

20 | PHILANTHROPY  
23 | PULSE



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# INTRODUCTION





## A Window into Fundraising Practices in a Changing World

For over 75 years, CCS Fundraising has remained at the forefront of data and research to help nonprofits leverage this information to make better decisions that lead to greater impact. In the ever-evolving philanthropic landscape, we commit to understanding how nonprofits approach development and how organizations find fundraising success, no matter their starting point.

CCS is proud to present the 2nd edition of our *2023 Philanthropy Pulse Report*, providing a window into the fundraising practices of nearly 1,200 organizations based on data collected in the fall of 2022.

### KEY FINDINGS FROM THE REPORT INCLUDE:

- Organizations across the board experienced fundraising revenue growth in FY21, regardless of their size or budget.
- Although 62% of organizations saw an increase in donors in FY21, only 36% of organizations reported new donor retention.
- Organizations that invested in hiring and retaining staff exhibited more fundraising revenue growth in FY21.
- DEI continues to be a driving fundraising strategy focus, as organizations that invested in DEI saw greater growth than those that did not.

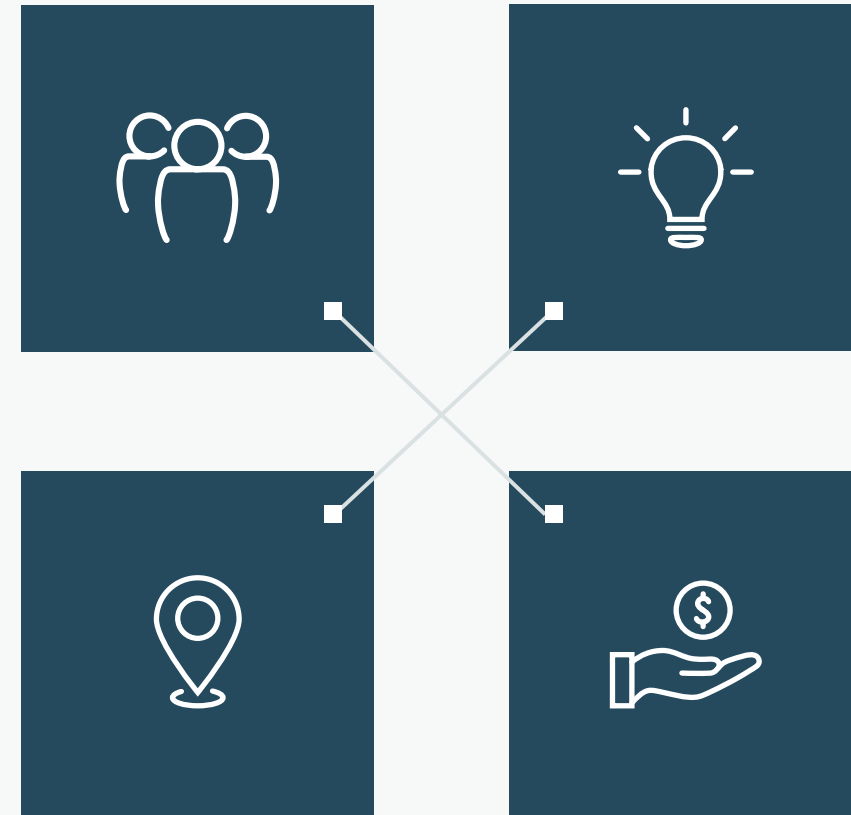
# 2023 Philanthropy Pulse Data Collection

This report is based on data collected via an online survey commissioned by CCS Fundraising between the dates of October 12 and November 17, 2022, representing results from fiscal year 2021. All responses analyzed in this report were submitted voluntarily by 1,196 organizations.

While respondents self-identified and therefore may not accurately match the overall nonprofit sector, this sample provides a window into a wide array of nonprofit sectors, sizes, and geographic locations.

CCS extends our gratitude to Wendy Price and [WHP Research](#), along with the CCS Data and Analytics team for their instrumental contributions in the execution and development of this report.

*If you have any questions about this report or want to learn more about CCS Fundraising, please contact [marketing@ccsfundraising.com](mailto:marketing@ccsfundraising.com).*

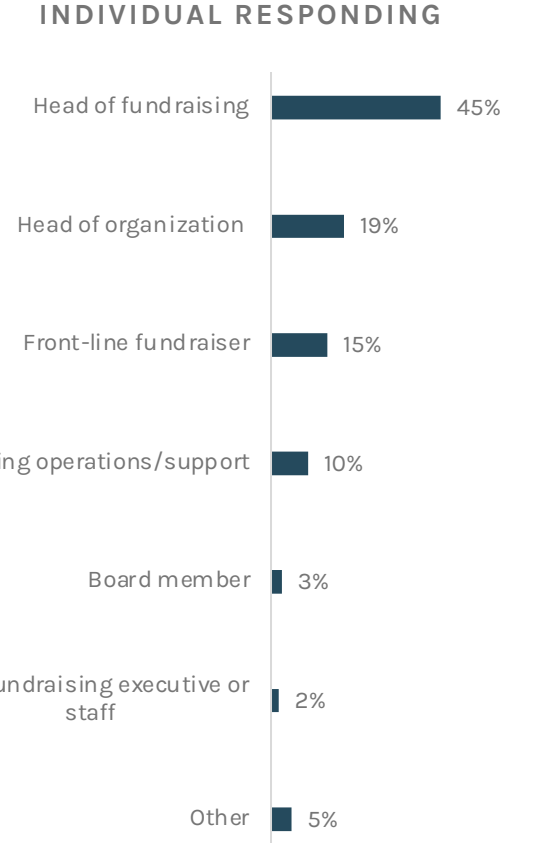
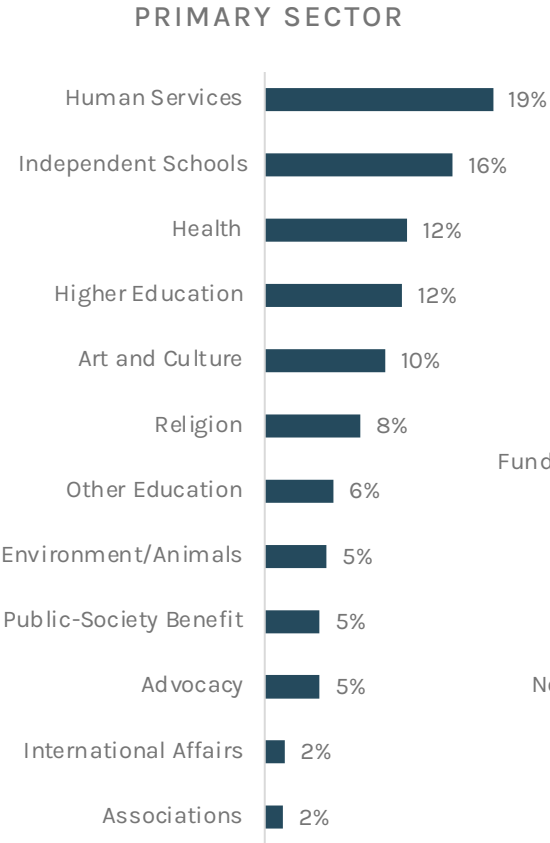
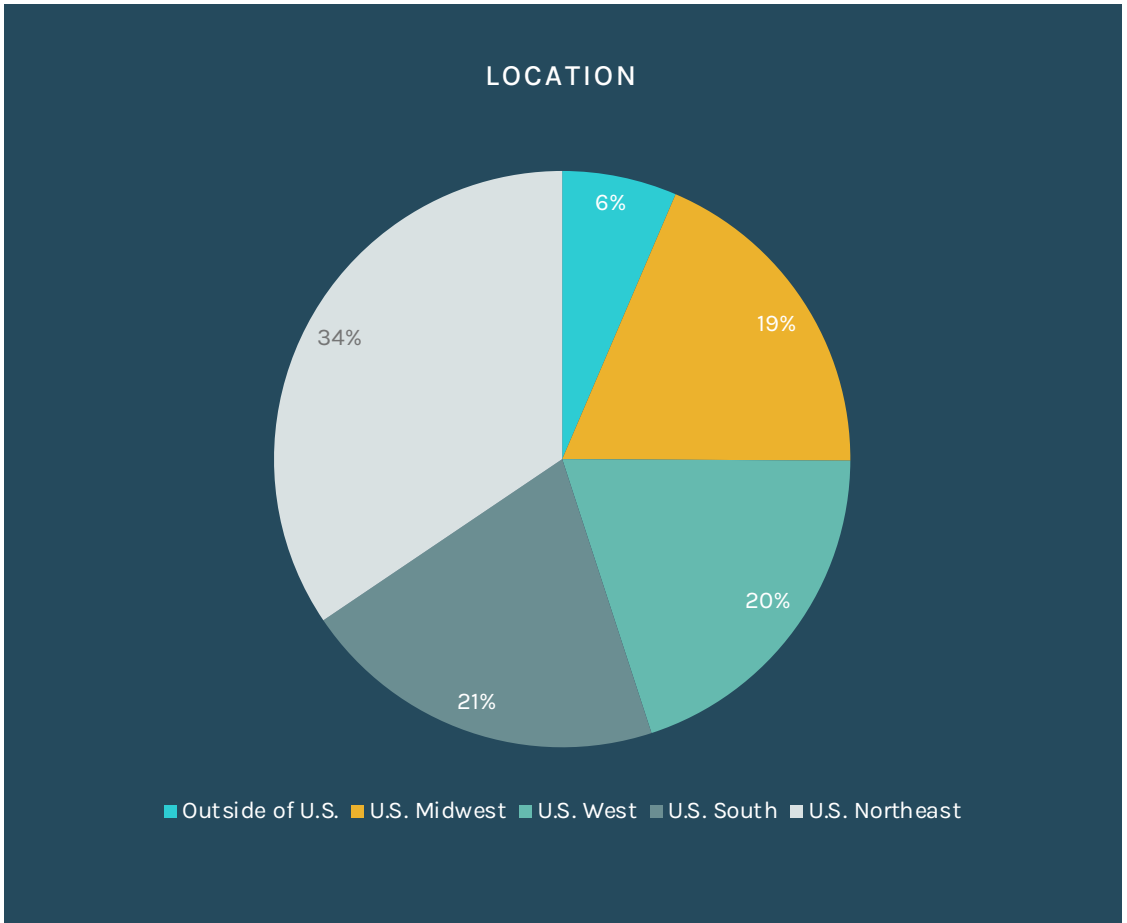


# Executive Summary

- Regardless of organization size or budget, fundraising revenue grew across the board in 2021. [Page 09](#)
- More than 6 of 10 organizations reported having increased their new donors, though only 36% of respondents reported retaining the majority of their new donors from the previous fiscal year. [Page 13](#)
- Organizations continue to employ pandemic-era operational adjustments; however, they are shifting in priority, with social media surging to be the top focus, from 49% in 2020 to 65% in 2021. [Page 15](#)
- Most respondents only receive up to 20% of their contributions in the form of noncash assets, citing staff knowledge or ability to explain the noncash gifting process as the biggest challenges. [Page 19](#)
- Organizations that invested in hiring and retaining staff exhibited more growth. [Page 23](#)
- Respondents reported an increase in dissatisfaction with their organization's donor database. However, those that hired a systems consultant had increased database satisfaction and saw better fundraising results (11% more). [Page 27](#)
- Inconsistent, inaccurate, or incomplete data was the leading cause of 2/3 of organizations feeling unsatisfied with their donor database in 2021. [Page 26](#)
- While DEI conversations with donors have decreased, organizations that incorporate DEI into their fundraising strategy saw greater growth. [Page 30](#)
- Offering DEI training to staff and/or board members became the top tactic for organizations to meet DEI goals, with more than 50% of organizations citing it as their #1 strategy. [Page 31](#)

WHO TOOK THE 2023 CCS FUNDRAISING PHILANTHROPY PULSE SURVEY?

