What Donors Really Do Online: Nine Years of Data from 1.9 Million Donors

#11NTCDonorweb

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2011

The Online Giving Study

A Call to Reinvent Donor Relationships

by Network for Good and TrueSense Marketing

About the Study

Scope: $381M in giving | 3.6M gifts | 66,470 nonprofits | 1.88 M donors | 7 years
Charity websites, social networks and giving portals powered by Network for Good

State of Online Giving

- Growing

- Spreading

- Relationship-based

Online Giving Growth (2003-2009)

Cumulative donations through Network for Good yielded an average annual growth of 56%. The visible "stair steps" represent the annual December surge in giving, as well as Hurricane Katrina giving in 2005.
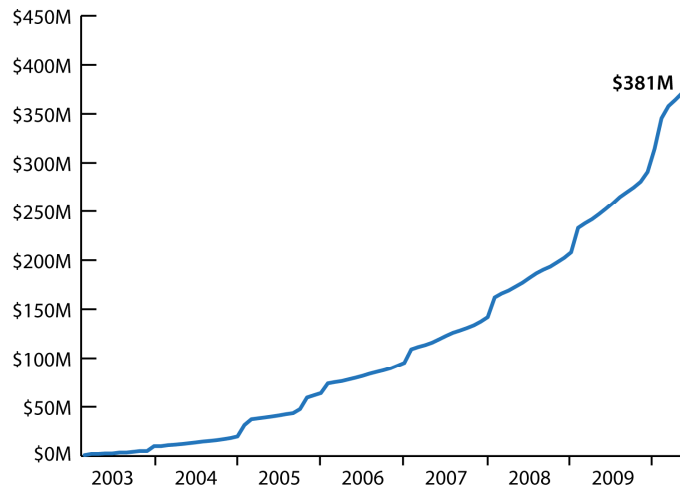
The most important thing I'll say today

**Raising funds online is not about technology. It's about the relationship between the nonprofit and the donor.**

- The level of connection determines how much and how often giving happens.

- Small upgrades to the donor experience make a big difference.

- There's no excuse for failing to improve the online giving experience!

Network for Good.

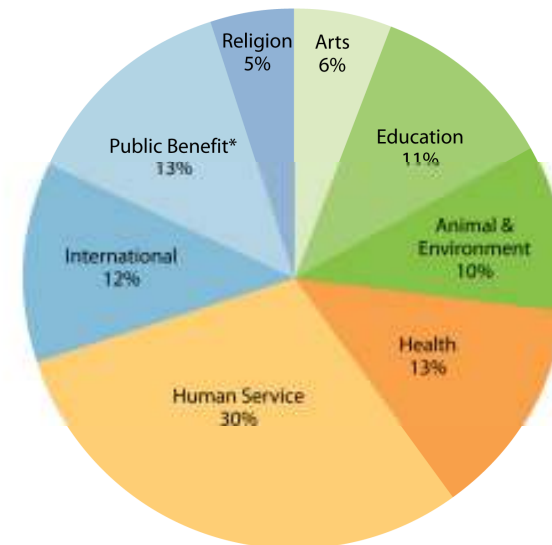# Where Donors Gave Online in 2009

These are interesting...

Online Giving by Venue (2003-2009)

Analysis shows that most donations are made to nonprofit websites, followed by giving portals, and social giving sites.*

Social Giving
$39.7M
10.4%

Portal
$97.2M
25.5%

Nonprofit Website
$244.6M
64.1%
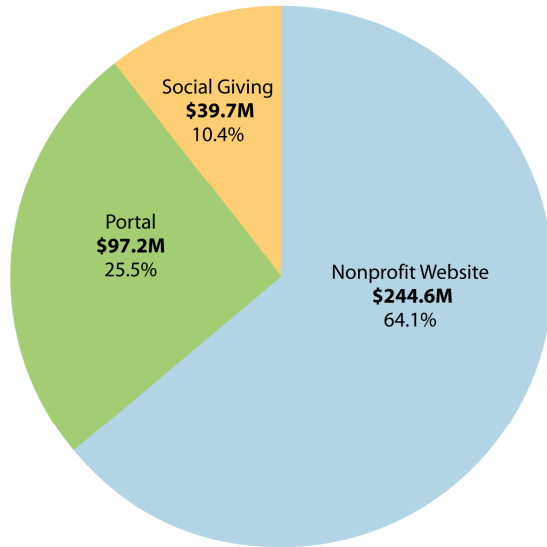
* Network for Good began processing donations on social giving sites in 2007.

