



The New Best Practices for Connecting with Today's Charitable Donors

A survey report outlining how donor motivations, habits, and preferences vary across demographics

Executive Summary

The [COVID-19 pandemic](#) has rocked nearly every industry in some way or another, and the nonprofit world is no exception. In this era of economic, political and social change, it's not that people have stopped giving. Quite the contrary: Data Axle's latest survey of more than 1,200 donors found that a majority (51%) of respondents have not changed the amount they donate in the wake of the COVID-19 pandemic, while 28% indicated they now donate more than they did pre-pandemic.

What's changed, of course, are the means by which donors are able to interact with and contribute to their favorite charities—not to mention the abundance and variety of worthy causes that are competing for their attention and donations. This elevated competition for attention comes alongside ever-heightening expectations among donors. Today, donors expect charities to deliver the same personalized, seamless cross-channel experiences that they receive from their favorite brands. That's a high bar—and one that charities need to keep in mind [as they pursue growth and donor acquisition goals](#).

In this report, we'll explore the latest behaviors, preferences and sentiments among today's donors, particularly as they vary by age, gender, income and political affiliations. Based on Data Axle's latest survey of nonprofit donors, these insights will help you keep pace with the nuanced needs and desires of [today's charitable donors](#).



Key Findings

Young donors favor monthly contributions.

Our survey found that over a third (36%) of donors have set up monthly contributions to one or more charities. This behavior was especially prevalent among younger donors, with 48% of respondents aged 18-29 and 41% aged 30-44 reporting monthly recurring donations.

Young donors boast high engagement with charities.

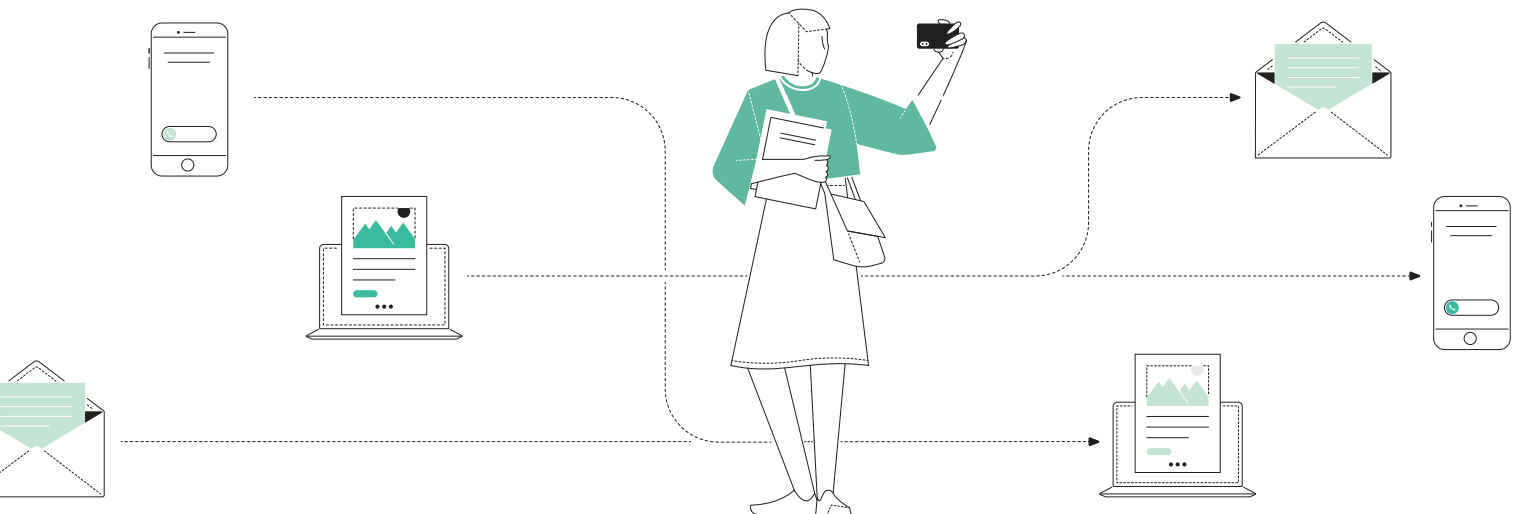
What younger donors lack in funds, they make up in enthusiasm and participation with nonprofits. Respondents aged 18-29 reported the highest level of activity across the board, with 60% telling friends and families about causes, 50% volunteering with charities, 36% attending functions and events hosted by charities, and even 20% saying they serve on the board of a charity they support.

Donation channel preference vary by age.

About 45% of donors aged 60+ say they submit donations via mail, compared to 34% of those aged 45-60, 26% aged 30-44, and 20% aged 18-29. Interestingly, although only 2% of younger donors say they want to be contacted via phone, 20% of donors aged 18-29 and 18% aged 30-44 say they donate in response to a phone call from a nonprofit.

Cross-channel communication strategies are more important than ever.

Nearly half (48%) of respondents stated email as their communication channel of preference. Direct mail was the second most preferred channel at 21%, followed by social media (17%), text messaging (8%) and phone calls (2%). However, given that donors often prefer to receive communications via one channel and donate through another, a synchronized cross-channel strategy is vital.



Young donors want to leave a legacy.

Compared to older groups, younger donors were more likely to express interest in including a planned giving option for their favorite nonprofits in their wills. In fact, 21% of respondents aged 18-29 said they'd already made plans to do so, and 17% of 30-44 year-olds reported the same. This is in comparison to 10% of respondents aged 45-60 and 16% of respondents over 60.

Giving habits remain strong during the pandemic.

A majority (51%) of donors said the amount they donate has not changed in the wake of the COVID-19 pandemic. Alternately, 28% indicated they now donate more than they did pre-pandemic, while 21% said they give less. Perhaps most interestingly, only 7% of respondents indicated that they have changed the nonprofits they support in the wake of COVID-19.



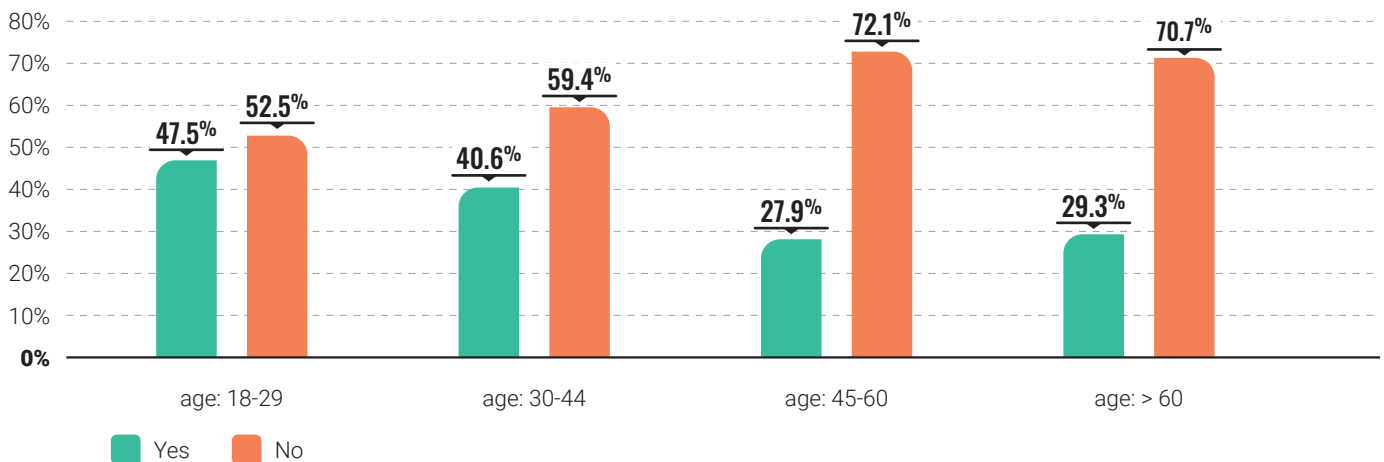
Insight 1

Young donors gravitate to monthly contributions.

Recurring monthly donations represent an important stream of predictable income for nonprofits, as well as a path toward greater donor lifecycle value. In fact, research has found that donors who set up recurring monthly gifts give 42% more per year than one-time contributors.¹ As such, it makes sense for nonprofits to place special emphasis on encouraging monthly enrollments among the individuals most likely to be open to this method of donating.

Just as people have become more accustomed to enabling monthly autopay for many of the recurring expenses in their lives, it makes sense that a growing donor segment—particularly younger donors—are also looking for these types of conveniences in their philanthropic lives. In fact, 36% of survey respondents said they have set up monthly contributions to one or more charities. This behavior was prevalent among younger donors, with 48% of respondents aged 18-29 and 41% aged 30-44 reporting monthly recurring donations.

Q4 – Have you set up automatic monthly contributions to one or more charities?



According to our survey, monthly donations were also more prevalent among lower-income respondents. In fact, 44% of people reporting household income under \$24,999 reported having set up recurring donations. This makes sense, given that donors under 30 tend to have lower household incomes than older donors. The household income bracket reporting the next highest rate of monthly contributions was the \$200,000+ income bracket, at 41%. We also found that men are slightly more likely to set up recurring donations, at 39% vs. 33% among women.



Takeaway

Younger donors have come of age in a world where a monthly autopay option for recurring financial obligations is not only welcome, but expected. This inclination has translated to their attitudes toward donating. Today's nonprofits need to not only offer easy options for automatic monthly donations, but also actively market these opportunities to potential donors.



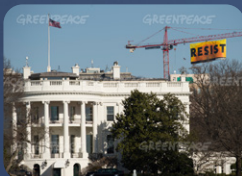
CASE IN POINT

Greenpeace

Greenpeace activists have long been known for their ability to capture headlines. When they do, the task at hand for the organization itself is to move quickly to convert those headlines and the buzz they drive into meaningful actions and donations to further the group's cause. Such was the case in 2017, when seven Greenpeace activists climbed a 300-foot crane near the White House to hang a mammoth "Resist" banner, in response to Trump's attacks on environmental, social, economic and educational justice.²

This moment in time provided an opportunity for Greenpeace to engage its donors, but it also generated a significant amount of awareness among potential new supporters. Rather than immediately soliciting donations, the organization began a process of relationship-building by providing information to people and acquiring their email addresses.

Over the following weeks, Greenpeace sought to deepen the involvement of new contacts with a survey asking them how they'd like to become involved and, eventually, a donations appeal. Through this process, the goal of the organization was to gain as many monthly donors as possible, ultimately translating a high-profile media moment into long-term recurring revenue.

