

2023 Nonprofit Tech for Good Report



Written & Produced by NONPROFIT TECH FOR GOOD



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About the Report

The biennial **Nonprofit Tech for Good Report** seeks to gain a better understanding of how nonprofit organizations use technology for digital marketing and fundraising. The 2023 report is based on the survey responses of **1,732 nonprofit professionals** that subscribe to or follow **Nonprofit Tech for Good** on social media.

Survey questions covered website and email communications, online fundraising, social media, and professional development in the nonprofit sector. The survey was promoted online in 2021 and 2022.

About the Survey Respondents

- The survey was completed by nonprofit professionals from 116 countries. The top three countries were the United States at 43%, Canada at 7%, and Mexico at 5%.
- 26% of the respondents are nonprofit executive professionals, 22% work in marketing and communications, and 20% are fundraising professionals.
- **59%** of the respondents consider their organizations to be small, **33%** medium-sized, and **8%** large.

Websites

Your nonprofit's website is the foundation upon which your digital marketing and fundraising campaigns are built. How well your nonprofit's email, social media, and online fundraising campaigns perform depends upon how well your website is designed.

The good news is that most nonprofits are prioritizing their website and understand the importance of modern website design. **68%** have redesigned their website within the last three years and **94%** of nonprofits have a website that is optimized for mobile browsing – up from **80%** in 2019.

Nonprofits are also making progress on prioritizing security to protect their website from cyberattacks. An impressive **68%** of nonprofits have a website security plan in place and **84%** have an SSL certificate installed on their website — up from **70%** in 2019.

Moving forward, nonprofits would be well-served to optimize their website for those with visual and hearing disabilities to expand their reach and where applicable, expand their website to include more than one language, especially those serving diverse communities or an international audience.

Websites



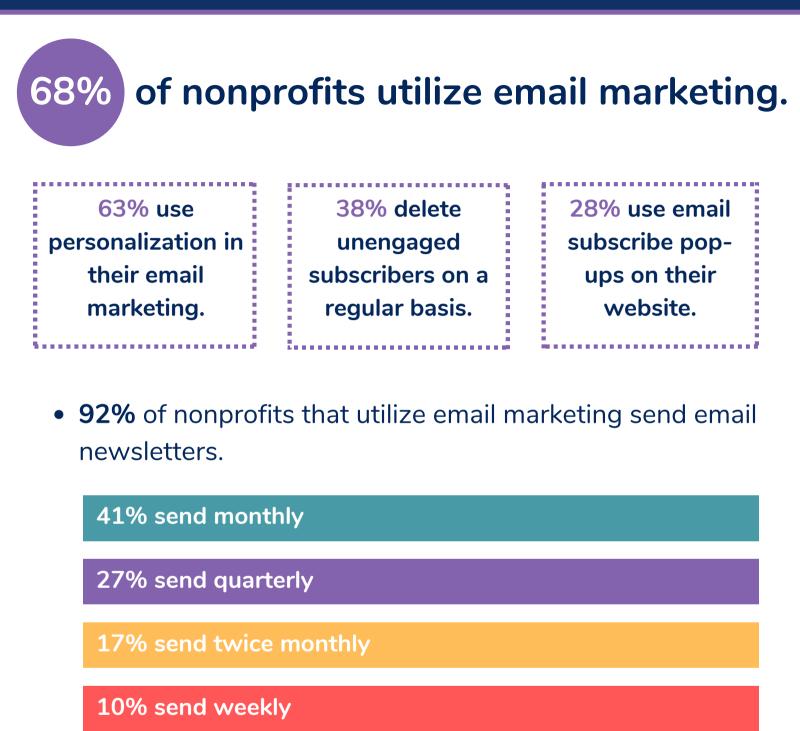
- **94%** of nonprofits have a website that is optimized for mobile browsing.
- 84% have an SSL certificate installed on their website.
- **75%** use the .org domain for their primary website and email communications.
- 68% of nonprofits have a website security plan in place and 27% have experienced a cyberattack
- 58% of nonprofits use WordPress.org as their content management system (CMS) for their website, 7% use Wix, 6% use Squarespace, and 5% use Drupal.
- **37%** have an search engine optimization (SEO) strategy. Of those, **14%** include voice search in their strategy.

