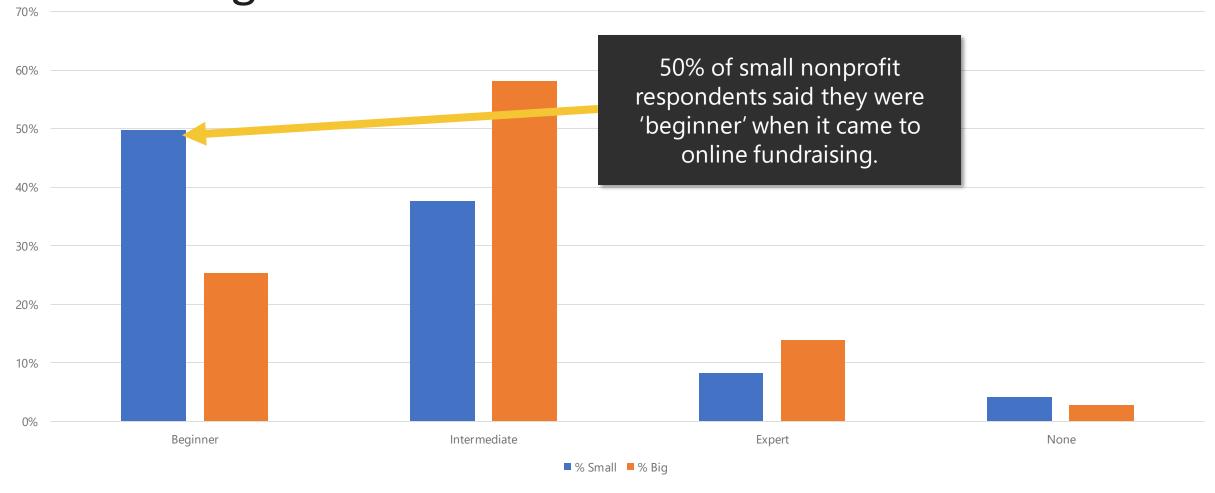


For online fundraising, people working at small nonprofits feel like beginners.





What level of expertise do you have in online fundraising?





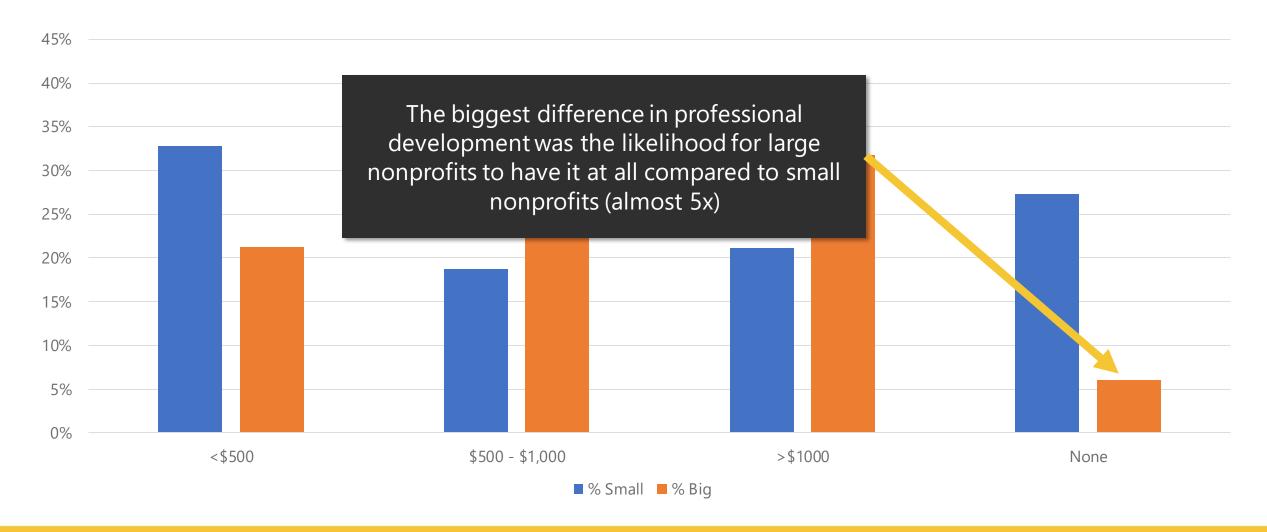


And small nonprofits don't get as much professional development investment.





What is your approximate professional development budget?



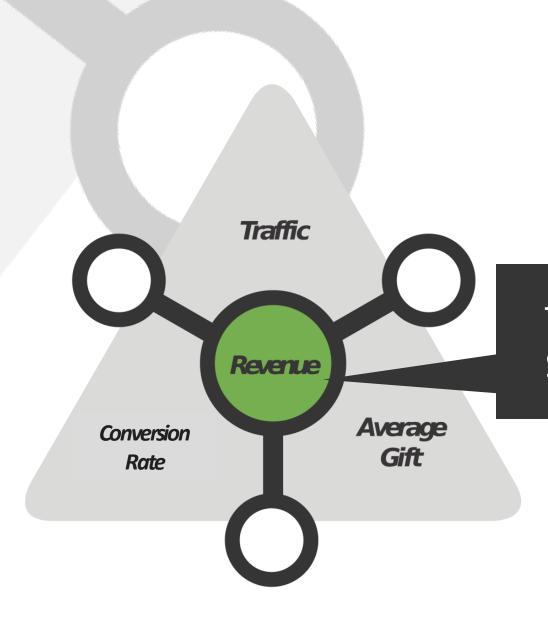




Overall, when it comes to online fundraising, small nonprofits aren't (usually) raising a lot of money.







The average small nonprofit raised \$4,100 online in 2019.



Small Nonprofits Fundraising Snapshot

- Small nonprofits feel like they aren't succeeding
- Small nonprofits have less expertise in online fundraising
- Small nonprofits have smaller professional development budgets (if they have one at all)
- Small nonprofits aren't raising a lot of money online



It's not all bleak...





PEAL DATA

104 Donors

-15%

13%
Recurring

+48%

54%

Online*

+21%

49%

Retention

+2%





Key findings & how small nonprofits can improve their fundraising.

The Small Nonprofit Fundraising Benchmark Study





Small nonprofits don't generate a lot of traffic to their websites.







The average small nonprofit raised W4,1 Y2 online in 2019.



3 Key Online Fundraising Metrics in 2019

2010 Traffic

-2036%

1.8%

ConversionRate

+157%

37
Gifts

-714%

\$110.81

Avg Gift

-82%

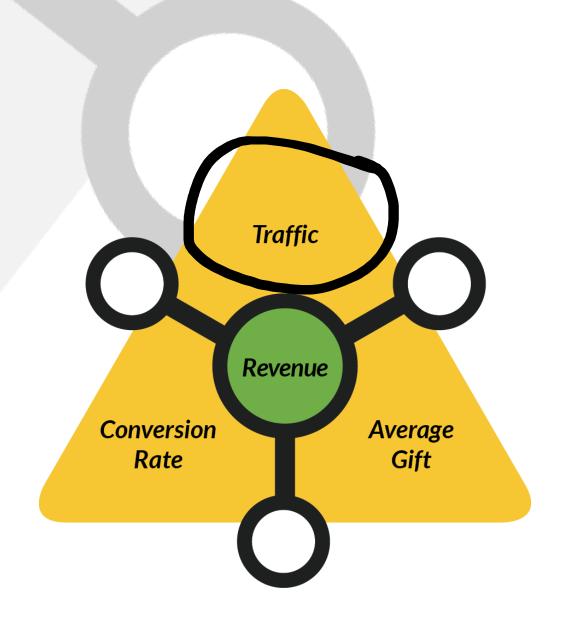




Why is this important?





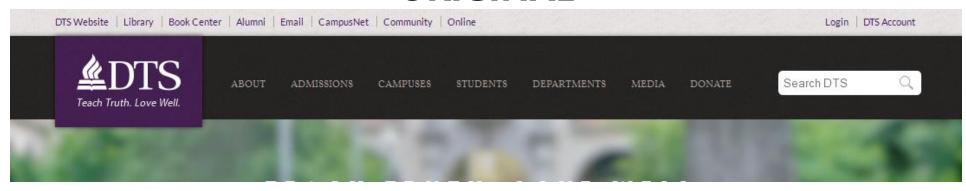


Keep it simple and start by looking at *3 key metrics*.