Online Giving by Charity Type (2009)

Percentage of online giving dollars via pages powered by Network for Good by charity type, based on the IRS's National Taxonomy of Exempt Entities (NTEE).

Religion
5%

Arts
6%

Education
11%

Public Benefit*
13%

Animal &
Environment
10%

International
12%

Health
13%

Human Service
30%

*The public benefit category includes the following types of charities: social action, community involvement/capacity building, some foundations, social science and technology organizations.

When People Donate Online

Maybe you're giving right now…

Online Giving by Day of Week (2008)

Giving is meaningfully higher on weekdays than weekends, and slightly higher early in the week. The difference among weekdays is not enough to make any single day a "must-appeal" day.
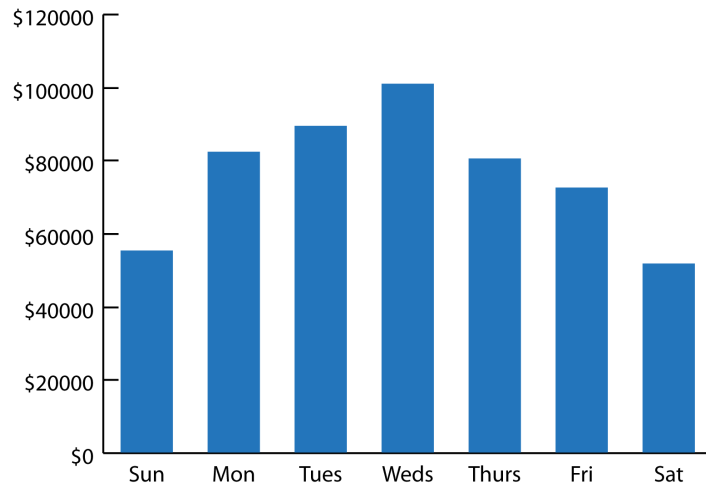
Online Giving by Time of Day (2008)

Online giving happens largely between 9 a.m. and 5 p.m. on weekdays. Clearly, people give at work. There's even a drop in giving during the noon hour—giving is a work-time occupation.
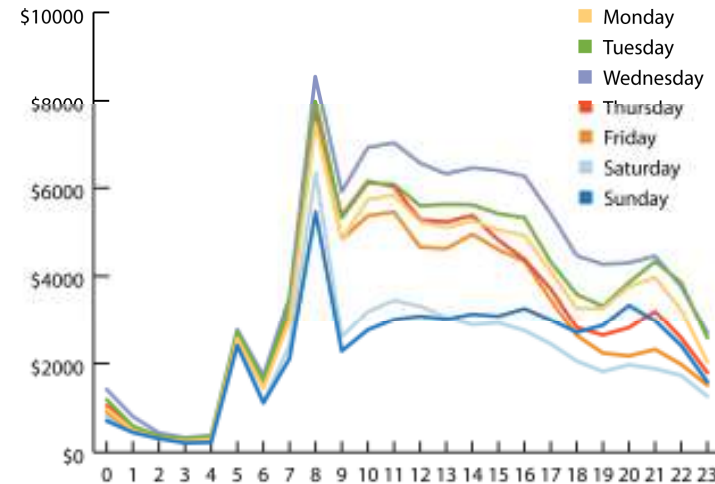
The Online Giving Experience

The Influence of the
Online Giving Experience

How Donors Give

Donors who gave through charity websites started highest and grew most.