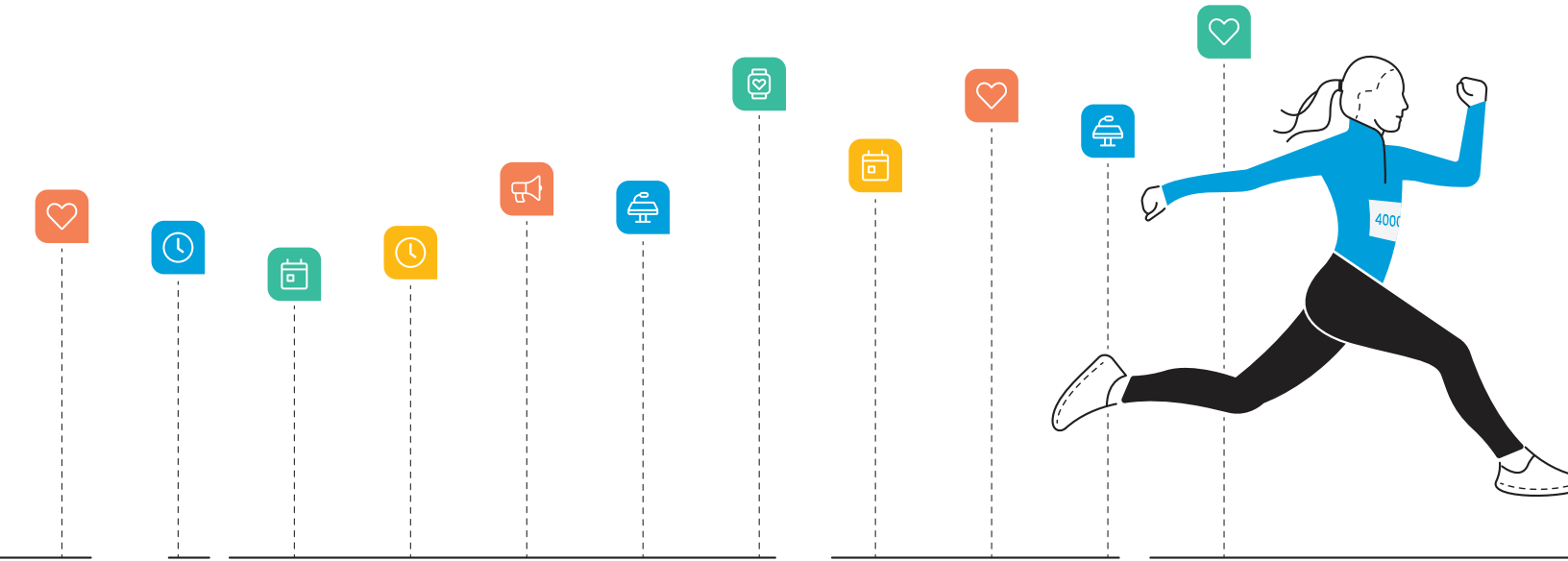




Insight 2

Larger donor time investments can make up for smaller monetary donations.

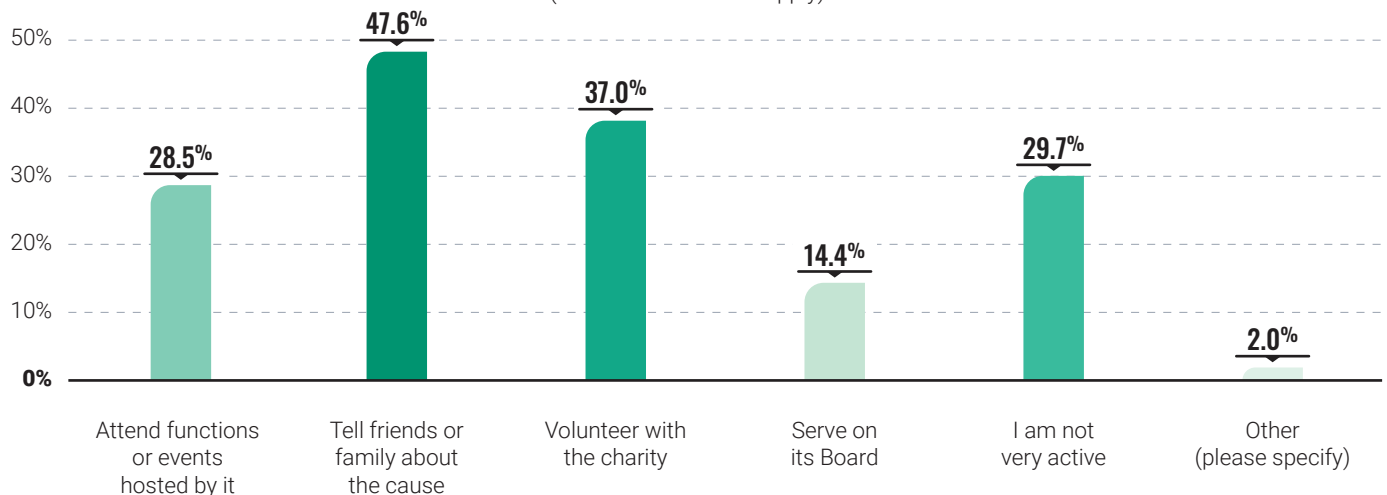
Not all support for a nonprofit is monetary. Indeed, charitable donors show their support in many ways, whether it's by attending functions and events, telling friends and family about a cause, volunteering with a charity, or even serving on its board.



Overall, respondents to Data Axle's survey reported being quite active in the charities they regularly support. Nearly half (48%) said they tell their friends and family about the causes they support, 38% say they volunteer with their charities, and 29% attend functions or events hosted by the charities they support. Impressively, 15% of respondents say they serve on the board of a charity they support, with only 29% saying they're not very active with their charitable causes.

How active are you with the charity to which you donate regularly?

(Please check all that apply)

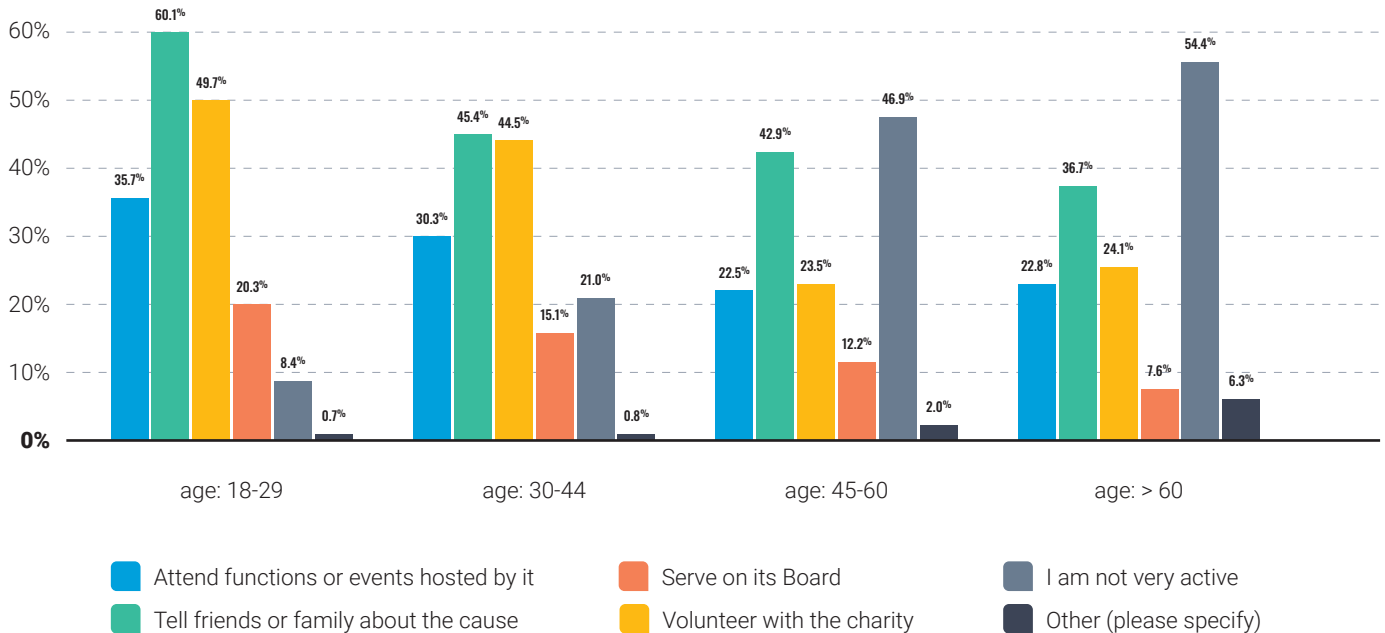




Older respondents reported being less active in their charities, with 47% aged 45-60 and 54% aged 60+ saying they weren't very active. Respondents aged 18-29 reported the highest level of activity across the board, with 60% telling friends and families about causes, 50% volunteering with charities, 36% attending functions and events hosted by charities, and even 20% saying they serve on the board of a charity they support.

How active are you with the charity to which you donate regularly?

(Please check all that apply)



Takeaway

Younger donors tend to have less disposable income to donate to their charities of choice. But what they lack in funds, they make up with enthusiasm and participating in meaningful ways with nonprofits.

Nonprofits shouldn't fret if there's a portion of their audiences who aren't actively donating to their causes, particularly given the dire circumstances that some people have found themselves in during the pandemic. You might want to consider engaging non-donating stakeholders with communications that demonstrate the many ways in which they can contribute to your cause aside from monetary donations. Their continued active involvement with your organization could translate to recurring donations down the line.

In addition, nonprofits should embrace the higher activity common among younger donors by helping them spread the word about your organization via digital channels. Consider hosting virtual events and functions in the wake of the pandemic, as younger, digitally savvy donors want to stay engaged. [Help them feel connected](#), even if they're not able to open their wallets right now.



CASE IN POINT Glaad

GLAAD recognizes the importance of young supporters to furthering their mission and ensuring a strong future for the cause.³ That's why they focus heavily on providing opportunities to support the organization in creative ways that don't require monetary donations.

Take the GLAAD's amp platform, for example. This platform allows young people to create art, videos, written pieces and other creative content to embrace the movement and share them with others. In doing so, GLAAD is fostering and amplifying the voices of the next generation that will carry the cause and the organization into the future.





Insight 3

Donors want to give on their terms—and those terms are more varied than ever.

