



Digital Giving Trends: How Do You Stack Up?



Hello!

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Today's agenda

1. Spotlight on Annual Giving + Digital Philanthropy
2. Key Digital Philanthropy Trends + Benchmarks
3. Case Studies: Driving a Giving Pipeline
4. Takeaways



Spotlight on Annual Giving + Digital Philanthropy



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How long have you had a digital philanthropy program?

- 1 year
- 1-3 years
- 3-5 years
- 5+ years



How often do you look at results after an appeal and do something with it?

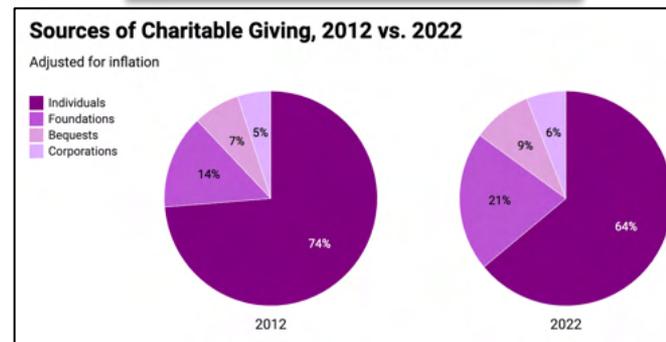
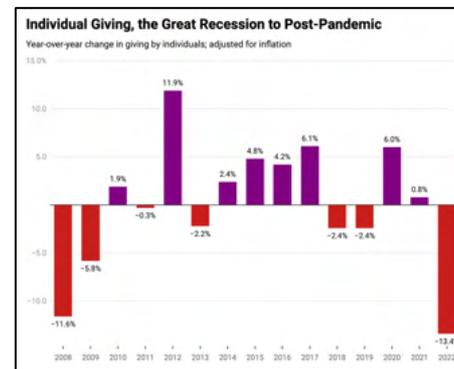
- Every time
- Occasionally
- Rarely
- Never



Trends Impacting Annual Giving

Giving USA

- Fundraising is down 10.5% from 2021 to 2022, adjusted for inflation
- Donations from individuals decreased 13.4%, adjusted for inflation
- Individual giving accounted for just 64% of all gifts (the 4th year in a row individual giving represents < 70% of all giving)
- Preliminary signs show foundations and big donors may slow their giving





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Fundraising Effectiveness Project, Q1 2023

- Donors giving \$5K+ account for ~75% of dollars donated—but they donated nearly 10% less in Q1 2023
- Donor retention is declining across all groups
- New donor counts fell by nearly 20%, and new donors gave 34% less in Q1



What does this mean?

Annual Donors Need Attention

- Relying heavily on major donors—while placing dollars raised above donor retention and stewardship—has masked the loss of total donors for years
- Healthcare foundations need to:
 - Find and keep a wider pool of small and medium-sized donors
 - Engage donors through smart segmentation and stewardship
 - Diversify fundraising strategies to create a strong base for future cultivation

Digital Philanthropy Can Help!

- Cost-effective strategy for multi-channel appeals
- Highly trackable metrics can drive a giving pipeline and retarget interested donors
- Excellent stewardship tool to engage, educate and “warm up” donors

Digital philanthropy can not only drive giving online—it can also increase overall annual giving results and build a pipeline!



Key Digital Philanthropy Trends + Benchmarks

1. Print vs. Digital Giving
 - Dollars Raised
 - Average Gift Size
2. ROI of Multi-Channel Appeals
3. Donor Conversion Timing
4. Case Studies: Driving a Giving Pipeline



Print vs. Digital Giving

What percentage of dollars are you getting offline vs. online?