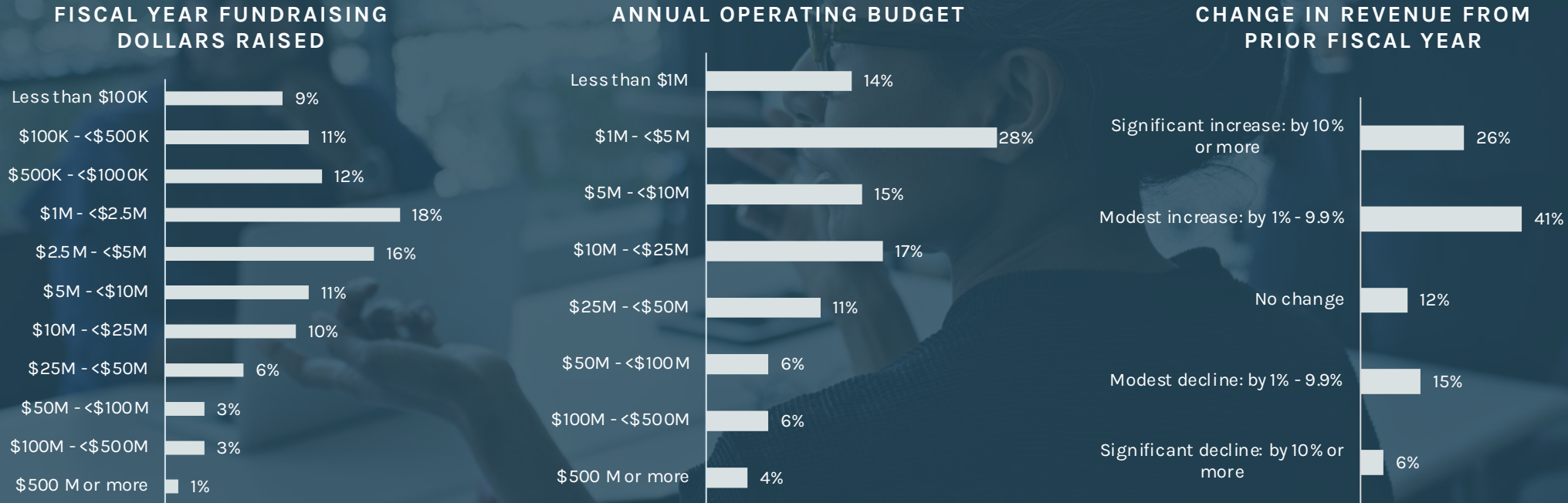
7 out of 10 survey respondents, spanning a variety of sectors and global locations, reported serving in a fundraising role.





WHO TOOK THE 2023 CCS FUNDRAISING PHILANTHROPY PULSE SURVEY?

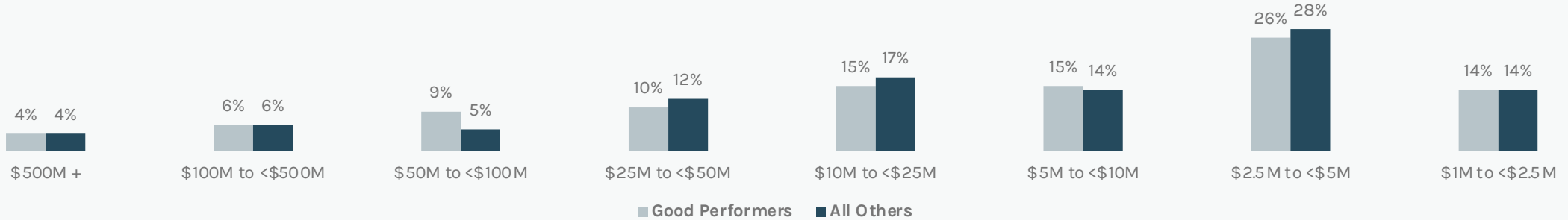
Survey respondents included organizations of all budgets, size, and type, and most respondents (67%) reported increased revenues in FY21.



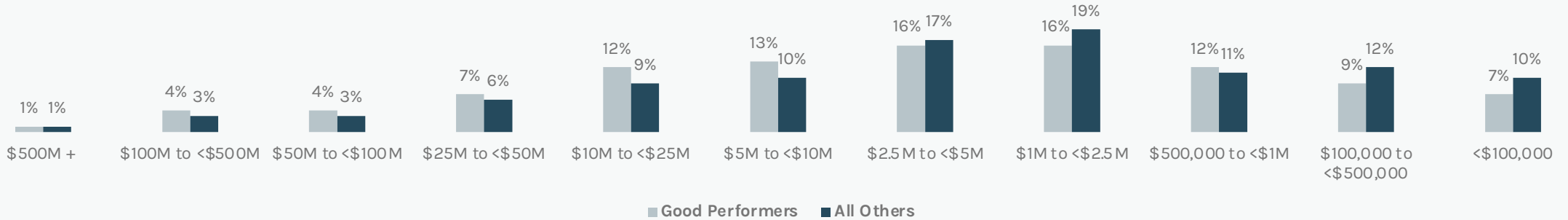


In fact, data shows regardless of an organization’s size or budget, fundraising revenue grew across the board.

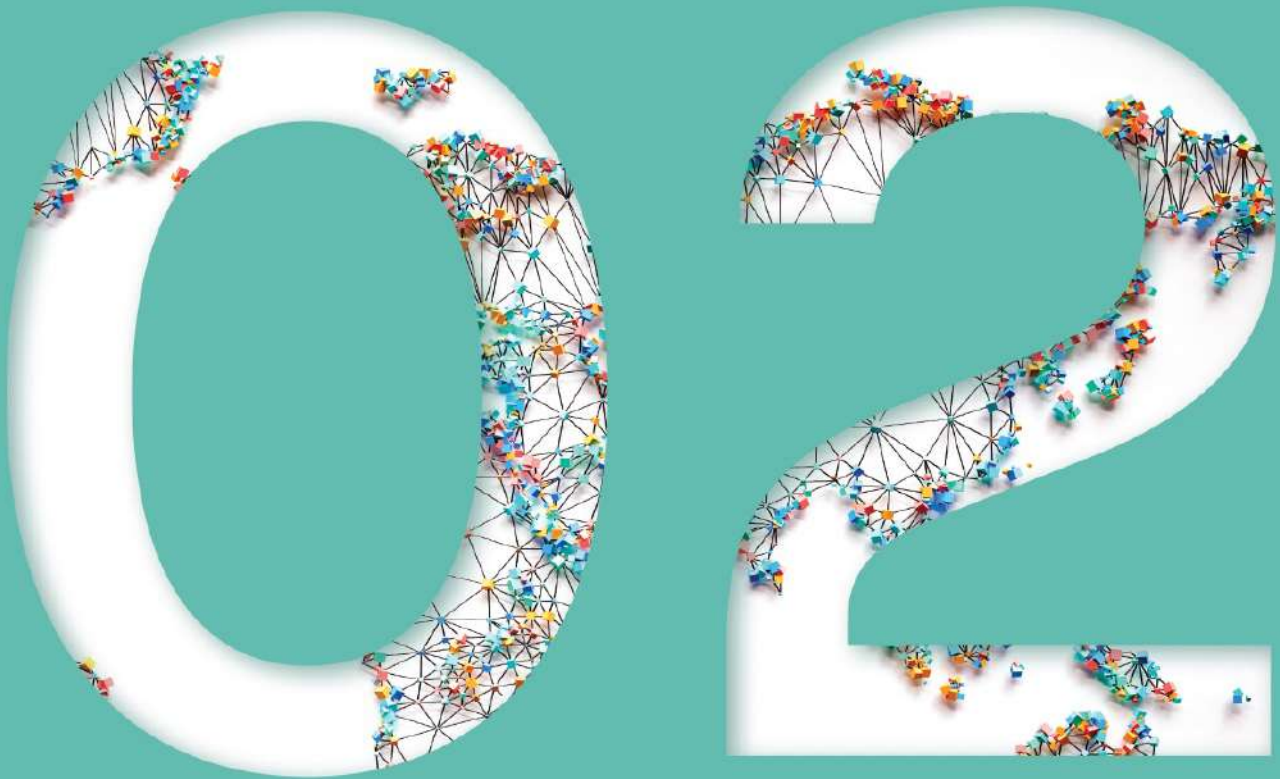
PERCENT OF REPSONSES BASED ON BUDGET SIZE



PERCENT OF RESPONSES BASED ON FISCAL YEAR REVENUE



Good performers are defined as organizations who saw at least a 10% increase in revenue from the prior fiscal year.



WHAT ARE THE TOP CHALLENGES FACED BY FUNDRAISERS?

Donor acquisition and donor retention continue to be the top fundraising challenges experienced by nonprofits year over year.

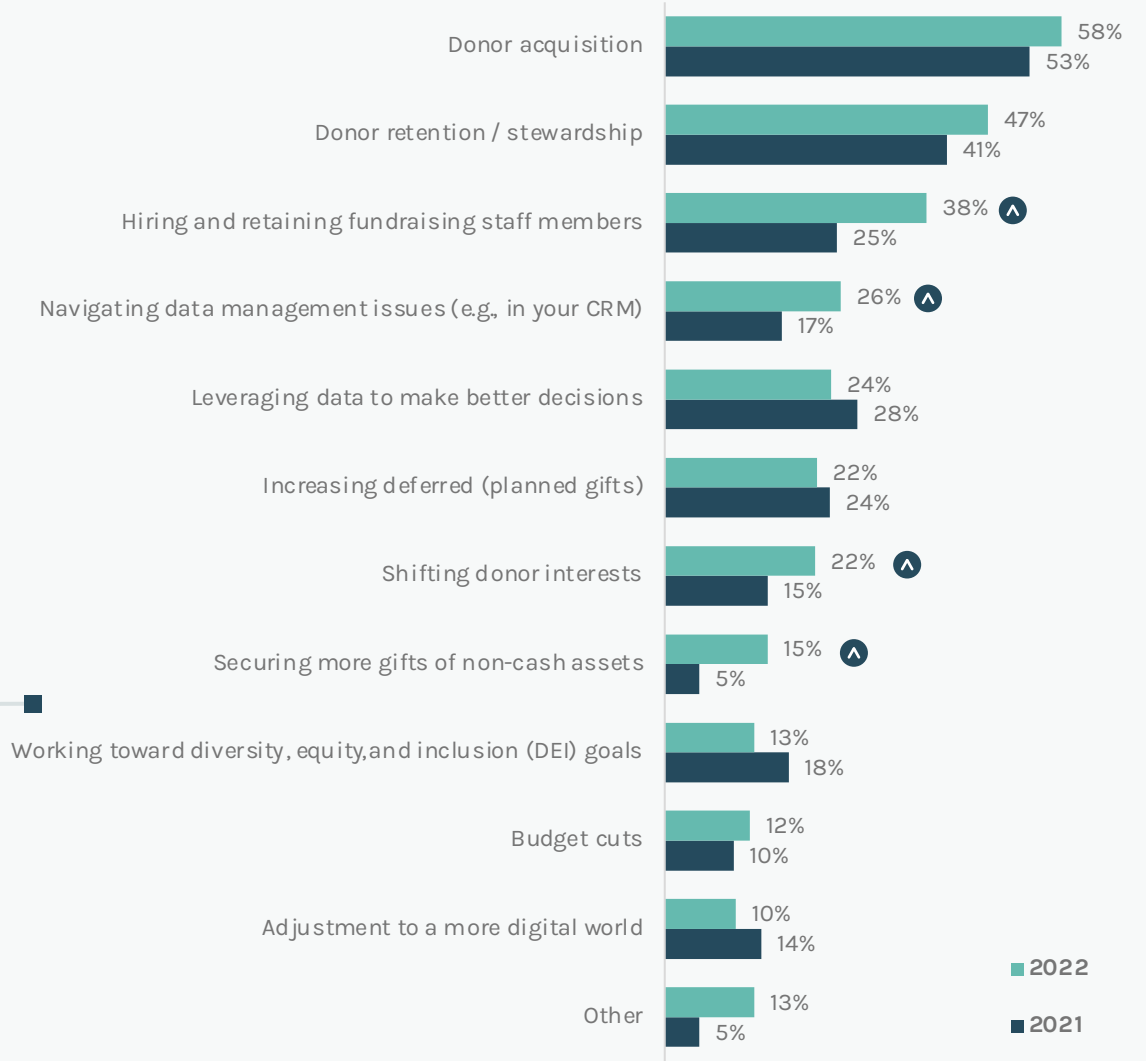
Challenges that significantly increased since the prior year:

