Why America Gives 2022



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Americans Are Activated, But Their Definition of Giving Is Expanding

Across the social sector, organizations see the number of donations from major donors rise.[1] At the same time, the average number of American households that actively give to nonprofit organizations is declining. [2]

And yet, Americans are no less charitable.

Americans' view of giving has evolved to include donating to established nonprofits as well as giving directly to individuals or causes in need and providing non-monetary contributions, such as volunteering time.[3] Many donors are passionate about making an impact, but find it challenging to identify an organization that matches their values.

While this helps explain some of the trends the industry is experiencing, nonprofits still need individuals' monetary donations to create long-term sustainability. Our 5th annual *Why America Gives* report dives into the psyche of donors who do engage monetarily with nonprofits and individual giving.

In it, we offer insight into what motivates and influences loyal donors vs. passive donors, how economic uncertainty and timely events play a role in their giving patterns, and the growing differentiation among generations.

[1] GivingTuesday.org, *Quarterly Fundraising Report: Year-to-Date Nonprofit Sector Trends*
[2] Indiana University Lilly Family School of Philanthropy, *The Giving Environment: Understanding Pre-Pandemic*

Trends in Charitable Giving
[3] GivingTuesday.org, *From Scarcity to Abundance: Mapping the Giving Ecosystem*

Celebrating American Generosity

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Economic pessimism is high for US donors, but they're determined to continue supporting those in need across various giving channels.



49%

share a pessimistic view of the economy



77%

made financial changes to their lifestyle in 2022

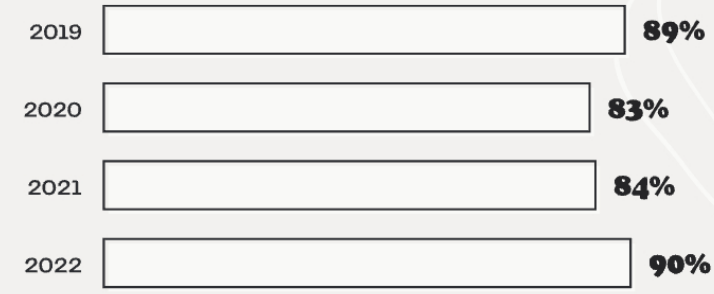


90%

plan to donate the same or more in 2022 than last year

The Intent to Give Remains High

US donors who intend to give the same or more as the prior year



Supporters Prioritize Donations in Their Budgets



53%

of donors accounted for donations when planning their financial budget



39%

of donors made small changes and sacrifices in their daily living expenses to have funds to donate to causes and organizations they care about

> If the organization is continuously helping areas or people in need, then I will continue to help them. It is important to give back each year.
>
> —Surveyed US donor, Gen X, Female

Passion and Increased Need Prompt Generosity

When donors were asked why they plan to give more in 2022, the top reasons were:

1. A recent increase in donor passion
2. A recent increase in the need for donations
3. A recent increase in the cause's relevance

Timely Events Attract Charitable Behavior



60%

of donors gave to new causes in response to a timely appeal from an organization, cause, or individual, such as a relevant event in the

news

Top events inspiring donations:

1. International human rights crises
2. Climate change
3. Reproductive rights and women's health
4. Disability rights

Regardless of the type of donation an individual made in 2022, the timeliness of the ask is what propelled many to act. The impressive giving sentiment for 2022 further emphasizes that **donors show up in a big way when there's a clear need for help and they feel they can be a part of a solution.**

In a year filled with instant social media updates and a news cycle that continues to increase awareness of nationwide issues, passion leads supporters to charitable behavior.