Email marketing is vital to the success of your nonprofit's digital marketing and fundraising strategy. According to the <u>Global Trends in Giving Report</u>, 26% of donors say that email is the tool that most inspires them to give (25% social media, website 17%, print 13%). Despite the proliferation of social media over the past two decades, email still reigns supreme.

The fact that **68%** of nonprofits utilize email marketing indicates that most understand the importance of email, but the data also reveals that nonprofits do not fully understand how recent privacy and security regulation has resulted in more emails going to spam and junk folders and the Promotions tab in Gmail.

In response, nonprofits should be sending email more often to their subscribers, but of those that utilize email marketing, a whopping **68%** are only sending email once a month or less which is a lost opportunity to engage your donors and supporters. Furthermore, only **38%** of nonprofits are deleting unengaged subscribers on a regular basis — not doing is damaging to a nonprofit's sender reputation and results in an unnecessary expense since the fees charged by email services are based on the number of subscribers on your list(s).

Email Marketing



3% send twice weekly

2% send daily

Email Marketing

• **74%** of nonprofits that utilize email marketing send email fundraising appeals.

67% send quarterly	
19% send monthly	
7% send twice monthly	
3% send weekly	
3% send daily	
1% send twice weekly	

- 35% raised the amount of money that they expected from sending email fundraising appeals. 34% raised more money than they expected while 31% raised less than they expected.
- 94% of nonprofits that utilize email marketing use an email marketing service, such as MailChimp or Constant Contact. The remaining 6% send their email campaigns using BCC.

The first "Donate Now" button was released in 1999 by Groundspring (acquired by Network for Good in 2005) and in the two decades since, nonprofits have embraced the art and science of inspiring people to give online to support good causes.

Without a doubt, innovation in fundraising technology ranging from peer-to-peer fundraising to virtual fundraising events — have empowered nonprofits to raise significant funds, yet the core fundraising tools of the early 2000s are still the most important, namely donation pages, monthly giving programs, and email marketing. All three tools continue to evolve, but today's best practices are well-known to experienced digital marketers and fundraisers.

Moving forward, many nonprofits can significantly improve their online fundraising campaigns with a few simple tweaks, such as accepting online ACH payments, upgrading to an Alempowered CRM, utilizing pop-ups on donation pages, and improving automated email communications with donors. The online fundraising tools available today to nonprofits are cost-effective and can help your nonprofit tap into an evergrowing global community of online donors.

93% of nonprofits that engage in online fundraising accept donations on their website.

70% use a fundraising service that sends automatic donation receipts via email. 50% provide the option for donors to cover donation processing fees.

39% have a year-round retention strategy for online donors.

- 91% of nonprofits accept credit card payments on their website. 53% accept PayPal, 45% accept ACH payments, 7% accept Google Pay, 6% accept Apple Pay, 4% accept cryptocurrency, and 3% accept Amazon Pay.
- **67%** use a Customer Relationship Management (CRM) software to track donations and manage communications.
- **16%** have a pop-up on their one-time donation page to inspire one-time donors to become monthly donors.
- **39%** of nonprofits actively implement a year-round retention strategy for online donors.

The 5 Most-Used Fundraising Strategies

1) 77% of nonprofits have a monthly giving program.

29% raised more money than they expected while38% raised less. 33% raised what they expected.

2) 62% of nonprofits participate in #GivingTuesday.

32% raised more money than they expected while35% raised less. 33% raised what they expected.

3) 54% utilize peer-to-peer fundraising.

