

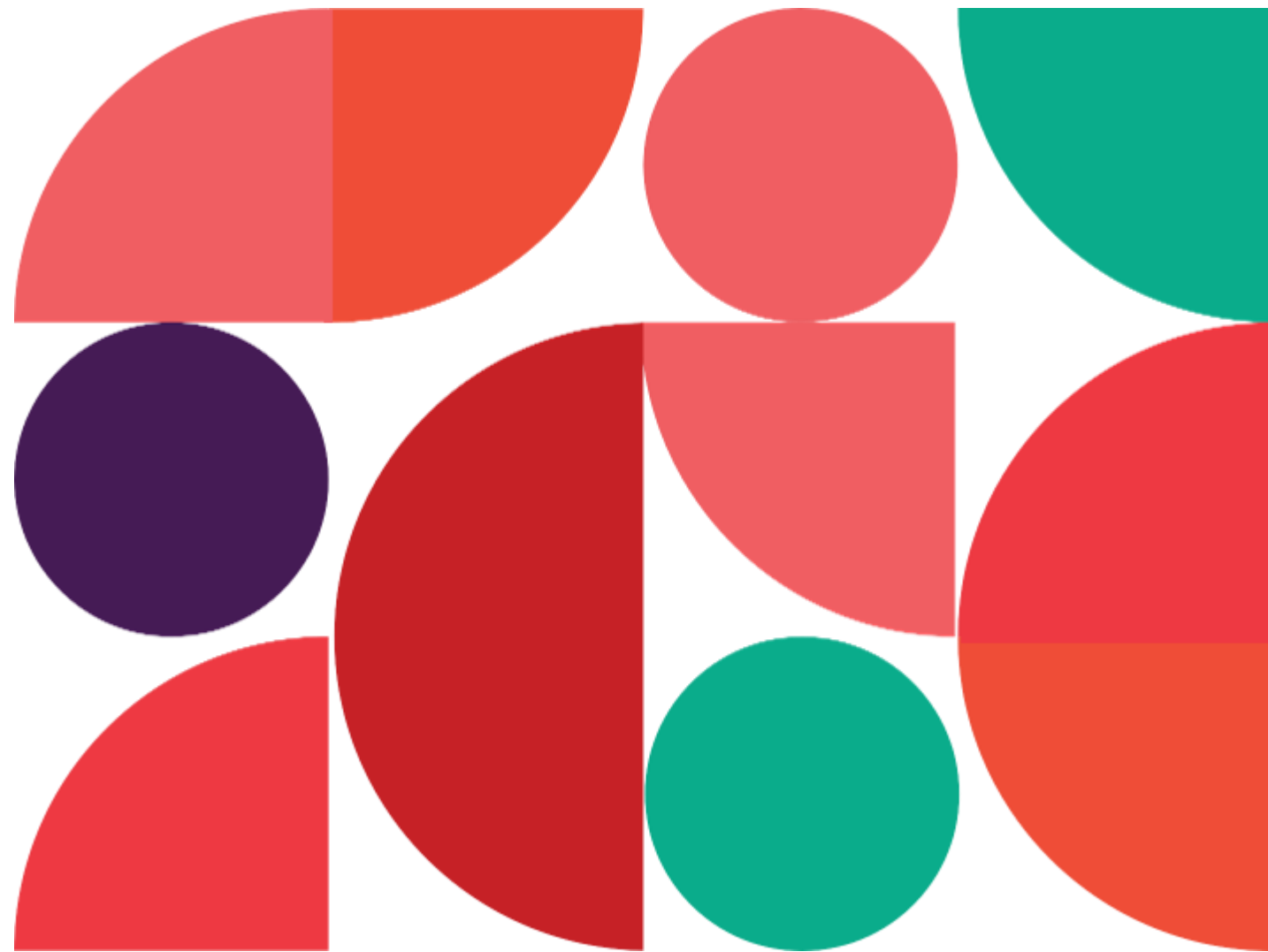
Essentials Report 2023

Your data tells the story



**THE
BENCHMARKING
PROJECT**

Welcome and Introduction



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Welcome to the Benchmarking Project 2023

Welcome back to everyone that was part of the Benchmarking community in 2022 and a warm welcome to all the new members of the community for 2023, including our wonderful colleagues from Aotearoa New Zealand.