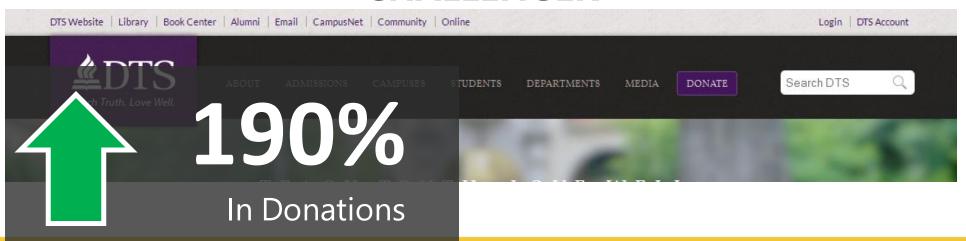


Experiment #1698

ORIGINAL



CHALLENGER







How To Get Traffic?

Earn It

- Organic SEO
- Direct (media, mentions)
- Email
- Social

Buy It

- Paid SEO
- Paid media
- List swaps & rentals
- Paid social



The average small nonprofit spends \$1,000 on online advertising in a year.





Only 10% of small nonprofits have the Google Ad Grant.





Grow Your Traffic Checklist

- ☐ Is it easy for people to find where to give on your website?
 - ☐ How can you get more people to your website and then to your donation page?
- ☐ Do you have a Google Ad Grant?
 - ☐ Consider outsourcing the management of it to take full advantage (or at least set up)
- ☐ Are you using any paid advertising to drive traffic with a purpose?
 - ☐ Paid ads cost, yes, but you can be specific and attract the right people to your site
 - □Consider using ads to drive to content that requires an email as opposed to newsletter or donation



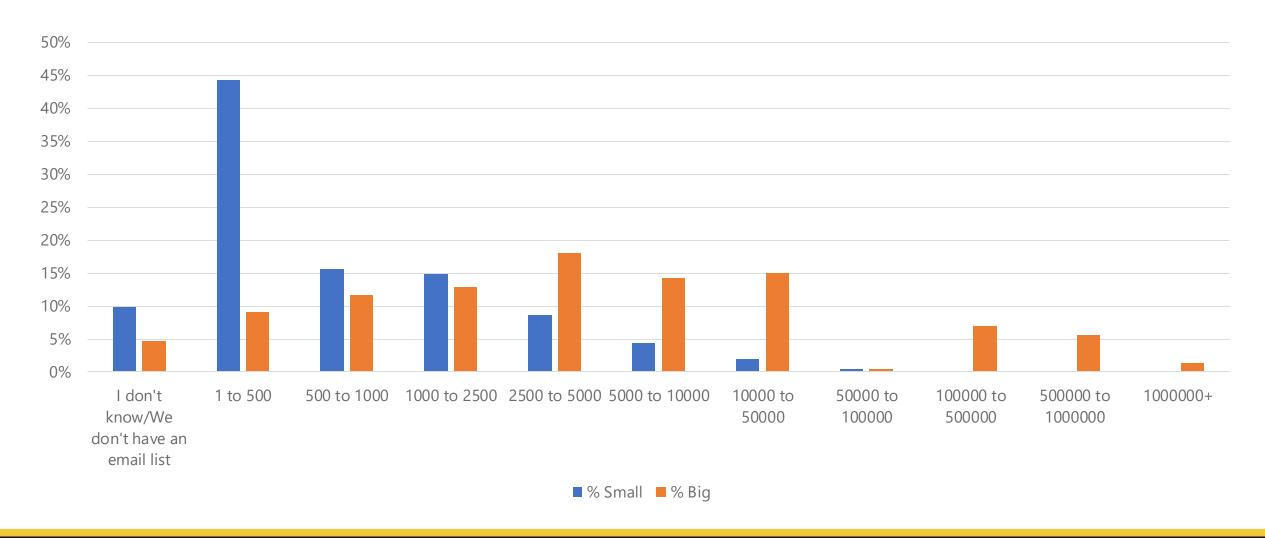


Small nonprofits send fewer emails to fewer people.





How large is your email list?







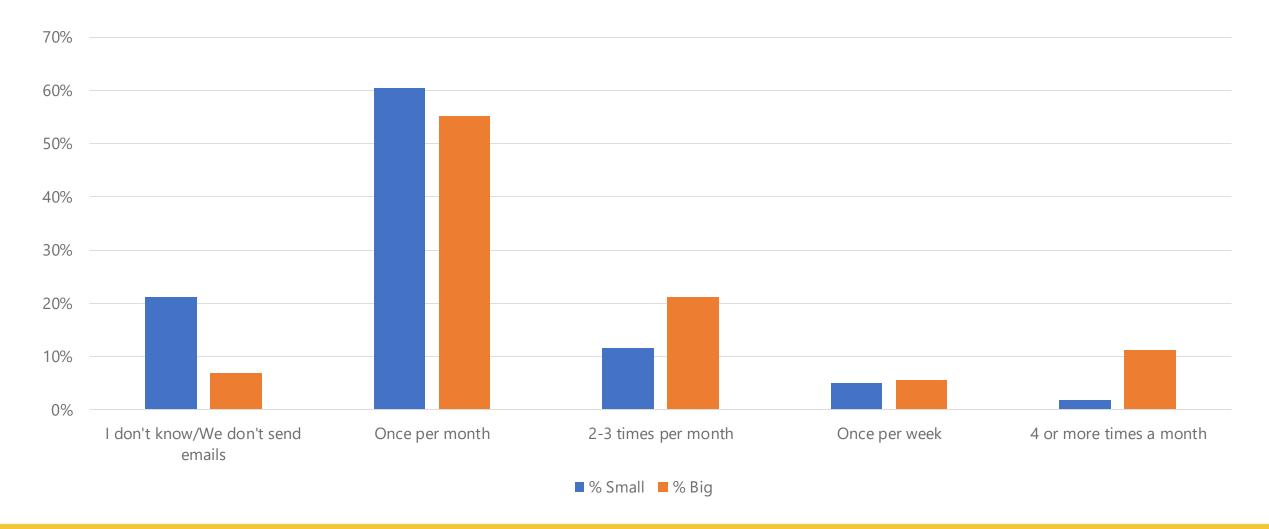
How large is your email list?







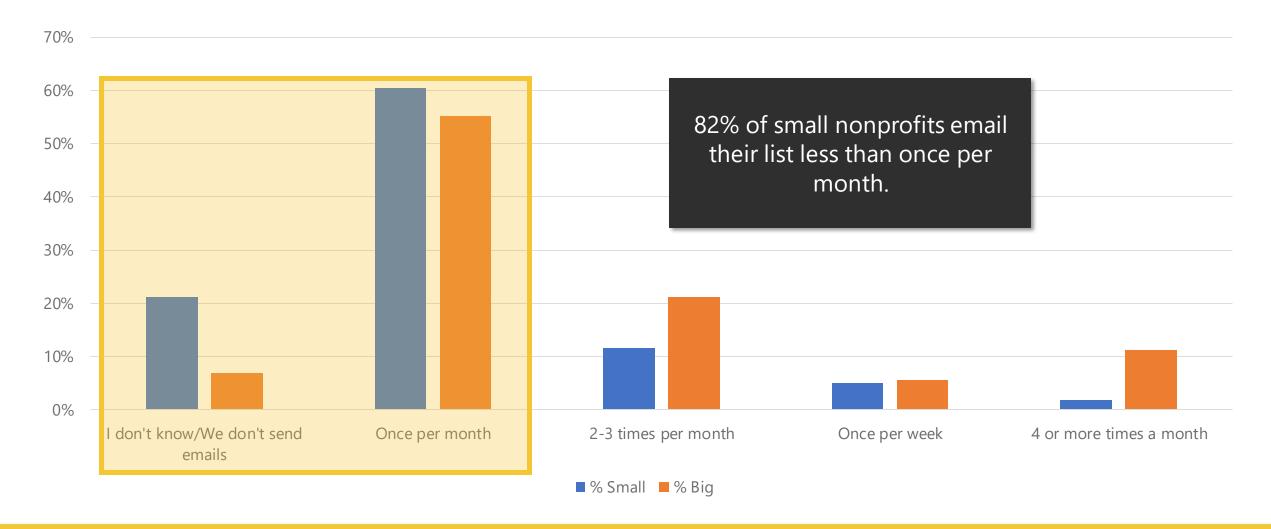
How often do you email your list?







How often do you email your list?







Why is this important?