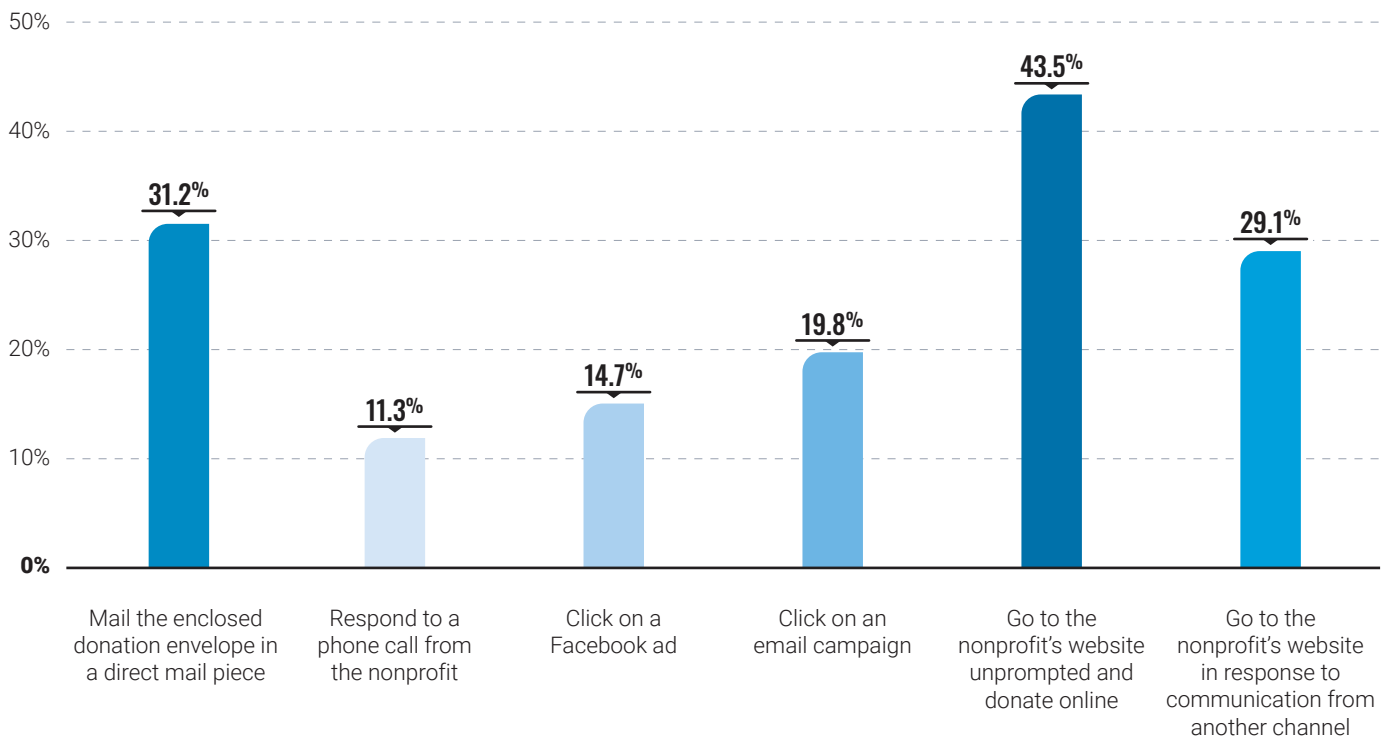
Long before the COVID-19 pandemic, the ever-expanding digital media landscape had required nonprofits to transform and diversify the means by which they enable people to contribute to their causes. Now, in the wake of COVID-19, adoption of emerging digital platforms has skyrocketed, even among historically slower-to-adopt demographics. Going forward, nonprofits will be challenged to continue to adapt their donation options according to fast-evolving preferences and donor comfort levels.

At present, donor tendencies in terms of how they give to their favorite charities are fractured. Distinctions and patterns emerge, however, when we [look at the age](#), gender and political leanings of individual donors.

When giving to a nonprofit, the highest percentage of donors today (44%) say they're going straight to a charity's website unprompted and donating online. Meanwhile, 29% say they go to a nonprofit's website in response to a communication from another channel (direct mail, email, display ad, or social media ad). Meanwhile, 31% say they're mailing the enclosed donation envelope in a direct mail piece, 20% are clicking on an email campaign, 15% are clicking on a Facebook ad, and 11% say they respond to a phone call from the nonprofit.

When you give to a nonprofit organization, how do you make your donation?

(Please check all that apply)



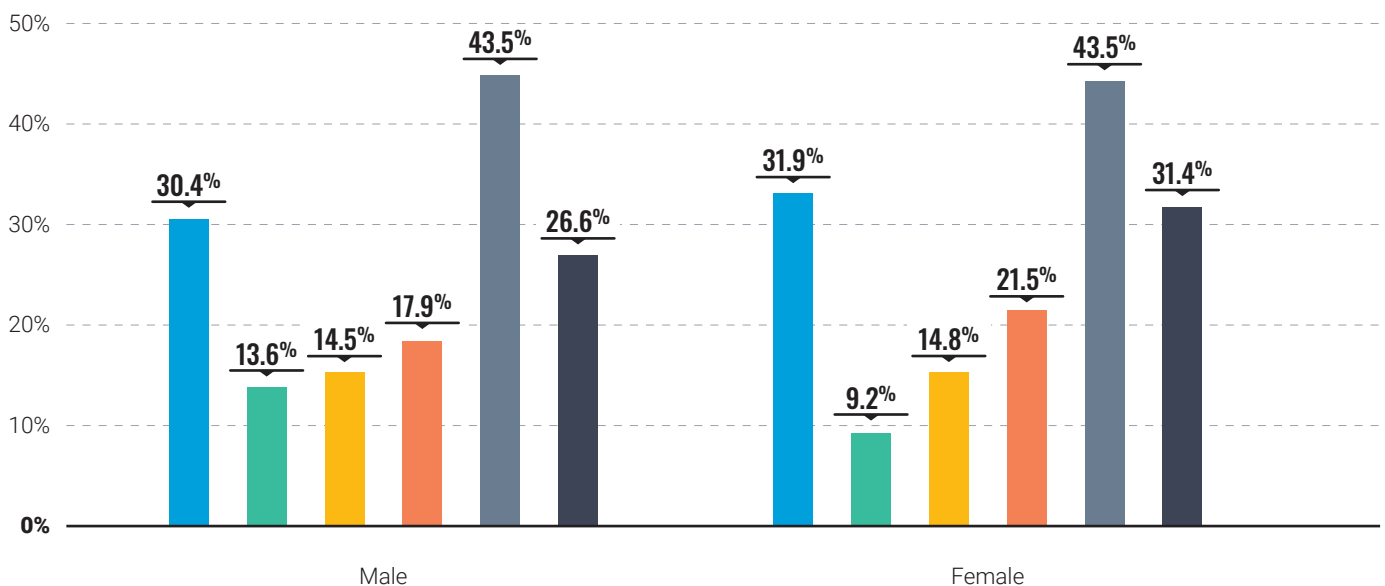
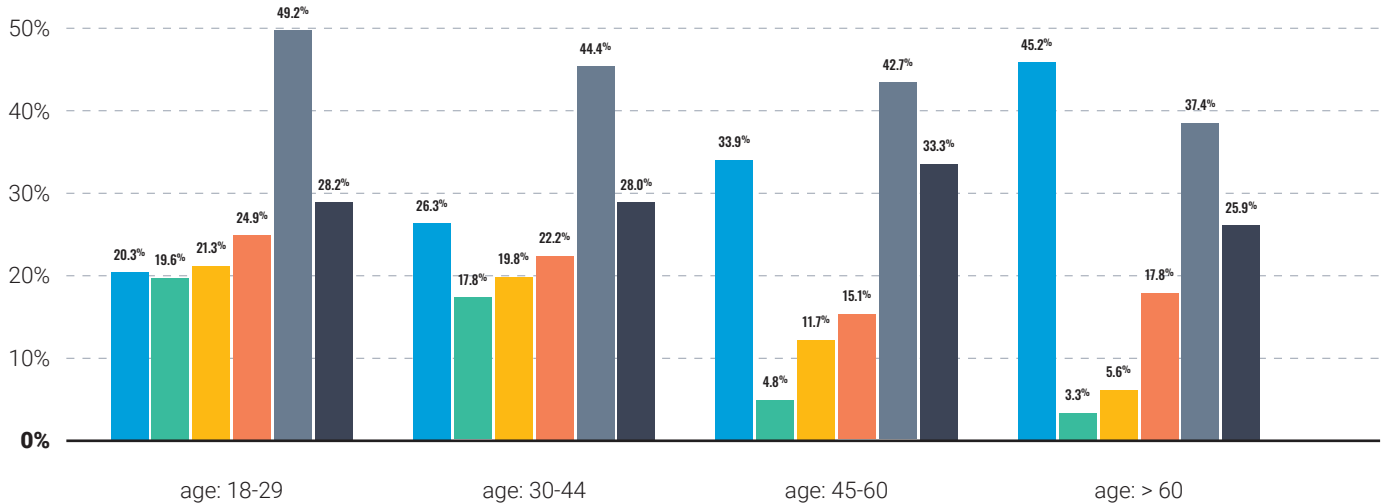
The likelihood that a donor will mail a donation envelope from a direct mail piece increases with age, while the likelihood of donation through most digital channels does the opposite. Impressively, 45% of donors aged 60+ say they submit donations via mail, compared to 34% of those aged 45-60, 26% aged 30-44, and 20% aged 18-29. Interestingly, although only 2% of younger donors say they want to be contacted via phone, 20% of donors aged 18-29 and 18% aged 30-44 say they donate in response to a phone call from a nonprofit.



Looking at donation channel preferences according to other segments, we also find interesting distinctions according to gender and politics. According to our survey, men are more likely to respond to a phone call than women (14% vs. 9%) and less likely to click on an email campaign to donate (18% vs. 22%). Meanwhile, donors who support Republican candidates greatly favor donating via direct mail at 49%, vs. 31% of Democratic-leaning donors. Democratic donors are more likely to give to nonprofits via unprompted visits to a charity's website or by clicking on an email campaign (41% and 30%) compared to Republican donors (24% and 15%, respectively).

When you give to a nonprofit organization, how do you make your donation?

