Classy

The State of Modern Philanthropy

Creating Dynamic
Journeys to Maximize
Supporter Lifetime
Value



The Evolving State of the Industry

The only constant in life is change, but the pace of that change is hitting dizzying speeds.

Generative artificial intelligence (AI) is changing the way people discover, consume, and internalize information, resulting in loss of control over your story as this technology curates and rewrites what's presented to audiences. The use of generative AI will only continue to grow; ChatGPT accrued 100 million users in just two months after launching, making it possibly the fastest-growing consumer app ever.

It's generally becoming harder to get in front of supporters.

People are spending <u>88% of their time</u> on mobile using apps rather than web. Other intermediary layers like content aggregators continue to divert traffic. All of these factors make it increasingly difficult to capture and sustain supporter attention across a fragmented, curated digital experience.

In this wildly changing landscape, personalization and connection matter more than ever.





Nonprofits must leverage technology in ways that engage supporters with their missions through authentic and memorable digital experiences—providing the right experience, to the right donors, at the right time. The organizations that understand how to align fundraising engagement to donors' interests, and provide multiple avenues for engagement over time, are the ones that will succeed in forming lasting connections with their communities.

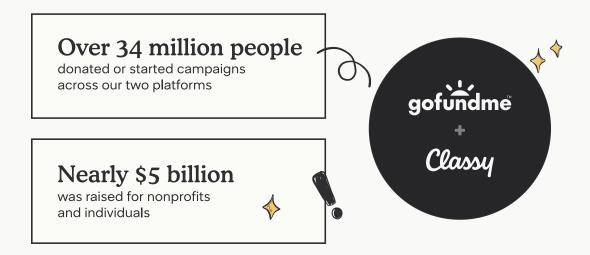
Where This Report Takes You

The State of Modern Philanthropy 2023 combines Classy platform data with insights from our parent company, GoFundMe, to provide a comprehensive view of the giving landscape that helps you achieve these goals.

Our combined giving community across these platforms sits at **over 150 million people**. This massive reach makes us the largest giving platform in the world,

enabling us to understand and share how to best create giving experiences that keep

donors coming back.



This report looks at three key areas to build a powerful, multifaceted donor experience that results in retention: leaning into community-building and engagement, fundraising beyond your website to engage supporters throughout a dynamic donor journey, and understanding patterns in donor retention.

Use these insights to build and empower a passionate, active community around your cause for years to come.



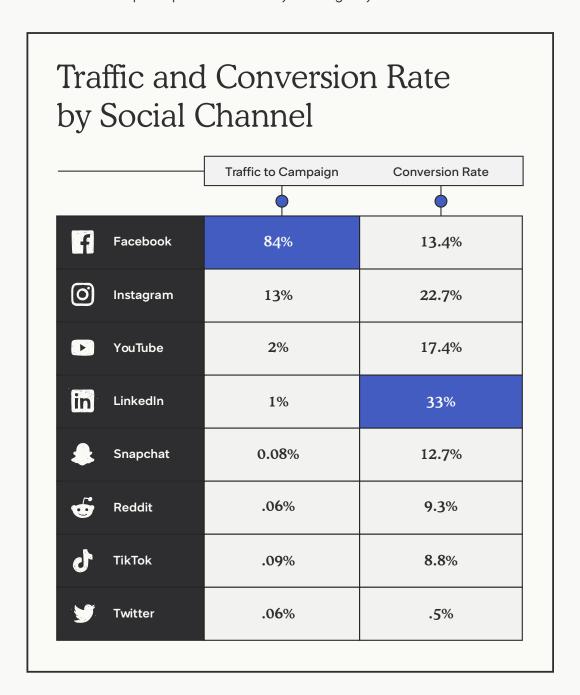
Jump Straight In

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Build and Attract an Active Community

Successful social fundraising hinges on effective community-building. In order to build a rich, active community in today's digital landscape, you need to connect with donors on the channels where they're already spending most of their time, and mobilize them to participate in community-building on your behalf.