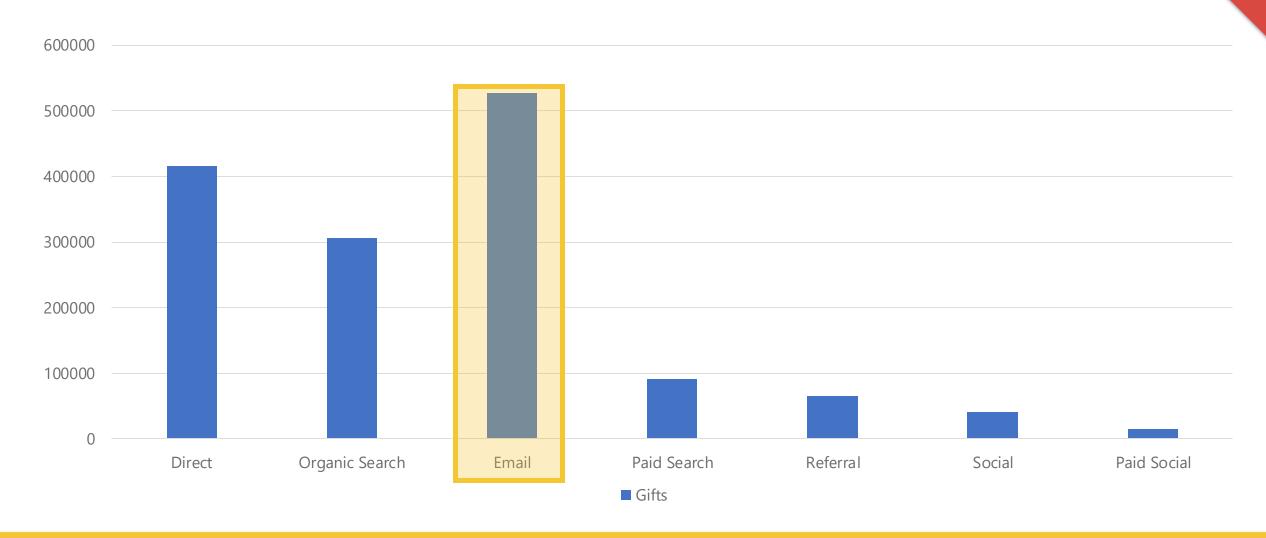


Generally speaking... the more (good) emails you send to more (engaged) people the more money you'll raise online.





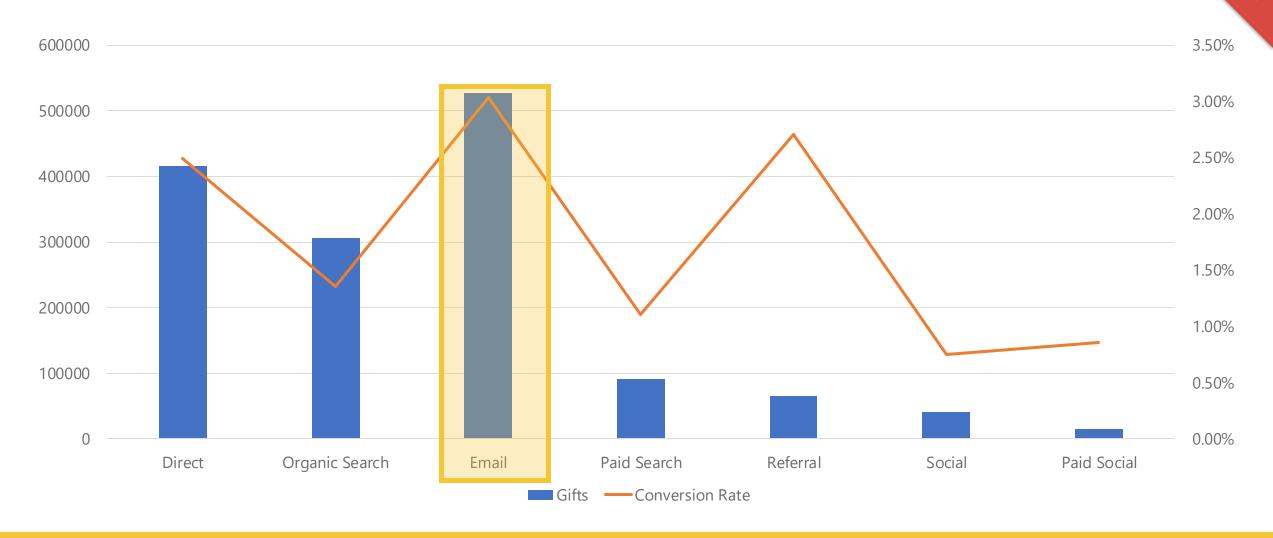
2019 Gifts & Conversion Rate by Channel







2019 Gifts & Conversion Rate by Channel







But it's not just about asking.



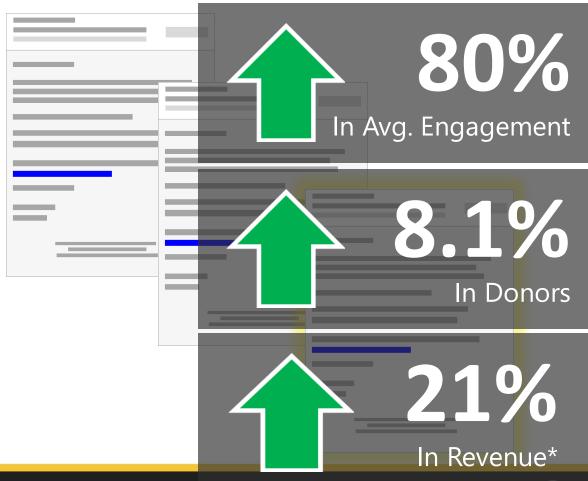


How Increasing Cultivation Impacts Revenue

CONTROL









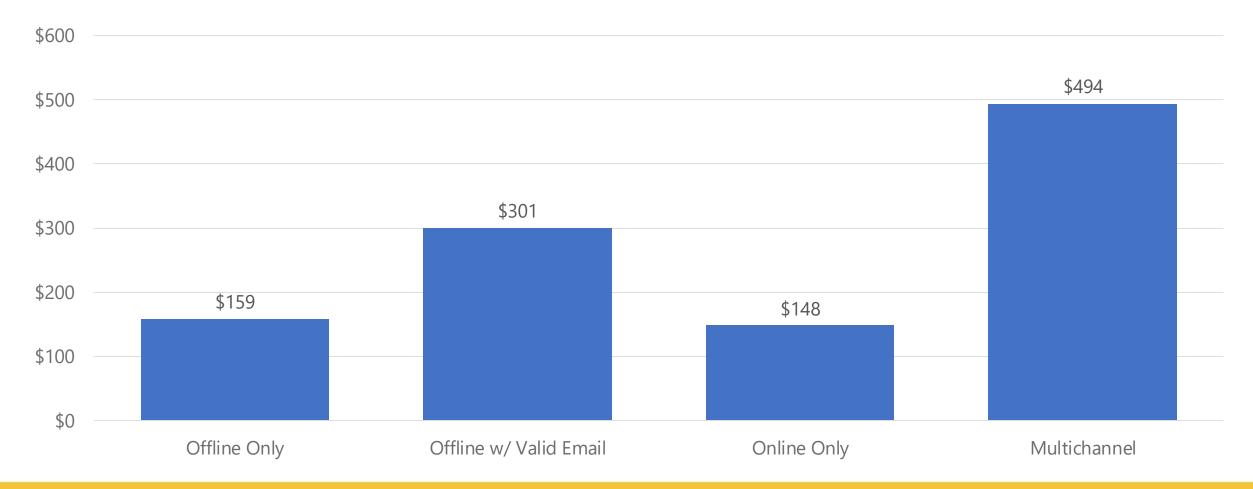


Or just about online.