Our aim in 2023 has been to build on what we have learned from the you over the last year. Fundraisers are creative and imaginative people which means that fundraising is constantly changing. Your input has guided our approach to analytics and insights this year, to retain the essential core elements and also respond to our changing profession.

The Essentials Report is the summary of this process of consultation, analysis, and insights development. It will give you the trustworthy evidence you need to understand the key fundraising trends and insights to support you in making the best possible fundraising decisions.

You will also find information to support you in working with your colleagues in senior management and Board, to explain how investment in fundraising works and to underpin strategic decision making.

This report is a starting point for new conversations within our community and within your own team. Whether you work in a not-for-profit, supplier, or consultancy, you will find this report to be (forgive us), *Essential*.

On behalf of the whole Benchmarking Project community:

Adam Watson, Fi McPhee, Paul Tavatgis and Peter Coleman

Thank you to our primary partners

We are extremely fortunate to work with two outstanding primary partners: **Marlin Communications** and **More Strategic**.

Like so many other good things in the fundraising profession, The Benchmarking Project is a collaboration. The teams at **Marlin Communications** and **More Strategic** exemplify the generosity of our sector in their work with us.

Thank you for another year of your enthusiasm, imagination and cooperation.



marlin



Thank you to our collaborators

The Benchmarking Project is a community, reflecting the fact that our sector achieves most when it works in partnership. Thanks to all our collaborator organisations who are critical to that community.



Acknowledgment of Country

We acknowledge the traditional owners of the lands upon which we work: the peoples of the Eora Nation, the Yuggera and Turrbal people, and the Bunurong People of the Kulin Nation. We pay our respects to Elders past, present and emerging and recognise their connection to Country and role in caring for and maintaining Country over thousands of years.

Acknowledgments

We would like to extend our thanks to our community and in particular the members of our Advisory Panel and the expert authors who have contributed to this report:

Lisa Allan Head of Marketing, The Smith Family	Karen Armstrong Senior Consultant, More Impact
John Burns Senior Advisor, Marlin Communications	Liz Dorizac Senior Manager Individual Giving, MS Plus
Tom Duggan Head of Fundraising, Médecins Sans Frontières Australia / New Zealand	Kate Graham Managing Director, Public Outreach
Erin Hamalainen Head of Data Analytics & Insights, The Fred Hollows Foundation	Katie Hart Fundraising Manager, Orange Sky New Zealand
Kat Ho Regular Giving Manager, Victor Chang Cardiac Research Institute	Maisa Lopes Gomes Head of Digital Fundraising, Cerebral Palsy Alliance
Elizabeth Marson Head of Data & Insights, Australia for UNHCR	Greg Millar National Manager – Fundraising, IHC New Zealand
Ally Murray Director - Membership & Fundraising, The Wilderness Society	Martin Paul Director, More Strategic
Ashley Rose CEO, MonDial Telefundraising	Andrew Sabatino Co Founder / Director, Donor Republic
June Steward Director, June's Fundraising Letter	Jonathan Storey Fundraising Director, Environment Victoria
Sean Triner Founder, Moceanic	James Watkins Senior Strategist, Ntegrity
Ruth Wicks Senior Consultant, More Strategic	Roewen Wishart Senior Manager Individual Giving, Xponential

What am I about to read?

This Essentials Report provides a summary of analytics and insights across the whole range of data collected by The Benchmarking Project. Key items to note:

- **Report version:** 1.0 for 2023
- **Publication date:** 9th June 2023
- **Data providing members:** Australia 42, New Zealand 9
- **Period covered:** at least 10 years' data to 31st December 2022
- **Member Data qualification:** at least 50,000 Individual Giving transactions in 2022

Additional members will join throughout 2023 and we will add their data to the analysis. Where additional data results in significant changes to trends and insights we will release updated versions of the Essentials Report and include updated data in member forums.