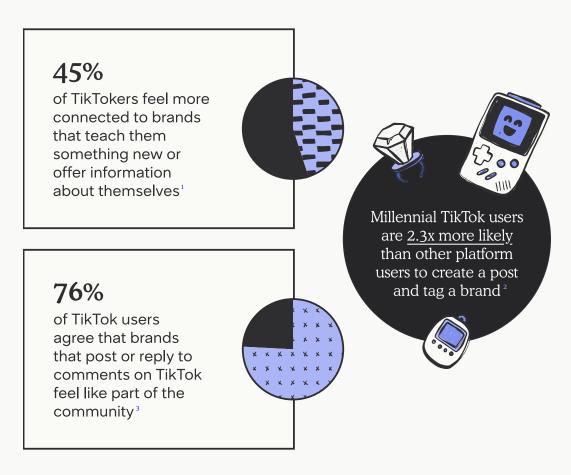




Facebook and Instagram are clearly top traffic drivers, but LinkedIn is an attractive place to target high-intent (and potentially high-net worth) donors.

While the tried-and-true social platforms continue to drive the majority of traffic, it's important to bake newer, high-growth platforms like TikTok into your strategy to reach Gen Z—who can, in turn, galvanize their online communities on your behalf. TikTok is the top downloaded app in over 40 countries and has 150 million monthly active users just in the U.S., so you don't want to lose this opportunity.

Check out these insights from TikTok to connect with its users:



- 1 "New Studies Quantify TikTok's Growing Impact on Culture and Music"
- 2 "Get to Know Your Audience Better With TikTok Insights"
- 3 "How to Flop Successfully"

As you create authentic content aligned for different channels to spark real connections, it's important to carry that personal touch through to where you take your supporters next. Tailor your landing page experiences to the content and channels from which your supporters are arriving, or risk them clicking away.

Create Direct Giving Experiences for Every Donor

Since no donor journey is exactly the same, your direct giving experiences shouldn't be either. As you pull in different groups of donors from different types of social media content and traffic channels, you need to offer the right landing page experience that speaks to their interest and matches their intent to give.

Embedded Giving Experiences

Embedded donation experiences, which include pop-up or inline embedded forms, are extremely effective in converting high-intent visitors. This giving experience is optimal for instances where you're intentionally driving traffic to your website, whose storytelling further compels visitors to donate.

Maximize results from targeted asks on social channels and email when you drive supporters to a frictionless checkout experience that keeps them on the page.

With Classy, you have customization options to reflect your branding, as well as opportunities to tailor abandoned checkout messages and recurring donation prompts.



Classy customers who enable embedded donation forms routinely see:

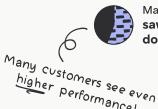
2x industry average donation conversion rates with embedded donation forms



Feeding San Diego saw a 44% conversion rate (almost 3X industry standard)



The V Foundation saw a 13-point lift in conversion rate



higher performance!

Many Hopes saw a 56% increase in donation volume



Up to 29% average increase in revenue per site visitor

Standalone Donation Pages

Embedded forms shouldn't be the only thing in your toolbox. Standalone donation pages allow you to create targeted landing pages with content aligned to different audiences, campaigns, or traffic channels, giving you the opportunity to foster deeper connections through the giving process.

Paid social, as well as segmented emails and other paid ad campaigns, can particularly see high returns from standalone donation pages. Point different donor groups to different donation pages with personalized content speaking directly to their interests. This won't just help you boost conversions, it'll also create meaningful connections with donors through a more personalized touch.



Customer Spotlight









Concern Worldwide US used Classy to spin up an emergency campaign in less than 15 minutes by duplicating a previous campaign and customizing the details for the crisis at hand.

For their campaigns, they also use extra tracking capabilities like Google Analytics and Classy's source codes to capture detailed traffic data, all of which they import into Salesforce. This data-driven approach enables them to track donor behavior, segment their donor base, and send personalized messages to strengthen relationships at scale.