- Hiring and retaining fundraising staff members
- Navigating data management issues
- Shifting donor interests
- Securing more gifts of noncash assets

Challenges that decreased since the prior year:

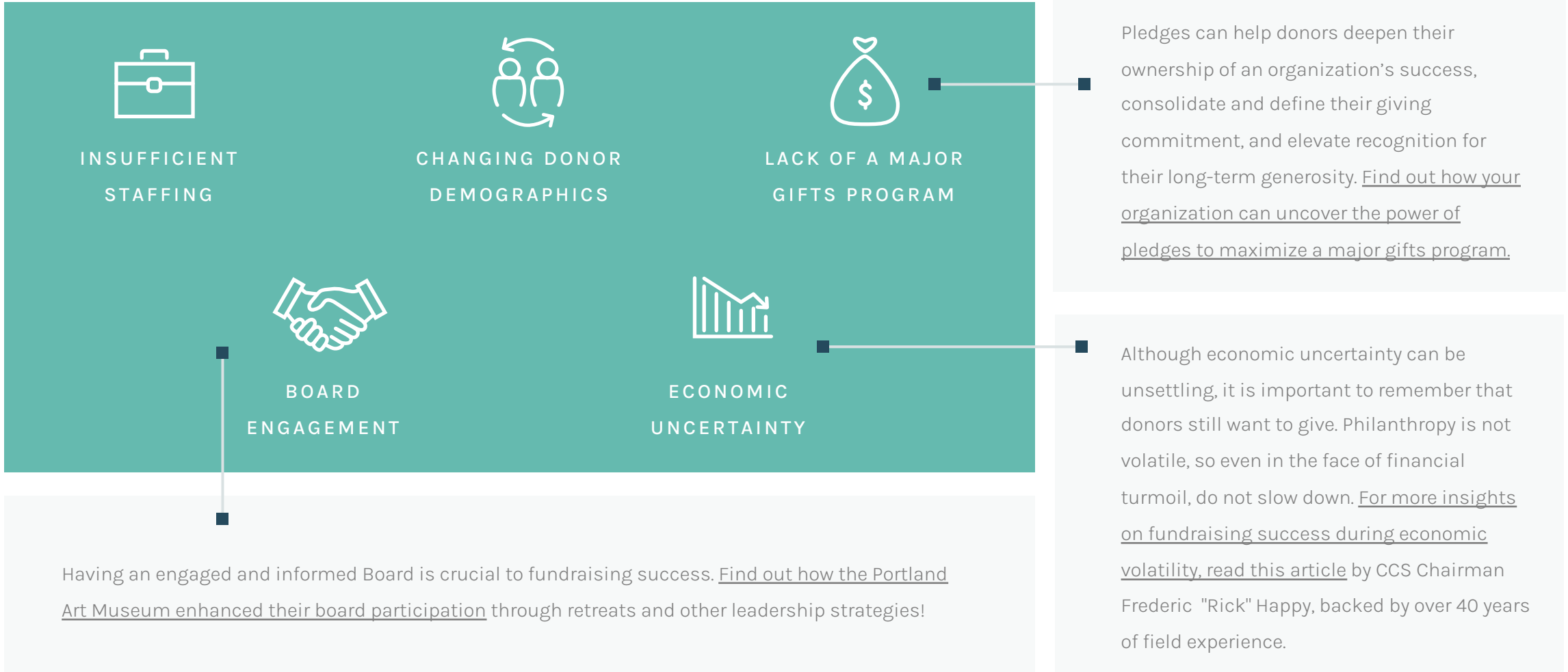
- Leveraging data to make better decisions
- Increasing deferred (planned gifts)
- Working towards DEI goals
- Adjustment to a more digital world

TOP FUNDRAISING CHALLENGES



IN WHAT OTHER AREAS ARE FUNDRAISERS EXPERIENCING CHALLENGES?

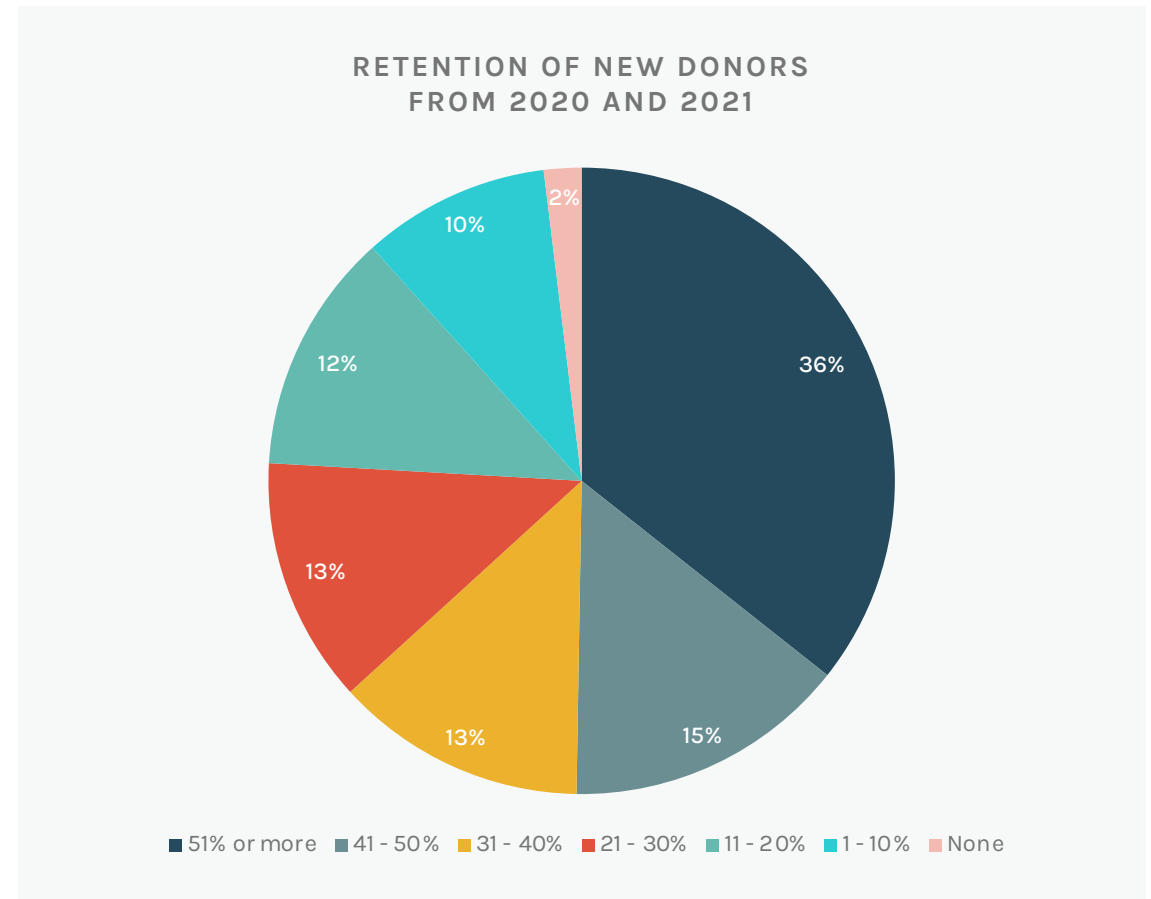
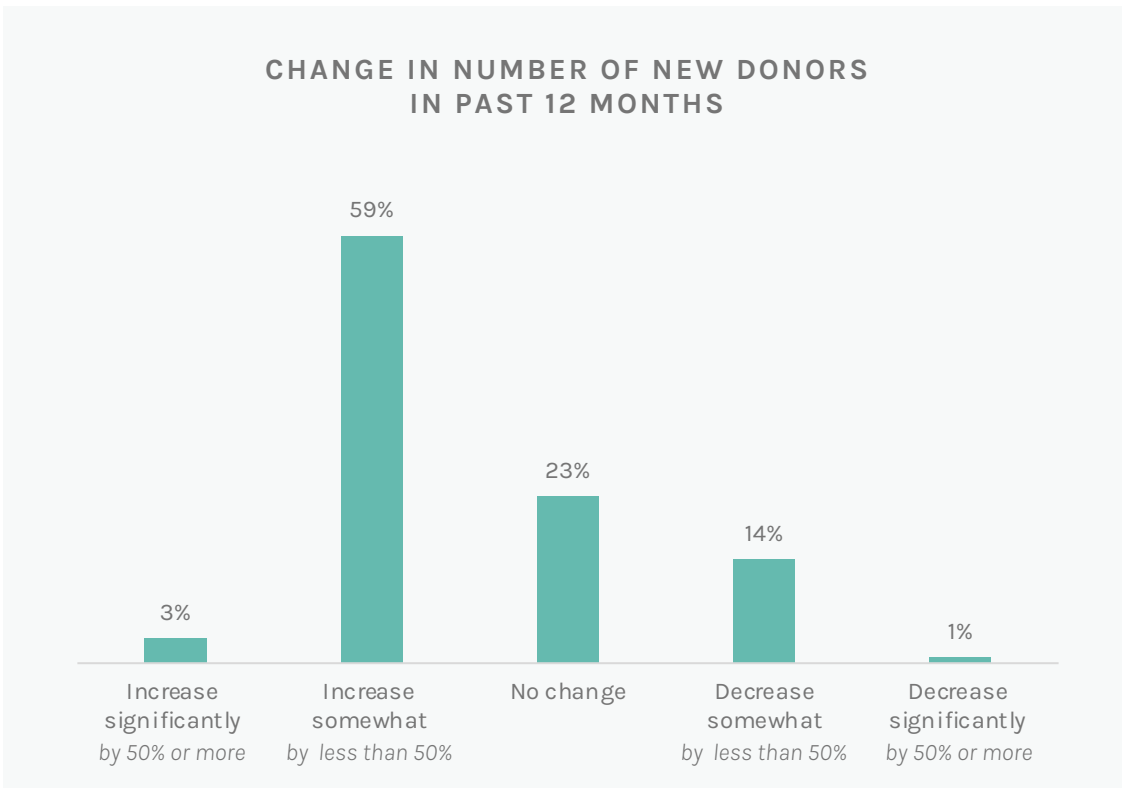
## Fundraising challenges span across organization operations.



ARE NONPROFITS ATTRACTING NEW DONORS?

