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#GivingTuesday Trends

A Closer Look at the Online Fundraising
Impact in the United States

Presented by
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FEATURING A FOREWORD FROM HENRY TIMMS



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#GivingTuesday was founded in 2012 by New York's 92nd Street Y in partnership with the United Nations Foundation. This global day of giving has followed Black Friday and Cyber Monday for the past three years on the Tuesday after Thanksgiving in the United States. The #GivingTuesday movement has now engaged more than 10,000 organizations worldwide.

Blackbaud is a founding partner of #GivingTuesday and has tracked the online giving trends of U.S. organizations since its inception. The aim of this report is to provide additional information and insight into the impact of #GivingTuesday.

FOREWORD

BY HENRY TIMMS, EXECUTIVE DIRECTOR OF THE 92ND STREET Y

When we launched #GivingTuesday in 2012, we had a big ambition. After two days dedicated to consuming—Black Friday and Cyber Monday—we wondered whether we could add a day dedicated to giving. We wanted to create, in the words of one of our early advisers and supporters, “an opening day for the giving season.”

Although this was a bold idea, we began with relatively modest expectations. We thought if we could get dozens of nonprofits and businesses collaborating together, it would be a good first year. Perhaps in time we would grow to hundreds or even thousands. But the concept took off faster and more broadly than expected. I remember an early call with the team at Blackbaud, when all we had was a fledgling notion, and being surprised by how fully they embraced the idea. The data provided here is just another chapter in Blackbaud's efforts to shape, encourage, and sharpen the work of the #GivingTuesday community.

As a sector, we are getting used to a world informed by much more data. For all of the debate around online giving, one of the many

positives is that we have a sharper sense of the results of some of our efforts. Increasingly we can dig deeper into what is working, what is not, and where future opportunities may be. We want to thank Blackbaud for digging deeper on #GivingTuesday. This data is instructive for us all—especially the numbers around mobile giving. What huge potential lies ahead.

Alongside the data around the dollars, we think it is important to value some of the achievements of the #GivingTuesday community that are harder to measure. Countless organizations like Blackbaud, nonprofit experts, and social media gurus have all offered free lessons to the #GivingTuesday community, helping build capacity not just for that one day but all year round. People across the US have given blood, coats, pianos, time, and so many other gifts. Schools have sat down to discuss philanthropy with kids on #GivingTuesday. Entire cities and states have come together to shine a light on the good work happening locally. People everywhere have found ways to show they care for others.

We think this is just the start for #GivingTuesday. Every year we are seeing more creative and impactful campaigns and collaborations, all of which rest on the entrepreneurialism of the social sector. #GivingTuesday has grown because so many people—from interns to CEOs—seized the idea and found approaches to make it meaningful for their organizations, their communities, or their businesses. We often hear people bemoaning the state of innovation in our sector, but when you spend time with those in the #GivingTuesday community, you hear a very different story. You hear about people trying to engage in new ways, taking some risks, and beginning to reimagine how they connect with their communities.

We look forward to learning more, achieving more, and giving more in the years to come.

As executive director of the 92nd Street Y, Henry Timms creates programs and movements that foster learning, civic responsibility, culture, and innovation—both in New York City and around the world. He is the founder of #GivingTuesday, a global philanthropic movement that engages more than 27,000 partners worldwide. Henry co-authored the “Big Idea” in the December 2014 edition of Harvard Business Review on “New Power,” which was just named one of the 10 “Ideas of the Year” by CNN.

The #GivingTuesday Trends report includes giving data from more than 4,300 organizations representing \$55.6 million in online fundraising since 2012 that took place on #GivingTuesday.

Significant work has gone into building the analysis model and making sure the data meets strict requirements. This includes collecting giving data for several years, checking and rechecking for anomalies, classifying each organization by sector using its National Taxonomy of Exempt Entities (NTEE) code, matching and retrieving reported total revenue information, and applying statistical expertise to the data.

OVERALL #GIVINGTUESDAY GROWTH

Blackbaud has monitored the growth of #GivingTuesday online donations since the beginning. Careful consideration was given to not just tracking online giving for the first year, but also to provide some historical context for giving trends. Blackbaud has been able to leverage its deep data assets to take a closer look at #GivingTuesday results over the years.

More than \$10.1 million in online donations were processed by Blackbaud on November 27, 2012. This was the first year of #GivingTuesday and online giving was up 53% compared to the Tuesday following Thanksgiving in the United States in 2011. This analysis is based on more than 3,400 organizations that received at least one online donation on #GivingTuesday in 2012.