- **Charity Websites**: branded and generic

- **Giving Portals:** NetworkforGood.org, GuideStar.org, CharityNavigator.org

- **Social Giving:** (includes Causes on Facebook, Change.org, YourCause.com)

Online Giving Trends by Venue (2007-2009)

Analysis of cumulative online giving (i.e., giving added up over time) via different pages powered by Network for Good shows that donors who gave via charity websites started at the highest level and gave the most over time. Those who used giving portals started lower and gave less over time. Those who used social giving opportunities gave the least initially and added little afterward.
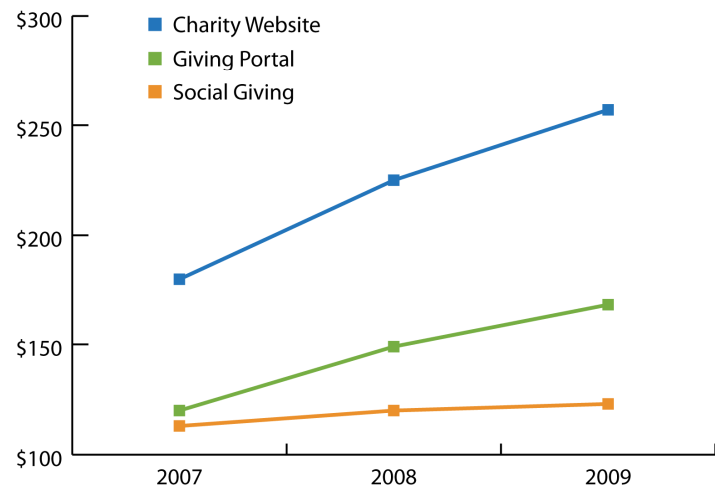
Personality Matters!

Strong Relationship, Highest Value

Donors started higher and gave 38% more over time on branded vs. generic pages

A Little Personality Goes a Long Way

Repeat giving by donors acquired through generic giving pages is 66.7% lower than for charity-branded pages.

Online Giving by Charity Website Giving Experience (2007-2009)

Analysis of cumulative giving (i.e., giving added up over time) through charity websites powered by Network for Good shows the giving experience has a significant impact on donations: Donors who gave through pages branded by the charity started at a higher level ($187) and increased more (to $279) than those who gave through generic pages ($163, rising only to $202). That's 38% more.

■ Charity-Branded Pages
■ Generic Pages
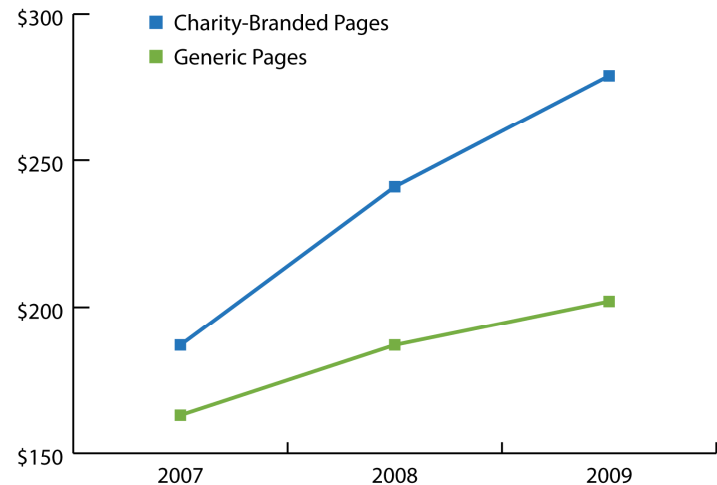
Donors and Jorts Prevalence

