Quarterly Fundraising Report™

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- Q3 2024 saw a 0.9% increase in dollars raised, marking a deceleration in the growth of fundraising dollars observed in previous quarters of 2024. For metrics related to participation, declines in the numbers of donors (-5.3%) and in donor retention (-4.6%) were observed, indicating a need for the sector to focus on increasing engagement and retention ahead of year-end.
- The decline in donor numbers is largely driven by low participation from the smallest donor size group (under $100), which saw an -12.4% year-over-year (YOY) decrease, and a lack of activation of new donors, who experienced an -11.5% YOY decrease. This underscores the need to incorporate small donor acquisition and retention into wider fundraising strategies.
- 2024 marks the fourth consecutive year that retention rate has declined YOY in Q3, with only 13.8% of new donors retained year to date. The drop was most pronounced among smaller donor segments ($1-$100, $101-$500 and $501-$5000), underscoring the need for more effective retention strategies.

DONORS	DOLLARS	RETENTION
-5.3%	+0.9%	-4.6%
(+/- 3.5%)	(+/- 3.0%)	(+/- 0.5%)
YOY change	YOY change	YOY change

- In this report, we compare data compiled from previous years to 2024. All metrics are computed up to Q3 (from January of a given year to the end of September of the same year).

Current Dataset

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Limitations

- Data in our panel is limited to organizations with >=3 years of data, with $5K - $25M received in the prior year, via the Growth in Giving database.
- Data is weighted across size of organization as determined by amount fundraised, including organizations raising between $5K - $25M.
- Data is also weighted by NTEE (National Taxonomy of Exempt Entities) codes utilized by the IRS to determine organization type and/or cause.
- A significant amount of data arrives late, so we estimate the difference for top-line metrics by reviewing historical patterns of delayed data. Throughout this report, ranges for each metric express uncertainty in the estimates. However, the subsequent splits (such as donors by donor size) are not adjusted and therefore may not reflect the macro trends seen in the topline figures reported on page 1.

DONORS	DOLLARS	ORGANIZATIONS
4.4M	$6.4B	12,394
in 2024	in 2024	in 2024

Donors: Time Series

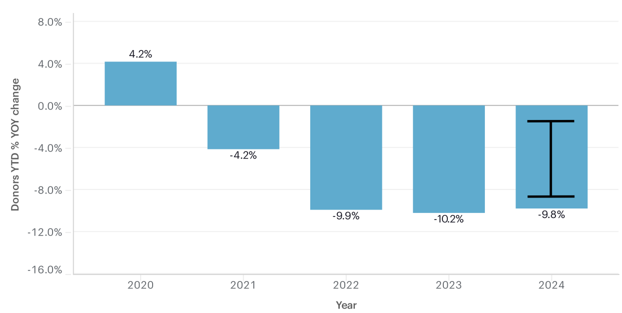
Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

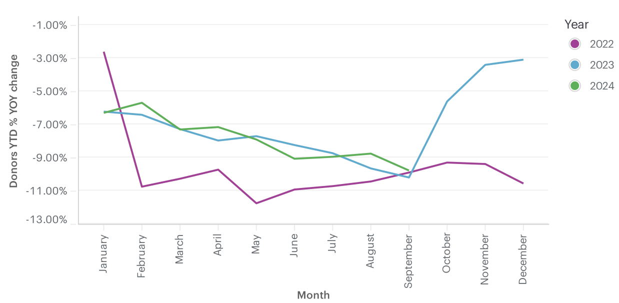
Key Insights

- After accounting for late data, we estimate that donor count has decreased by -5.3% (±3.5%) in Q3 2024.
- This quarter marks the fourth consecutive year of declining donor numbers in Q3, underscoring the ongoing challenge of engaging donors ahead of year-end.

Donors Growth (Yearly)



Donors (Monthly)



- Following the trend observed earlier in the year in 2024, the decline in donor numbers intensified in Q3, mirroring what was observed in 2023 in the run up to year-end.

NOTE: The panel for each year differs based on our panel rules (stable organizations over the past 3 years w/ $5K - $25M received in the prior year, via the Growth in Giving database). This ensures consistent historical data & avoids biasing past results by filtering on future data.

Donors by Donor Size

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- Micro donors ($1–100) account for over half of all donors but their YOY decline of -12.4% indicates a substantial decrease in donor participation among the smallest donors, making micro donors responsible for two-thirds of the topline loss in donors this quarter.
- We also see declines in the numbers of the largest donors ($50k+), which fell -2.3% YOY. The rate of decline was smaller than that observed among other donor groups.