The comparison to 2011 is important because it provides a baseline of what online giving looked like prior to #GivingTuesday. One of the most asked questions in 2012 was whether or not #GivingTuesday moved the needle on online giving compared to the year before. The 53% year-over-year increase in giving and 74% increase in transaction volume was a clear indication that #GivingTuesday was off to a good start.

#GivingTuesday 2013 took place on December 3 and online giving grew 90% on a year-over-year basis compared to 2012 with more than \$19.2 million in online donations processed by Blackbaud. This analysis is based on more than 3,800 organizations that received at least one online donation on #GivingTuesday 2013.

2013 was the real test for #GivingTuesday. Was the first year's growth just a statistical blip on the radar or was something really happening? While transaction volume only grew 36% over 2012, there was a 90% increase in dollars raised on #GivingTuesday 2013. This growth really exceeded expectations considering that the total number of organizations that received an online donation only grew 11% on a year-over-year basis from 2012.

The third annual #GivingTuesday was held on December 2, 2014. #GivingTuesday 2014 saw a 36% increase in online giving compared to 2013. Blackbaud processed more than \$26.1 million in online donations during #GivingTuesday 2014. This analysis is based on more than 4,300 organizations that received at least one online donation on #GivingTuesday 2014.

Transaction volume during #GivingTuesday 2014 grew 50% on a year-over-year basis. The data shows a less steep growth trajectory than 2013, but also what you would expect from a multi-year event settling into a groove. By 2014, there were 28% more organizations receiving online donations on #GivingTuesday compared to 2012.

It is worth noting that our focus has been on measuring online giving during #GivingTuesday as this represents the best snapshot of what happened the day of the event. Undoubtedly, a tremendous amount of offline giving is also triggered by #GivingTuesday, but these gifts have a long tail that appears several days and weeks after the event. For this reason, Blackbaud has not reported on offline giving data specifically on #GivingTuesday because it is not an accurate representation of donor or nonprofit behavior.

The overall growth of #GivingTuesday is just one piece of the puzzle in understanding its impact on giving. Throughout the rest of this report, we will dive deeper into the data to reveal trends and insights.

#GIVINGTUESDAY TRENDS BY SIZE

For the first time, we have directional information about what types of organizations received donations on #GivingTuesday since 2012. The first area for exploration was to look at the breakdown of #GivingTuesday donations by organization size.

Organizations in the report were grouped into three categories:

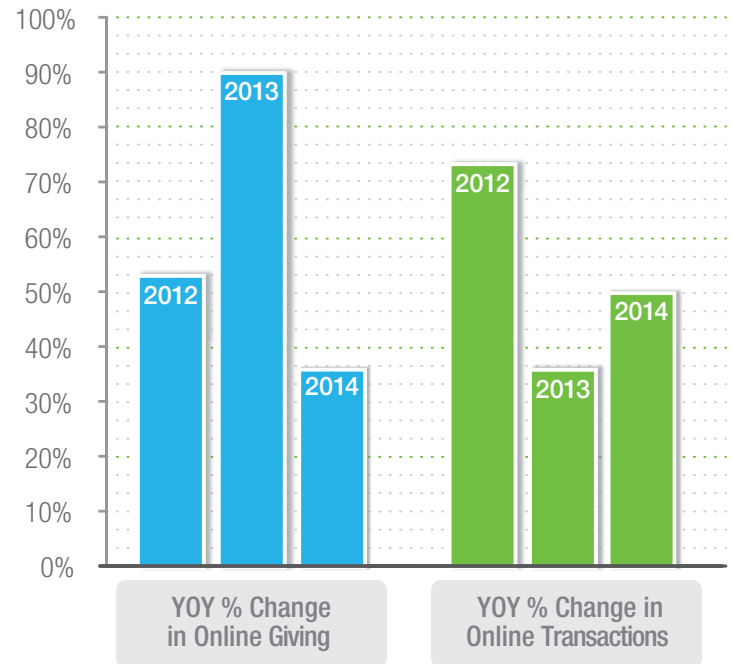
- Total annual fundraising less than \$1 million (small)
- Total annual fundraising between \$1 million and \$10 million (medium)
- Total annual fundraising exceeding \$10 million (large)

This is based on recorded giving in their fundraising systems, reported fundraising in IRS Form 990 data, and matching done through the National Center for Charitable Statistics.