Times it is OK to wear Jorts

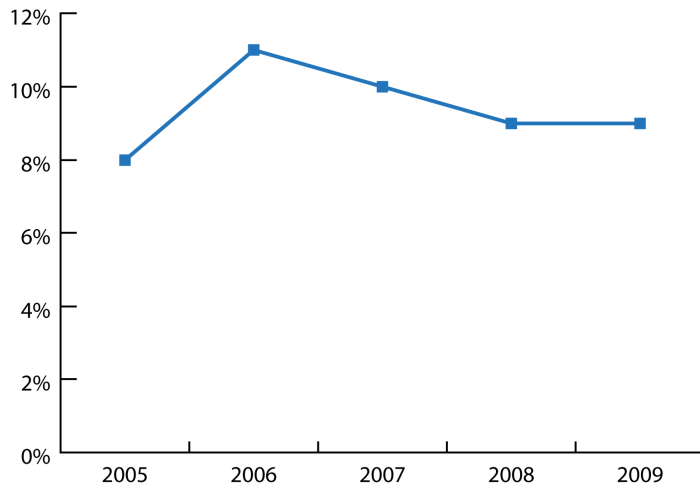Never
Also Never
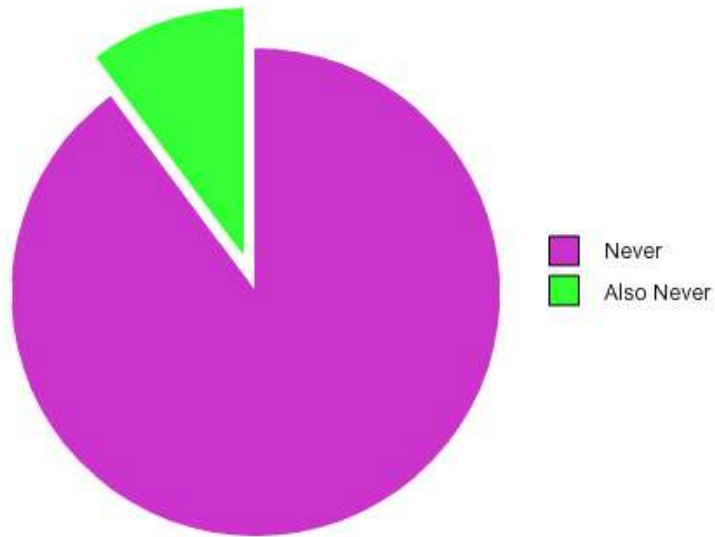
GraphJam.com
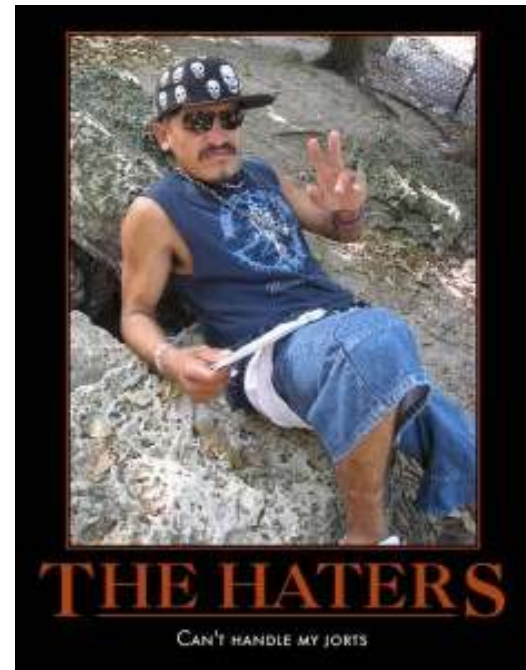
Source: blog.stanfordreview.org

Recurring Giving

Recurring Giving is a Strong Driver of Online Giving (2005-2009)

The percentage of donors who give recurring gifts through pages powered by Network for Good has hovered around 10% of the total number of donors. This compares very favorably with what most organizations are able to get offline and is an important driver of the high value of online donors.