Average Revenue per Donor by Channel Cohort







Average Revenue per Donor by Channel Cohort





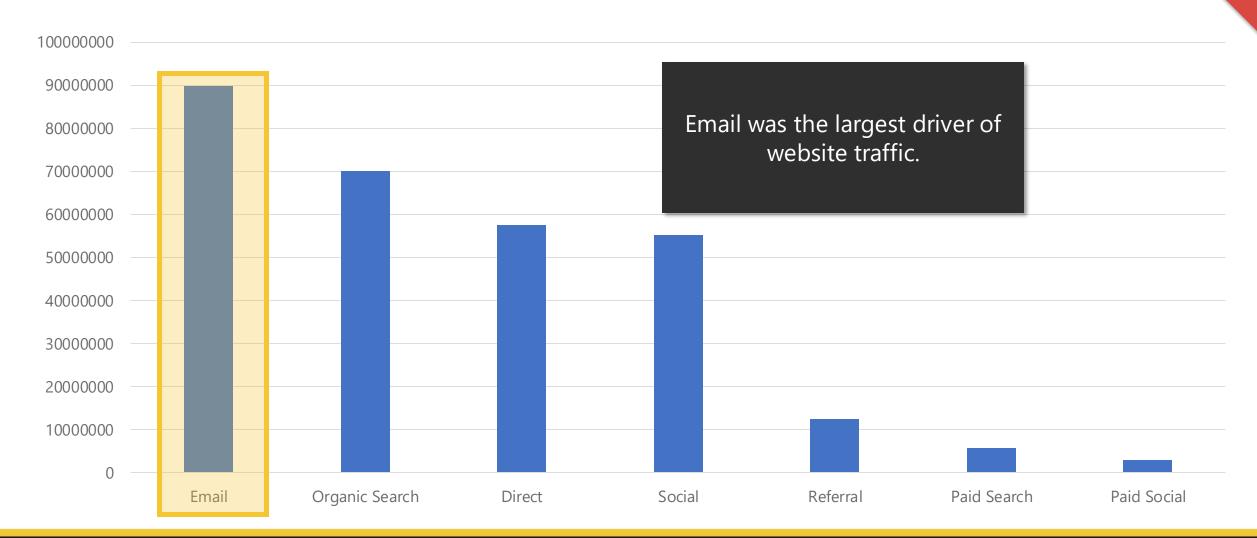


Oh and also...





2019 Website Visits by Channel







Email Checklist

- ☐ Are you collecting emails online, offline, and wherever possible?
 - ☐ Get a clear opt-in and send at least 1 welcome email to keep good email list hygene
- ☐ Are you offering something of value or positioning your newsletter in a value oriented way in exchange for people's emails?
 - ☐ Why should I sign up for your email list as opposed to another one or not at all?
- ☐ Are you sending out emails frequently to engage, provide updates, and report on impact (not just ask)?
 - ☐ Consider sending more emails with fewer things in them for people to read or do





A multi-channel fundraising strategy is almost non-existent among small nonprofits.

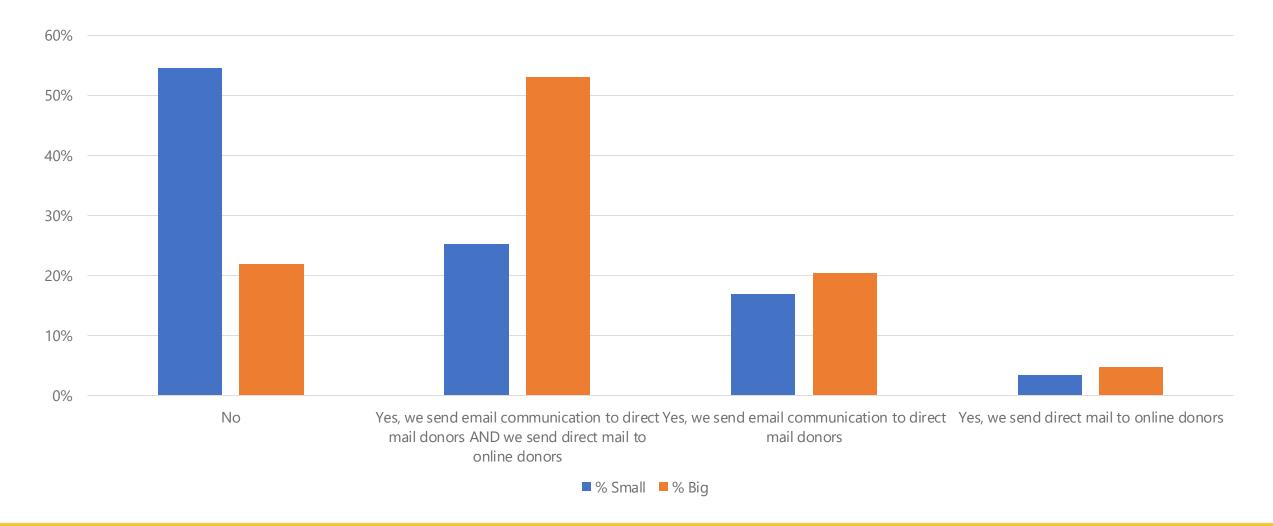




- No
- Yes, we send email communication to direct mail donors AND we send direct mail to online donors
- Yes, we send email communication to direct mail donors
- Yes, we send direct mail to online donors
- I don't know