(Please check all that apply)

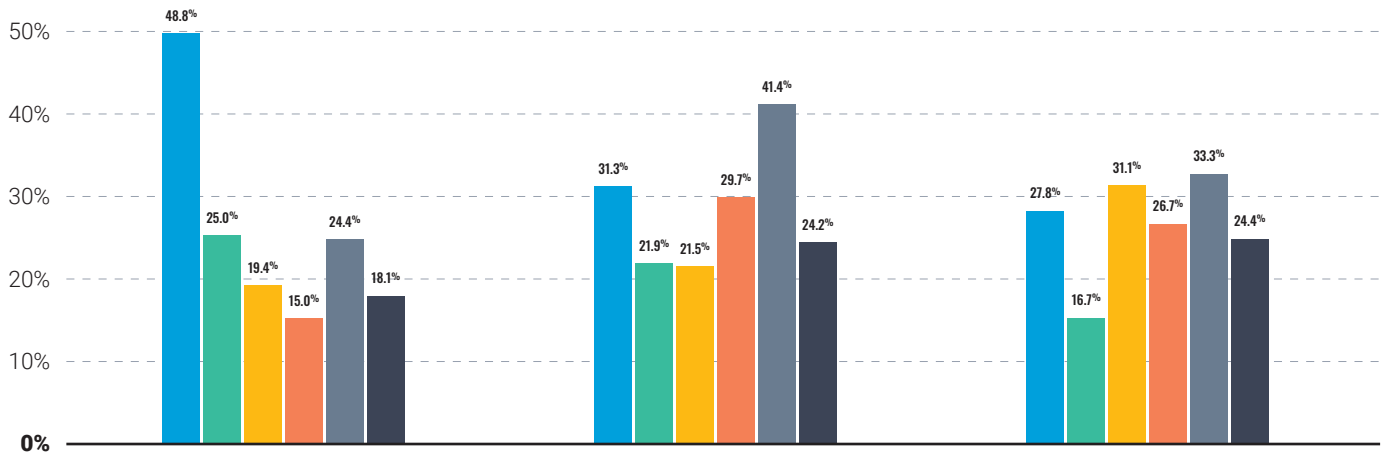


- Mail the enclosed donation envelope in a direct mail piece
- Respond to a phone call from the nonprofit
- Click on a Facebook ad
- Click on an email campaign
- Go to the nonprofit's website unprompted and donate online
- Go to the nonprofit's website in response to communication from another channel



When you give to a nonprofit organization, how do you make your donation?

(Please check all that apply)



Yes, Republican political donor

Yes, Democrat political donor

Yes, Independent or no party affinity

- Mail the enclosed donation envelope in a direct mail piece
- Respond to a phone call from the nonprofit
- Click on a Facebook ad
- Click on an email campaign
- Go to the nonprofit's website unprompted and donate online
- Go to the nonprofit's website in response to communication from another channel



Takeaway

When it comes to how people like to contribute to their favorite charities, it's not that certain channels are becoming irrelevant or fading away. It's simply that donors are embracing more and more options. Nonprofits shouldn't be abandoning certain channels in favor of others. Rather, they should be getting smarter and more data-driven in how they leverage them. Given the clear direct mail preferences among older donors (and lack of direct mail adoption among younger donors), charities can gain greater efficiencies in their marketing spend by segmenting demographically via channel.

That said, it's useful to note that not all donors are wholly satisfied with their options for engaging and contributing to charities these days. That's why we took our survey a step further to ask not just how people are donating today, but also how they would prefer to stay engaged with charities on an ongoing basis.



CASE IN POINT

Médecins Sans Frontières/Doctors Without Borders (MSF)

Médecins Sans Frontières/Doctors Without Borders (MSF) drives a significant amount of its donations through traditional channels, like direct mail, but the organization is always looking to diversify its efforts to ensure a strong pipeline and connections for the future. In recent years, the organization has seen tremendous success with livestream fundraising, an activity that has tapped into a large new base of younger donors for the nonprofit.

In particular, MSF's Summer Games Done Quick livestream gaming event has grown significantly in recent years, with revenue from the event up 30% to \$3 million in 2019.⁴ The livestreamers and their fans tend to be significantly younger than MSF's typical donor base, allowing the organization to build relationships with young gamers that will continue to yield opportunities for decades to come.



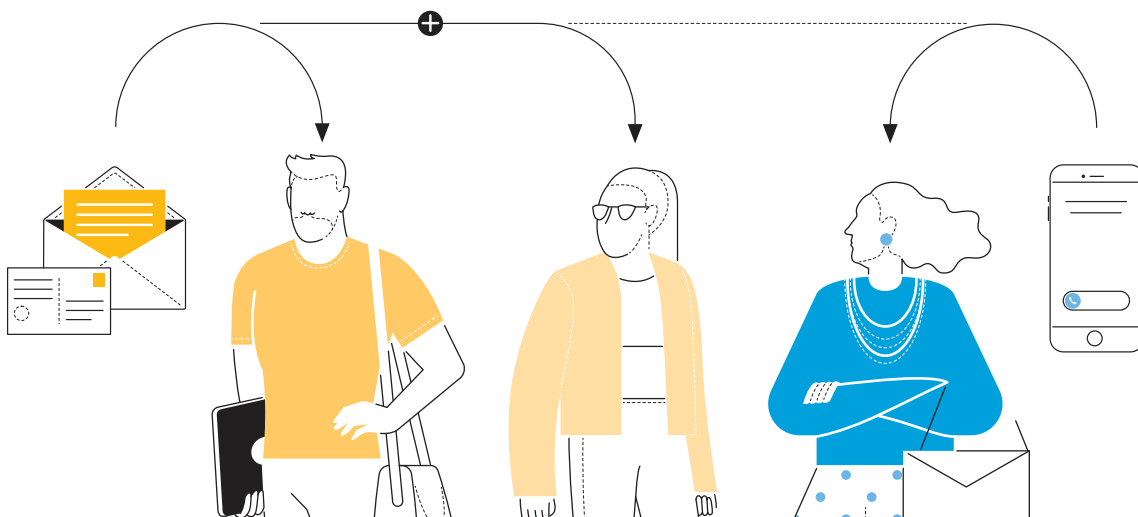
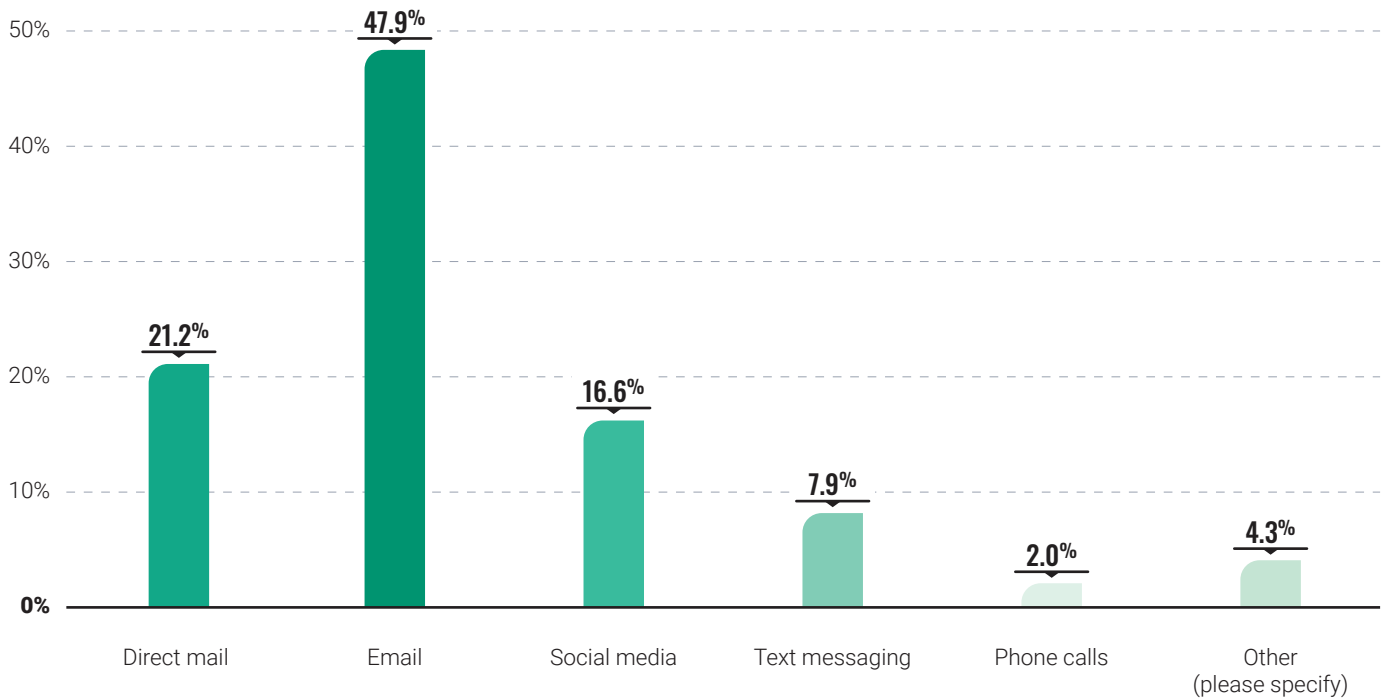


Insight 4

Fostering loyalty requires an understanding of each donor's preferred communication channels.

Website visits and direct mail might dominate the means by which people are contributing to charities these days, but that doesn't mean these activities are reflective of how people would like to stay engaged and up-to-date on the nonprofits they support. When we asked how donors would like charities to communicate with them, we discovered that email is overwhelmingly preferred, with 48% of respondents stating it is their channel of preference. Direct mail was the (distant) second most preferred channel at 21%, followed by social media (17%), text messaging (8%) and phone calls (2%).

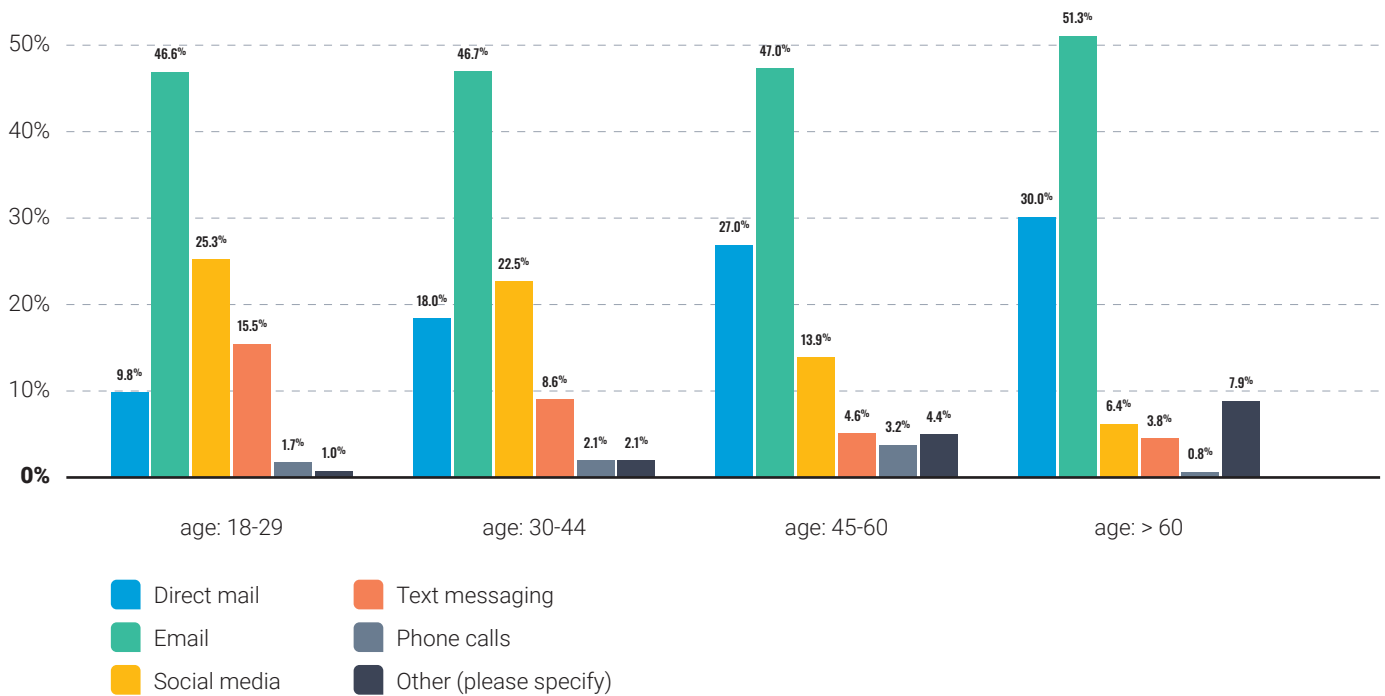
How would you most prefer nonprofits to communicate with you?