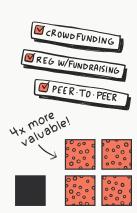
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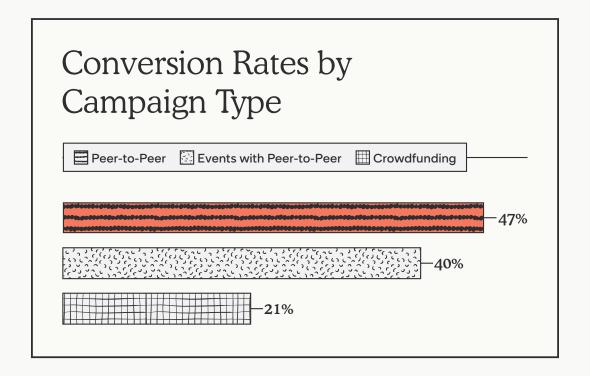
Fundraise Beyond the Walls of Your Website

While they are a crucial component, website donation experiences alone—even ones that appropriately align with different supporter needs and interests—are not enough to cultivate a growing, lasting community.

A multifaceted fundraising strategy is essential to bring in new supporters from different entry points and pathways. You must also provide multiple avenues for engagement over time—beyond simply making a donation on your website—to deepen supporters' connections with your mission and grow their lifetime value.

Supporters who participate in multiple campaign types are 4x more valuable than supporters who participate in a single campaign type

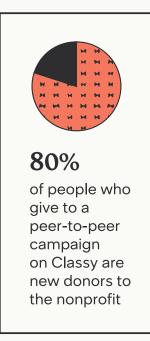




Leverage Peer-to-Peer to Acquire New Donors and Deepen Support

People want to give to friends, family, coworkers, or other members of their community—people they know and trust. When supporters can express their personal connections to your cause within your overarching brand narrative, they can motivate immediate action from their communities in a way your organization couldn't on its own.







The power of peer-to-peer doesn't stop at its acquisition potential. It's a major vehicle to strengthen relationships and grow supporter lifetime value. When people choose to fundraise on your behalf, they're investing in your mission at a deeper level over a longer period of time. They're also able to raise more money for your organization than they could individually give on their own.

These factors attract and engage supporters of all ages, young generations in particular.





We used Classy's peer-to-peer tool for a month-long campaign in which our local supporters could solicit their friends, family, and others in support of our program. They just clicked on the site, signed up, launched their pages, and off they went. It was also an incredible way to galvanize support for the program from our local millennial and Gen Z supporters.



Lauren Arana Assistant Vice President, Development

Maximize the Power of Events

Events provide a powerful opportunity for supporters to engage with your mission, staff, and larger community in a tangible way. Delivering dynamic, memorable event experiences goes a long way in deepening attendees' connections to your organization, inviting further action, and building lifelong loyalty.

Our 2022 Fundraising Event Experience Report found that:



91%

of event attendees are more likely to take further action with a nonprofit after a positive event experience



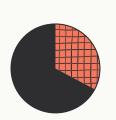




51% attend future fundraising events held by the organization



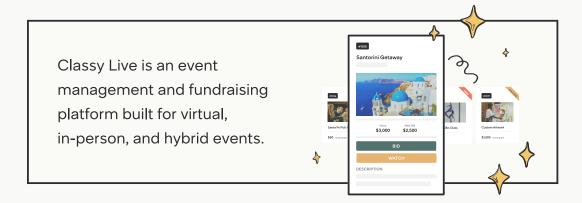
44% look for more ways to support the nonprofit hosting the event



33% fundraise on behalf of the organization

The technology you use directly impacts the degree to which you can deliver an experience that keeps donors coming back.

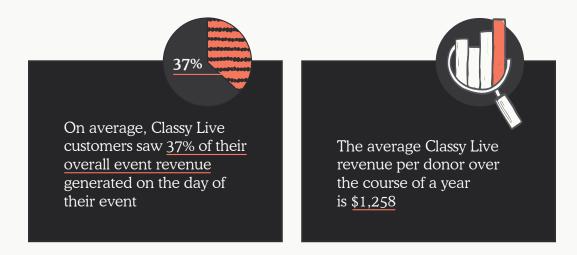
Classy Live offers you all the tools you need to engage attendees in meaningful ways, encourage donation and fundraising activity, and exceed supporter expectations throughout all stages of your event.



It also helps you scale your engagement, boosting reach and deepening connections even for those who can't be physically present.