	MICRO ($1 - $100)	SMALL ($101 - $500)	MIDSIZE ($501 - $5K)	MAJOR ($5K - $50K)	SUPERSIZE ($50K+)
YOY Change	-12.4%	-7.2%	-6.3%	-4.7%	-2.3%
% of total donors	52.4%	30.3%	14.6%	2.4%	0.3%

All year-over-year (YOY) changes are computed on year-to-date (YTD) totals. Donor size segments were chosen to span both dollars and donors, with each segment representing 1-50% of the total. Estimates for late data only apply to top-line donors, dollars, and retention. Thus, these more granular breakdowns underestimate year-over-year growth.

Donors by Life Cycle

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- The number of donors has decreased across every segment of the donor life cycle. Similar to Q3 2023, new and new-retained donors saw the largest declines in donor numbers, with decreases of -11.5% and -13.2%, respectively. However, the magnitude of these drops was smaller in 2024 compared to the previous year, suggesting that the decline is potentially stabilizing.
- Repeat retained donors, the most consistently engaged group, experienced the smallest year-over-year decrease at -7.8% in Q3 2024. Despite this, as they account for 40.1% of the donor base, they contributed to roughly a third of the overall decline in donor numbers.

NEW DONORS	NEW RETAINED DONORS	REPEAT RETAINED DONORS	RECAPTURED DONORS
-11.5% YOY Change	-13.2% YOY Change	-7.8% YOY Change	-8.6% YOY Change
37.5% % of total donors	8.8% % of total donors	40.1% % of total donors	13.5% % of total donors

NEW DONORS - never gave to this organization before.
NEW RETAINED DONORS - gave last year to the organization, but never before.
REPEAT RETAINED DONORS - gave last year to the organization, but not for the first time.
RECAPTURED DONORS - did not give last year to the organization, but had given in the past.

Donor by Donation Count

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- One-time donors comprised over two-thirds of the total number of donors but saw a double-digit percentage decline in donor numbers compared to Q3 2023. Similar to the last quarter, these one-time donors were responsible for nearly 75% of the topline reduction in the number of donors.
- From Q2 to Q3 2024, the most frequent donors (7+ donations) went from making up only 3.0% of the total number of donors to 10.9%, with the YOY decrease in this group slowing to -6.2% from -14.4%.

1 DONATION	2 DONATIONS	3-6 DONATIONS	7+ DONATIONS
-10.4%	-8.6%	-11.4%	-6.2%
YOY Change	YOY Change	YOY Change	YOY Change
68.4%	12.2%	8.5%	10.9%

% of total donors % of total donors % of total donors % of total donors

Donation count segments were selected to best illustrate the distribution of total donors and dollars across the giving spectrum. A donor's donation count includes all contributions made year-to-date.

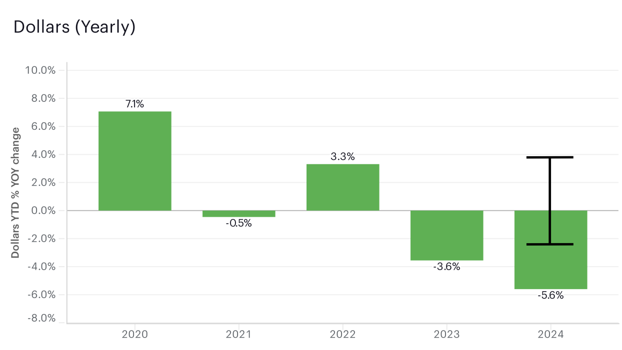
Dollars: Time Series

Year-to-Date Nonprofit Sector Trends

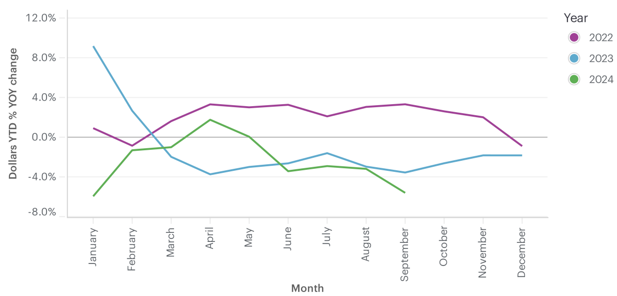
Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- After adjusting for late data, we estimate that dollars have increased by 0.9% (±3.0%) compared to Q3 2023.
- This increase in dollars fundraised for Q3 2024 reverses the decline observed in Q3 2023, as shown on the graph to the right.