Giving portals & Social Networks: Looser Ties

- Portal donors give smaller average gifts – 25.1% lower than website donors

- The donor may not know the charity well – and charities my not follow up well

- But these donors matter

Donor Attitudes toward U2

Bono

Legend:
- Sunglasses
- Charity
- Good Music

X-axis: 1975, 1980, 1985, 1990, 2000, 2005

GraphJam
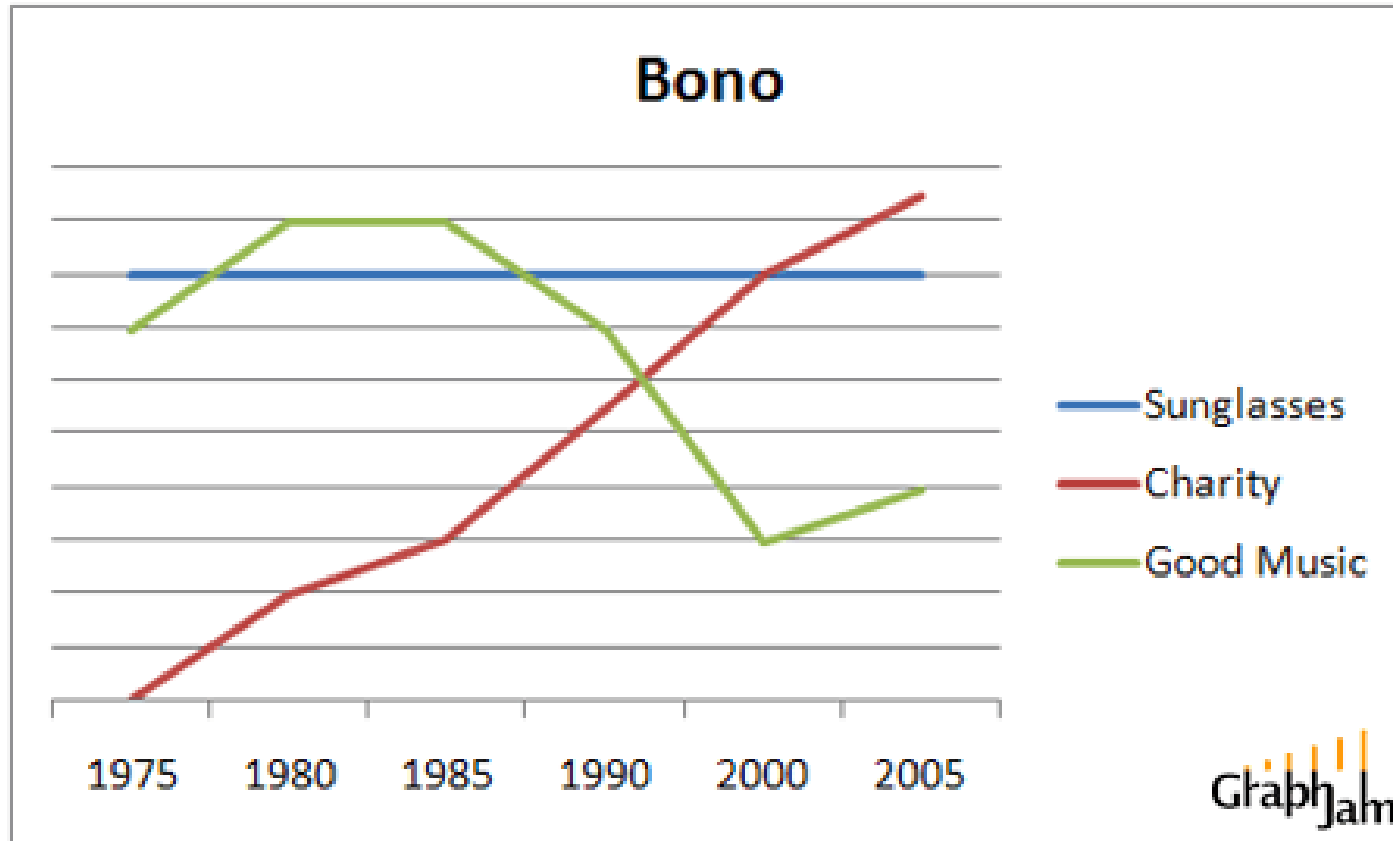
The Spiky Nature of Online Giving

December and Disasters Dominate

December is the strongest giving month for most organizations—it's even more so online. Further, it's the last days, and even last hours, that make the difference.

Online Giving by Time of Year (2003-2009)

A third of giving on pages powered by Network for Good happens in December.

December
$127.1M
33.3%

Rest of Year
$254.4M
66.7%
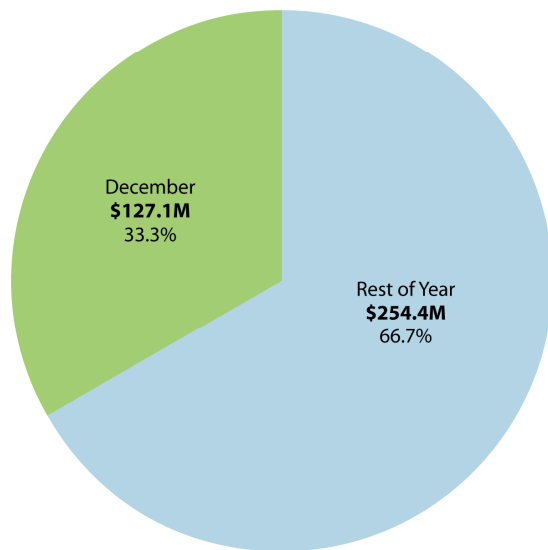
December Online Giving by Day (2008)