2022 YEA: Print vs. Digital Giving

	Client A: 8 Foundations	Client B: 6 Foundations	Client C: 3 Foundations	Client D: 8 Foundations
% Dollars Raised from Print	56%	79%	40%	80%
% Dollars Raised Online	44%	21%	60%	20%
Insights	3-year digital philanthropy program	2-year digital philanthropy program	2-year digital philanthropy program	3-year digital philanthropy program
	Suburban audience	Rural audience	Suburban audience	Rural audience

Includes major gifts

2022 YEA: Print vs. Digital Giving

	Client A: 8 Foundations	Client B: 6 Foundations	Client C: 3 Foundations	Client D: 8 Foundations
YOY Change in Print Giving	↓ 26.0%	↑ 182.8%	↓ 28.2%	↓ 33.1%
YOY Change in Online Giving	↑ 11.1%	↑ 379.5%	↑ 605.8%	↑ 17.8%

M+R Benchmarks 2023 reported that the health sector saw a 3% YOY decline in online revenue.

If you're seeing online giving increase, you are beating the trend!

Includes major gifts



BENCHMARKS

What % of appeal dollars can you expect to come in online?

5-10%

Less mature digital programs

20-30%

Growing digital programs or those with more traditional donor bases

40-50%

More mature digital programs with 2-3 years of appeals + stewardship

To calculate:

For each appeal, look at the gifts that came in online vs. those that came in by print.



Conclusions

- Print is still driving annual giving for most shops (40-80% print vs. 20-60% digital)
- **Online giving is increasing at a more rapid rate than print giving**
- Success of a digital annual giving program depends on:
 - Length of digital program
 - Year-round education, cultivation and stewardship efforts
 - How traditional your donor base is
 - Leadership and staffing changes

M+R Benchmarks 2023 reports the health sector's benchmark is \$106 raised for every 1,000 fundraising emails delivered!



Print vs. Digital Giving

How does average gift size compare between offline and online gifts?



2022 YEA: Print vs. Digital Gift Size

	Client A: 8 Foundations	Client B: 6 Foundations	Client C: 3 Foundations	Client D: 8 Foundations
Average Print Gift*	\$171.30	\$250.65	\$161.95	\$159.82
Average Online Gift *	\$242.40	\$253.65	\$216.40	\$226.96
Online Gift Is Larger than Print Gift By:	↑ 29.3%	↑ 1.2%	↑ 25.2%	↑ 42.0%

*Excludes major gifts

2022 YEA: Print vs. Digital Gift Size

	Client A: 8 Foundations	Client B: 6 Foundations	Client C: 3 Foundations	Client D^: 8 Foundations
YOY Change in Print Gift Size*	↓ 27.3%	↑ 165.1%	↑ 26.9%	↓ 23.9%
YOY Change in Online Gift Size*	↑ 51.1%	↑ 304.8%	↑ 307.2%	↓ 17.8%

*Includes major gifts

^Experienced major changes in leadership and staffing



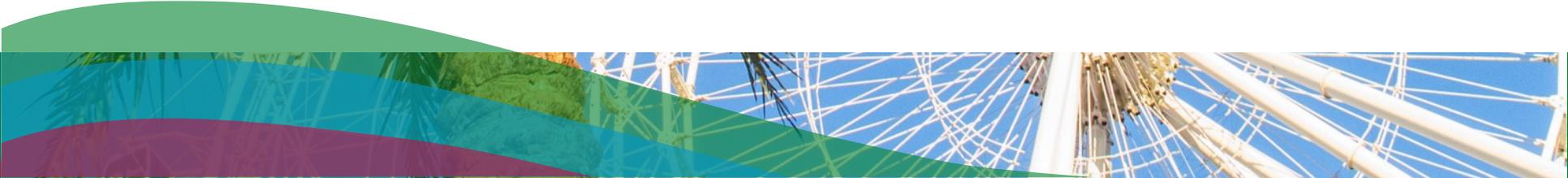
Conclusions

- **Digital giving is trending up**
 - Online gifts are typically larger than print gifts
 - Online gift size growth is outpacing print gift size growth
 - In general, we see fewer print donors give smaller gifts—and more digital donors give larger gifts
- Fundraising programs relying on print-only donors will likely see average gift size decrease—and consequently overall dollars decrease
- Recommendations:
 - Invest in a multi-channel annual giving strategy
 - Revisit print for Foundations with low ROI or conversion rates
 - Convert low-level print donors (< \$150) to monthly donors



ROI of Multi-Channel Appeals

How much does giving increase when
you use print and email?