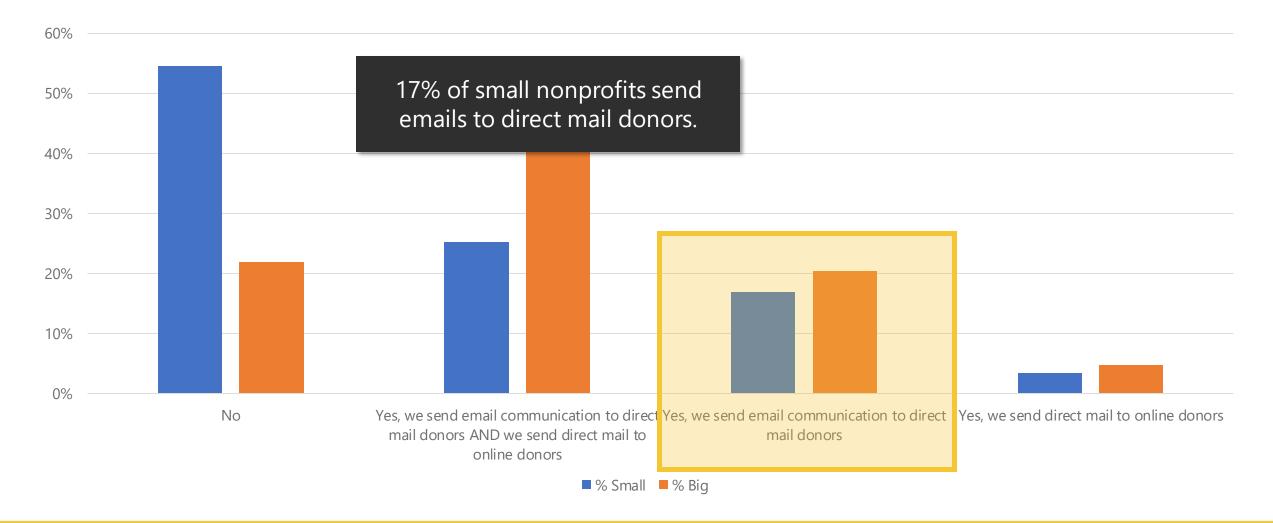














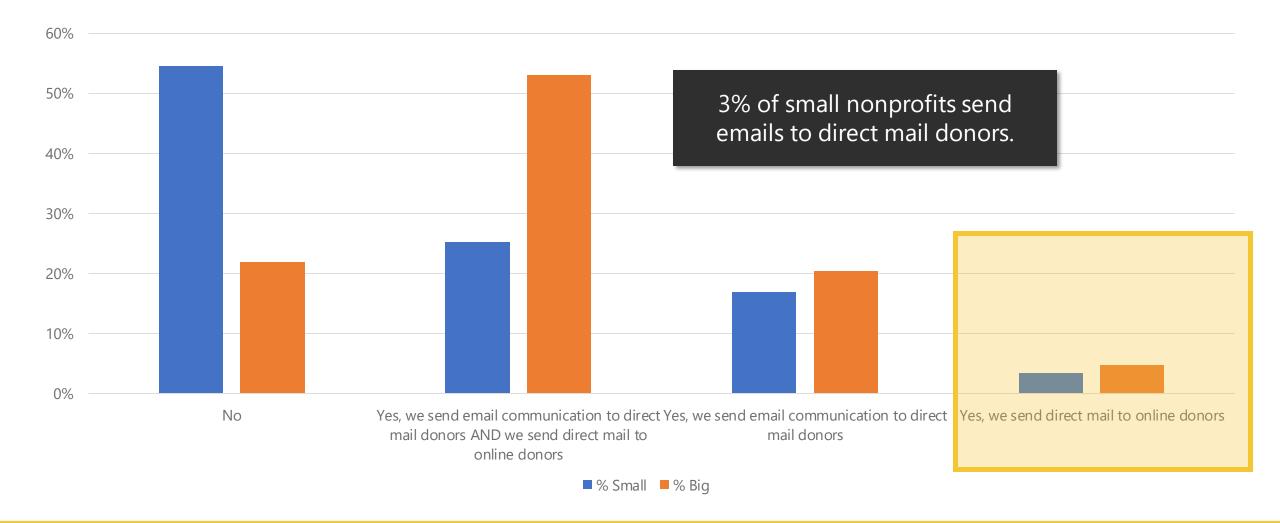


Average Revenue per Donor by Channel Cohort













Likelihood to Become a Multi-Channel Donor by Cohort

OFFLINE TO MULTI-CHANNEL

OFFLINE W/ EMAIL TO MULTI-CHANNEL

ONLNE TO MUTLI-CHANNEL

0.47%Multi-Channel Conversion Rate

2.15%

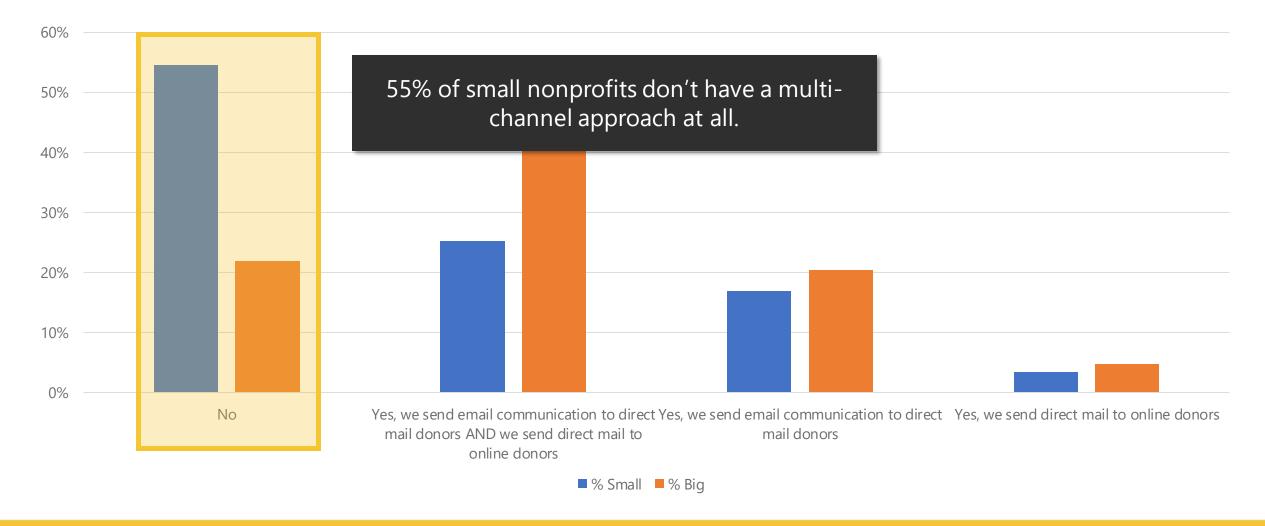
Multi-Channel Conversion Rate

9.32%
Multi-Channel Conversion

1883%

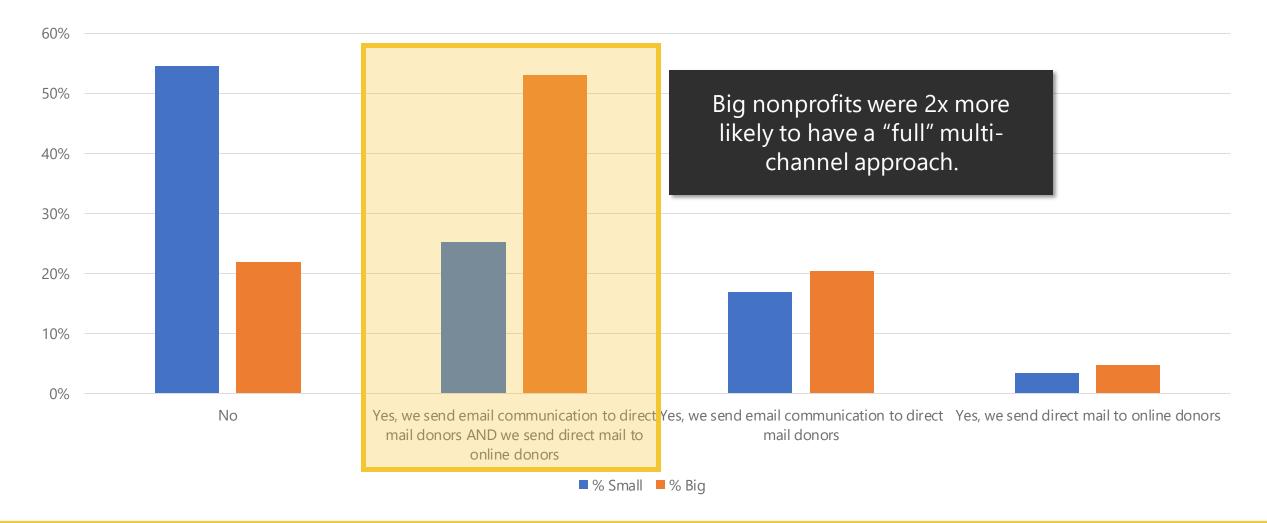
In Multi-Channel Conversion Rate







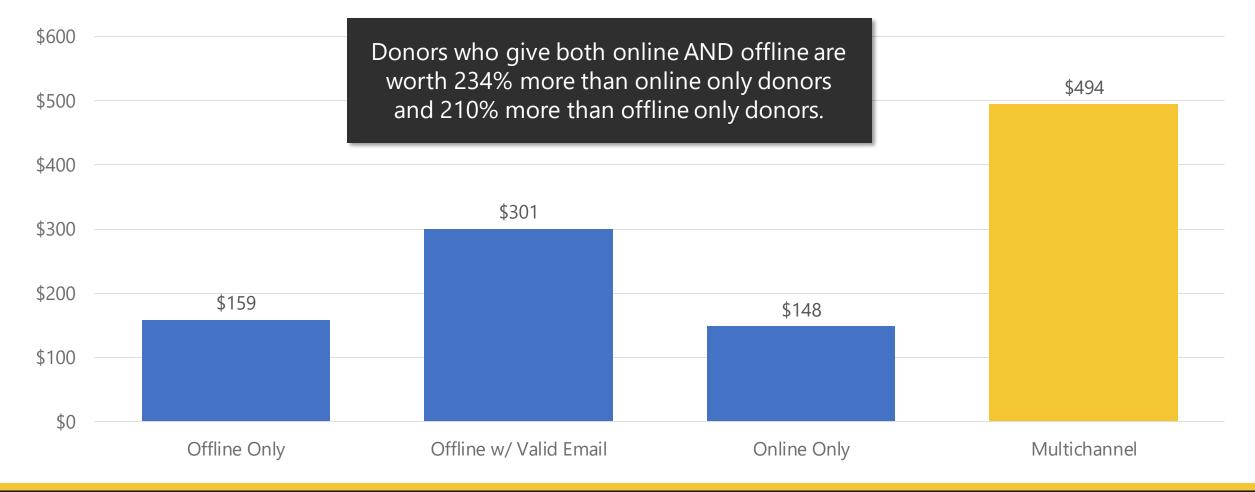








Average Revenue per Donor by Channel Cohort





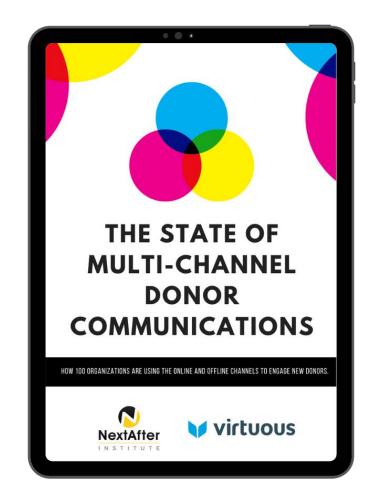


Or so they say...





We made offline donations to 120 nonprofits at the end of March and after 3 weeks, 101 of the checks have been cashed and 14 organizations have emailed us.