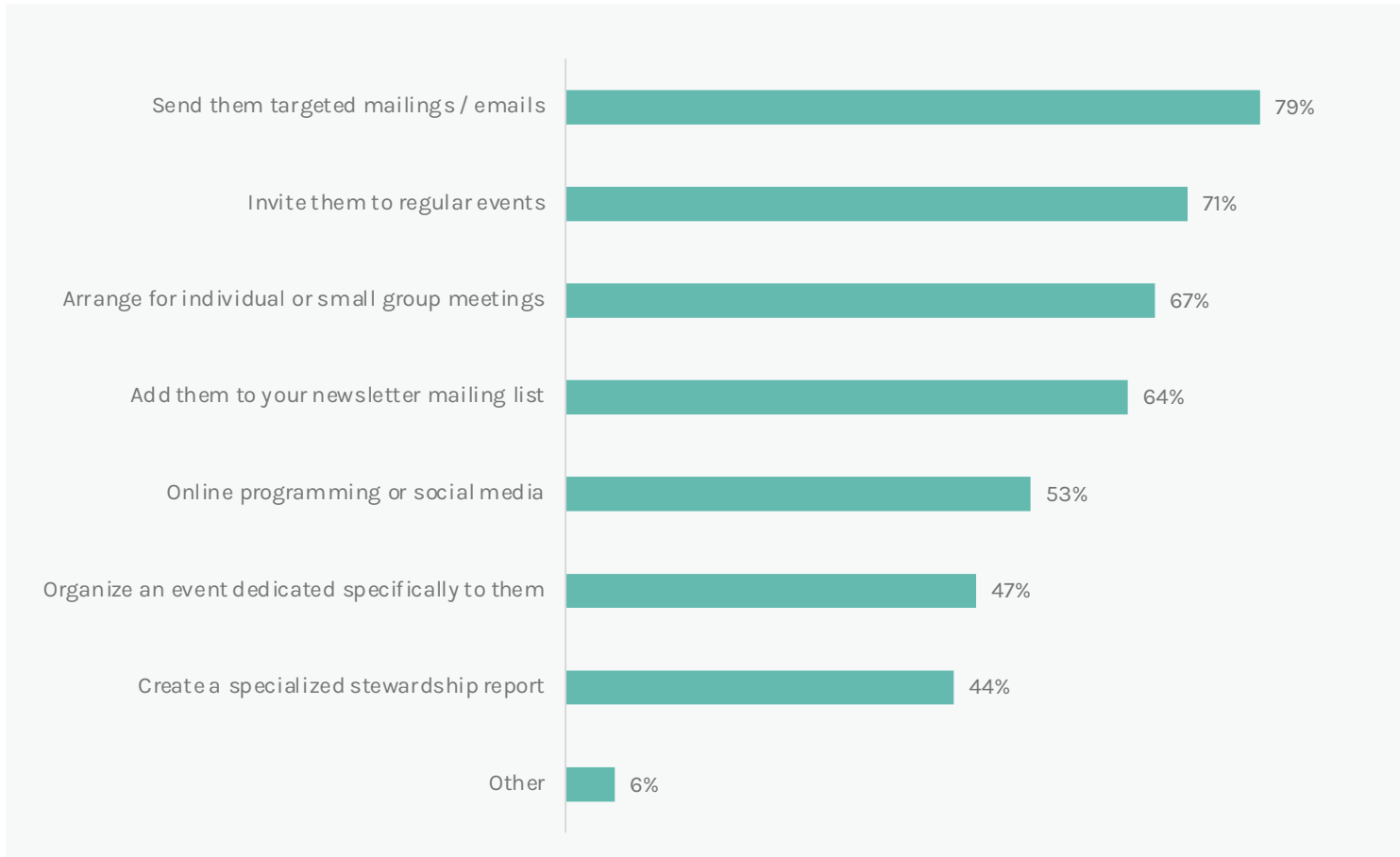
Despite organizations citing donor acquisition as a top challenge in FY21, more than 6 of 10 organizations reported increasing their new donors.

Retention, however, continues to pose a challenge, as only 36% of organizations reported retaining their new donors from the prior fiscal year.



HOW DO ORGANIZATIONS PLAN TO RETAIN NEW DONORS?

Utilizing targeted communications and active event schedules are the top intended strategies by organizations for retaining donors.



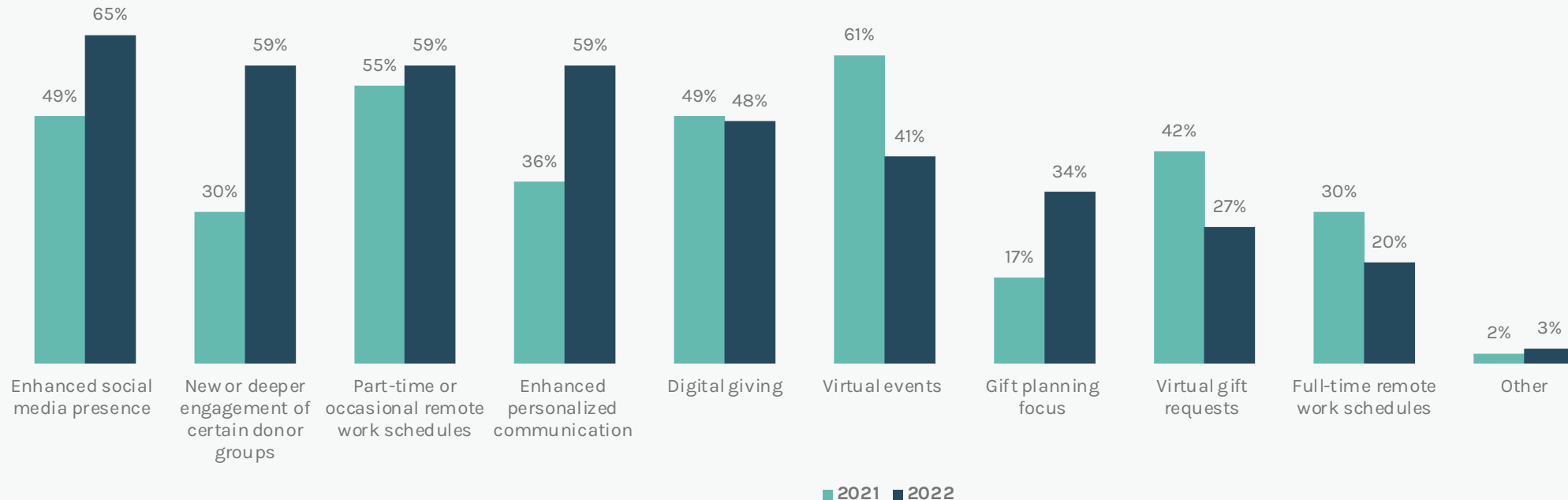
As discovered in the [CCS 2022 Philanthropic Landscape report](#), donors strongly prefer digital forms of engagement, including social media, blog posts, podcasts, or virtual reality experiences.



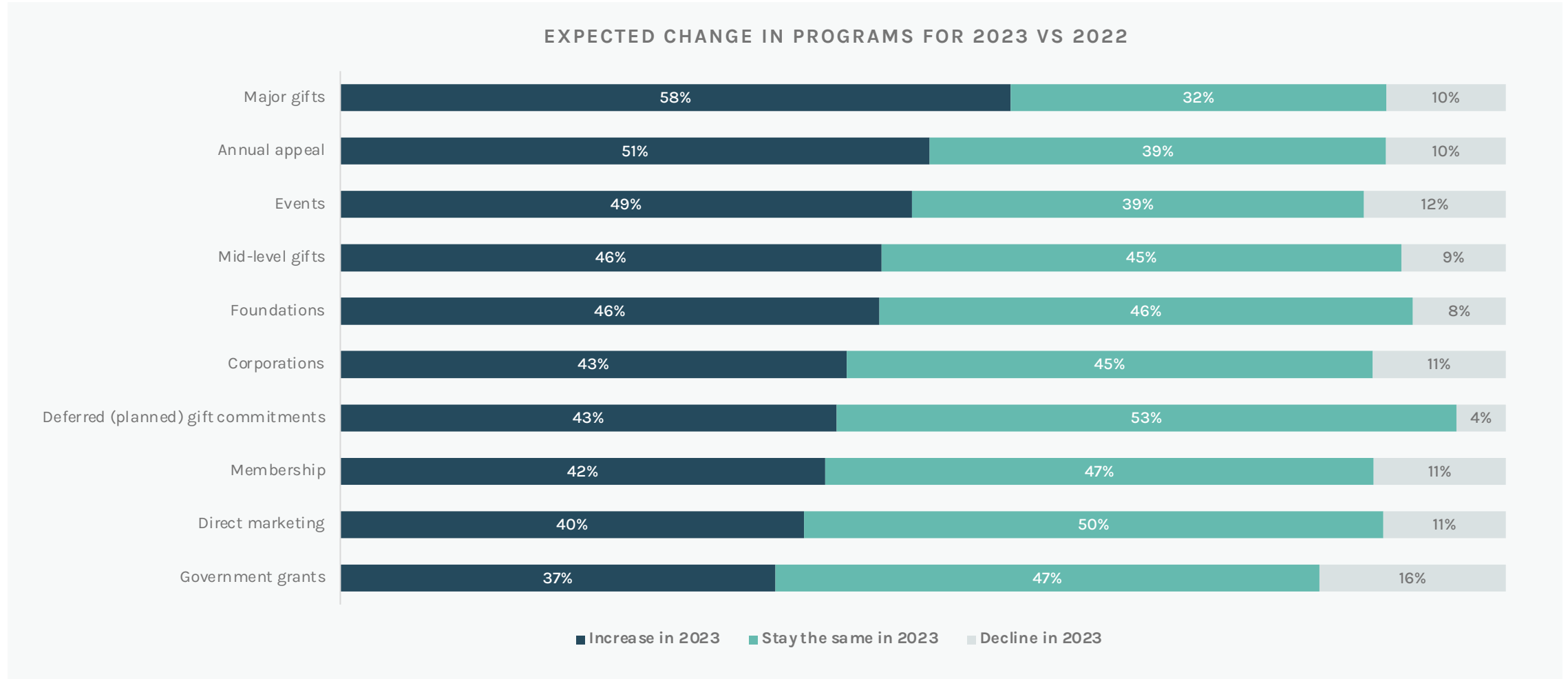
HOW HAVE FUNDRAISING PRACTICES SHIFTED OVER THE COURSE OF THE PANDEMIC AND POST-PANDEMIC ERAS?

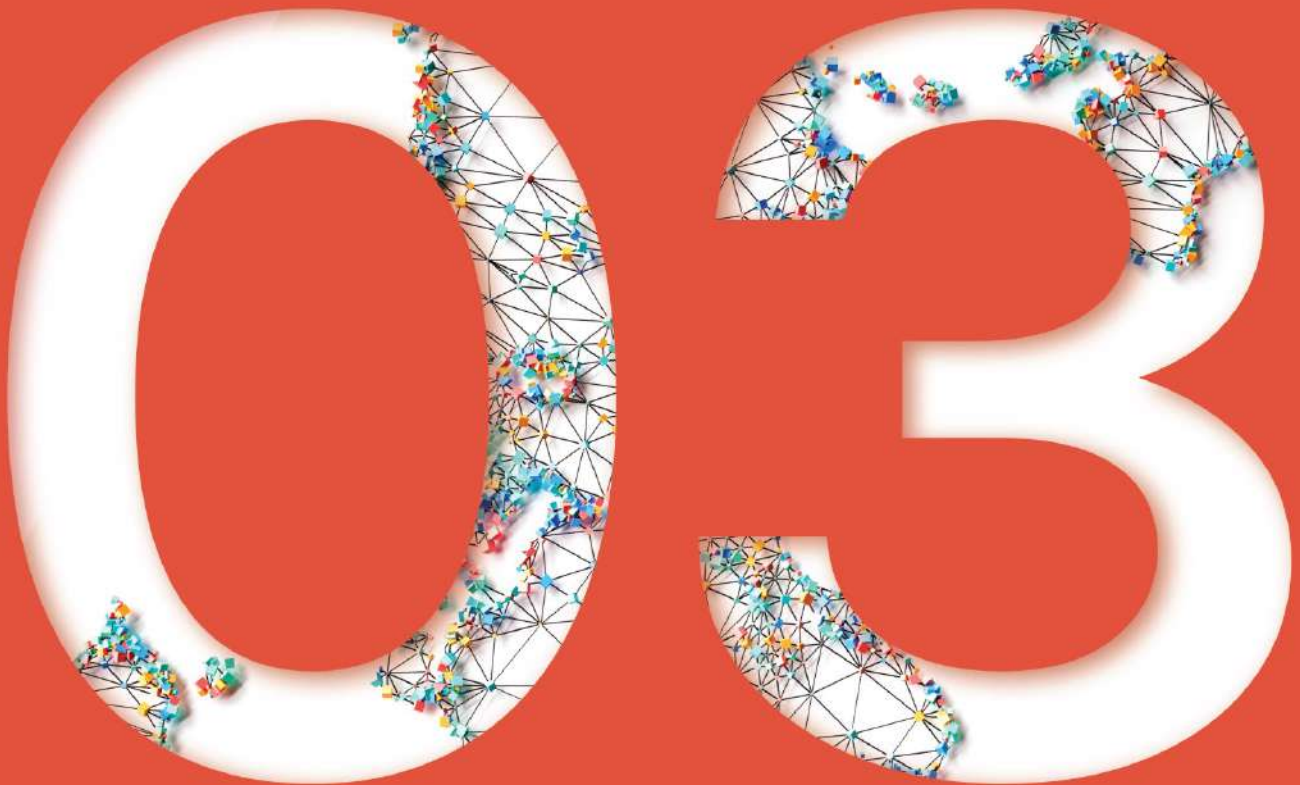
Organizations continue to employ pandemic-era operational adjustments; however, they are shifting in priority, with social media surging to be the top focus, from 49% in 2020 to 65% in 2021.