The analysis revealed that during 2012 and 2013, large organizations received 80% or more of the online donations during #GivingTuesday. Medium-sized organizations received the second most followed by small organizations. There were slight shifts in giving during the first two years, but nothing overly dramatic.

In 2014, there was a significant shift in the amount of online funds raised by medium-sized organizations during #GivingTuesday. Large organizations dropped below 80% of all money donated and smaller organizations remained at 5% of all the online donations on #GivingTuesday 2014.

OVERALL #GIVINGTUESDAY TRENDS BY YEAR



Distribution of #GivingTuesday Online Donations by Size

Size	2014	2013	2012
Small (Less than \$1M)	5%	3%	5%
Medium (\$1M–\$10M)	21%	13%	15%
Large (\$10M+)	74%	84%	80%

In 2014, there was a significant shift in the amount of online funds raised by medium-sized organizations during #GivingTuesday.

The data suggests that online giving is likely to continue shifting around to organizations of different sizes for a little bit longer. Larger organizations do not necessarily have the market cornered on #GivingTuesday. Some organizations did not really have a #GivingTuesday-focused campaign until 2013 or even 2014. This distribution of giving is something to be watched in the coming years.

#GIVINGTUESDAY TRENDS BY SECTOR

Understanding which organizations are raising the largest percentage of #GivingTuesday donations is another area this report set out to examine. Looking at several different sectors provides insight into the distribution of contributions across the first three years of #GivingTuesday.

Each organization in the report was categorized by one of ten sectors using the NTEE code as reported on its 990 tax return. These sectors are:

- Arts and Culture
- Environment and Animal Welfare
- Faith-based
- Healthcare
- Higher Education
- Human Services
- International Affairs
- K-12 Education
- Medical Research
- Public and Society Benefit

In 2012, most of the online giving on #GivingTuesday was concentrated among organizations in the Medical Research, Human Services, and International Affairs sectors. These three groups comprised nearly 70% of all the online donations during the first #GivingTuesday.

It is worth noting that [Blackbaud's Charitable Giving Report](#) has identified these three sectors for several years as raising a significant amount of their total fundraising through online donations. For that reason, it's not surprising to see that these organizations did very well in 2012. Most of them are online fundraising veterans that have the digital muscle tone to yield results.

Both 2013 and 2014 brought significant shifts in the sectors receiving most of the online donations during #GivingTuesday. The first shift was to Faith-based organizations in 2013. These religious organizations raised 40% of all online donations during #GivingTuesday 2013. There were well publicized stories of several large Faith-based organizations that ran #GivingTuesday specific campaigns that raised millions of dollars online in a 24-hour period.

Distribution of #GivingTuesday Online Donations by Sector

Sector	2014	2013	2012
Arts and Culture	1%	1%	2%
Environment, Animals	4%	3%	4%
Faith-based	21%	40%	2%
Healthcare	13%	8%	9%
Higher Education	17%	8%	9%
Human Services	10%	13%	23%
International Affairs	9%	8%	13%
K-12 Education	10%	6%	3%
Medical Research	13%	11%	33%
Public/Society Benefit	3%	2%	2%

By 2014, Faith-based organizations were still raising 21% of all the #GivingTuesday donations, but Higher Education, Healthcare, Human Services, K-12 Education, and Medical Research all had at least 10% each. Arts and Culture, Environment and Animal Welfare, and Public and Society Benefit continued a three-year trend of single digit shares of the #GivingTuesday donations raised.

Both Higher Education and Healthcare organizations have been laggards in online giving for the past 15 years. These organizations have consistently raised a smaller portion of their total fundraising from online giving. This is rooted in a fundraising culture traditionally focused on high-touch practices and major gift fundraising. But #GivingTuesday 2014 suggests that if these organizations focus their efforts on an online campaign, significant dollars can be raised from their supporters.

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Data suggests that organizations who capitalize on #GivingTuesday through online campaigns have an opportunity to raise significant funds.

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#GIVINGTUESDAY AVERAGE GIFT AMOUNTS

Overall online average gift amounts are often vanity metrics, but looking at them by both organization size and sector can offer insight. Organizations in the report were grouped into one of three size categories and also into one of ten sectors. These organizations had their giving and transaction data analyzed to look at specific average online gift amounts.

#GivingTuesday online average gift amounts continued to be greater than offline non-major gifts and one-time donations. This continues a trend of seeing online donations not related to peer-to-peer fundraising at or exceeding the \$100 per gift threshold.

Online average gift amounts have increased nearly every year for small, medium, and large organizations during #GivingTuesday since 2012. The only noticeable drop was among large organizations during 2014 compared to 2013, but an average online donation of \$168 was still very good.