32% raised more money than they expected while35% raised less. 33% raised what that they expected.

4) 46% hosted online fundraising events.

44% raised more money than they expected while29% raised less. 27% raised what they expected.

5) 37% use Facebook Fundraising Tools.

35% raised more money than they expected while23% raised less. 32% raised what they expected.

79% of nonprofits use automation technology in online fundraising.

- 70% sending automatic donation receipts via email.
- **32%** send an automated "Welcome" email series to new online donors.
- **31%** use automation to email year-end tax statements.
- 23% automatically send follow-up emails to monthly donors when their credit cards are set to expire and/or have expired.
- 15% use artificial intelligence (AI) software for donor prospecting, such as predicting what time of year a donor is most likely to give as well as how much they are likely to give.

- **29%** of nonprofits utilize crowdfunding.
- 23% host online fundraising auctions.
- 22% utilize text-to-give.
- **11%** host online raffles or sweepstakes
- 5% participate in gaming for good.

Early adopter nonprofits began to utilize Myspace and YouTube for digital marketing and fundraising in 2005. In the years since, nonprofits have expanded to Facebook, Twitter, Instagram, Pinterest, and most recently, Snapchat and TikTok. In the early years, small and medium-sized nonprofits were able to grow their online brand through social media to levels never seen before.

But today, the algorithms implemented by Big Tech have significantly hampered the power of social media for nonprofits. In truth, social media is not very effective without investing in advertising. **53%** of nonprofits understand this fact as evidenced by their spend on social media ads, and consequently, the top skill for social media managers in the years to come will be the ability to create social media ad campaigns that convert followers into donors.

For the **47%** of nonprofits that do not invest in social media ads, 2023 is a good year to take a critical look at your social media return on investment (ROI). Without a data-based approach to social media, nonprofits run the risk of wasting valuable time and resources that could be better invested in their website, email campaigns, and core fundraising tools.

Social Media

of nonprofits regularly use social media in their digital marketing and fundraising strategy.

60% use a thirdparty tool to post to social media.

87%

53% spend on social media advertising. 22% utilize UTM codes to monitor website traffic from social media

- 96% of nonprofits use Facebook Pages. 73% Instagram.
 59% Twitter. 49% LinkedIn Pages. 44% YouTube. 16% WhatsApp. 6% TikTok. 1% Snapchat and 1% Twitch.
- 47% of increased their spending on social media advertising in 2021 and 2022. 16% decreased their spending and 37% made no change.
- Of those that spend on social media advertising, 98% spend on Facebook, 47% Instagram, 17% Twitter and LinkedIn, 8% YouTube, 6% WhatsApp, and less than 1% spend on TikTok, Snapchat, and Twitch.

Social Media

37% of nonprofits use Facebook Fundraising Tools.

35% of nonprofits raised more money than they expected from Facebook Fundraising Tools while **23%** raised less. **32%** raised what they expected.

Facebook Fundraising Tools That Raise the Most Money

37% Fundraisers created by supporters

28% "Donate" button featured on pages

19% "Donate" button featured in posts

10% Fundraisers created by nonprofits

5% "Donate" button featured in posts with paid ads

1% Donation stickers in stories

0% "Donate" button in live streams Streams

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Social Media

13% of nonprofits use Instagram Fundraising Tools.

10% of nonprofits raised more money than they expected from Instagram Fundraising Tools while **57%** raised less. **33%** raised what they expected.

Instagram Fundraising Tools That Raise the Most Money*

58% "Donate" button featured on profiles

38% Donation stickers in stories

3% "Donate" button in live streams

4% of nonprofits use YouTube Fundraising Tools. **61%** raised more money than they expected from YouTube Fundraising Tools while **24%** raised less. **15%** raised what they expected.

* At the time of the survey for this report, Instagram Fundraisers were in beta and only available to a select few nonprofits. Odds are that fundraisers are now the top-performing Instagram Fundraising Tool.