Online giving (by dollars) during December is similar to other months, until the last two days, when it skyrockets. Of all giving in a year, 22% comes in on the last two days of December.
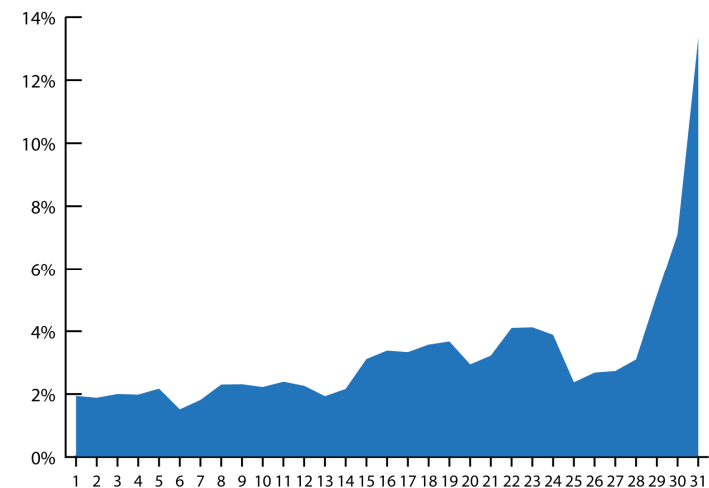
December Donors Are Worth More

- 22% of giving is in the last two days of the year.

- Donors who give for the first time in December give 52% more over time than those who start in the other 11 months.
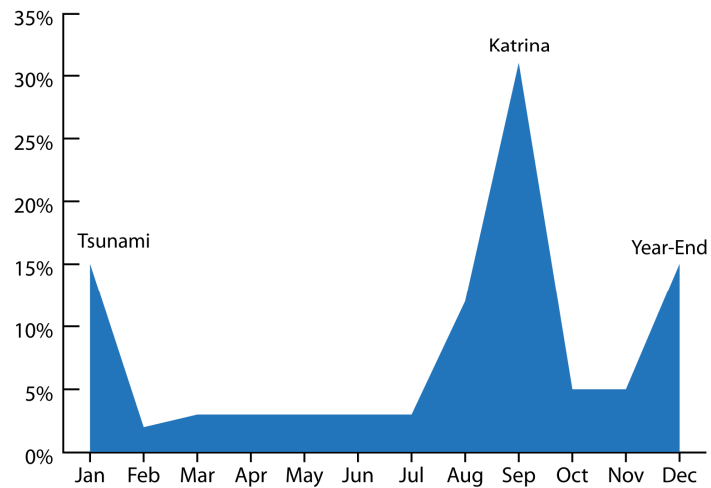
The Impulse Effect of Disaster Giving

Online Giving is Spiky:
Disasters and December Dominate (2005)

2005 was an interesting year because it had three spikes in giving: The Indian Ocean Tsunami, Hurricane Katrina and December. This is a classic representation of the patterns of online giving.

## Disaster Donors Give Less Online Over Time (2005-2009)

There is a distinct difference in cumulative giving (i.e., giving added up over time) between donors who initially made donations during the disasters of 2005 and those who gave to other causes that same year: Disaster donors started lower and gave less in subsequent years.
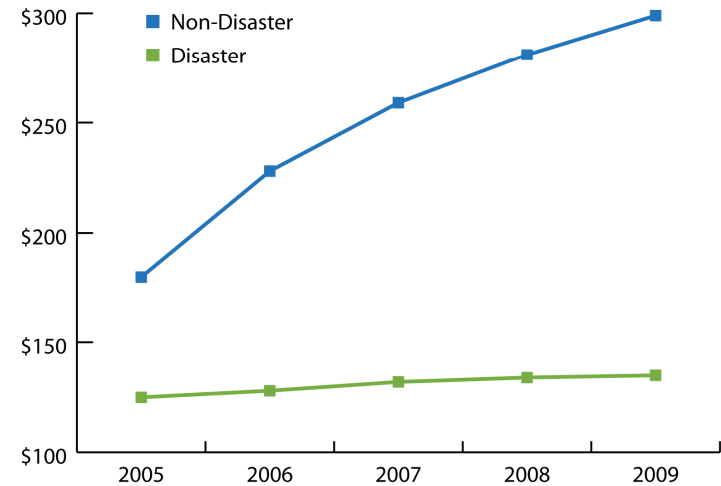
Network for Good

