

Blackbaud Institute Spotlight: 2023 Trends in Giving

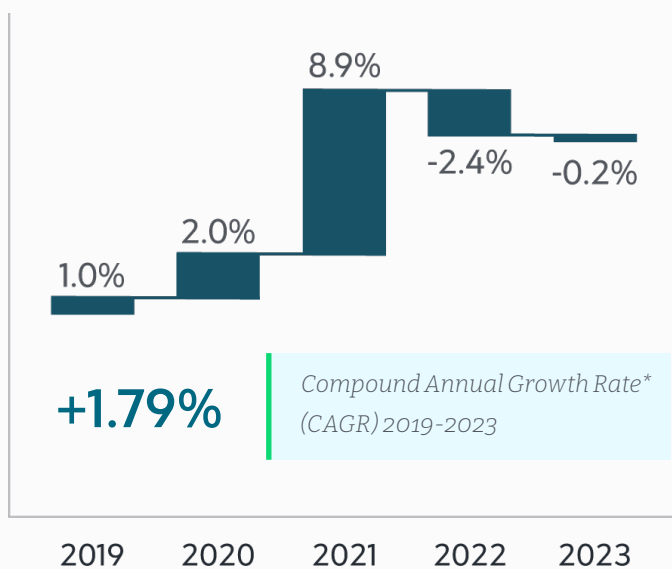
The Blackbaud Institute gives you the data you need to benchmark your success and level up, based on current trends in charitable giving. Our spotlights draw from the Blackbaud philanthropic dataset, the most robust in the world. Below, you'll find a round-up of the charitable giving trends that defined 2023, with tips to make the most of this year.

2023 Trends Show Generosity Remains Strong and Resilient

When looking at the fundraising landscape as a whole, stability was the overwhelming trend of 2023. On average, most organizations saw very little change year over year (-0.2% to be exact). The waterfall chart to the right illustrates changes in giving experienced by the average organization over the last five years, with a compound annual growth rate of +1.79%.

The onset of the COVID-19 pandemic, in tandem with social justice movements and the impact of the previous election year, led to an outpouring of generosity that outweighed any in recent memory. Giving in 2020 and 2021 was well-recognized by industry experts at the time as exceptional, driven by historic cultural changes. What was unknown was whether these increased levels would stay. The intervening years have shown that this generosity is durable, and today's giving levels remain well above their pre-pandemic norms.

Five Year View: Year-Over-Year Changes in Giving at Average Organizations



*of an average organization weighted proportionally by subsector

Source: The Blackbaud Institute, 2024.

2023: Top Three Subsectors Average Organizational Growth

+3.8%

ENVIRONMENTAL
ORGANIZATIONS

+1.4%

ANIMAL WELFARE
ORGANIZATIONS

+1.3%

MEDICAL
RESEARCH

The average environmental organization grew 3.8% in giving year over year, the greatest average growth for any subsector in 2023. Contributing factors may include response to extreme weather events and environmental disasters such as the Maui wildfires in August of 2023.

Overall Giving Tips

- Remind your donors of the “long game.” Donations tend to spike during high profile events such as environmental disasters, humanitarian crises, elections, and pandemics. The challenge is turning responsive donors into sustainers. Follow up with donors about the impact they made in these significant moments, but also illustrate how continued giving will allow your organization to serve its mission day-in and day-out. Get more tips in our [Playing the Long Game](#) stewardship toolkit.
- It’s no accident that the top three subsectors from 2023 are also popular causes for Gen Z and Millennials. Events are a great way to bring these up-and-coming donors into the fold. Animal Welfare organization Norfolk SPCA attributed their growth over the last year to strategic event management, turning attendees of the organization’s largest annual fundraising event into supporters.¹

Online Giving Continues to Make Gains

The percentage of charitable giving donated through online sources rose from almost 8% in 2022 to over 12% in 2023. Total Online Giving remained stable during 2023, with no statistical change.