Dollars (Monthly)



- On a monthly basis, the YOY decline in dollars for Q3 2024 follows a trend similar to that of Q3 2023.

Dollars by Donor Size

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- Micro donors, who comprise over half of all donors, contribute just 1.8% of the total dollars raised. This segment experienced the largest year-over-year decline in donor count at -12.4%. Similarly, the total amount they donated decreased by -12.6%.
- Donations made by supersize donors, who provide more than 50% of total dollars raised, declined by -5.5%.

MICRO ($1 - $100)	SMALL ($101 - $500)	MIDSIZE ($501 - $5K)	MAJOR ($5K - $50K)	SUPERSIZE ($50K+)
-12.6% YOY Change	-7.9% YOY Change	-6.0% YOY Change	-4.4% YOY Change	-5.5% YOY Change
1.8% % of total dollars	5.2% % of total dollars	16.0% % of total dollars	24.7% % of total dollars	52.3% % of total dollars

Donor size is computed on a donor's total year-to-date dollars given.

Dollars by Life Cycle

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- Dollars fundraised decreased across all donor type segments for Q3 2024.
- In line with previous years, new donors experienced the largest decline in fundraising, with dollars raised from this group down by -8.4% YOY.
- Repeat retained donors had the greatest impact on topline dollars. This group, which represents 60.3% of all funds raised in Q3, saw a -4.9% decrease in donations, contributing to over a half of the total decline in dollars raised.

NEW DONORS	NEW RETAINED DONORS	REPEAT RETAINED DONORS	RECAPTURED DONORS
-8.4% YOY Change	-5.5% YOY Change	-4.9% YOY Change	-4.9% YOY Change
18.5% % of total dollars	8.4% % of total dollars	60.3% % of total dollars	12.8% % of total dollars

NEW DONORS - never gave to this organization before.
NEW RETAINED DONORS - gave last year to the organization, but never before.
REPEAT RETAINED DONORS - gave last year to the organization, but not for the first time.
RECAPTURED DONORS - did not give last year to the organization, but had given in the past.

Dollars by Donation Count

Year-to-Date Nonprofit Sector Trends
Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- One-time donors, who contributed just under half of the total dollars raised, have experienced a year-over-year decline of -6.2%. Since our donation count groups are based on donations made year to date, one-time donors account for a smaller proportion of total dollars raised in Q3 than they did in Q1 and Q2.
- Donors making multiple donations saw smaller declines in dollars raised YOY, suggesting greater stability amongst these engaged donors.

1 DONATION	2 DONATIONS	3-6 DONATIONS	7+ DONATIONS
-6.2% YOY Change	-4.0% YOY Change	-5.4% YOY Change	-5.8% YOY Change
46.7% % of total dollars	17.6% % of total dollars	17.6% % of total dollars	18.0% % of total dollars

Donation count segments were selected to best illustrate the distribution of total donors and dollars across the giving spectrum. A donor's donation count includes all contributions made year-to-date.

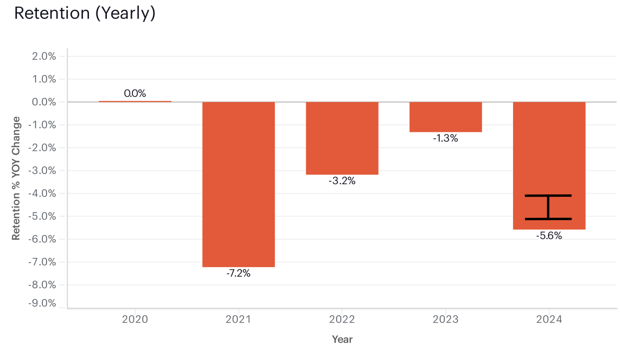
Retention Rate: Time Series

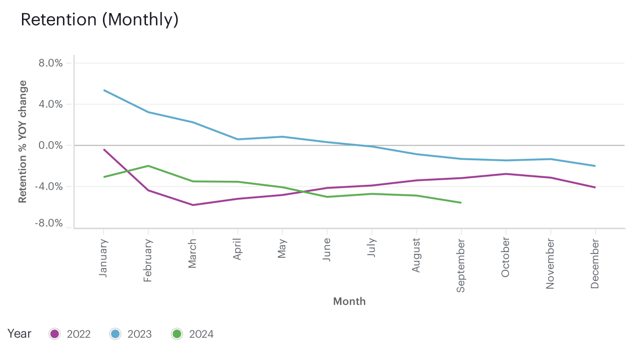
Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- Retention rate is down -4.6% (±0.5%) YOY after adjusting for late-arriving data. Q3 2024 marks the fourth consecutive year where overall donor retention rate has decreased YOY.
- Although the decline in retention has been decreasing in magnitude over the past three years, Q3 2024 marks a reversal of this trend, underscoring continued difficulty in re-engaging past donors in this quarter.