Portal Giving Performs During Disasters

Portal Giving Performs (2005)

Normally, about a quarter of online giving powered by Network for Good comes through third-party giving portals. In December, that amount rises to nearly half. But during disasters, portal giving is the overwhelming majority. Many disaster donors are new or infrequent donors who don't have relationships with charities. The portals are a good way for them to find and give to appropriate charities.
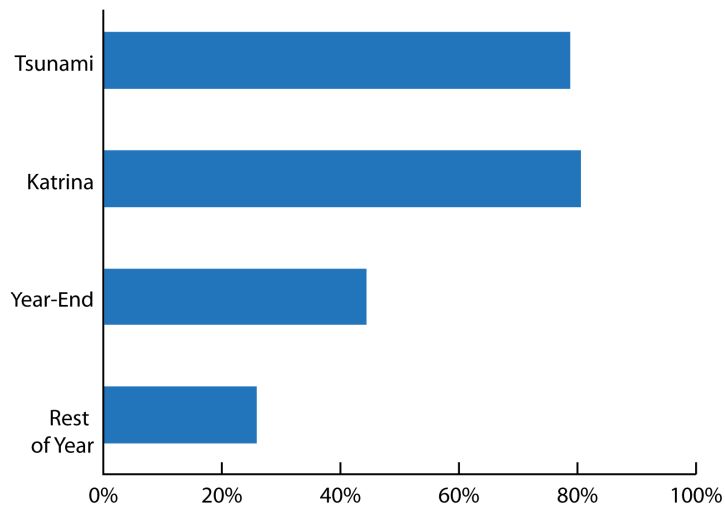
Portal Giving During Hurricane Katrina (2005)

The Red Cross has historically dominated all disaster giving in the US, being the well-known charity of choice in such times. In recent years, the choices offered online have allowed smaller nonprofits to become visible and relevant to disaster donors; this has helped level the playing field. During Hurricane Katrina, other charities got more than half of online disaster-related gifts through the Network for Good portal.

Other 52.7%   Red Cross 47.3%
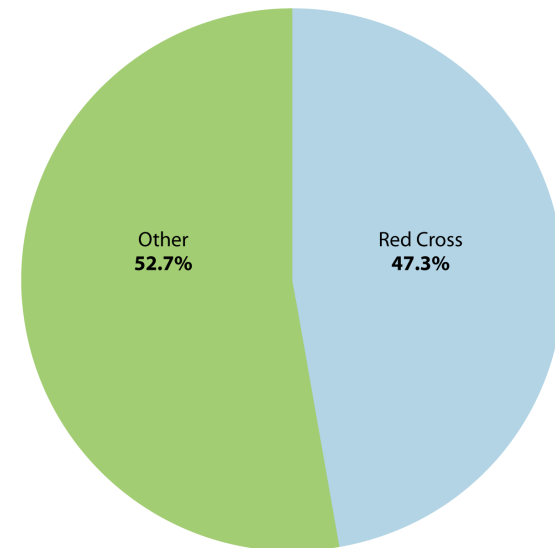
So that's nice data. Now what?

The obvious:

Ask for recurring gifts, and ask for donations the last week of December.

Less obvious:

Giving (even online) is emotional.

Create an emotional experience.

PuppiesBehindBars.com

Network for Good

Giving is personal. Be relevant.

Champions vs. Friends

Giving is above all about happiness and hope.

SaveTheChildren.org

"Most fundraisers probably don't think of themselves in the business of selling happiness to donors, but that is ... their job."

M.A. Strahilevitz

Session Evaluation

Each entry via text or web is a chance to win great NTEN prizes throughout the day!

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