Share These Findings

Loyalty Delivers Long-Term Results



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Loyal Donors Deliver Long-Term Results

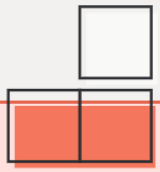
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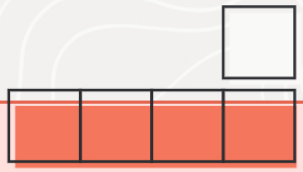
Nonprofits can rely on loyal donors to help fund organizational missions with regular donations, but our research unveiled just how valuable these engaged individuals can be for your cause. Loyal donors give back across various channels, but ultimately showcase stronger relationships to nonprofit organizations.

*Loyal donors in the below data set are those who have an active recurring subscription or gave to a cause at least three times over five years compared to passive donors who do not show the same consistent pattern of donations.



2x

Loyal donors are **twice as likely** to increase donations in 2022 compared to passive donors



4x

The average loyal donor is expected to give **4X the donation amount** compared to that of the average passive donor in 2022

Loyal Donors Still Expand Giving Portfolios

Loyal donors show a pattern of repeat donation activity to the same individuals, causes, or nonprofit organizations they've given to in the past five years. That said, their loyalty isn't limited to those they've supported in the past.

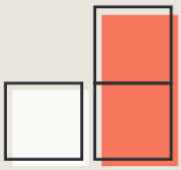
50%

of loyal donors are open to supporting a mix of new causes and organizations alongside those they've given to in the past

37%

of loyal donors give to multiple organizations per cause they're passionate about

Financial Stress Won't Slow Motivation



Loyal donors are **twice as likely** to keep their donations as-is even if they are experiencing a financial stressor compared to passive donors



Loyal donors are **1.6X as likely** to make small changes and sacrifices in their daily living expenses in order to donate compared

to passive donors

Loyalty Is Synonymous With a Deeper Connection



Loyal donors are **1.5X as likely** to donate because they feel admiration or gratitude for the work an organization does compared to passive donors

A loyal donor's emotional benefits

1. Gratitude for the work nonprofits do
2. Feeling a part of a greater solution
3. Feeling good about themselves

> My trust and excitement levels are a function of the results I see from a charitable cause. When I see good being done by one of the organizations I contribute to, I am much more inclined to give more in the future.
>
> —Surveyed US donor, Baby Boomer, Male

Loyal Donors Build Relationships Through Various Channels

The top ways loyal donors prefer building relationships are:



1. Donating through a simple donation page on an organization's website



2. Signing up to receive communication updates (e.g., emails, text, newsletters, etc.)



3. Volunteering on behalf of an organization

At the heart of loyalty is a strong internal and emotional alignment to a cause. Donors share emotional benefits, inclusive of feeling part of a great solution and genuine gratitude for the work done with their donations.

They're looking to not only make a monetary contribution and understand its results but to become an integral part of the change

those gifts create. Many see their donation behavior as a part of their character and moral identity, which only strengthens their relationships with organizations.

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Passive Donors Seek Organizations That Match Their Values



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While loyal donors are vital to bring donations into an organization, passive donors want to get more involved with organizations they believe in and trust. Passive donors are also more likely to act in moments of need to support individuals' causes and then search for organizations that support that cause.

Gaining their support long-term means first meeting them in that moment of need and establishing a relationship that fosters their loyalty.

Passive Donors Are Looking for Organizations



59%

of passive donors who give to an individual are likely to do their own research after giving to learn more about charitable organizations that support that cause



70%

of passive donors donate to one organization per cause or issue they're passionate about rather than multiple organizations for a single cause or issue once they've found one that aligns to their values

Timely Giving Is a Doorway to Longer-Term Organizational Loyalty



52%

of passive donors gave to new causes based on a timely appeal, such as being asked to give after a natural disaster or a relevant event in the news



Passive donors are **45% more likely** to have given to an individual's personal cause on GoFundMe or a similar platform in 2022 than loyal donors

Use these intense moments of need, like an individual's personal cause and timely events, to motivate passive donors to act, but don't let the conversation stop there. Clearly articulating the impact of the donor's one-time donation and continued support will help steer passive donors toward loyalty. Passive donors note the importance of updates on where their money makes an impact, which can help build transparency and trust.