- Retention has continued its downward trend through Q3, hitting a new low in September 2024 with a decline of -5.6%.

RETENTION - Retention is computed year-to-date. It represents – out of the people who donated last year – the ratio of people who donated again this year year-to-date.

Retention Rate: Donor Type

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- New donor retention declined significantly by -9.0% year-over-year, with only 13.8% of new donors retained year-to-date. This underscores the persistent challenge of engaging and retaining first-time donors.
- Repeat donor retention decreased by 4.6%, but at 50.3% year-to-date, it remains significantly higher than retention rates for new and recaptured donors. This suggests that repeat donors are still more likely to give again compared to other groups.
- We are removing the recapture rate from this iteration of the report as we undergo a methodological review of this metric.

NEW DONOR RETENTION RATE	REPEAT DONOR RETENTION RATE	RECAPTURE RATE
-9.0%	-4.6%	--
YOY Change	YOY Change	YOY Change
13.8%	50.3%	--
retained YTD	retained YTD	retained YTD

NEW DONORS - Never gave to this organization before.
REPEAT DONORS - Donors who gave last year to the organization, and were not new last year.
RECAPTURED DONORS - Donors who did not give last year to the organization, but had given in the past.

Retention Rate by Donor Size

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- All donor size segments experienced decreases in donor retention, with the sharpest declines seen amongst the Micro, Small, and Midsized donor segments.
- Compared to Q3 2023, the decrease in retention rates is sharper for all segments except for donors that have given $50k+, highlighting a challenge in re-engaging past donors.
- Retention rates are highest among the largest donors, with over half of last year's Major ($5k-$50k) and Supersize ($50k+) donors having contributed again by Q3 this year. This suggest that donors who gave significant amounts in the past tend to continue their support in future years.

MICRO ($1 - $100)	SMALL ($101 - $500)	MIDSIZE ($501 - $5K)	MAJOR ($5K - $50K)	SUPERSIZE ($50K+)
-6.4% YOY Change	-7.0% YOY Change	-6.5% YOY Change	-5.7% YOY Change	-4.9% YOY Change
21.1% retained YTD	36.9% retained YTD	47.4% retained YTD	50.5% retained YTD	54.8% retained YTD

Donor size segments were chosen to span both dollars and donors, with each segment representing 1-50% of the total.

Retention Rate by Donation Count

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

key insights

- The historical positive correlation between retention and donation count remains strong, meaning more frequent donors are more likely to be retained.
- Despite the relatively uniform YOY declines across donation counts, the decrease in topline retention is primarily driven by one-time donors, who account for over two-thirds of all donors, making their retention challenges more impactful on the topline metrics.

1 DONATION	2 DONATIONS	3-6 DONATIONS	7+ DONATIONS
-6.1% YOY Change	-5.1% YOY Change	-7.0% YOY Change	-6.1% YOY Change
18.6% retained YTD	38.1% retained YTD	61.2% retained YTD	84.3% retained YTD

Donation count segments were selected to best illustrate the distribution of total donors and dollars across the giving spectrum. A donor's donation count includes all contributions made year-to-date.

Organization Size Impact: Splits

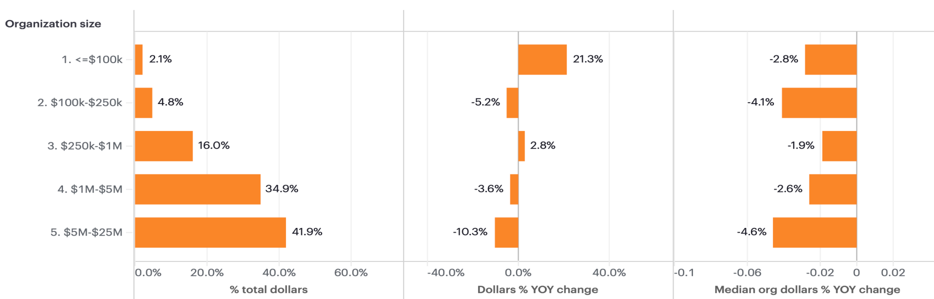
Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- Both the smallest organizations (<= $100k) and medium-sized organizations ($250k-$1M) saw their fundraising performance improve compared to Q3 2023.
- In Q3 2024, dollars declined by 10.3% for the largest organizations ($5M–$25M) and 5.2% for small-sized organizations ($100K–$250K). This marks an increased decline compared to Q3 2023, when the decrease was 9.9% and 1.5% for the largest and small-sized organizations, respectively.
- Although the smallest organizations experienced a notable increase in total dollars raised, this trend appears to be driven by a few positive outliers. In contrast, the median organization within this segment experienced a -2.8% decline in fundraising. This is likely due to the segment's small size (2.1% of total dollars) making this group particularly susceptible to the influence of outliers.