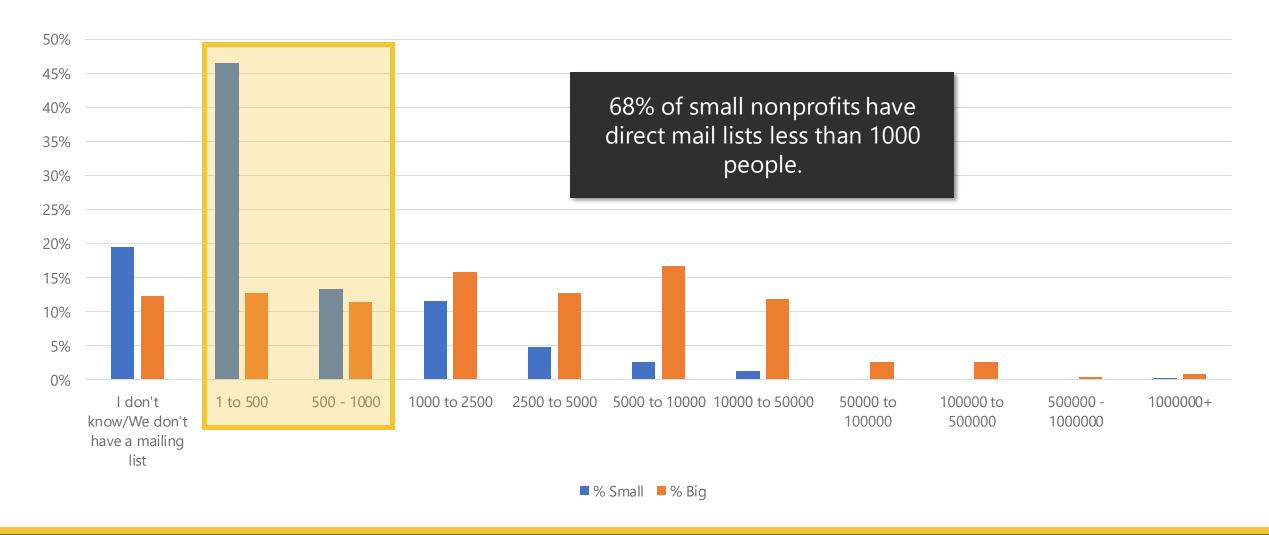


What about size and frequency of direct mail?





How often do you mail your donors?







89% of small nonprofits either don't know how often they send direct mail or send less than twice a year.





So... between email and direct mail, at most, a donor to an average small nonprofit gets 14 touch points in a year for over 80% of small nonprofits.











Multi-Channel Checklist

- ☐ Don't assume that the channel they give in is the channel they want to get communications in and will respond in the future
 - ☐ Try, ask, and test
- ☐ Try front-loading communications soon after a gift in multiple channels
 - ☐ Focus on appreciation, impact of their gift, and how it's making a difference
 - ☐ Don't shy away from an ask but make sure you thank and update first
- ☐ Send direct mail mail donors emails
 - ☐ Try showing direct mail donors online ads





Recurring giving is valuable for small nonprofits but underutilized.





104 Donors

-15%

13%
Recurring

+48%

Survey respondents said recurring giving only accounted for 4% of their revenue.

ention

21% +29

Recurring Giving By Donor Type

\$35 New

\$40 Recaptured \$43 Retained \$42 Overall Avg. Gift



49% Overall

42% One-Time 58% Repeat

92%
Recurring





49% Overal Survey respondents said they had a 50% recurring donor retention rate.

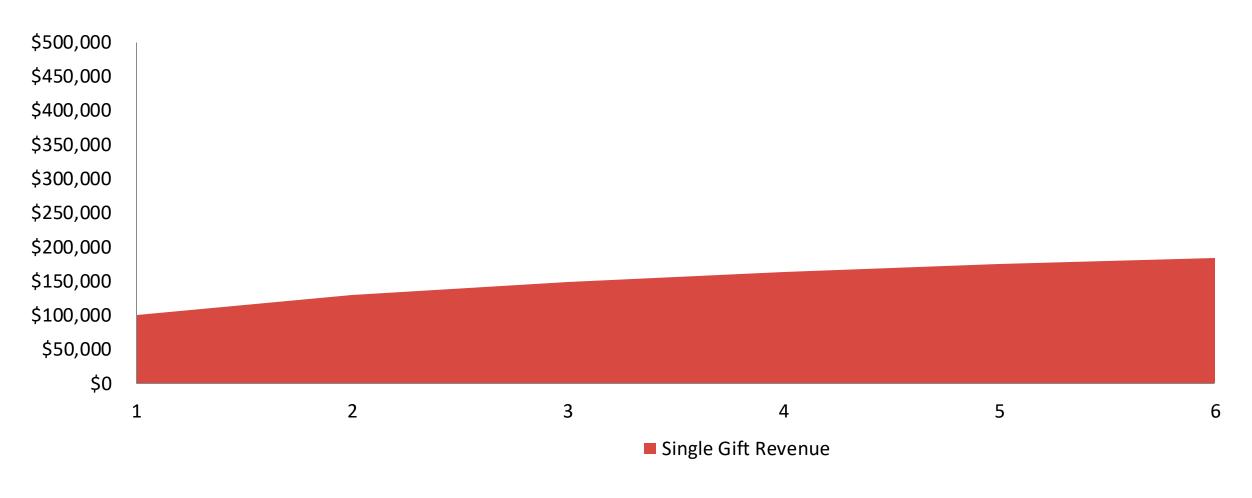
58% Repeat

92%
Recurring



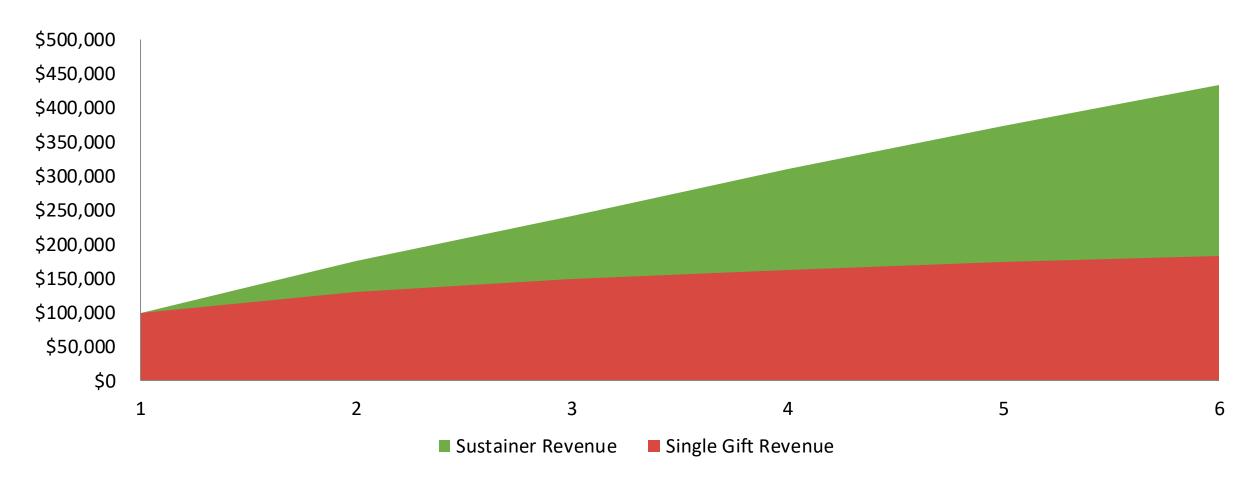


6 Year Value of 1,000 Donors





6 Year Value of 1,000 Donors





Cumulative Revenue per 1,000 Donors After 5 Years





And yet...





Only 51% of small nonprofits have a recurring giving program compared to 78% of big nonprofits.





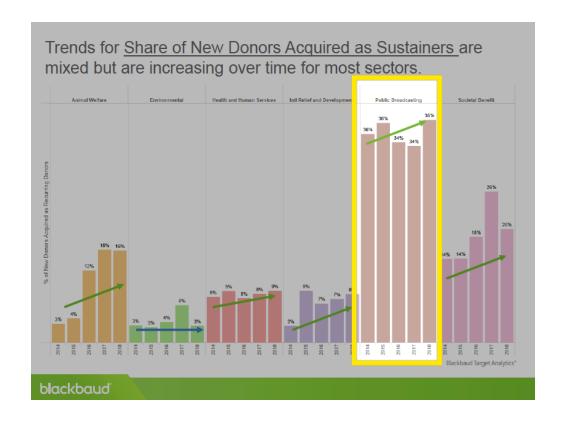
donorCentrics Sustainer Summit

Key Acquisition Take-Aways



- ➤ The organizations with the greatest share of recurring gift donors are hyper-focused: the sustainer message is the primary ask in all sources.
- Continued growth in digital acquisition is expected. Is your website optimized to encourage recurring giving? Is recurring giving the primary ask throughout? Is it the preselected option on your donation form? Do your ask amounts change based on the donors selection of recurring vs single (Is your starting ask to donors choosing "give monthly" \$100 or \$10 or \$15?)
- Expansion of canvassing those who are already canvassing have no plans to stop and many are considering launching a program.