Preference for [email](#) is somewhat consistent across age groups, with the 60+ age group favoring it slightly more than younger donors. Email is unique in this regard, as older donors rank all other digital channels lower in preference than their younger counterparts. Meanwhile, direct mail is preferred more strongly by older groups: 27% of respondents aged 45-60 and 30% of respondents over 60 cited direct mail as their communication channel of preference. Not surprisingly, social media and text messaging preferences skew toward younger groups, with 25% of donors 18-29 preferring social media and 16% preferring text messaging. Notably, women have a slightly stronger preference for direct mail at 24% vs. 18% of men, while Democratic donors are less likely than Republican donors to prefer direct mail (19% vs. 27%) and more likely to prefer email (48% vs. 41%).

How would you most prefer nonprofits to communicate with you?

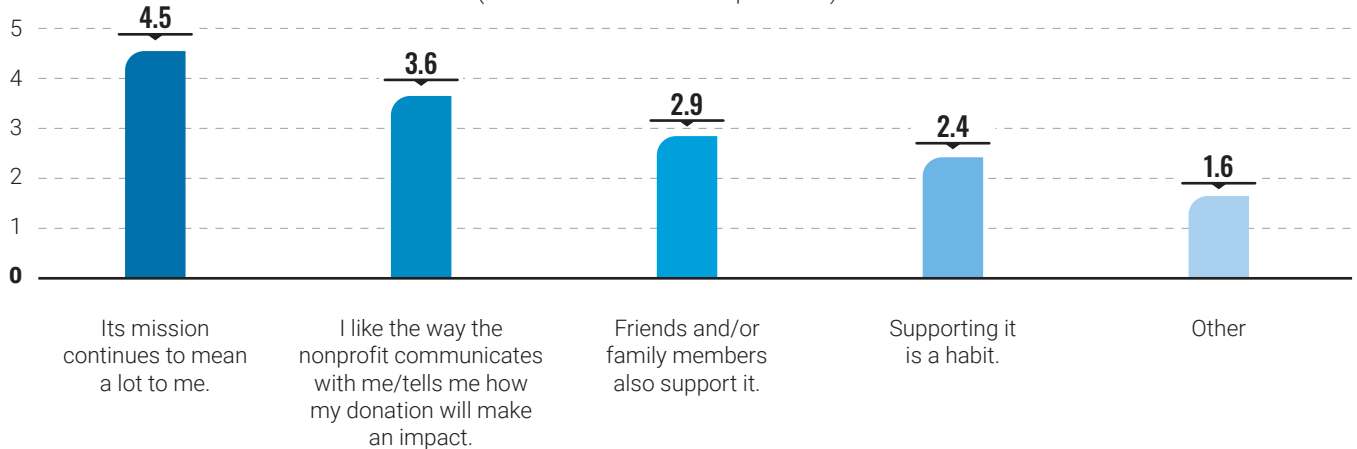




Understanding a donor's preferred method of communication becomes particularly important when you consider that, according to our survey, the second strongest driver of loyalty among donors (right behind a personal connection to a cause) is the way that the charity communicates with donors and tells them how their donations will make an impact. As a driver of loyalty, this communication is ranked as more important than knowing that family or friends also support the charity.

What makes you loyal to a nonprofit?

(Please rank in order of importance.)



Takeaway

Donors are telling us that they want nonprofits to better engage them through email, yet not many charities today are making full use of this channel. As noted in the previous section, a relatively low percentage of donations are currently coming from email campaigns. That represents an opportunity for charities that can ramp up their personalized communications in this channel.

Given the variance in channel preference by demographic, nonprofits need the [right data](#) to make their outreach more efficient and effective. That means evaluating your donor file and looking to dedupe records and fill in vital gaps, including email, [mailing addresses](#), and demographic information wherever they're absent.

Success is [all about personalization](#). While certain donors might look to email as a conduit for making their donations, others would prefer charities to leverage this channel to foster loyalty by emphasizing how they're using donations to further their mission. In this regard, it's vital for charities to be taking a cross-channel view of their customers. Only by understanding the myriad ways in which donors are [hearing](#) from your nonprofit, and then evaluating how those individuals choose to give to and engage with your cause, can you truly understand the best way to personalize outreach and deepen the relationship over time.

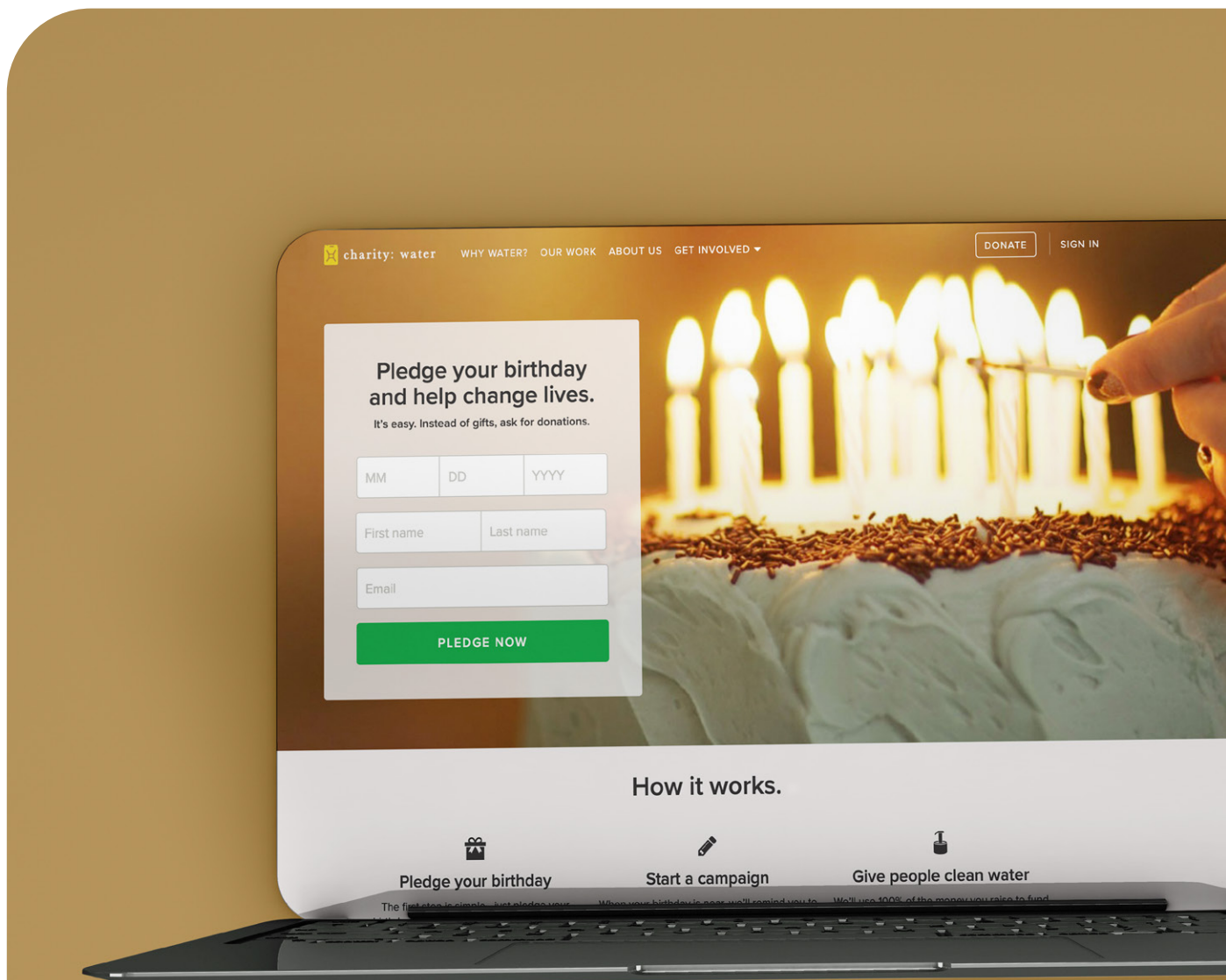


CASE IN POINT

Charity Water

Charity Water has made a name for itself over the past 14 years through innovative, eye-catching fundraising efforts that both inspire and engage a wide base of donors. Core to the organization's success has been its multichannel strategy that enables Charity Water to connect with volunteers and donors across a number of platforms, driving awareness and action at every step.

Charity Water's branding and calls-to-action are clear and compelling across all online channels, including web and [social media](#). But Charity Water is also more than a pretty face. The organization furthers its story through well-crafted written content, curated images and engaging video, which is socialized across Facebook, YouTube, Pinterest, Twitter and other platforms.⁵ Furthermore, the organization's long-running "pledge your birthday" initiative not only directly drives donations through donors' extended networks, but also enables the organization to personalize outreach to its supporters based on age and other information that donors share.





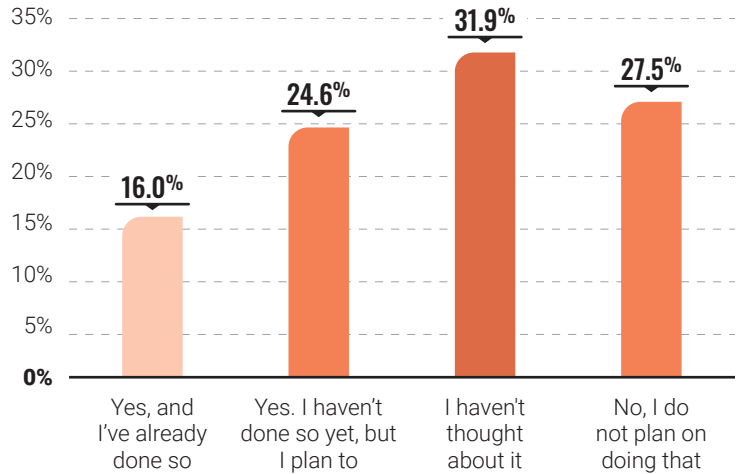
Insight 5

Donors want to leave a legacy through a planned giving option.