Organization size x Dollars



% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for organizations, grouped by an organization's budget size. Trends in the mean are more informative of the sector as a whole.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth for organizations, grouped by an organization's budget size. Trends in the median are more indicative of a typical organization's fundraising experience.

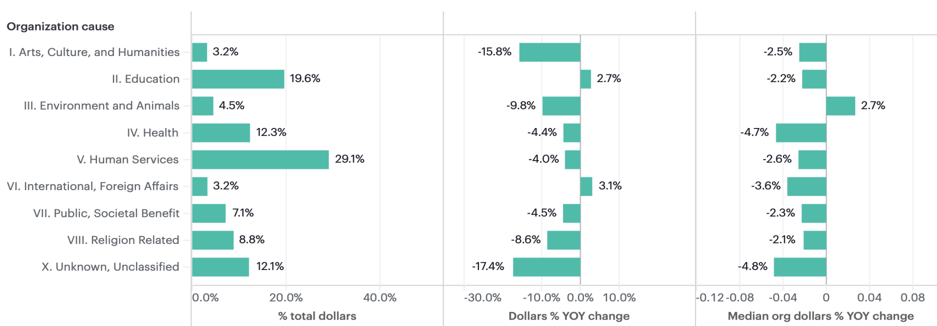
Organization Cause: Split

Year-to-Date Nonprofit Sector Trends

Q3 2024 (JAN 1, 2024 - SEP 30, 2024)

Key Insights

- Education organizations represent a significant portion of fundraising dollars at 19.6% and saw positive growth with a 2.7% increase in total dollars raised year-over-year. However, the median year-over-year dollar growth across these organizations was -2.2%, indicating that the increase in total fundraising dollars was driven by a relatively small number of organizations, while many education organizations actually experienced a decline in funds raised. A similar pattern was observed for International, Foreign Affairs organizations.
- The 'Arts, Culture, and Humanities' sector experienced significant YOY declines in dollars raised, a result driven by large negative outliers, as evidenced by a more modest median decrease. This outcome is probably due to the sector's relatively small total dollar size, which makes it more vulnerable to the impact of outliers.
- The 'Environment & Animals' sector reported increases in median organization fundraising (up 2.7% YOY) despite overall declines in total dollars raised across the sector. This suggests that while the median organization is improving fundraising, the sector's overall performance is being weighed down by relatively few but larger organizations exhibiting poor fundraising YOY.



% DOLLAR GROWTH (MEAN) - Year-over-year dollar growth for all organizations of this NTEE major group. More informative about the sector as a whole.

% DOLLAR GROWTH (MEDIAN) - The median year-over-year dollar growth across each organization of this NTEE major group. More indicative of a typical organization's fundraising experience.

FUNDRAISING EFFECTIVENESS PROJECT

The Fundraising Effectiveness Project (FEP) delivers trusted data insights that help fundraisers improve their outcomes, driving growth and increasing generosity across the nonprofit sector. We envision a sector where actionable data guides every fundraiser's decisions, helping nonprofits become more effective and adaptive. Since its founding in 2006, FEP has become a leading resource for data-driven insights. FEP is a collaborative project of the Association of Fundraising Professionals (AFP) Foundation for Philanthropy and GivingTuesday.

METHODOLOGY

We removed organizations that did not have a minimum of 25 donations and $5,000 in revenue in each of the previous three years. We removed organizations at either tail of the revenue growth curve. If revenue growth was more than 300% or less than -66% in any of the past three years, organizations were removed. We also excluded individual contributions above $10M. We weighted our data by organization size and NTEE major group to make it reflective of 2018 IRS filers in the $5K - $25M range of contributions. In 2018, there were 222K IRS filers in this contributions range and passing our growth and size filters, making this report representative of 3.9% of the total relevant filers. Details regarding estimation methodology for late reported data can be found here.

DATA PROVIDERS

The FEP wouldn't be possible without data. These software providers make the collection of data in support of the project possible.

DATA REPORTING

The FEP wouldn't be possible without data analysis and additional support provided by Bonterra.