An analysis of average online donations by sector is much more revealing. Organizations that received online donations during #GivingTuesday nearly all had online gifts at or about the \$100 level. Organizations in the Faith-based, Higher Education, K-12 Education, and Public and Society Benefit sectors had some of the highest online average gift amounts.

One exception was the Environment and Animal Welfare sector which grew its online average gift amounts each year, but still remained well below \$100. The likely explanation for this is that many of these organizations focus on driving online donors to be monthly sustaining donors. The ask amounts set for these monthly donors tend to be lower, but the long-term value and better retention rates of monthly donors eventually make up for the lower first-time gift amount.

Assuming that a monthly donor acquired on #GivingTuesday 2012 at \$42 per month was retained, that donor would have generated more than \$1,000 to the organization by #GivingTuesday 2014. Smart organizations could certainly learn a lesson from the Environment and Animal Welfare sector and focus their #GivingTuesday campaigns on acquiring or converting monthly donors.

#GivingTuesday Online Average Gift Amount by Size

Size	2014	2013	2012
Small (Less than \$1M)	\$134	\$116	\$100
Medium (\$1M–\$10M)	\$149	\$135	\$100
Large (\$10M+)	\$168	\$184	\$107

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Nearly all organizations that received online donations during #GivingTuesday had online gifts at or around the \$100 level.

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#GivingTuesday Online Average Gift Amount by Sector

Sector	2014	2013	2012
Arts and Culture	\$104	\$123	\$140
Environment, Animals	\$64	\$56	\$42
Faith-based	\$280	\$293	\$146
Healthcare	\$119	\$128	\$120
Higher Education	\$187	\$278	\$273
Human Services	\$142	\$134	\$112
International Affairs	\$207	\$139	\$135
K-12 Education	\$259	\$285	\$199
Medical Research	\$117	\$111	\$83
Public/Society Benefit	\$194	\$202	\$140

#GIVINGTUESDAY TRENDS TO WATCH

We are still at the beginning of the #GivingTuesday movement, but patterns and trends are already beginning to appear in the data. One thing we should be prepared for is that online giving will go up, go down, spike, shift, and change at a faster rate over the next few years.

There are those who may view the sharp decline in #GivingTuesday donations to large organizations as a sign that things have peaked. Having spent over a decade looking at online giving data, I can tell you that it's still a very volatile channel. There are going to be more twists and turns in the data especially when looking at a very specific 24-hour period. The overall growth rates only show part of what is happening and it will be important for the nonprofit sector to look closer into the details.

Some organizations may choose to not participate in #GivingTuesday for a variety of reasons. Others might have focused on #GivingTuesday one year but not another. Most sophisticated organizations run a year-end giving campaign to engage and re-engage supporters. While some played wait-and-see during 2012, most have now incorporated #GivingTuesday into part of their year-end programs.

Make no mistake, #GivingTuesday is now part of the media lexicon and each year the coverage on the international, national, and local level only continues to grow. This generates a tremendous amount of awareness for donors regardless of whether or not their charity of choice chooses to participate. Yes, succeeding on #GivingTuesday does require planning, resources, and focus, but the media boost certainly helps organizations of all sizes.

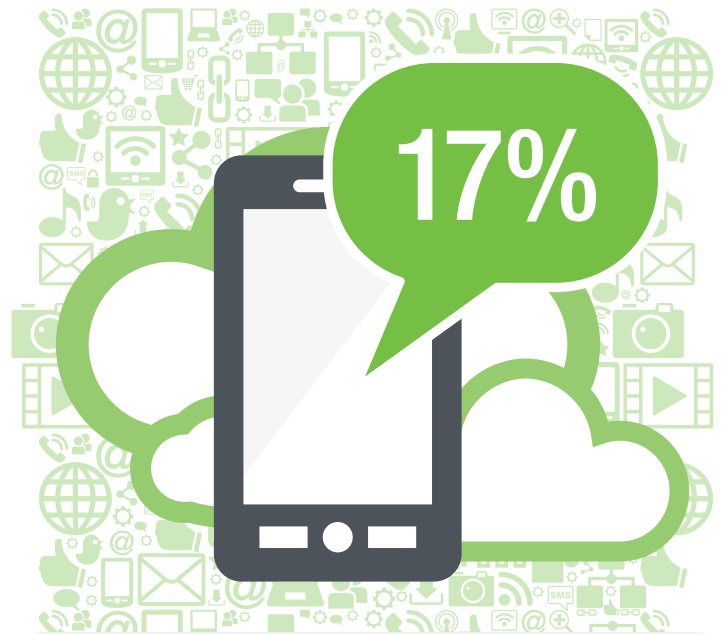
Unlike 15 years ago when online giving first began to emerge, today's donor embraces and expects a digital option for their charitable contributions. The online donation has matured even if organizations aren't utilizing all of the established best practices. About 17% of online donation form views on #GivingTuesday 2014 were on a mobile device. And yet we know that most donation forms aren't mobile friendly. There are undoubtedly going to be lessons learned from #GivingTuesday successes that will be promoted and adopted by other organizations.