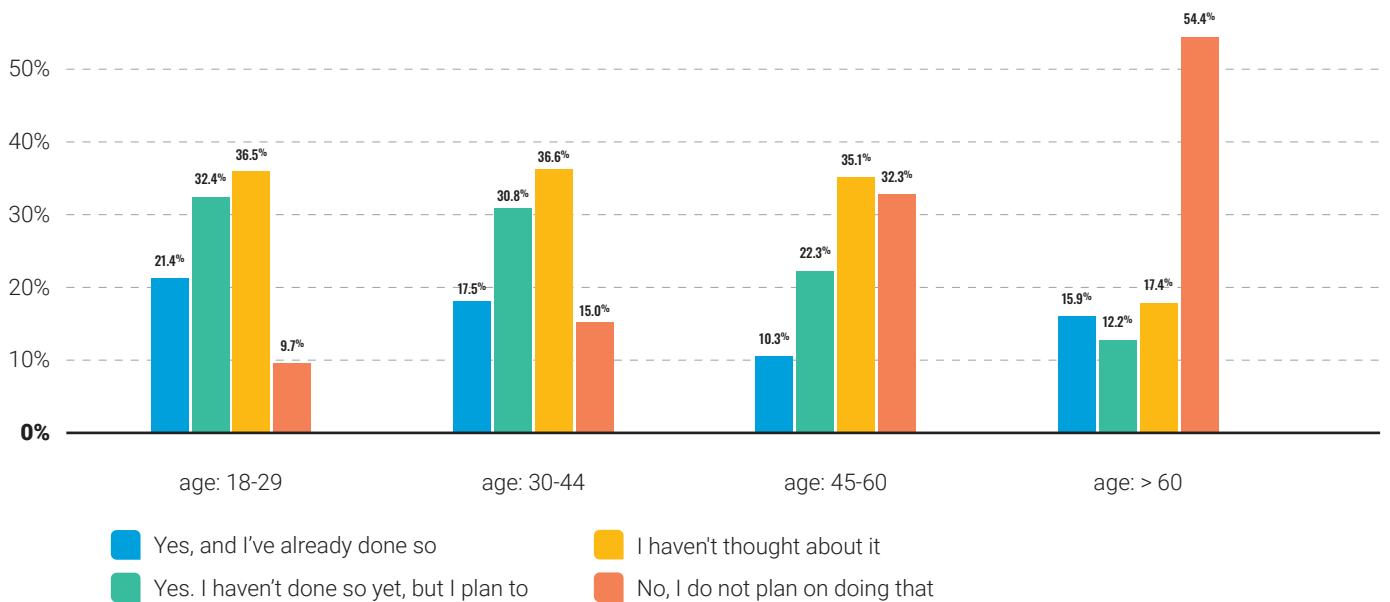
Some people seek to leave a legacy behind by exercising a planned giving option to their favorite nonprofits in their will. According to our survey, this concept appeals to a lot of donors, and nonprofits should consider how they can encourage their contributors to participate and assist them in finding the right option.

According to our survey, 16% of donors have already made arrangements for planned giving in their wills, and another 25% said they plan to do so at a later date. On the flip side, 32% said they hadn't thought about the option, and 28% said they do not plan on leaving a donation in their will.

Some people seek to leave a legacy behind by exercising a planned giving option to their favorite nonprofits in their will.
Is that something you plan on doing?



Interestingly, attitudes toward and plans for charitable donations as part of a will **varied greatly by age**—and in perhaps unexpected ways. Younger donors were more likely to express interest in this option than older groups. In fact, 21% of respondents aged 18-29 said they'd already made such plans, and 17% of those aged 30-44 reported the same. This is in comparison to 10% of respondents aged 45-60 and 16% of respondents over 60. Younger groups were also far more likely to say they planned to leave a donation in their will but hadn't yet done so, whereas 54% of respondents over 60 and 32% aged 45-60 said they had no plans to do so.



Aside from age distinctions, men are slightly more likely than women to exercise a planned giving option, at 43% vs. 39%. Likewise, Republican donors are more likely to have set up planned giving at 42%, compared to 25% of Democratic donors. In addition, 26% of Republican donors plan to set them up in the future, compared to 34% of Democratic donors.



As many nonprofits have found in recent years, a tremendous amount of planned giving comes from donors who were originally acquired through direct mail. For that reason—as well as the fact that direct mail remains a key driver of overall revenue, even when the resulting donations are made online—direct mail should play a key role in encouraging donors to consider planned giving options.



Takeaway

The growing popularity of donor-advised funds, which function as a charitable investment account,⁶ have raised the profile of leaving a donation as a legacy in recent years. The attention being given to these funds, as well as philanthropic giving news around high-profile individuals,⁷ have likely contributed to the growing awareness of this type of giving among younger individuals, representing a significant long-term opportunity for nonprofits.

Younger donors are drawn to the idea of philanthropic efforts that will outlive them. In line with their preference for monthly recurring donations, younger donors like to know the options they choose will be executed automatically. These are tendencies that nonprofits should keep in mind as they plan their communications with this donor segment. Nonprofits can plan for their futures by encouraging younger donors to leave a legacy behind. Planting this seed via cross-channel communications can encourage lifelong—and beyond—loyalty to a charity and its mission.

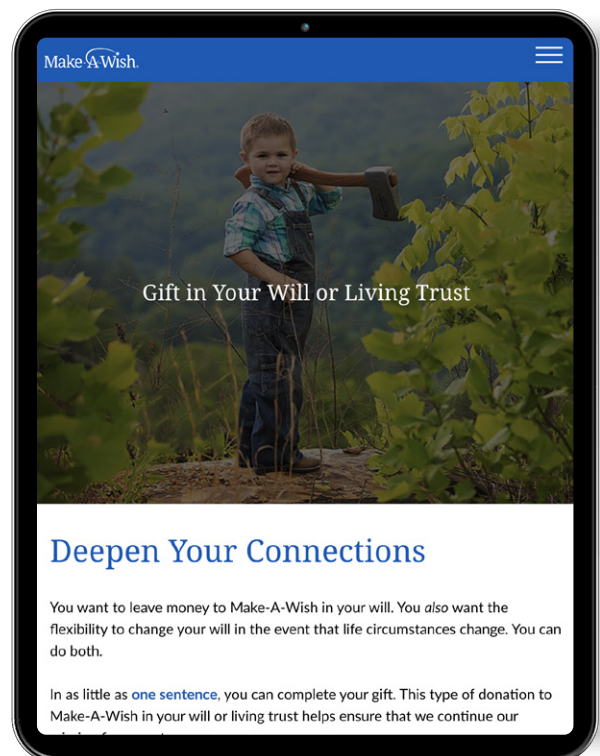


CASE IN POINT

Make-A-Wish Foundation

Success with planned giving programs requires a long-term mentality and concerted effort to message consistently to donors who give through other channels. Although the payoff of these efforts isn't immediate, they can be vital to the long-term health of a charitable organization. The Make-A-Wish Foundation is testament to the power behind this long-term mentality.

Over the course of four years, Make-A-Wish saw its revenue from planned gifts nearly triple, from \$2 million to \$6 million annually.⁸ The organization did this by noting planned giving options across direct mail and online campaigns—and doing so consistently for well over a decade.





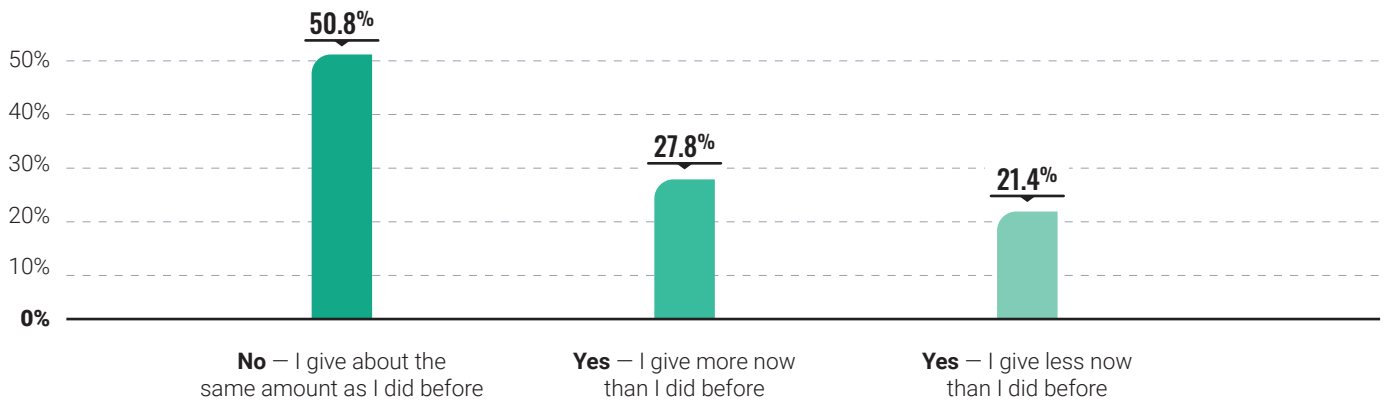
Insight 6

The COVID-19 impact on giving underscores the importance of deeper relevance.