Break geographical barriers and allow attendees to tune in from around the world. Offer live streaming, access to multiple stages, digital networking opportunities, and auction-style activities on event day (e.g., live or silent auction, paddle raise, fixed-price item sales) that people can participate in either in person or virtually.



To drive activity and revenue pre- and post-event, send emails or SMS messages before, during, or afterward to build excitement with attendees, as well as remind them of how to donate directly to your organization. You can also open up auctions ahead of your event to encourage bidding.

With technology like Classy Live, you can host in-person, virtual, and hybrid events that wow supporters and deepen connections at scale.



Customer Spotlight









Shriners Hospitals for Children gathered their community together to celebrate 100 years of service. They chose a hybrid event model for added flexibility with audiences spanning time zones and locations. Their "Celebration of the Century" event brought in over 1,400 attendees through their in-person and virtual experience.

The Results

- **→ \$1.6M** raised
- → \$500K raised from auction items alone
- → 700 in-person attendees



Retain Donors for the Long Haul

Engaging donors through a multifaceted journey over time keeps them in the fold, but you can't stop there. Understanding patterns in donor retention will help you maximize supporter lifetime value over the long-term.

See How Retention Changes by Dollar Amount



Around 10%

of those who give under \$50 online come back the next year



Almost 40%

of people who donate over \$1,000 online return the next year

Donation size is, of course, tied to ability to give, but it's also certainly a marker of engagement and commitment.

Segment your donor base to curate tailored communications for each group. Custom donation pages enable you to present each cohort with suggested donation levels and content tailored specifically to their giving history and potential. This all ladders up to delivering the right experience to the right donor.

Keep an eye out as we're also building more features in our platform that will help you suggest personalized donation amounts backed by data.



Grow Recurring Giving Subscriptions

Recurring donors

9 * more valuable

than one-time donors

In fact, the average expected lifetime of a recurring donation is 4.6 years. It's clear that a recurring giving program isn't just an incomparable source of predictable and sustainable revenue. It's the mainstay of an organization's continued ability to scale.



By intentionally cultivating a sustaining donor base, one of our healthcare partners has managed to build **66% of its annual revenue on recurring donation volume**, while another partner of ours supporting veterans and first responders drives **64% of its annual revenue from recurring donation volume**.



To attract and sustain such a commitment from supporters, nonprofits need to not only win them over through their storytelling, but also build trust by offering flexibility and control in the giving experience.



They can also dictate their charge dates, payment methods, and end dates, just like they're accustomed to doing with the rest of their online subscriptions. Put the reins in your supporters' hands, optimizing the giving experience and maximizing your chances of capturing and retaining recurring donations.

This empowerment goes a long way in developing trust, while relieving administrative burden on your team.



Send personalized follow-up messages so you can prime new supporters to become recurring donors. Make sure these aren't all direct asks, however. Focus many of your messages around your mission and impact through intentional storytelling. You want to build connection and trust with new supporters, while providing avenues to give again.



Customer Spotlight







DENVER RESCUE MISSION

Denver Rescue Mission built a robust recurring giving program by building dedicated Classy recurring donation pages, making donors of all recurring gift amounts feel connected to the mission and community, and stewarding them through tailored messaging that helps them feel valued.

The Results

- → 3,286 active recurring donors
- → 3.9 years average duration of a monthly recurring donor
- → \$54.39 average recurring donation amount



Develop Lifelong Donor Relationships

As you center your fundraising strategy around meaningful, ongoing supporter connections, leverage the right technology that elevates your story and scales with you to build long-term relationships.

We at Classy, in partnership with our GoFundMe community, mine the latest insights across our platforms to inform how we build a comprehensive suite of fundraising experiences that empower you to reach new audiences, sustain engagement, and maximize supporter lifetime value.

And we're just getting started. Using this data from tens of millions of donors and hundreds of millions of transactions, we're already building more ways to elevate your impact and drive engagement through the giving experience, so you can stay ahead of giving trends and create connections that last.

Learn how our tools can help you build lifelong relationships with supporters—maximizing your results today, and as giving transforms in the future.

Envision Your Organization on Classy

Learn how top nonprofits use Classy to power their fundraising.

Schedule a Demo