PRACTICES ADOPTED IN PAST 2 YEARS THAT PLAN TO CONTINUE

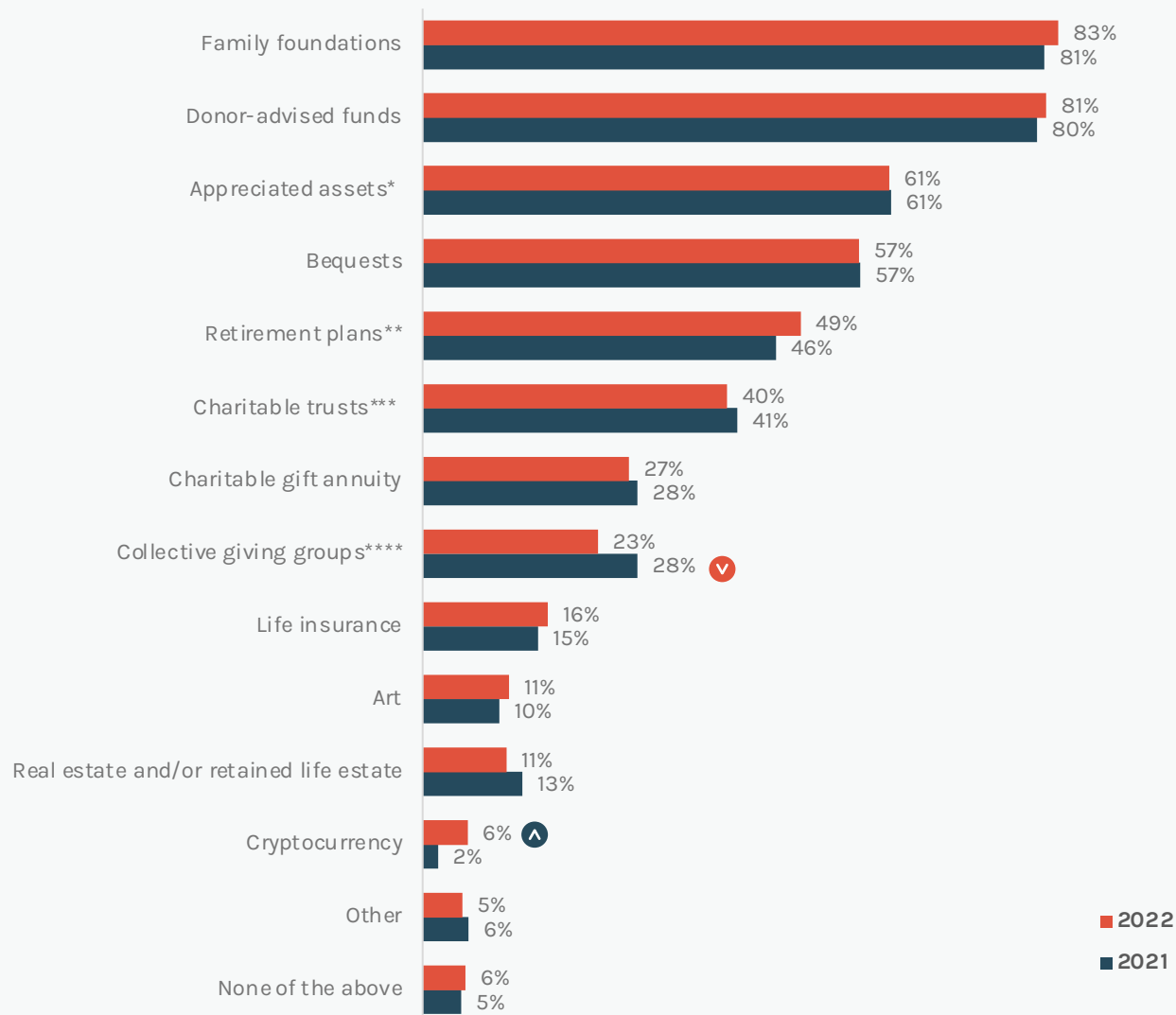


# Most organizations anticipate growth or stability in their fundraising results in 2023.





## SOURCES OF GIFTS/PLEDGES



WHAT TYPES OF GIFT SOURCES OR VEHICLES ARE ORGANIZATIONS RECEIVING?

**Nonprofits continue to increase their acceptance of noncash gifts, with family foundations and DAFs being the most popular.**

### 💡 CCS FUNDRAISING KEY INSIGHT

- Collective giving groups decreased significantly from 28% to 23%, suggesting a fall in popularity that arose during the pandemic.
- Cryptocurrency, while still low in popularity, increased significantly from 2% to 6%.

\*e.g., stocks, securities

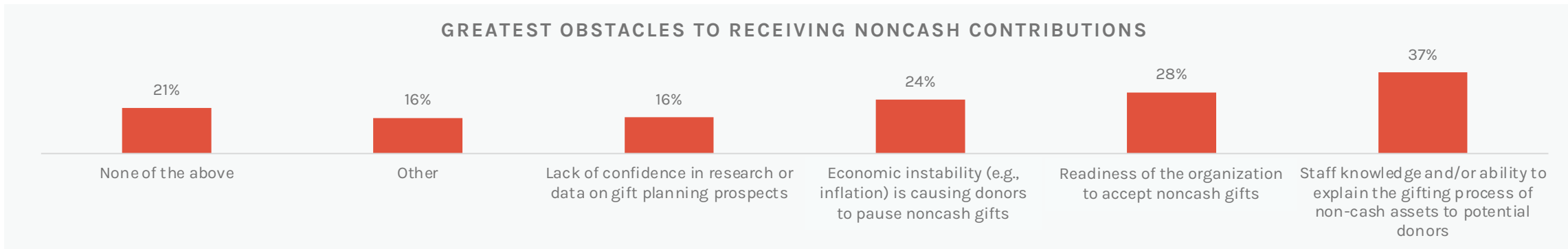
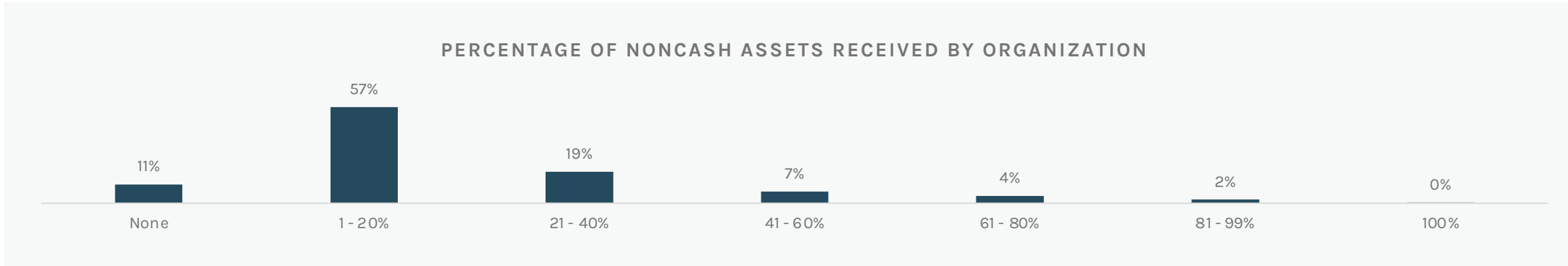
\*\*Qualified retirement plan beneficiary designations and/or IRA-qualified charitable distribution

\*\*\* e.g., charitable remainder trust, charitable remainder unitrust, charitable annuity lead trust, charitable unitrust lead trust, and/or pooled income funds

\*\*\*\* e.g., giving circles, pooled funds

WHAT BARRIERS ARE ORGANIZATIONS FACING IN ACCEPTING MORE NONCASH CONTRIBUTIONS?

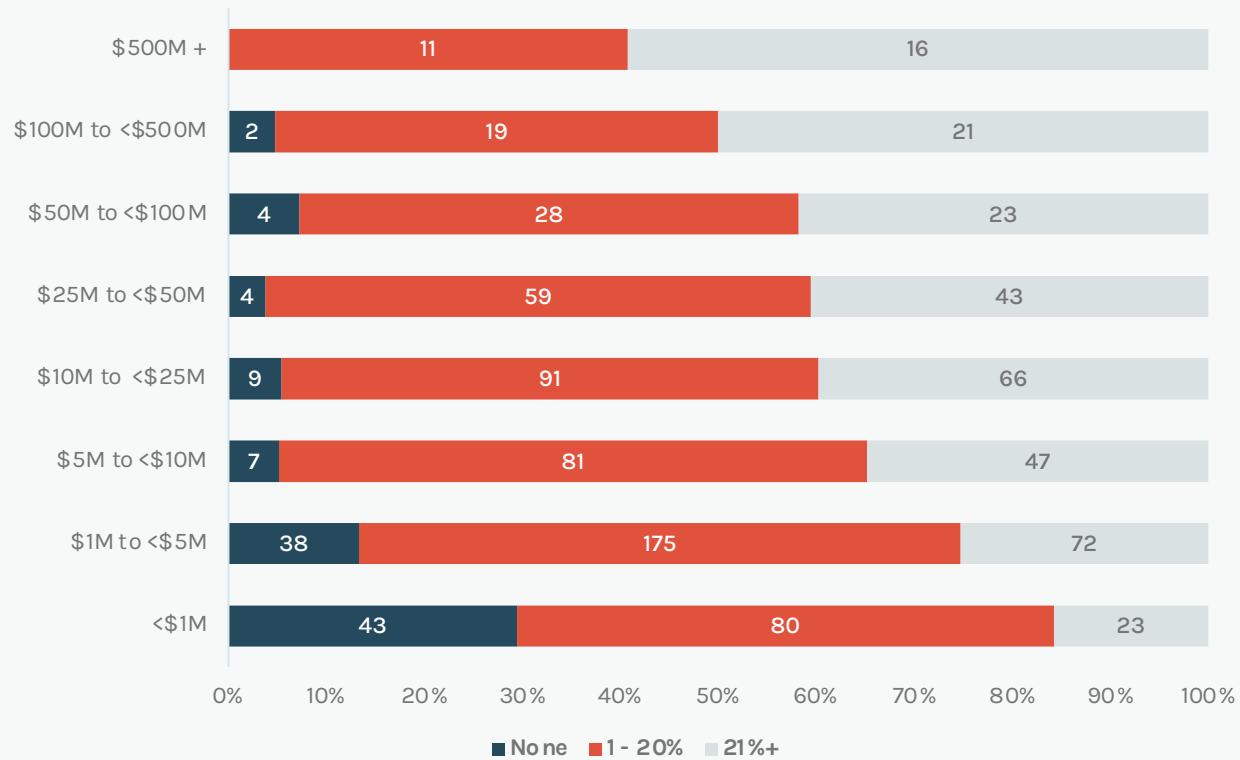
A majority of respondents only receive up to 20% of their contributions in the form of noncash assets, citing staff knowledge or ability to explain the noncash gifting process as the biggest challenges.