blackbaud

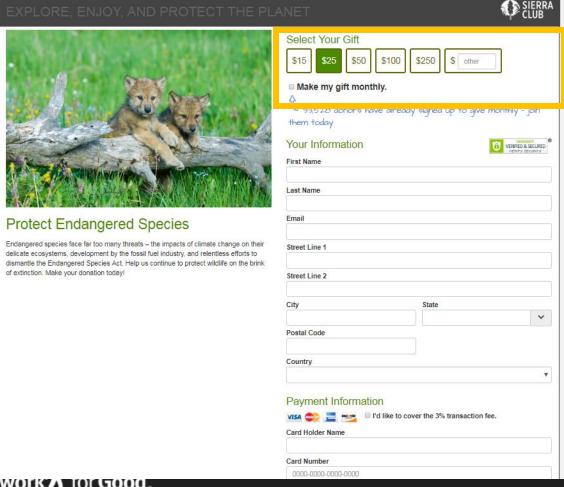




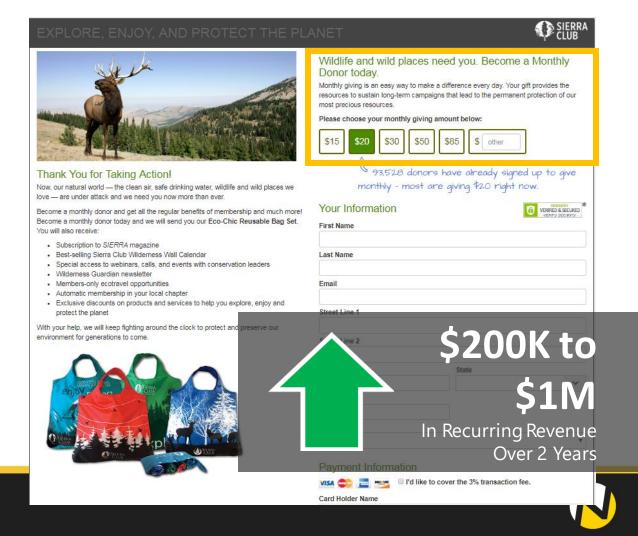
Sierra Club Testing

Defaulting to Recurring Gift

CONTROL – ONE-TIME



TREATMENT - MONTHLY



How Communicating The Impact Of A Recurring Gift Can Increase Conversion With New Visitors

EXPERIMENT ID: #18659

CONTROL



OR GIVE TO SPECIFIC AREAS

Where Most Needed

TREATMENT



QUICK GIVING OPTION

Urgently share the Gospel with a world in need of Hope. Your gift will be used where most needed in the work of the Billy Graham Evangelistic Association.

\$ 50

One-time Gift Ionthly Gift
Is now: We have not one of the Billy Graham Evangelistic Association.

In New Recurring Donors





Recurring Giving Checklist

- ☐ Make recurring a priority and focus for you and your team and then it will show in your website, strategies and communications
 - ☐ Set a goal, make a plan, and go for it
- ☐ Make sure you give donors a reason to give monthly
 - ☐ In your emails but also on your donation page itself
- ☐ Consider defaulting to monthly or use a strong 'nudge' on your donation page to encourage more monthly giving
 - ☐ Try to get direct debit or ACH giving set up if you can



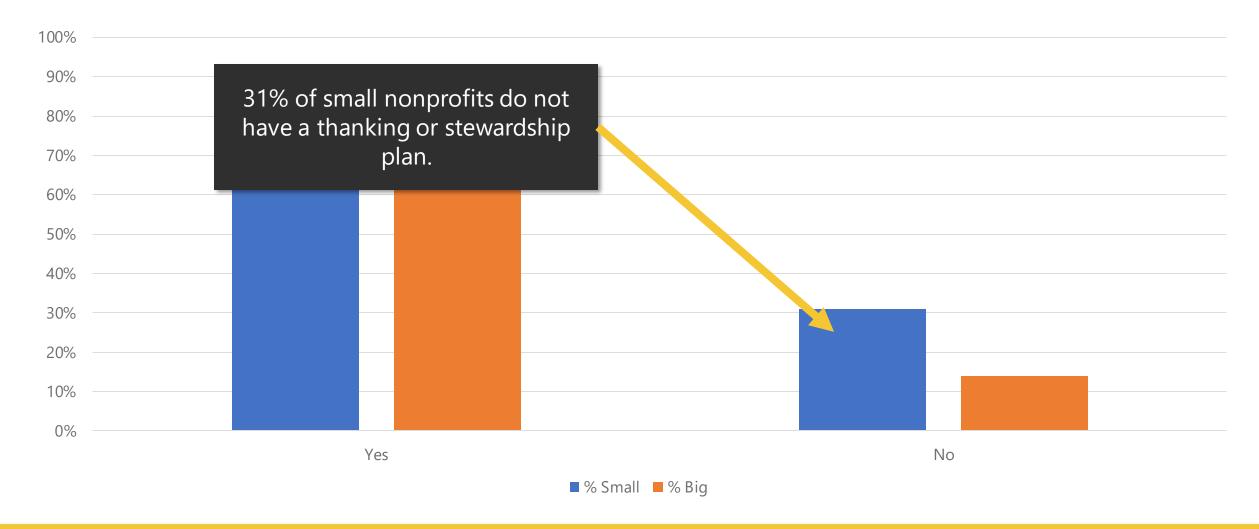


Small nonprofits are less prepared to thank donors and much less prepared to try and win them back if/when they stop giving.





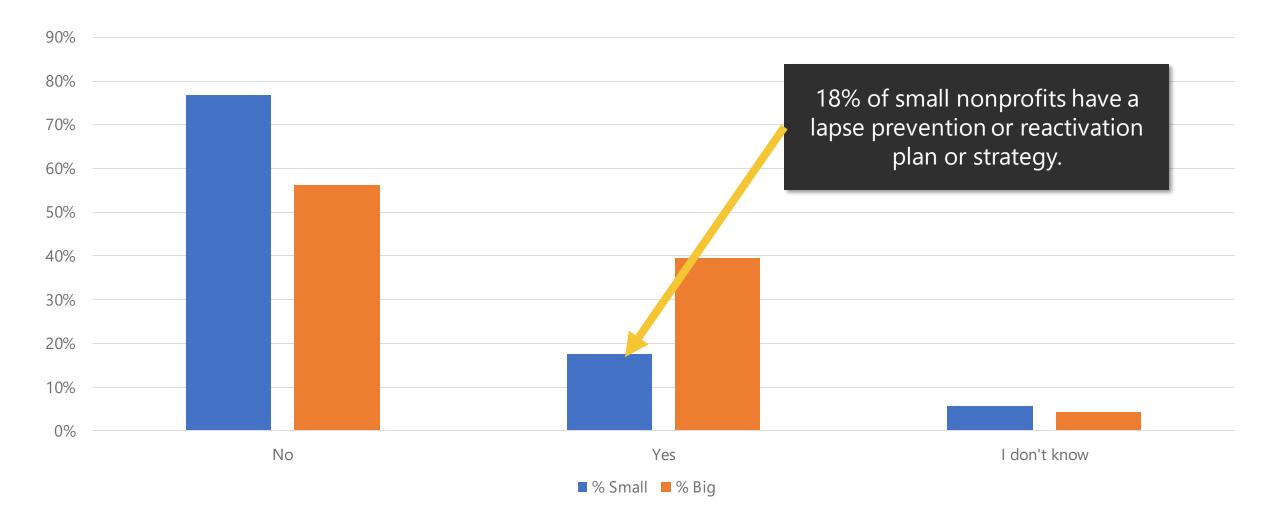
Do you have a stewardship or thank you plan or strategy? (This is a specific strategy and process to thank and communicate to donors after they have given.)







Do you have a lapse or reactivation plan or strategy? (This is a specific strategy used to engage and get lapsed donors to give and give again.)







Why it matters.



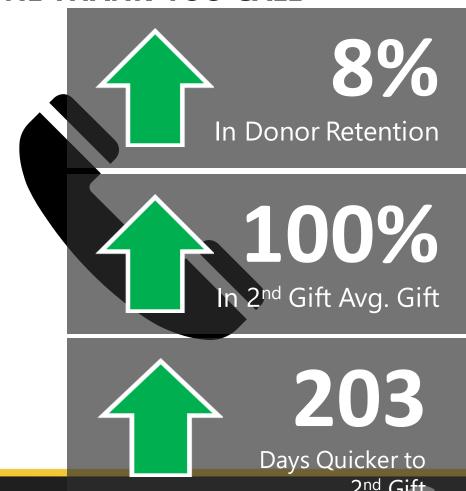


Analysis of Thank You Calls Within 90 Days of 1st Gift

NO THANK-YOU CALL



ONE THANK-YOU CALL











I don't have time... I don't have money...