2022 YEA: Multi-Channel Giving

	Client A: 8 Foundations	Client B: 6 Foundations	Client C: 3 Foundations	Client D: 8 Foundations
Print Only Giving*	80 donors \$121.58 avg. gift	97 donors \$176.96 avg. gift	35 donors \$153.29 avg. gift	120 donors \$124.84 avg. gift
Print + Email Giving*	127 donors \$282.13 avg. gift	84 donors \$348.99 avg. gift	46 donors \$338.30 avg. gift	112 donors \$241.96 avg. gift
Email Increased Giving By:	↑ 132% (~\$161 per gift)	↑ 97% (~\$172 per gift)	↑ 121% (~\$185 per gift)	↑ 94% (~\$117 per gift)

*Excludes major gifts and new donors

2022 YEA: Multi-Channel Giving

	Client A: 8 Foundations	Client B: 6 Foundations	Client C: 3 Foundations	Client D: 8 Foundations
If we had emails for all donors, we could have raised an additional:	\$12,844.00 <small>(80 print-only donors x \$161)</small>	\$16,686.91 <small>(97 print-only donors x \$172)</small>	\$6,475.35 <small>(35 print-only donors x \$185)</small>	\$14,054.40 <small>(120 print-only donors x \$117)</small>
Projected YEA Increase	21.3%	14.6%	15.4%	12.1%



BENCHMARKS

What is the ROI with a multi-channel appeal (print + email)?

Donors who receive print and email give

75-130% more

on average than donors who receive print only

This results in average multi-channel gifts that are

\$110-\$185
greater

than print-only gifts

To calculate:

For each appeal, remove large gifts (\$2,500+) and new donors.

Then analyze giving by donors who received emails and those who didn't.



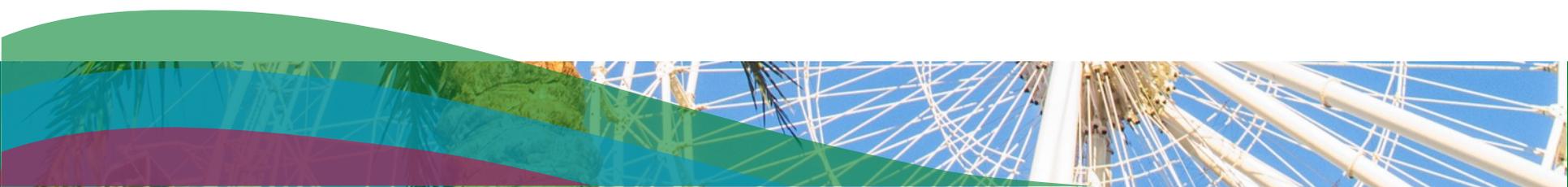
Conclusions

- **Adding email to your annual appeals substantially increases gift size**, even for offline gifts
 - This ROI provides better validation for a digital philanthropy program than looking exclusively at dollars raised from email
- Year-round stewardship via eNewsletters plays a huge role in educating, engaging and cultivating donors
- Recommendations:
 - Acquire email addresses for your print-only donors (and any donors without emails)
 - Invest in a year-round digital engagement program
 - Reevaluate your online gift array



Donor Conversion Timing

How long does it take to convert a patient prospect to a new donor via email?