Cash is defined as cash, check, or wire transfer from a bank account. Noncash is defined as gifts of stocks/bonds, real estate, etc. but also includes foundations, DAFs, retirement assets, etc.

## However, organizations with larger budgets are capturing more of their philanthropic contributions from noncash assets.

ANALYSIS OF PERCENTAGE OF NONCASH ASSETS VS BUDGET



Implementing a planned giving program is an effective way to diversify revenue streams and move donors along a continuum of commitment to your organization.

CCS's partnership with Holocaust Museum LA (HMLA) serves as a helpful example of how to design an effective planned giving program. [Learn more here.](#)

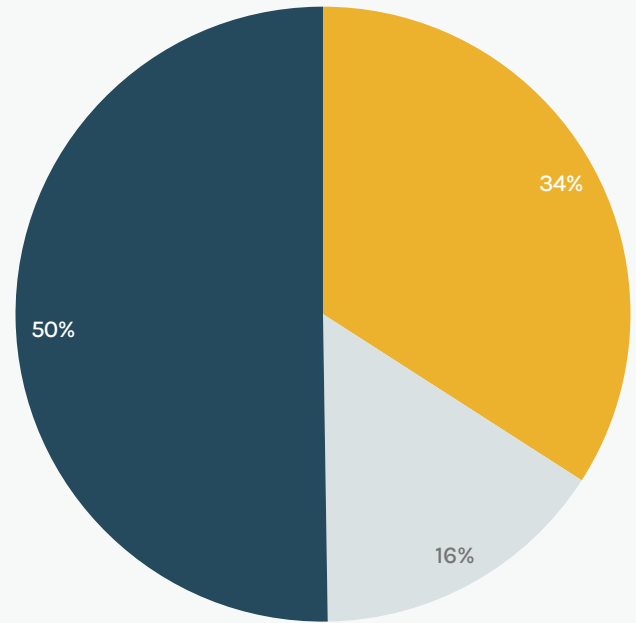


STAFFING, RESOURCING,  
AND DONOR DATABASE USE



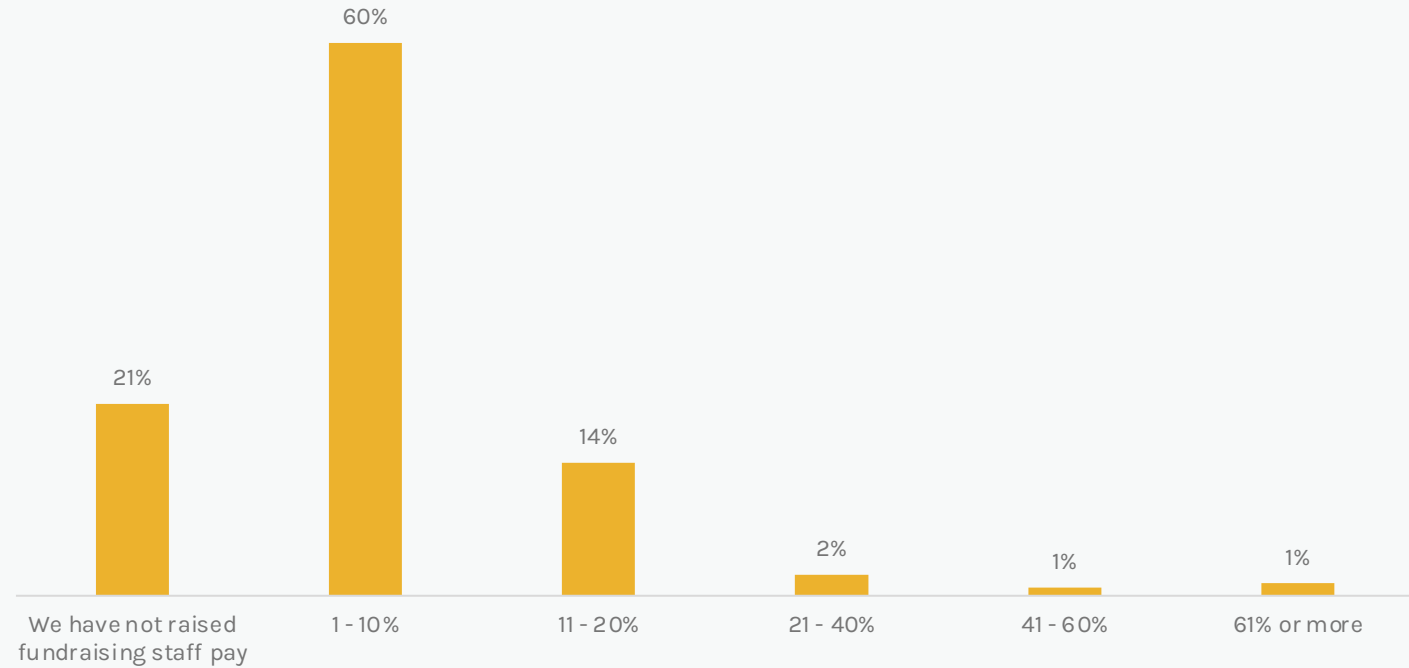
Coming out of the pandemic, fundraising has become even more important, with 1/3 of organizations increasing their staff and 6 out of 10 organizations raising staff pay.

INCREASED FUNDRAISING STAFF



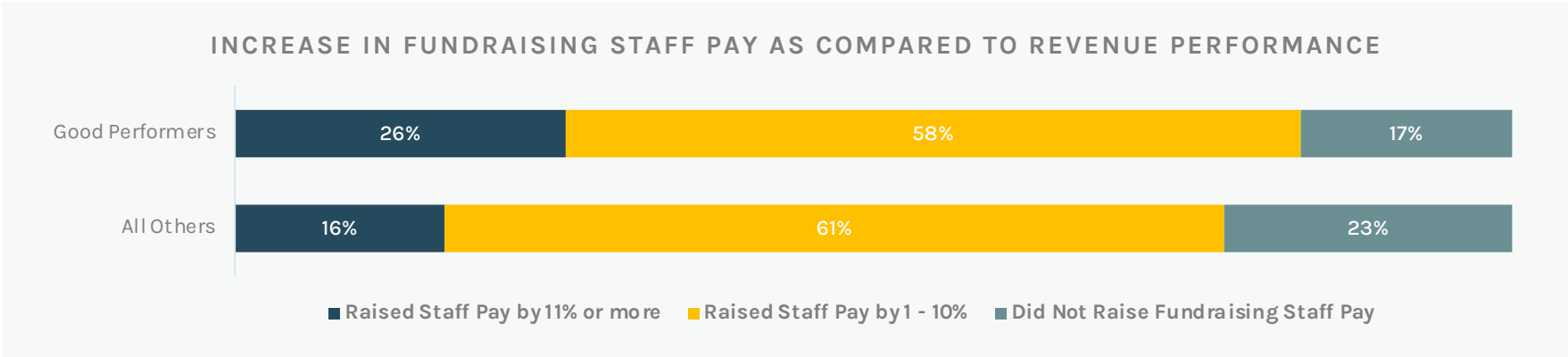
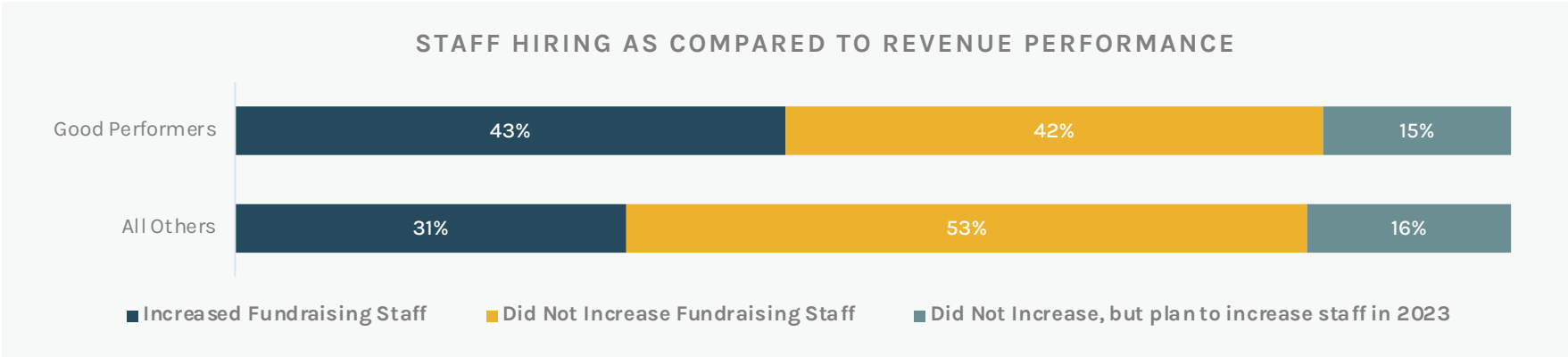
■ Yes ■ No, but we plan to increase staff in 2023 ■ No

AVERAGE PERCENTAGE INCREASES IN FUNDRAISING STAFF PAY OVER PAST 3 YEARS



# Organizations that invested more in hiring and retaining top fundraising talent exhibited more growth.

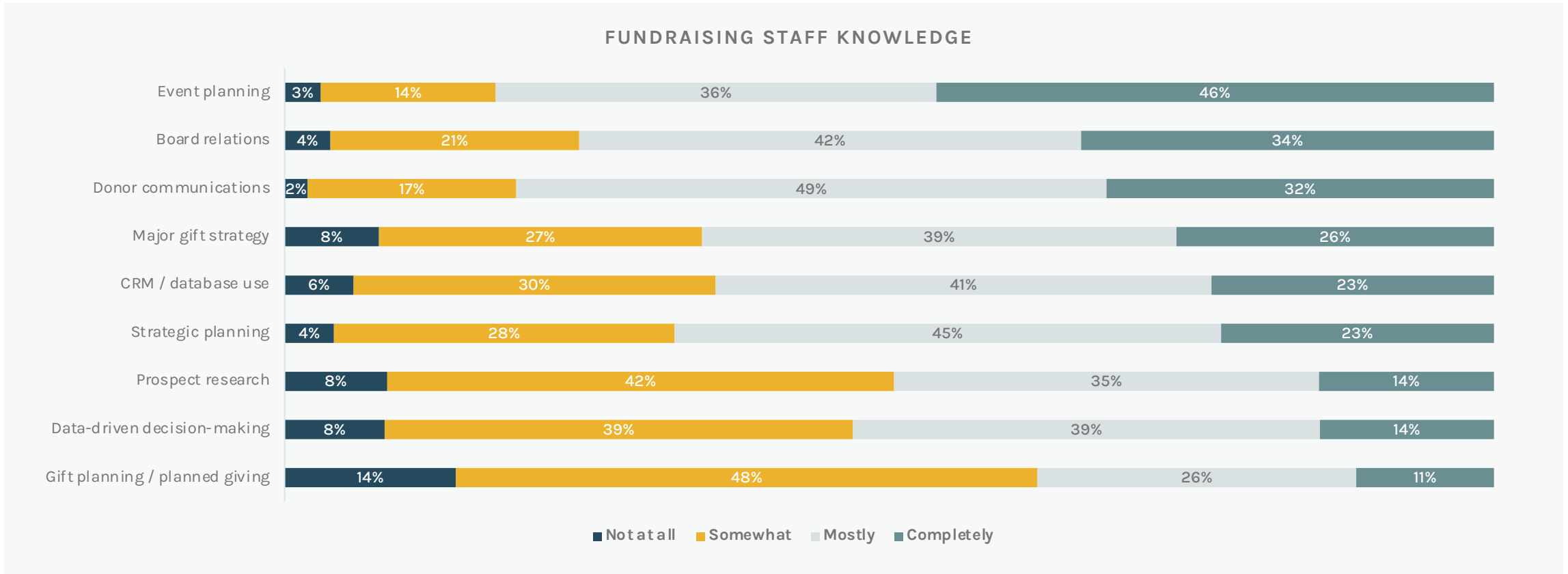
While respondents reported fundraising revenue growth across the board regardless of the organization's size or budget, those that focused on hiring staff or increasing pay experienced higher proportional growth in FY21.