It could be argued that the day after #GivingTuesday is just as important. Organizations must remain vigilant to thank, steward, inform, and retain these donors. There is no substitute for good donor-centric processes regardless of whether it was an online or offline gift. Don't confuse where the donor chose to make the gift as an indicator of how much they care about your organization.

#GivingTuesday YOY % Change in Online Giving by Size

Size	2014	2013
Small (Less than \$1M)	48%	36%
Medium (\$1M–\$10M)	47%	50%
Large (\$10M+)	5%	60%

Succeeding on #GivingTuesday does require planning, resources, and focus, but the media boost certainly helps organizations of all sizes.



About 17% of online donation form views on #GivingTuesday 2014 were on a mobile device.

KEY FINDINGS

The #GivingTuesday Trends report analyzes data from more than 4,300 organizations representing \$55.6 million in online fundraising since 2012 that took place on #GivingTuesday. Here are some key findings:

- 1 #GivingTuesday has had double-digit, year-over-year growth in online donations since 2012
- 2 Large organizations have received the most donations on #GivingTuesday but this trend is shifting
- 3 Faith-based organizations now receive the largest percentage of #GivingTuesday online donations
- 4 Online average gift amounts exceed \$100 for most organizations on #GivingTuesday
- 5 About 17% of online donation form views on #GivingTuesday 2014 were on a mobile device

ABOUT THE #GIVINGTUESDAY TRENDS REPORT

The findings in this report are based on giving data from 4,396 organizations representing \$55.6 million in online fundraising that took place on #GivingTuesday during 2012, 2013, and 2014. There was also \$6.6 million in online fundraising data used from 2011 in order to benchmark pre-#GivingTuesday donations.

To be included in the analysis, these organizations needed to have at least one online donation on #GivingTuesday in 2012, 2013, or 2014. Each organization was then classified by sector using their NTEE code as reported on their 990 tax return. If you are not sure what sector your organization is classified as, you may refer to your 990 to find your NTEE code. Visit <http://nccs.urban.org/classification/NTEE.cfm> for a complete listing of sectors.

Organizations in the report were grouped into three categories:

- Total annual fundraising less than \$1 million (small)
- Total annual fundraising between \$1 and \$10 million (medium)
- Total annual fundraising exceeding \$10 million (large)

This is based on recorded giving in their fundraising systems, reported fundraising in IRS Form 990 data, and matching done through the National Center for Charitable Statistics.

Organizations without all the research criteria were not included in this analysis. Organizations based outside the United States were excluded from this analysis. We do not include the unfulfilled portion of pledge gifts or recurring gifts that are processed offline.

Special thanks to Henry Timms and Rachel Hutchisson for their encouragement to dig deeper into the data. A big thank you to Ashley Thompson for her help along the way. And none of this would see the light of day without Jim O'Shaughnessy and his ability to transform raw data into real information.

About Blackbaud

Serving the nonprofit, charitable giving and education communities for more than 30 years, Blackbaud (NASDAQ:BLKB) combines technology solutions and expertise to help organizations achieve their missions. Blackbaud works in over 60 countries to support more than 30,000 customers, including nonprofits, K12 private and higher education institutions, healthcare organizations, foundations and other charitable giving entities, and corporations. The company offers a full spectrum of cloud and on-premise solutions, and related services for organizations of all sizes, including nonprofit [fundraising and relationship management](#), [eMarketing](#), [advocacy](#), [accounting](#), [payment](#) and [analytics](#), as well as [grant management](#), [corporate social responsibility](#), [education](#) and other solutions. Using Blackbaud technology, these organizations raise, invest, manage and award more than \$100 billion each year. [Recognized as a top company](#), Blackbaud is headquartered in Charleston, South Carolina and has operations in the United States, Australia, Canada, Ireland and the United Kingdom. For more information, visit www.blackbaud.com.

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