1. Blackbaud Customer Stories, [Norfolk SPCA](#).

Small Organizations Lead in Online Giving

This increase was felt across organization sizes and subsectors, with Small Organizations (with revenue below \$1M) leading the pack with nearly 17% of their donations coming from online sources (this is in comparison to Medium Organizations at nearly 10% and Large Organizations at 12.5%). Not only did the percentage of gifts from online sources increase, but online giving as a whole rose with these Small Organizations by 1.5%.

2023: Top Three Subsectors Average Organizational Growth Online

+5.4%

HIGHER
EDUCATION

+5.2%

ARTS AND CULTURAL
ORGANIZATIONS

+2.8%

HEALTHCARE
ORGANIZATIONS

Online Giving Tips

- Don’t underestimate the power of your website’s donation forms, especially with younger donors. In a recent survey from the Blackbaud Institute, we found that Gen Z donors report using an organization’s website to donate at nearly twice the rate assumed by fundraising professionals. Stay tuned for more on Gen Z giving behavior, with a full report coming soon!
- Keep it simple! Your online donation forms should be easily found on your website and even easier to navigate. Establishing a one-click option for recurring gifts will streamline the donation experience for those hoping to sustain your mission.
- Learn what it takes to create a compelling, easy-to-use, mobile-first donation form with the new [5 Big Ideas for Online Giving](#) tip sheet.

About the Blackbaud Philanthropic Dataset

The Blackbaud Institute philanthropic dataset tracks thousands of nonprofit organizations totaling over \$50 billion in fundraising revenue globally. The online fundraising findings are based on data from thousands of nonprofit organizations. Of the organizations tracked in this index, 95% are US based, 2% are Canadian, 2% are UK and 1% are in the Australia Pacific region. Giving tracked in this index is a subset of overall giving processed by Blackbaud.

Organizations are grouped into three size categories: total annual fundraising less than \$1 million (small), total annual fundraising between \$1 million and \$10 million (medium), and total annual fundraising exceeding \$10 million (large). It is based on recorded giving in each organization's fundraising system, reported fundraising in IRS Form 990 data, and matching completed through the National Center for Charitable Statistics.

Organizations that did not meet all the research criteria have been excluded. We have not included the unfulfilled portion of pledge gifts or recurring gifts processed offline in our research. Giving USA® figures are used to weight the data to ensure that no individual organizations or subsectors are overrepresented in the analysis.

Each organization in The Blackbaud Institute Index is categorized by one of 12 subsectors using its National Taxonomy of Exempt Entities—or NTEE—code as reported on Form 990. These subsectors are Animal Welfare, Arts and Culture, Environment, Faith Communities, Healthcare, Higher Education, Human Services, International Affairs, K–12 Education, Medical Research, and Public and Society Benefit. If you are unsure which subsector your organization falls under, you may refer to your 990 to find your NTEE code. Visit the [National Center for Charitable Statistics](#) for a complete list of subsectors. The Index also includes giving to Foundations, but this data is not currently used to calculate giving trends to avoid the potential of double-counting revenue.

About Blackbaud

Blackbaud unleashes the potential of the people and organizations who change the world. As the leading software provider exclusively dedicated to powering social impact, Blackbaud expands what is possible across the nonprofit and education sectors, at companies committed to social responsibility, and for individual change makers. Built specifically for fundraising, nonprofit financial management, digital giving, grantmaking, corporate social responsibility and education management, Blackbaud's essential software accelerates impact through unmatched expertise and powerful data intelligence. Millions of people across more than 100 countries connect, give, learn, and engage through Blackbaud platforms.

About Blackbaud Institute

The Blackbaud Institute develops leading-edge research and convenes expert voices to equip the social impact community with knowledge, insight, and confidence. The Blackbaud Institute draws from Blackbaud's data set, the most comprehensive in the social impact community. In addition, the Institute facilitates public research studies to drive original qualitative and quantitative insight. Our research agenda is grounded in a commitment to topics that social impact organizations can apply immediately to better understand, benchmark, and improve their essential business operations. We are guided by our commitment to the social impact sector to provide timely, transparent, and well-rounded research that is free to access. From how organizations run to how donors give, we're 100% focused on research and resources for this sector.