Good performers are defined as organizations who saw at least a 10% increase in revenue from the prior fiscal year.

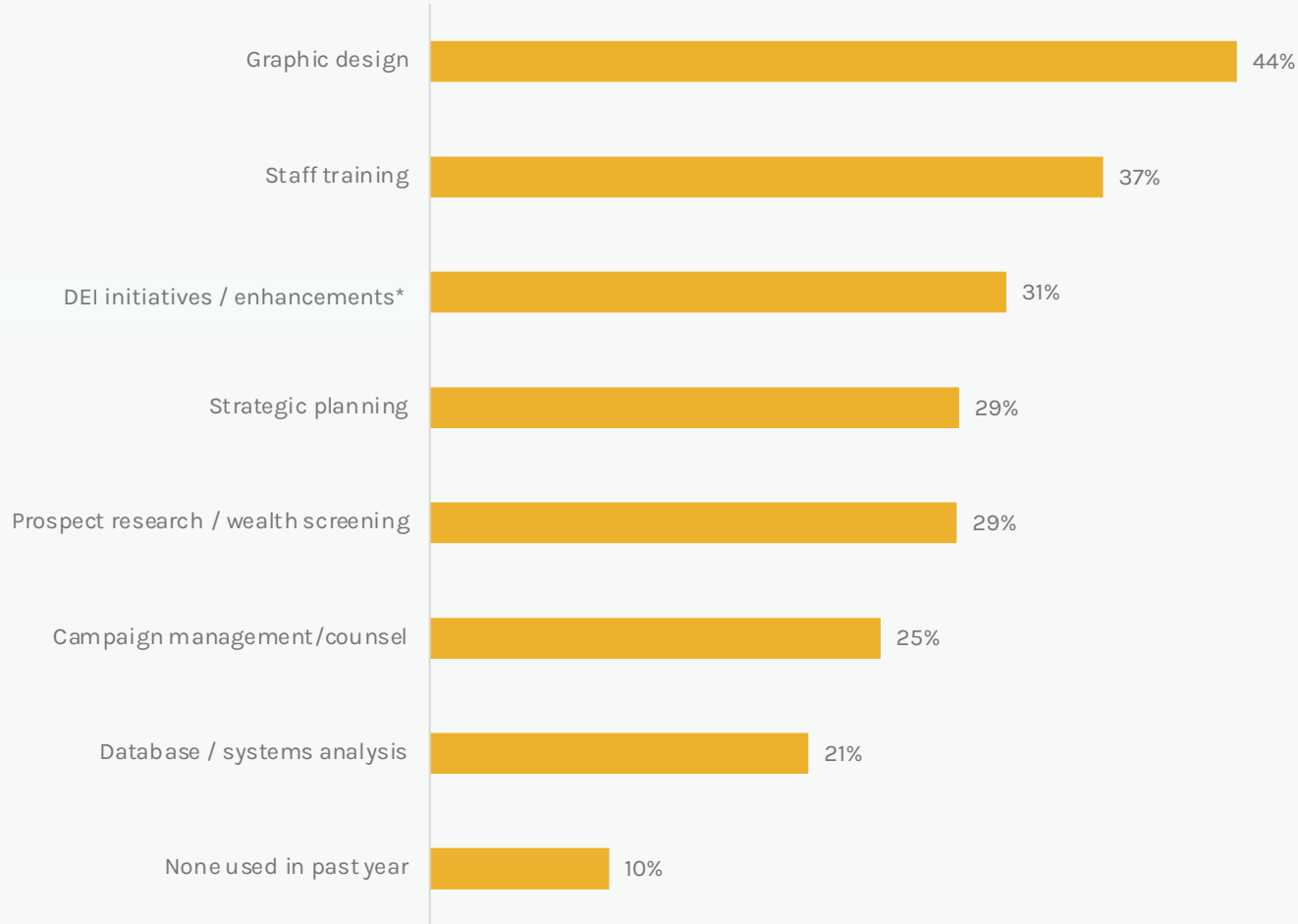
WHAT ARE THE STRENGTHS AND WEAKNESSES OF TODAY'S FUNDRAISERS?

While fundraising staff report being very competent in donor communications, they have the least knowledge in communicating about gift planning, with 14% reporting having no knowledge at all on the subject.



STAFFING, RESOURCING, AND DONOR DATABASE USE

### EXTERNAL VENDORS / CONSULTANTS USED IN 2021



\*e.g., consultant, speaker, training

### HOW ARE ORGANIZATIONS RESPONDING TO GAPS IN STAFF CAPABILITY?

**9 out of 10 organizations are using external vendors and consultants.**

Of the organizations that performed well in the prior fiscal year, defined as organizations who saw at least 10% increase in revenue, a higher percentage of them (11% more) utilized a consultant or outside vendor for their database/systems, analytics/modeling, or wealth screening.

External vendors and consultants used in FY21 are comparable to the prior fiscal year, except for *strategic planning* vendors or consultants, who were used significantly more (35% vs. 29%, respectively).

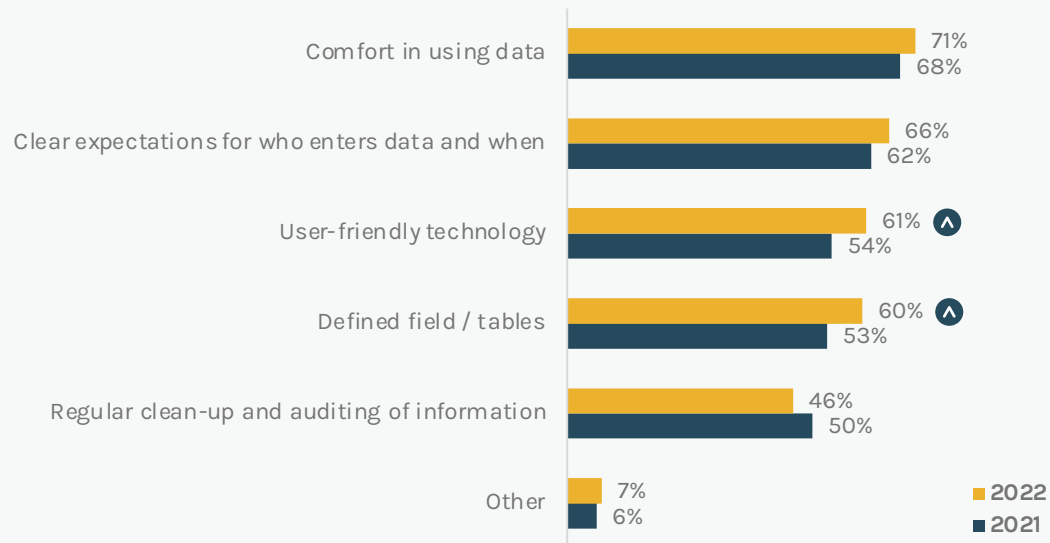
WHAT ARE THE CHALLENGES ORGANIZATIONS ARE EXPERIENCING WITH THE DONOR DATA?

# Bad data was the leading cause of 2/3 of organizations feeling unsatisfied with their donor database in the previous fiscal year.

A well-structured donor database allows for data-driven decision making that can support fundraising growth. 7 out of 10 organizations satisfied with their donor database feel comfortable using data; however, inconsistent, inaccurate, and incomplete data posed a major challenge for fundraisers in FY21.

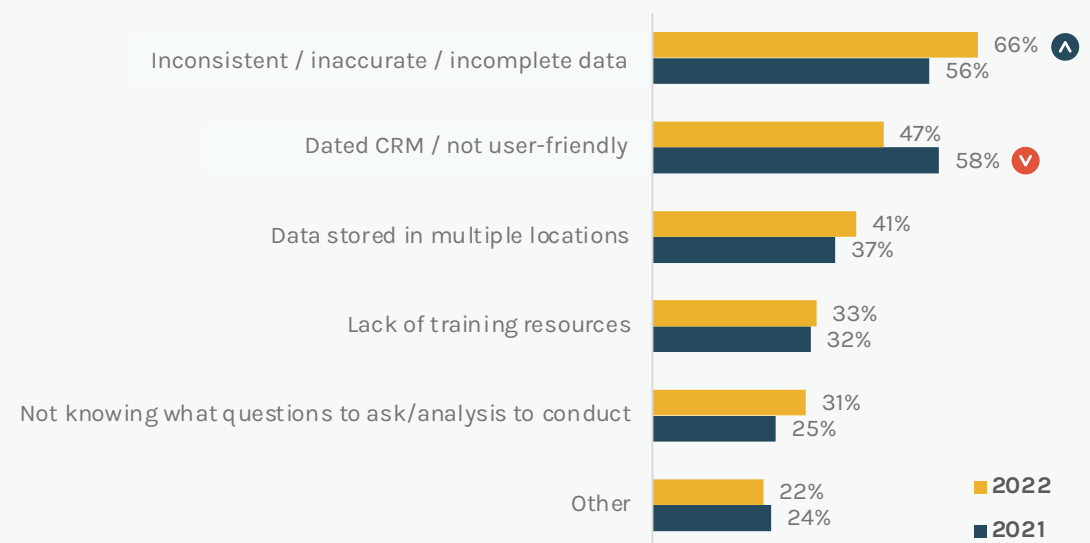
56% of participants were satisfied with their database use.

### REASONS FOR SATISFACTION WITH DONOR DATABASE



27% of participants reported being dissatisfied with their donor database.