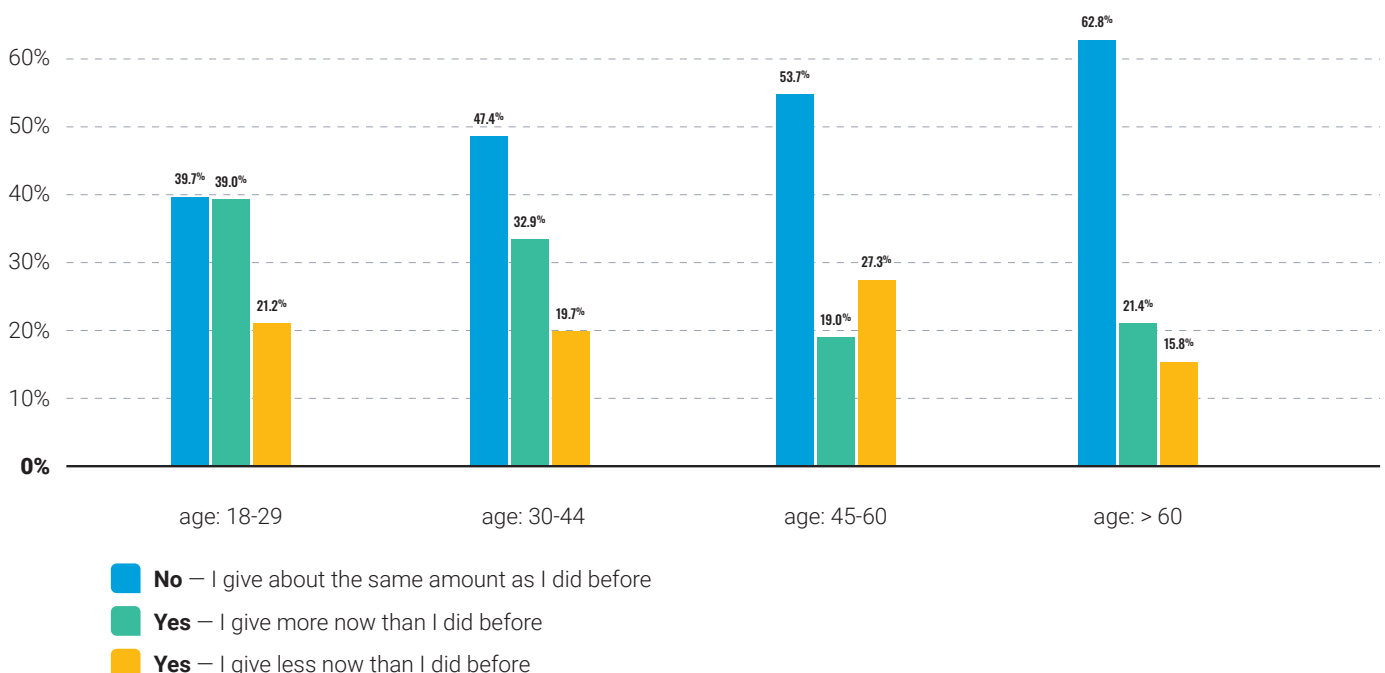
All recent research must account for the unprecedented impact of the COVID-19 pandemic. For the nonprofit industry, the effect hasn't been one of wholesale upheaval, but rather of important nuanced shifts in how people think about giving and their relationships with nonprofits.

A majority (51%) of respondents to the Data Axle survey said the amount they donate has not changed in the wake of the pandemic. Alternately, 28% indicated they now donate more than they did pre-pandemic, while 21% said they give less.

Has the amount that you donate changed in the wake of the Covid-19 pandemic?



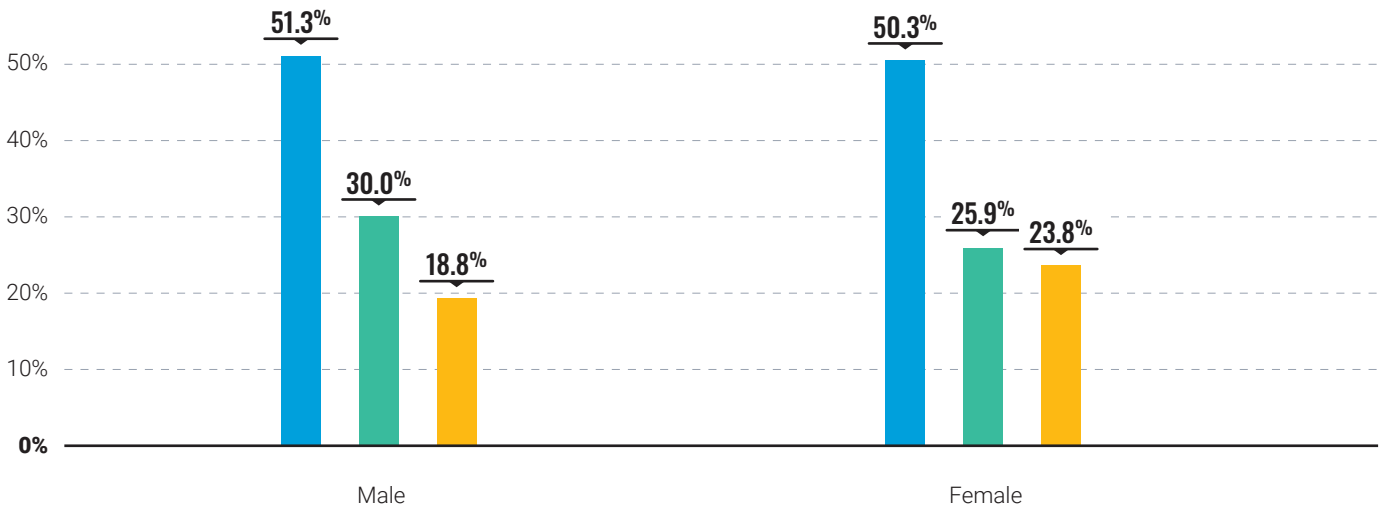
Younger donors were most likely to have increased the amount they're donating in the wake of the pandemic, with 39% of donors aged 18-29 and 33% aged 30-44 giving more now.



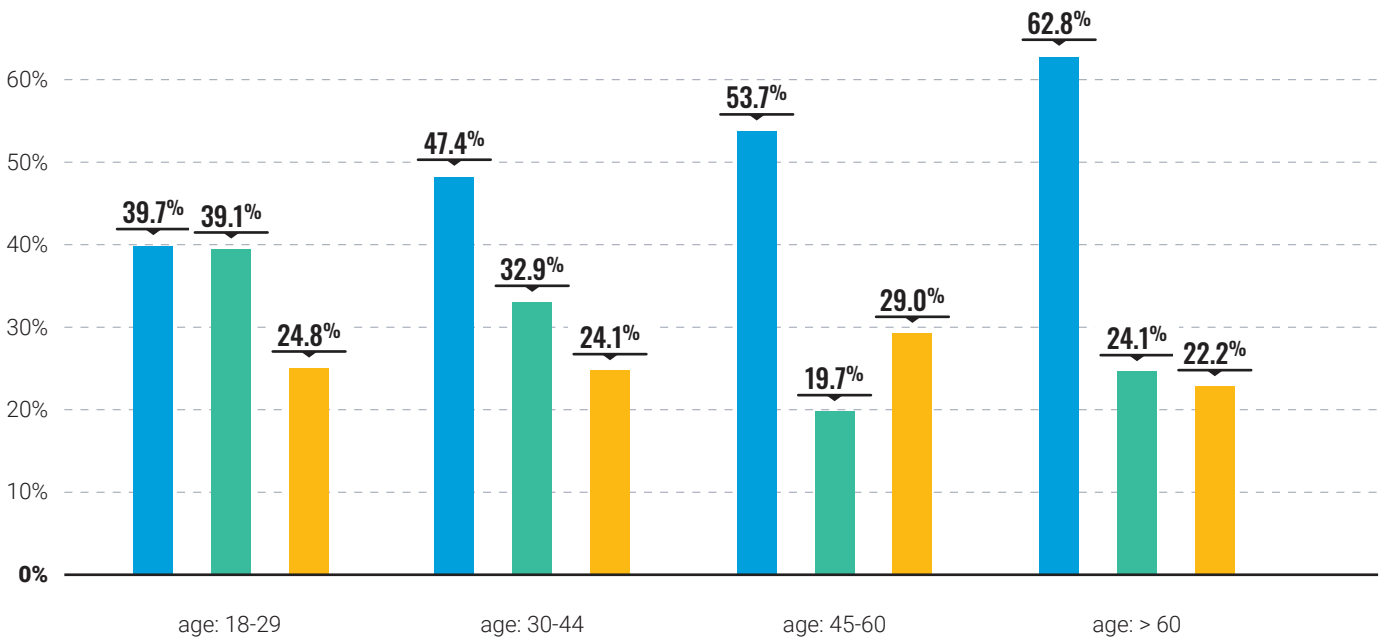


Interestingly, when looking at donor behavior across various segments, we found that lower-income donors (under \$50,000 household income) were as likely to be donating more in the wake of the pandemic as they were likely to be donating less. A higher percentage of men than women reported giving more in the wake of the pandemic (30% vs. 26%), and a higher percentage of women than men reported giving less (24% vs. 19%). Finally, Democratic donors were more likely than Republican donors to be giving more in the wake of the pandemic (50% vs. 30%).

Has the amount that you donate changed in the wake of the Covid-19 pandemic?



- No - I give about the same amount as I did before
- Yes - I give more now than I did before
- Yes - I give less now than I did before

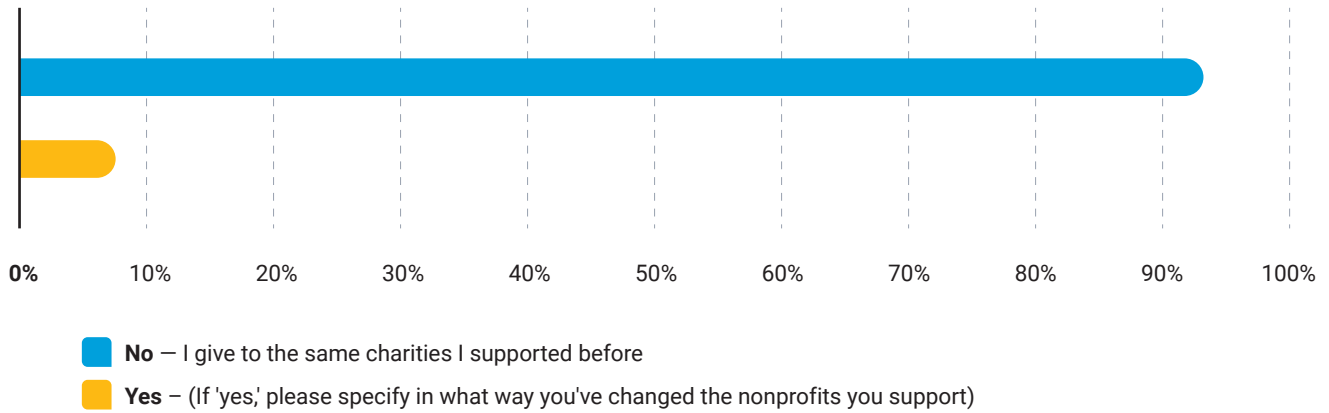


- No - I give about the same amount as I did before
- Yes - I give more now than I did before
- Yes - I give less now than I did before



Perhaps most interestingly, only 7% of respondents indicated that they have changed the nonprofits they support in the wake of the COVID-19 pandemic. A full 93% indicated the charities they support remain unchanged.

Have you changed the nonprofits you support in the wake of the Covid-19 pandemic?



Takeaway

The COVID-19 pandemic hasn't upended the nonprofit landscape as many have feared. Donors are slightly more likely to have increased their giving, but the types of charities that people support has remained largely consistent.

With these trends in mind, it's less important for charities to adjust their messaging to include COVID-19 than it is for them to ensure their mission is staying relevant to their donors overall. As evidenced in many other areas of this research, nonprofits have a huge [opportunity to connect](#) with younger donors through relevant, personalized, cross-channel communications, particularly as they're the most likely to be increasing their donations in the wake of COVID-19.