Personal, Moral Values Motivate Donations



Over half

of passive donors say the top emotional benefit of donating is feeling good about themselves



Over a quarter

of passive donors say they donate as a form of self-expression and activism they can easily take part in

Passive Donors Want to Engage But May Not Hear From Organizations Enough

When asked where they learn about new causes, we found that passive donors are far less likely than loyal donors to hear from nonprofits directly through channels like online outreach, email, or in-person conversations. Organizations have the opportunity to fill this gap by

reaching out and making the first introduction to untapped donors.



53%

of passive donors prefer to receive email communications from nonprofit organizations at least monthly

Donors Reconsider Giving When Donation Options Lack Flexibility



37%

of passive donors reconsider a donation because their budget won't allow them to support an organization's suggested donation amounts

A barrier to becoming a loyal donor for many passive donors is feeling like they can't afford it. Passive donors may be unaware that alternative giving options exist, such as smaller donation amounts over a longer period of time. That's where offering a recurring donation option with the flexibility to choose what works for their situation can secure the interest of an already passionate passive donor.

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The Generational Divide Changes Donor Expectations



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The way that generations engage and communicate continues to diverge, making it essential to see the difference in how **traditional donors (Gen X and Baby Boomers)** and **next-gen donors (Gen Z and Millennials)** want to engage. Each group brings potential to grow loyalty to organizations and a set of unique behavioral norms that change how nonprofits can build connections.

All Generations Have the Potential to Become Loyal



85%

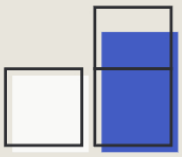
of traditional donors are loyal to specific causes or organizations



62%

of next-gen donors are loyal to specific causes or organizations

Traditional Donors Approach a Giving Ceiling



Traditional donors will give on average **81% larger donations** in 2022

Total expected 2022 donation per donor: $1336



Next-gen donors are **2.4x as likely** to increase donations from 2021

Total expected 2022 donation per donor: $738

Traditional donors have more money to give but are staying consistent with giving levels from 2021. On the other hand, next-gen donors, who are currently giving less, are more likely to increase their donation from the year before and make sacrifices in daily life to have funds to donate.

Generations React to the Economy Differently



Next-gen donors are **38% more likely** to have made significant changes to their lifestyle due to the state of the economy in 2022 than traditional donors

Traditional donors are more likely to be pessimistic about the economy and more likely to cancel a recurring donation in the face of financial stress. At the same time, next-gen donors show a willingness to cut back in other areas to continue their charitable giving behavior and, in many cases, increase it. Next-gen donors are also more likely than traditional donors to account for charitable donations in their financial planning.

The Right Touchpoints Build Relationships



60%

of all donors cite a nonprofit's website as the top place they'll go to do research before making a donation



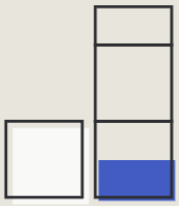
57%

of all donors say donating through a simple donation page on an organization's website is how they prefer to build relationships, followed by signing up for updates and attending in-person events

> I usually do some research online to see how valid an organization is. If an organization is legitimate, they are pretty transparent about themselves from their webpage.
>
> —Surveyed US donor, Gen X, Male

Next-gen donors are more likely to do research before a donation, but all donors rely on a nonprofit's website as the top source of information. They're looking for transparency to build trust about organizations and how a donation goes from their pocket to a tangible outcome.

Age Impacts Communication Preferences



Next-gen donors are **2.5X as likely** to prefer email updates from organizations at least bimonthly compared to traditional donors who prefer a quarterly or less-frequent cadence

Traditional donors likely have established relationships with organizations, as they are **twice as likely to have given to the**

same causes or organizations for at least three years. When engaging them for the first time, organizations can benefit from understanding their preference for valuable but infrequent updates.

At the same time, next-gen donors may prefer those valuable updates to be split into bite-sized emails sent much more frequently to stay engaged.