### MAIN CHALLENGES OF DONOR DATABASE



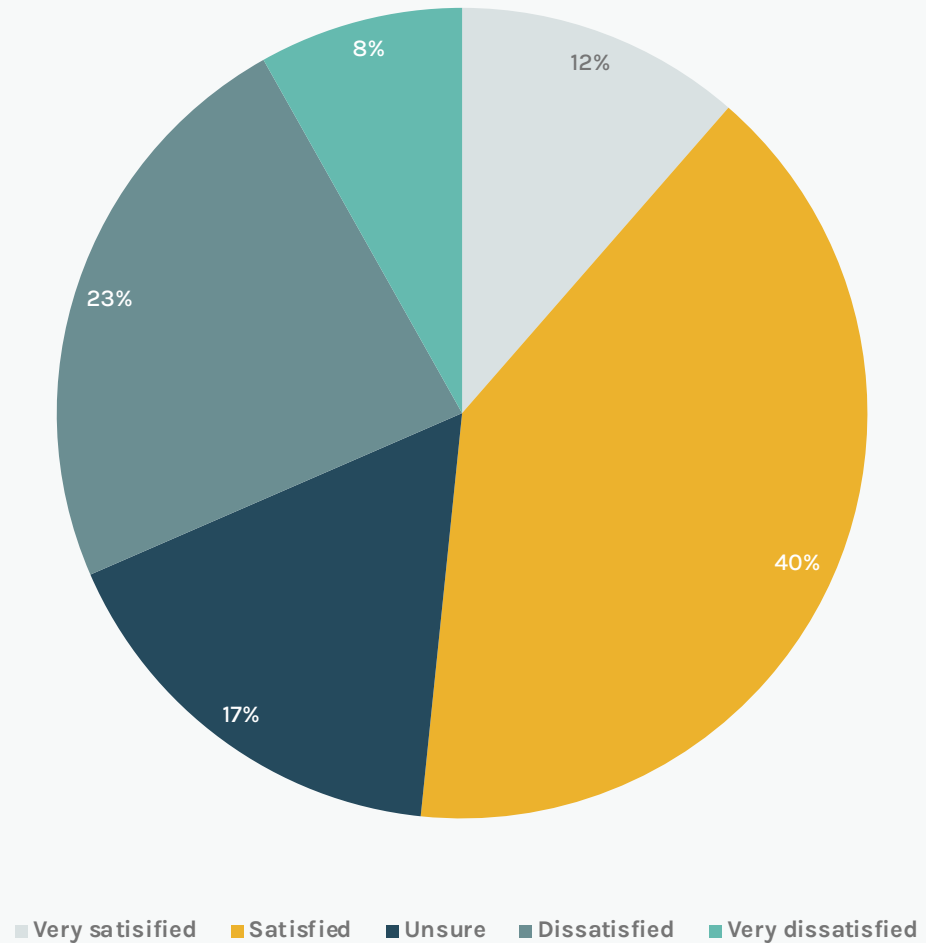


HOW ARE ORGANIZATIONS RESPONDING TO CHALLENGES WITH THEIR DONOR DATA?

While donor database dissatisfaction slightly increased among organizations, those that hired a systems consultant showed an increase in satisfaction.

Your donor database can be an invaluable tool – when used correctly. Effective and thoughtfully designed processes and systems will empower your fundraisers with the information they need. [Learn the Dos and Don'ts of Using Your Database for Fundraising Success](#) to strengthen your nonprofit's use of data.

USED CONSULTANTS FOR DATABASE/SYSTEMS ANALYSIS



WHAT OTHER OBSTACLES STAND IN THE WAY OF DONOR DATABASE EFFICIENCY?

## Fundraisers experienced technical and personnel-related data challenges.

Are you juggling disconnected donor information across multiple spreadsheets? [Learn how you can solve this problem by switching to a Customer Relationship Management \(CRM\) solution](#), offering optimized reporting and increased efficiency.



Oftentimes, nonprofit organizations seek to resolve their database challenges by buying a new CRM software subscription. While this can open the door for greater efficiency, it is important to be strategic in this selection process to prevent the same challenges from appearing. Before changing your donor database, [consider these five factors](#) to get to the root of your CRM issues and understand what your unique organization needs from the software.



POOR CUSTOMER SUPPORT



OUTDATED SYSTEMS



INADEQUATE STAFFING

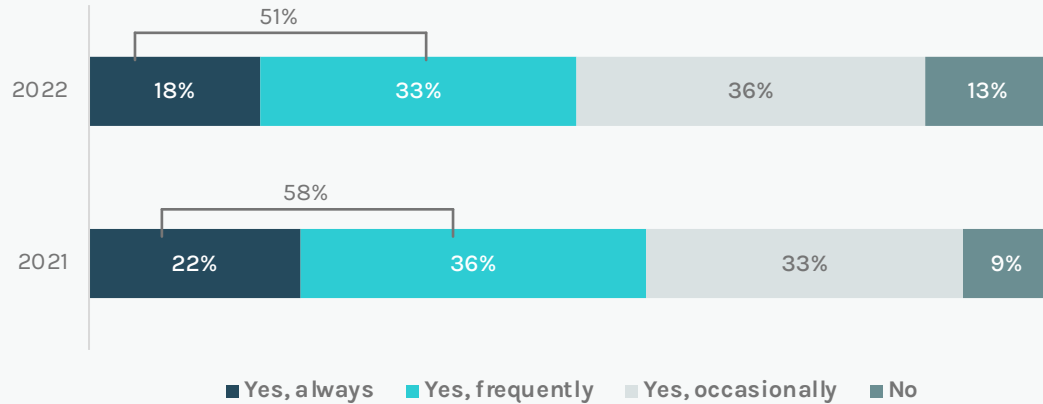


RIGID CRM STRUCTURE

DIVERSITY, EQUITY, AND  
INCLUSION IN DONOR  
RELATIONS



### DISCUSSIONS OF DIVERSITY, EQUITY, AND/OR INCLUSION WITH DONORS

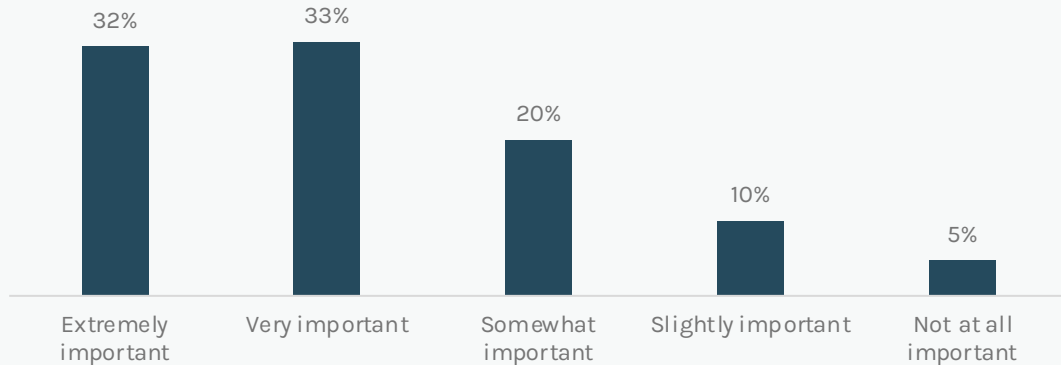


### DOES DEI HAVE AN IMPACT ON PERFORMANCE?

While organizations continue to indicate DEI is important to their fundraising plans, DEI conversations with donors have decreased significantly.

*Gift acceptance policies can advance equity within your institution, diversify and educate your donor base, make giving more accessible, and reinforce the values of your organization. [Learn more about how you can advance equity](#) with strong gift acceptance policies.*

### IMPORTANCE OF DEI IN DEVELOPMENT OF STRATEGIC PLANS



#### 💡 CCS FUNDRAISING KEY INSIGHT

A higher proportion (10%) of the organizations that performed well consider DEI very important or important, vs. the organizations that did not perform well.



HOW DO ORGANIZATIONS PLAN TO MEET THEIR STRATEGIC DEI GOALS?

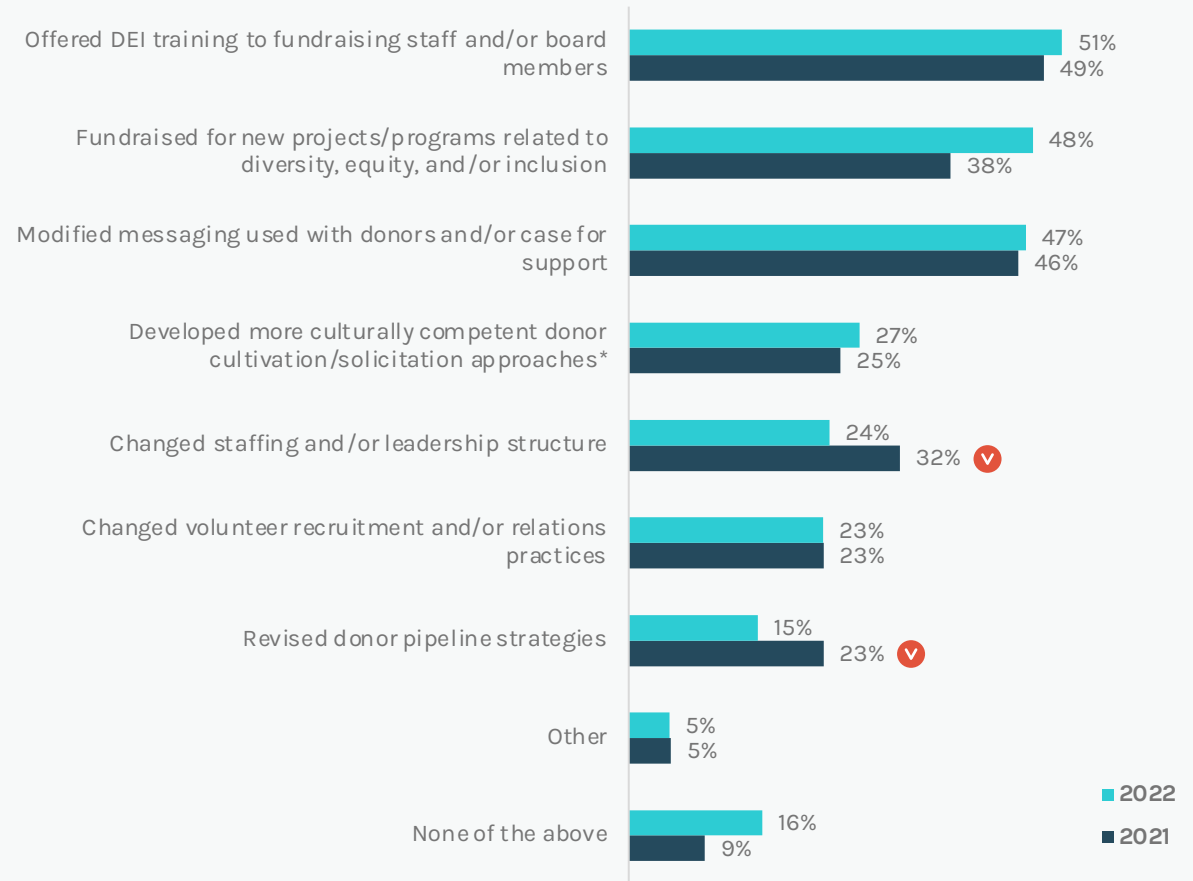
Offering DEI training to staff and/or board members became the top tactic for organizations to meet DEI goals, with more than 50% citing it as their #1 strategy.

Fundraising for new projects / programs related to DEI increased significantly as a tactic vs. last year (48% vs. 38%, respectively).

Two tactics decreased vs. last year:

- Changed staffing and/or leadership structure (8% drop)
- Revised donor pipeline strategies (7% drop)

TACTICS TO MAKE FUNDRAISING PRACTICES/OPERATIONS MORE DIVERSE, EQUITABLE, AND/OR INCLUSIVE



\*E.g., tailoring engagement approaches for a major donor based on complex and intersecting components of the donor's identity

ABOUT CCS FUNDRAISING





# About CCS Fundraising

## WE PARTNER WITH NONPROFITS FOR TRANSFORMATIONAL CHANGE.

For more than 75 years, CCS Fundraising has empowered many of the world's greatest organizations to advance some of the most important causes in history. From local food banks to global charities, CCS is proud to partner with over 700 organizations annually in more than 250 cities around the world. As leading consulting experts in campaign and development strategy, we plan and implement fundraising initiatives so that nonprofits can make a bigger impact – locally, nationally, and globally



### OUR EXPERTISE

Our fundraising consultants are experts in strategic planning, research, development, planned giving, and on-the-ground campaign support. While the results of our work are immediate, the impact of the strategies, tools, and tactics we develop with clients endures to create lasting change.

### SERVICES

We offer shoulder-to-shoulder partnership with:  
Fundraising Campaigns • Data Analytics, Systems & Research • Audits & Assessments • Interim Development Management • Training & Leadership Development • Strategic Planning • Specialized Development Projects • and more!

### SECTORS

Our work spans all philanthropic sectors, including:  
Advocacy • Arts & Culture • Associations  
Environment & Animals • Faith • Foundations  
Health • Higher Education • Human Services  
Primary & Secondary Education



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