



DONATIONS

Charity & NGO

Digitisation

ReShape Co. 2020

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Industry trends:

Pre-COVID:

2018 Global Trends in Giving Report [\[source\]](#) - Key Findings:

- Out of 6057 donors, many are women (65%) who have a liberal ideology (53%), characterise themselves as religious (72%), and give between \$101-\$1000 USD annually (43%)
 - These donors are most likely to support the causes of children and youth (15%), health and wellness (11%), and animals and wildlife (11%)
- 54% of donors worldwide prefer to give online with a credit or debit card → increased access to online giving technology in Africa, Asia, and South America will likely grow these numbers significantly in coming years
- 29% of donors worldwide say that social media is the tool that most inspires them to give, with e-mail a close second at 27%
- Of those inspired by social media, 56% say that Facebook inspired them the most
- TV and radio (9%) and messaging apps (1%) have very little impact on donors
- Crowdfunding campaigns that benefit individuals are growing in popularity, with 41% of donors who donate to charitable organisations also donating to individual campaigns
- Generational divides are lessening due to technological advances, only 18% of Boomers give via direct mail/post
- Religious donors are more likely to give to charitable organizations that provide basic needs and support the causes of children and youth, health and wellness, and hunger and homelessness. Non-religious donors are more likely to give to the causes of animals and wildlife, human and civil rights, and international development and relief
- Donors are very involved with their favourite causes and charitable organisations offline: 67% volunteer locally, 9% volunteer internationally and 56% attend fundraising events

- Privacy concerns are a growing concern for donors: 80% do not want organisations to share their contact information with other organisations and 92% want organisations to make a concerted effort to protect their contact and financial information from data breaches

Conclusion: many gaps in the market for new avenues of marketing in order to entice people to give more, with trends veering strongly towards digitalisation (pre-COVID-19). A full 30+ page report, specified into area as well as by age, gender, religion etc, can be found at the source above.

Digitization trends [\[source\]](#) [\[source\]](#):

- According to Fidelity Charitable's study 'Future of Philanthropy' (2019), 27% of donors felt encouraged by technological advances in philanthropy, which makes it easier for NGOs to collect smaller, one-time donations rather than outdated contract models
- 41% of individual donors have changed their giving habits due to greater accessibility to information about an NGO's effectiveness
- Increase in this two-way information flow also allows donors to run 'background checks' on NGOs before donating and allows more connection between NGO and donor to ensure transparency and accountability
- According to the 2018 Global NGO Technology Report, 71% of respondents viewed social media as an effective online fundraising tool

2018 Global NGO Technology Report - expectations for NGOs from donors given the increase in digitalisation [\[source\]](#):

- Donors prefer to check whether the charity's mission, vision and goals are aligned with his/her personal philanthropic agenda
- Donors conduct an investigation on the policies and procedures of a charity; how the funds collected are achieving said social missions
- Donors want to directly access information regarding the cause they support
- Donors want the option to connect with beneficiaries, where appropriate

- Donors want real-time feedback on the impact their donation is giving to social causes; and
- Donors want automation of tax-deductible credits as well as the ability to check an NGOs tax exemption status and access to its financials

Future planning [[source](#)]:

- Tech adoption has aided in faster mobilisation of support for short-burst campaigns; highly-targeted, personalised funding campaigns are likely to do well when donors' preferences have been discovered
- According to Facebook in 2018, its charitable giving tools helped raise more than USD 1 billion since it introduced charity-options in 2015, with over 20 million people either donating or starting a fundraiser over Facebook
- YouTube also added giving-related features - which are still country-specific
- Twitter has also changed the fundraising game by turning the sheer number of engagements into donations and accelerating fundraising efforts
- Automating donor interactions are reducing labour and operational costs, improving data quality, and increasing administrative efficiency resulting in accelerated growth; as Donor data migrates to the Cloud, the process of soliciting repeat donations have been streamline
- Turning one-time givers into recurring donors remains one of the largest challenges for NGOs. Farming for a recurring-gift donor base requires consistent commitment to engagement strategies that will nurture donors and increase personalised connections towards an NGOs mission
 - According to NextAfter, an NGO research consultancy lab, recurring donors may be four times more valuable than a one-time donor, as the former provides greater predictability in spending habits and reduces marketing costs. The cost of maintaining a recurring monthly donor also tends to be lower than those who give only once annually. According to industry data, a customer/constituent relationship management donor system may increase donor contribution by up to 20%

COVID-trends [\[source\]](#):