Next-Gen Donors Engage via Multiple Touchpoints

All Generations Like Personal Recommendations



71%

of all donors are most likely to learn about new causes and charitable giving opportunities from friends and family, which is also the top source across all generations

However, Next-Gen Donors Also Trust Influencers Outside Their Immediate Circles

Next-gen donors are:



4x

as likely to learn about causes from influencers and celebrities than traditional donors



1.5x

as likely to become aware of causes through their coworkers than traditional donors



1.7x

as likely to become aware of causes through the media than traditional donors

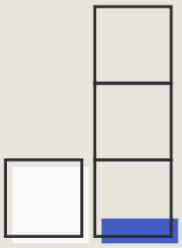
We saw that **69% of next-gen donors prefer to hear from organizations on social media**, particularly on YouTube, Facebook, and Instagram. The familiarity with social media among next-gen donors likely contributes to the greater trust this generation has with influencers and those outside of their inner circle.

A Sudden Call to Action Mobilizes Next-Gen Donors



Next-gen donors are **1.6X as likely** to be motivated to donate following a sudden news event or crisis than traditional donors

Younger Donors Will Spread Cause Awareness



Next–gen donors are **3X as likely** to advocate on an organization's behalf compared to traditional donors



Next-gen donors are **2.7X as likely** to host an individual fundraising page on behalf of an organization they support

As next-gen donors are exposed to more causes, individuals in need, and opportunities to give, they're responding in big ways. Helping those outside their immediate communities online is a part of their upbringing and will inform their future giving behaviors.

Their tendency to advocate on behalf of a cause they care about opens new doors for organizations looking to engage others within this next-gen cohort, particularly in new ways that traditional donors may not respond to.

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Loyal Relationships Unlock Future Resilience



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Closing Thoughts From Classy President and GoFundMe COO, Soraya Alexander

Our 2022 report data shows that donors aren't stepping back from charitable behavior. Instead, we see that Americans are giving differently. As donors evolve how they give, nonprofits need to think about every touchpoint as a way to connect with a potential supporter.

At the root of Classy and GoFundMe's work is the goal to clear a path for every citizen philanthropist to connect with the causes and organizations they care about. We saw how many passive donors are ready to take action this year when they find the right organization. It only makes sense to take the largest community of engaged, activated, and mobilized donors in the world on GoFundMe and bring them one step closer to finding your organization.

Together, Classy and GoFundMe will build more connection points between nonprofits and individuals who are passionate about a cause. We recently launched a pilot program to connect GoFundMe donors with Classy nonprofit customers supporting similar causes. The learnings from this pilot will be used to build a more robust program where the community of 100+ million engaged individuals can be connected with nonprofits working on issues at scale.

As you think about the touchpoints your nonprofit employs to reach and engage donors, know that each relationship you're actively strengthening opens the door to your greatest impact yet. I hope you feel as inspired by this year's report as I do, and see the potential of a loyal donor community that can fuel your mission for years ahead.



Soraya Alexander

Classy President & GoFundMe COO

Take This Year's Findings With You

Access a PDF version of the report.

Download Why America Gives

Understanding Our Data:

Why America Gives is the result of a survey measuring the donor sentiment of 1,000+ US citizens 18 years of age or older who have made at least one monetary donation to a charitable organization in the past 12 months from the date of response. We conducted the survey between August and September 2022.

What's significant about this year's findings is the intentional breakout we included of loyal donors vs. passive donors. To understand what stands apart about donors who have a pattern of loyalty and what their future outlook on giving is, we separated our survey responses by our definitions of loyal and passive donors:

- **Loyal Donors:** Financial donors who contributed to the same charitable organization at least three times over the past five years or donors who made a recurring financial donation to a charitable organization

- **Passive Donors:** Financial donors who contributed to charitable organizations through one-off donations but have not shown any consistent pattern of donating in the past five years.

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