The 20 Most Effective Digital Marketing & Fundraising Tools

According to 1,049 nonprofit digital marketers and fundraisers, these are the 20 most effective tools:

- 1) Website 84%
- 2) Social Media 65%
- 3) Email Newsletters 64%
- 4) Email fundraising appeals 43%
- 5) Monthly giving programs 37%
- 6) Social media advertising 31%
- 7) Peer-to-peer-fundraising 29%
- 8) Customer Relationship Management (CRM) software 24%
- 9) Virtual fundraising events 23%
- 10) #GivingTuesday 22%
- **11)** Video **21%**
- 12) Tribute giving programs 19%
- 13) Presenting webinars 17%
- 14) Cause awareness days 17%
- 15) Crowdfunding 15%
- 16) Infographics 15%
- **17)** Blogging **11%**
- **18)** Search engine advertising **10%**
- **19)** Online fundraising auctions **9%**
- 20) Web-based annual reports 9%

Professional Development

73% of nonprofit professionals regularly receive training in digital marketing and fundraising.

63% attend free and paid webinars.

38% attend online and in-person conferences.

15% attend training offered in-house.

12% attend classes offered through a university.

14% of nonprofit professionals have earned a certificate in the field of digital marketing and/or online fundraising.56% feel they are fairly compensated for their employment.

- 86% of nonprofit professionals check their work email during non-traditional work hours. Of those, 66% in the evening, 63% in the early morning, 60% on the weekends, and 42% while on vacation.
- **52%** regularly experience social media burnout.

Certificate in Digital Marketing & Fundraising

Our <u>Certificate in Digital Marketing & Fundraising</u> <u>program</u> covers the fundamentals of website design, email marketing, online fundraising, and social media for nonprofits. The certificate program requires the completion of three webinars and costs \$100 USD. To earn the certificate, you can attend the webinars live or view the recordings – or a combination of both.





Professional Development

Certificate in Social Media Marketing & Fundraising

Our <u>Certificate in Social Media Marketing &</u> <u>Fundraising program</u> covers how to create and maintain a content strategy, current best practices for the top-performing social media sites, and how to be an early adopter of emerging social media trends. The certificate program requires the completion of four webinars and costs \$100 USD.



Our 2021-22 Sponsors

Nonprofit Tech for Good and the services we offer would not be possible without the support of our sponsors. **Thank you to our 2021-22 sponsors:**

Funraise offers an extensive set of fundraising tools built by nonprofit people, for nonprofit people. Their software also integrates with HubSpot, MailChimp, Facebook Fundraising Tools, Twitch, and more!

Eventgroove is a one-stop platform for virtual, hybrid, and in-person events that offers event management, online fundraising, ticketing, and online storefronts for print and digital merchandise.

Bonterra offers omnichannel engagement platforms to help nonprofits of every size cultivate donor relationships, optimize stakeholder interactions, raise more money, and advocate for positive change.

<u>**Classy.org</u>** is an online fundraising platform used by over 4,000 organizations. In addition to website donations, Classy offers crowdfunding, peer-to-peer, virtual events, and international fundraising tools.</u>

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<u>**GolfStatus.org</u>** is an event management platform for golf fundraisers. Nonprofits can set up event websites in minutes that offer online registration and payment processing, live leaderboards, and sponsorship packages.</u>

<u>**Trellis**</u> is a comprehensive virtual and in-person fundraising event platform used by 100s of nonprofits in North America that offers online registration and ticketing, auctions, raffles, and live streaming.

DonorPerfect is a CRM software that offers a suite of fundraising tools used by over 50,000 nonprofits. Founded in 1981, the DonorPerfect platform can be customized for the needs of small, medium, and large nonprofits.

Thank you to the 1,732 nonprofit professionals worldwide that participated in the 2021-22 Nonprofit Tech for Good Survey. Your contribution is greatly appreciated!