- 73% of the organisations La Piana surveyed reported a drop in revenue
- 26% of social service organisations reported revenue increases, possibly reflecting rising demand and timely governmental/philanthropic response
- 82% reported the majority of their staff are now working remotely and another 82% across all sub sectors reported digitalising some or all of the programs and services they offered
- Over more than two decades of helping hundreds of nonprofits merge, La Piana Consulting has observed the prevalence of mergers to be 1% or less of the sector in any given year; 23% of respondents are now considering such partnerships amidst the pandemic

Experts/key runners:

Forbes Non-Profit Council Advice for the Pandemic:

- How nonprofits can keep members engaged during the pandemic [\[source\]](#)
- Adapting fundraising strategy during the pandemic or other recessions [\[source\]](#)
- Essentials for disruptive social innovation [\[source\]](#)
- Building a new model for greater change and impact [\[source\]](#)
- Building relevance and sustainability through instability [\[source\]](#)
- How non-profits can navigate challenging situations through communication [\[source\]](#)

Non-Profit Tech for Good Blog [\[source\]](#)

Empower Agency's blogpost [\[source\]](#):

- Email has still proven to be the best marketing channel [\[source\]](#)
- Instagram Stories took off in 2018 with great success for businesses; Empower believes that this can be the same for charities and NGOs [\[source\]](#)

Emerging areas to get involved with:

Digital Marketing:

- Blaksheep Creative 2020 Guide [[source](#)]
- Digital storytelling to access, attract and activate donors (US-based, but applicable elsewhere) [[source](#)]

Digitalisation resources available to utilise:

These products can help streamline the donation process, and also increase accessibility. They are the most popular tools in the industry, and as such as independent recommendations and not sponsored by the companies.

- [Microsoft Philanthropies](#)
- [Microsoft Dynamics 365 CRM Platform](#)
- [Microsoft Dynamics 365 Nonprofit Accelerator](#)
- [Common Data Model for Nonprofits](#)
- [StratusLIVE](#)
- [The Charity Digital Code of Practice](#)
- [CAST's Fuse Programme](#) [to help nonprofits discover, design and develop user-centred digital services]
- [Action For Children Digital & Innovation Team](#)

Smart speakers/artificial intelligence:

- While the use of Artificial Intelligence has enabled NGOs to gather large data, the clarity that data brings depends on how effectively it is utilised. AI-based chatbots help make the donor experience more seamless either through automation of form-filling or addressing personalised responses donor queries in real-time - both of which have proven to drive higher conversions [[source](#)]
- Traditional TV and radio only inspire 9% of donors to give, but that number could increase if internet-based TV and radios apps, such as Netflix and Pandora, tailored their programming and advertising services to cater to organizations. Smart-home voice assistants, such as the Amazon Echo and Google Home, could also provide

new ways of giving [\[source\]](#)

- Edison Research's Smart Audio Report revealed that Americans now own 118.5 million smart speakers. People are talking more and typing less as virtual assistants, like Alexa or Google Assistant, are becoming common household items. By the end of 2020, 50% of all online searches will be performed with voice search [\[source\]](#)
- Hundreds of NGOs are already available via 'Alexa Donations' [\[source\]](#)
- Young disability charity Whizz-Kids have built an integration with Transport for London's API to replicate the route planner instructions in voice-enabled platforms for those with accessibility issues [\[source\]](#)

EveryAction's downloadable guide to voice command fundraising [\[source\]](#).

GoFundMe Charity:

- **Background:** From 2010 to 2017, it raised over \$5 billion for over 2 million individual campaigns from 50 million donors
- The new charity giving platform, GoFundMe Charity, requires no upfront costs, contracts, or subscription fees to nonprofits beyond a standard transaction fee of under 3 percent to cover credit card processing and the safe transfer of funds [\[source\]](#)
- **How to get started:** TechSoup's blog post [\[source\]](#)

Facebook's new digital payment system [\[source\]](#):

- Allows users to make payments across Messenger, Instagram and WhatsApp platforms
- Nonprofits can now add a donate button to the top of their Instagram profiles [\[source\]](#)

#GivingTuesday [\[source\]](#):

- US based but practiced worldwide, it is a date every year in which individuals give to their chosen charities, and post it on social media
- In 2019, \$511 million was raised online in the USA, compared to \$400 million in 2018

ImpactMatters Rating System [\[source\]](#):

Aims to allow donors to find the most cost-effective nonprofits in 8 areas where impact can be measured: veterans, clean water, homelessness, health, poverty, hunger, education, and climate change. Charities & NGOs can compare themselves to other nonprofits in order to show potential donors that they are the most effective and viable option for giving.

Podcasts:

- Journity's blogpost on predictions surrounding the popularity of podcasts, their potential use by NGO's, and audience demographics [\[source\]](#)