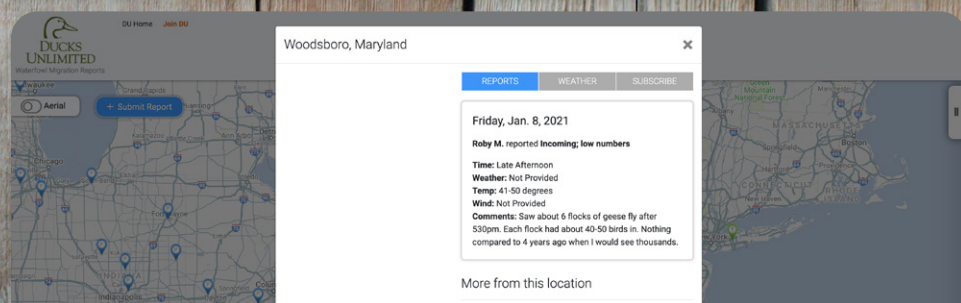
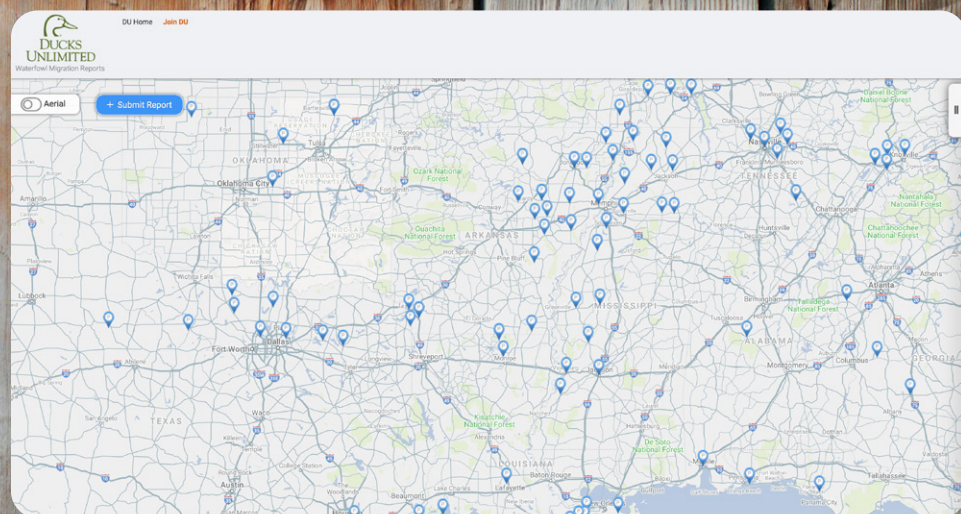
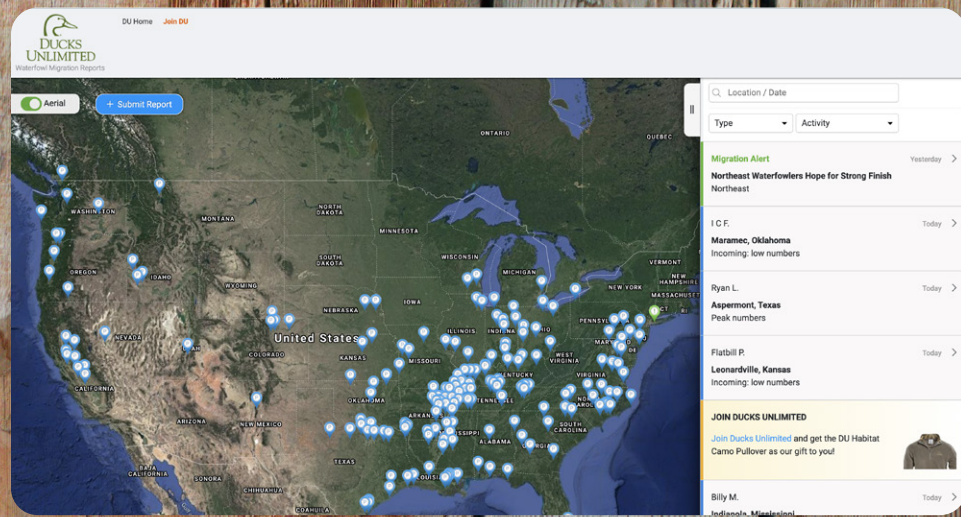


CASE IN POINT

Ducks Unlimited

The COVID-19 pandemic has posed a fundraising challenge for many nonprofit organizations, particularly those with a heavy reliance on live events. One such charity, Ducks Unlimited, has remained resilient throughout the pandemic and able to minimize 2020 losses by understanding and executing the types of alternative programs that appeal to its donor base. For example, the organization has pivoted in 2020 to emphasize activities such as raffles, auctions, sweepstakes and online events.⁹

Overall, DU's position in 2020 was strengthened by the emphasis it had put on digital efforts in recent years. Its website, ducks.org, sees millions of visitors each year, and its mobile app—which includes an interactive duck migration app—has 150,000 users.





Conclusion

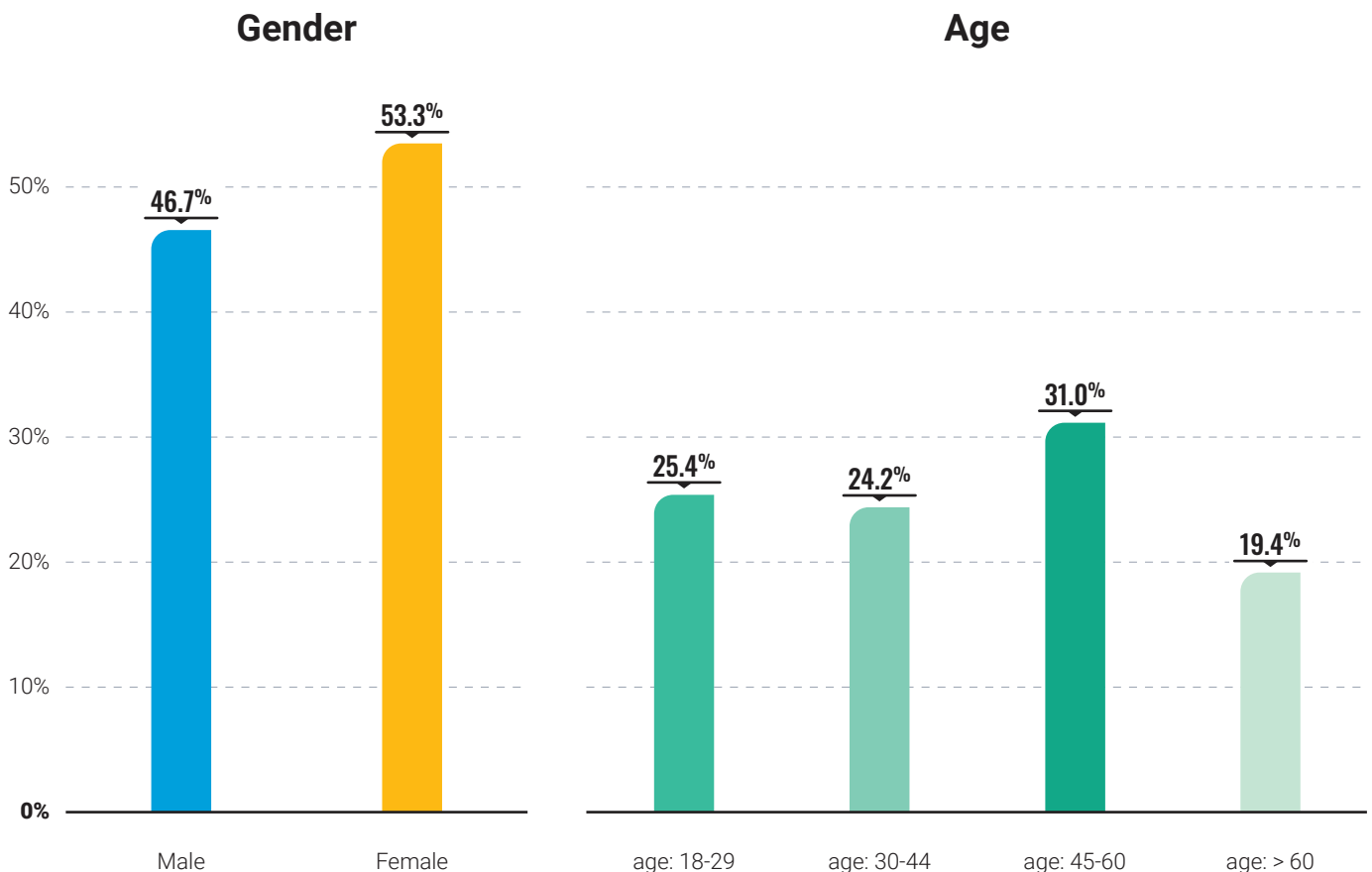
In 2020 and beyond, treating all donors the same is a path to irrelevance for nonprofits. Donor preferences, particularly as they relate to how charities interact with them and vice versa, vary greatly according to age, income, gender and political leanings. Although many nonprofits enjoy a great deal of loyalty among their contributor bases, that loyalty cannot and should not be taken for granted. Today's charities must be armed with [comprehensive insights into their donors and prospects](#) if they are to communicate efficiently, particularly during the ongoing pandemic.

Have questions about the donor acquisition and fundraising strategies in this report?

Reach out to us to chat with an expert

Methodology

In August 2020, Data Axle surveyed 1,215 individuals on their charitable giving habits and preferences. All respondents were based in the U.S. and reported having made a charitable contribution in 2020 beyond their place of worship or a political organization. The respondent mix was balanced to ensure a diverse and representative mix of respondents across age, gender, household incomes, and U.S. geographic region.





SOURCES

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|---|---|---|---|---|---|---|---|
| 1 | networkforgood.com | 4 | thenonproffitimes.com | 6 | accountingtoday.com | 8 | thenonproffitimes.com |
| 2 | philanthropy.com | 5 | upleaf.com | 7 | vox.com | 9 | thenonproffitimes.com |
| 3 | nonprofitpro.com | | | | | | |

About Data Axle

Data Axle, formerly known as Infogroup, is a leading provider of data and real-time business intelligence solutions for enterprise, small business, nonprofit, and political organizations. The company's solutions enable clients to acquire and retain customers, and enhance their user experiences through proprietary business, consumer, and donor data, artificial intelligence/machine learning models, innovative software applications, and expert professional services. Data Axle's cloud-based platform delivers data and data updates in real-time via APIs, CRM integrations, SaaS, and managed services. Data Axle has 45+ years of experience helping organizations exceed their goals.



Contact Us

Phone 1-866-DATAXLE • Email sales@data-axle.com • Website data-axle.com