Donor Conversion Timing via Email

- We analyzed gifts of new donors over 3 years for 1 client to see how long it would take to convert a patient to a new donor via email
- We did this by looking at the time between the first email contact with a patient to when they gave their first gift
- For those who made a gift:

25% of new donors

converted within

25 days

(~1 month)

50% of new donors

converted within

52 days

(< 2 months)

75% of new donors

converted within

124 days

(~4 months)

95% of new donors

converted within

365 days

(1 year)

99% of new donors

converted within

783 days

(> 2 years)



Conclusions

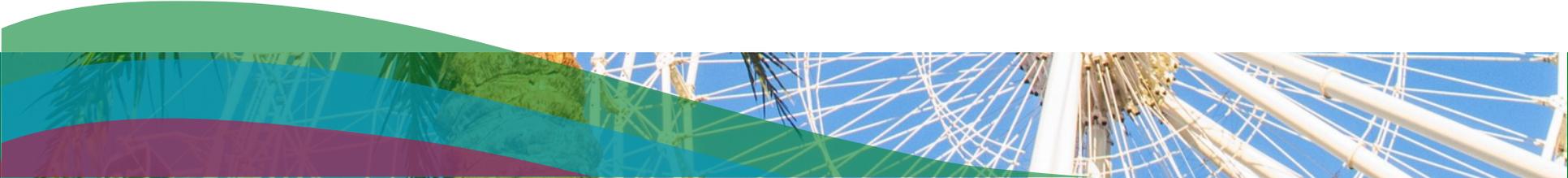
- Half of the gifts (50%) were made in the first 2 months—with **the majority of gifts (75%) made in the first 4 months**
 - This corresponds with adding patient lists prior to major appeals with numerous email touchpoints
- Sustained long-term contact is needed to convert the bulk of your donors
 - If you gave up after 4 months, you would miss 1 in 4 donors
 - If you gave up after a year, you would miss 1 in 20 donors
- While stale lists do have diminishing returns, we suggest:
 - Keep contacting your potential donor lists for up to 2 years
 - Monitor email engagement as well as giving
 - Combine education and cultivation with appeals for best results
 - Continue adding patient and prospect lists to further build your donor base

Please note: these are very preliminary results!



Case Studies: Driving a Giving Pipeline

How can annual giving and communications
drive major and planned gifts?



Digital Can Drive Major Gifts

Case Study: Mercy Hospital Foundation in Colorado

- Goal: Targeted list of major gift prospects for a NICU campaign
- We used clicks on NICU email content to identify 58 engaged grateful patients
- Wealth screening showed 22 prospects with excellent or above-average giving potential
- Gift officer secured more than \$60,000 from these new relationships!

Recommendation:

Wealth screen people who clicked to create warm major giving prospects

The Gifts of Health and Hope

Mercy Health Foundation
+ Continue Health.

I'm on a mission to serve and support Mercy's legacy of care.

Dear Beth,

You'll notice something unique in our signatures: our personal mission statements. Each of us at Mercy Hospital writes one on our first day of work. It inspires us every day because it reminds us of our common purpose to create a whole and healthy community.

Our community's generosity inspires us, too! When we come together, we have the power to make the Four Corners an even better place to live and work—for our neighbors, coworkers, and loved ones.

Join us to meet this priority need before the year ends!

16 01 53 34
DAYS HOURS MINUTES SECONDS

NEONATAL INTERMEDIATE CARE UNIT (NICU)

You can help us provide critical care to the tiniest premature infants, multiple births, sick newborns, or any baby requiring specialized care. Mercy Hospital's Family Birthing Center is the premier provider for obstetric and neonatal care in the Four Corners region.

Support Healthy Beginnings!

Your gift of \$250 or more is eligible for a state income tax credit of up to 25%, because Mercy Health Foundation participates in one of the state's Enterprise Tax Zones!

Friend, will you make a gift by January 1 to support Mercy's tiniest patients? Together, we can help premature and at-risk babies receive the care they need to grow healthy and strong.

Wishing you a happy and healthy New Year.

 Lexie Stetson-Lee
Senior Philanthropy Officer
Mercy Health Foundation
AlexandraStetson-Lee@Centura.org | 970.764.2500

I'm on a mission to serve and support Mercy's legacy of care.