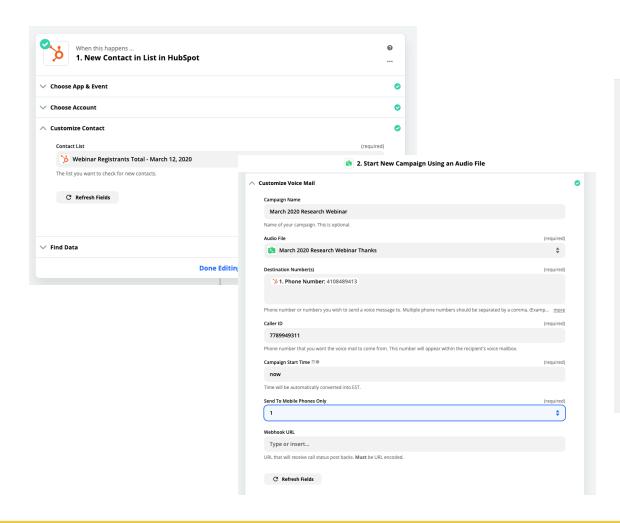
6 FUNDRAISING HACKS YOU CAN USE TO GROW REVENUE THIS YEAR

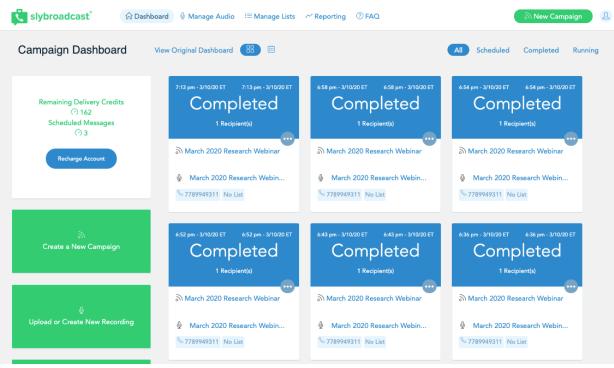
NEXTAFTER.COM/RESOURCES





Sly Broadcast + HubSpot + Zapier







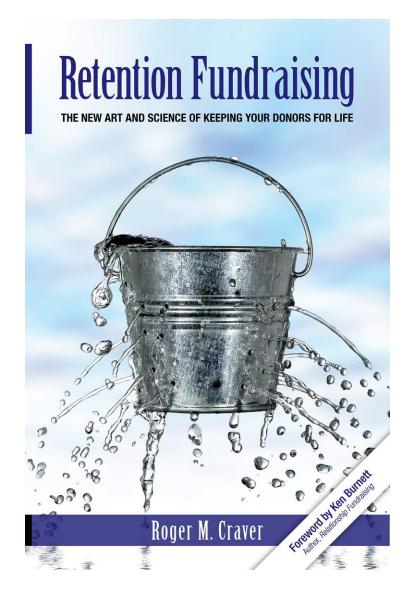


What do we say?





- Saying thank you is easy retention win #1.
- It should be timely and confirm the donation was received
- Should focus on
 - Why the gift is appreciated
 - Why the gift matters and
 - How the gift was put to work.







Thanking & Engagement Checklist

- ☐ Make sure donors are thanked well and more than once in the first few weeks
 - ☐ Consider multi-channel (phone)
- ☐ Focus on the impact that their gift will make and how it is being put to use in addition to your thanks
 - ☐ Frame it in what the donor has done, not you
- ☐ Try front-loading communications soon after a gift in multiple channels
 - ☐ Focus on appreciation, impact of their gift, and how it's making a difference





Quick recap.





Key Findings Summary

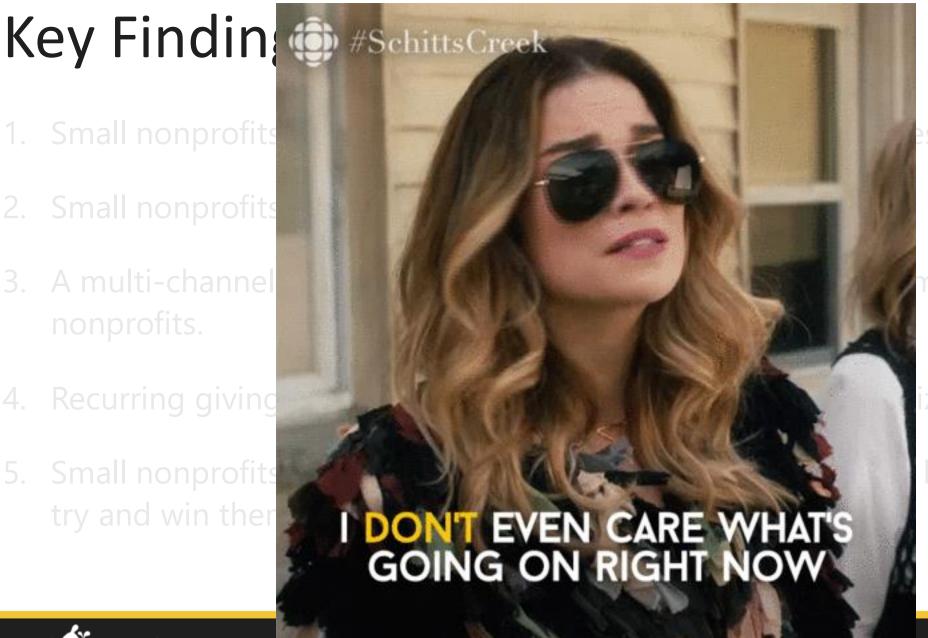
- 1. Small nonprofits don't generate a lot of traffic to their websites.
- 2. Small nonprofits send fewer emails to fewer people.
- A multi-channel fundraising strategy is almost non-existent among small nonprofits.
- 4. Recurring giving is valuable for small nonprofits but underutilized.
- 5. Small nonprofits are less prepared to thank donors and much less prepared to try and win them back if/when they stop giving.





- 1. Small nonprofits
- 2. Small nonprofits

- 5. Small nonprofits try and win ther







What Can You Do Based on the Key Findings?

Grow Your Traffic Checklist

- Is it easy for people to find where to give on your website?
 - ☐ How can you get more people to your website and then to your donation page?
- Do you have a Google Ad Grant?
 - ☐ Consider outsourcing the management of it to take full advantage (or at least set up)
- Are you using any paid advertising to drive traffic with a purpose?
 - Paid ads cost, yes, but you can be specific and attract the right people to your site
 - □Consider using ads to drive to content that requires an email as opposed to newsletter or

Email Checklist

- □ Are you collecting emails online, offline, and wherever possible?
- ☐ Get a clear opt-in and send at least 1 welcome email to keep good email list hygene
- Are you offering something of value or positioning your newsletter in a value oriented way in exchange for people's emails?
 - ☐ Why should I sign up for your email list as opposed to another one or not at all?
- Are you sending out emails frequently to engage, provide updates, and report on impact (not just ask)?
 - Onsider sending more emails with fewer things in them for people to read or do



Multi-Channel Checklist

- Don't assume that the channel they give in is the channel they want to get communications in and will respond in the future
 - ☐ Try, ask, and test
- ☐ Try front-loading communications soon after a gift in multiple channels
 - ☐ Focus on appreciation, impact of their gift, and how it's making a difference
 - Don't shy away from an ask but make sure you thank and update first
- Send direct mail mail donors emails
 - ☐ Try showing direct mail donors online ads





Network for Good.





letwork of for Good.

Recurring Giving Checklist

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Network Tor Good



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2





QUESTIONS IN A MINUTE...

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Go deeper.



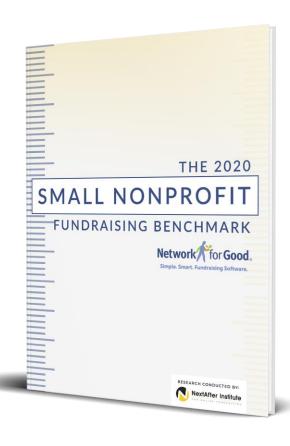


Be the First to Get the Full Report

The 2020 Small Nonprofit Fundraising Benchmark Report

- Get all the data and stats
- See the key findings
- Access resources to help your fundraising
- And more!

smallnonprofitbenchmark.com







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BECOME A MEMBER TO ACCESS ANY & ALL COURSES ALL YEAR (AND OTHER COOL THINGS).

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THANKS AND GOOD LUCK!





QUESTIONS PLEASE

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