Digital Can Drive Planned Gifts

Case Study: AdventHealth Castle Rock in Colorado

- Goal: Spotlight Planned Giving in the Spring eNews
- Within 15 minutes of sending the eNews, we received notification of an estate gift from a loyal donor
- The gift came in at \$1.3M—and was the first planned gift for the Foundation!
- We also received 4 requests for planned giving brochures—3 of which were from patients

Recommendation:

Monitor and wealth screen people who clicked to create warm planned giving prospects



Mary Ann leading communication trainings for team members of Clinica Adventista Ana Sahl in Peru

Local Commitment Makes a Long-Lasting Global Impact

Mary Ann Litter, a Colorado native, has served on the Boards of the Rocky Mountain Adventist hospitals for more than 20 years—and is proud of her deep-rooted relationships with our hospital and Foundation leaders.

"It is such a good feeling to know I've had an opportunity to help all these individuals and gain new perspectives," Mary Ann reflects.

Mary Ann and her husband, David, sat down to make plans for their estate. They were surprised at how easy it was to make their planned gift declarations known just a sentence or two in their will. They felt great knowing that they could bless their children, then pay it forward and support the causes they were most passionate about.

Wish you to explore more about how planned giving can help your family express your values and create a legacy? To learn more, please contact HarmonyFurlong@Centura.org or [720.455.2534](tel:720.455.2534)

Create Your Legacy



Gratitude in Action

Spring 2023

Dear Beth,

Spring is here at last, bringing with it a sense of renewal and anticipation. Beyond the promise of warmer days, hope abounds in our community's consistent kindness and support—from the simplest of everyday gestures to long-lasting legacy gifts.

At Castle Rock Adventist Hospital Foundation, we are inspired by these heartwarming accounts of generosity and grateful to have a front-row seat to such inspiring acts of kindness. Today, I am pleased to share a few stories that illustrate the incredible work happening in our Castle Rock community, thanks to your support!

As we welcome this season of possibility, may you be reminded of the hope and healing your support provides our patients, our families, and our caregivers!

With gratitude,



Harmony Furlong

Harmony Furlong
Chief Development Officer
Castle Rock Adventist Hospital Foundation
HarmonyFurlong@Centura.org | [720.455.2534](tel:720.455.2534)

I am on a mission to lift up my neighbor and support the health and wellness of our community through compassionate philanthropy.



Three Myths about Legacy Giving

When you think about the legacy you want to leave, have you considered a planned gift? Many of our supporters choose planned giving through their estates to ensure causes they care about most thrive for generations—while benefiting their loved ones and improving their family's financial future.

When you consider whether a legacy gift is right for you, let's look at three of the myths near most often:

MYTH: Planned giving is one-size-fits-all. You can donate any percentage or amount that makes you feel comfortable, in whatever way best aligns with your values and goals!

MYTH: Estate planning is just about distributing assets. We believe it is personal and aspirational, and your loved ones can offer valuable support and guidance as you make these important decisions.

MYTH: Making a planned gift is complicated. In fact, it's simpler than you might think—and often, only requires adding a sentence to your existing documents and filing out a short form!

Please contact me at HarmonyFurlong@Centura.org or [720.455.2534](tel:720.455.2534) if you would like to learn more—or if you've already made a planned gift to Castle Rock Adventist Hospital Foundation.

Request a Free Estate Planning Guide

Takeaways



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Takeaways

1. **A digital philanthropy program takes time and effort** to pay off (this is the long game!)
2. **ROI from multi-channel giving** may be better validation for a digital program than online giving itself
3. Always take time to **measure the success of each appeal**—and share the results!
4. Think about **what happens next with your data**. Where are there opportunities for pipeline development, moves management and surprising stewardship?
5. **Follow best practices** for digital communications, be creative—and don't forget to test!

Thanks!

Beth Hatcher

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