Data inclusions, exclusions and reminders

Includes:

- All individual giving transactions
- Data for the period 2013 to 2023
- Member data checked by 30th May 2023

Excludes (unless specifically stated as included):

- Regular giving does not include child sponsorship
- Organisational donations such as corporate, trusts and foundations etc.
- Pre 2013 data.

Country specific data:

- This version of the report covers Australian data only.

Data aggregation

- Data is an aggregation of all members' data. This can include a wide range of outcomes.

More Profitability Benchmarking 2023

More Profitability Benchmarking gives organisations the full picture of their fundraising performance by comparing income, expenditure and salary costs across members' entire fundraising programs.

Many members of The Benchmarking Project took the opportunity to participate in both benchmarking programs. This provided them with a view of both fundraising profitability and a deep dive comparison of individual giving programs.

For more information on More Profitability Benchmarking visit:

<https://morestrategic.com.au/benchmarking/>

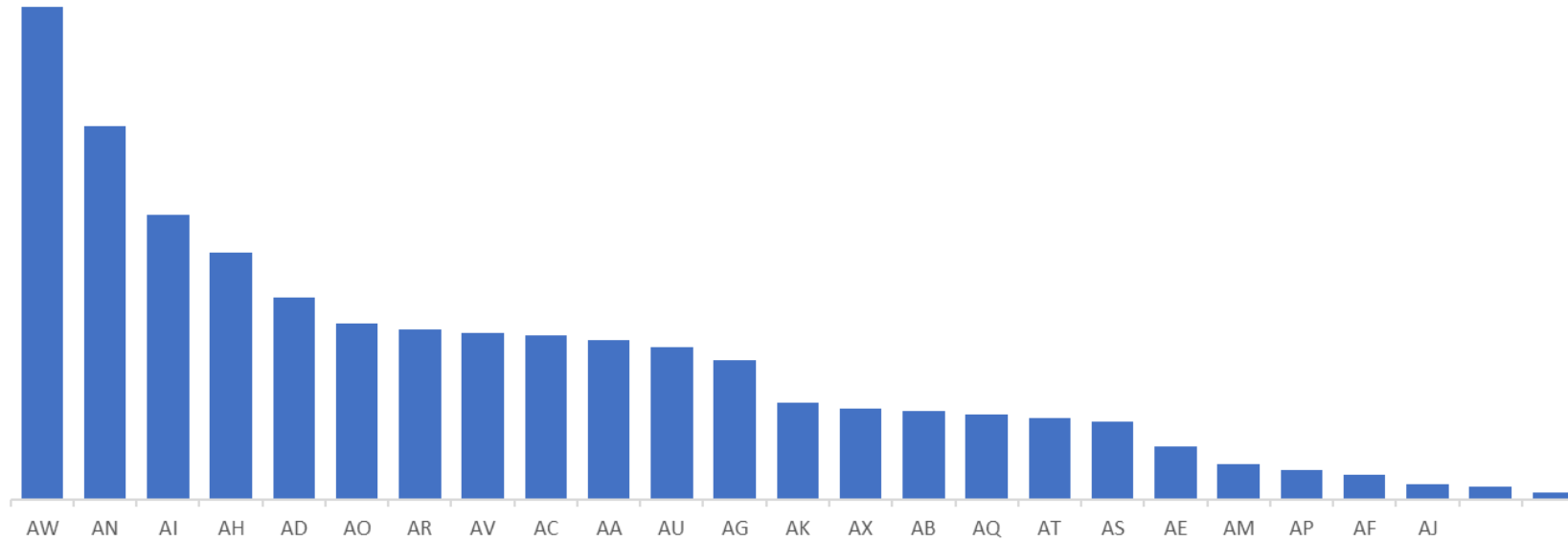
Martin Paul, More Strategic



Trend data 2018 to 2022

Participants by Relative Size

23



Income

\$833m

Direct Costs

\$142m

Salaries

\$58m

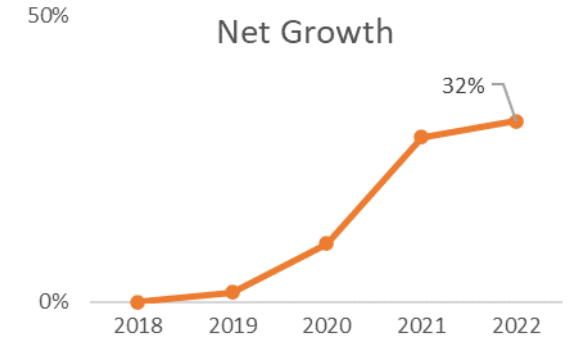
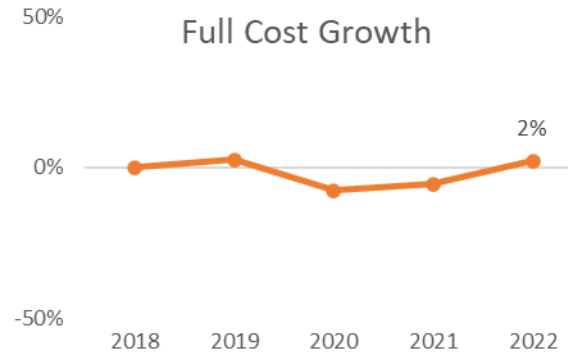
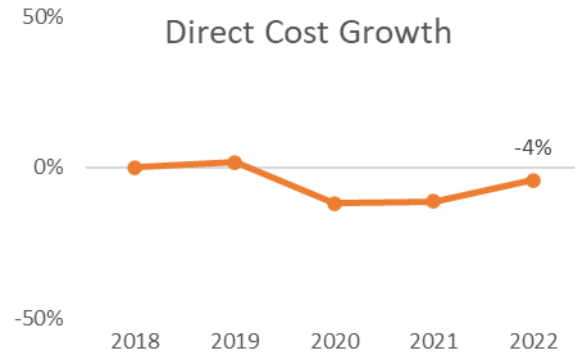
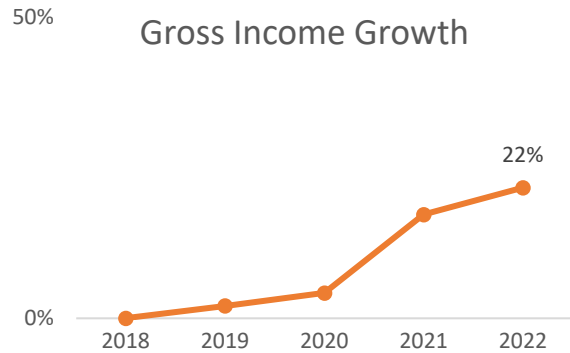
Total Costs

\$200m

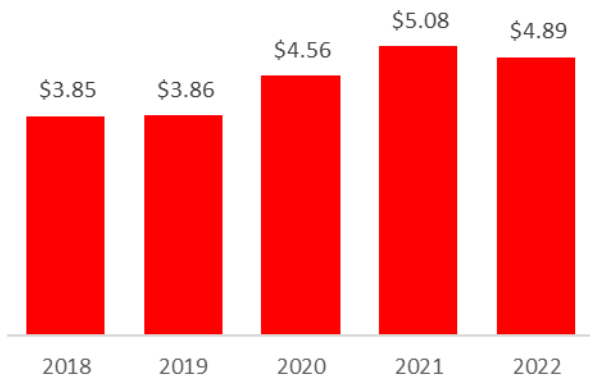
**Full Time
Equivalent staff**

529

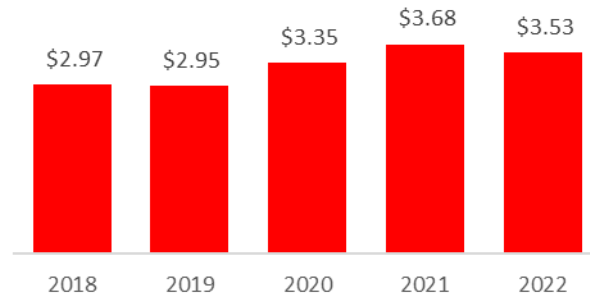
Non gift in will income



Return on Direct Costs



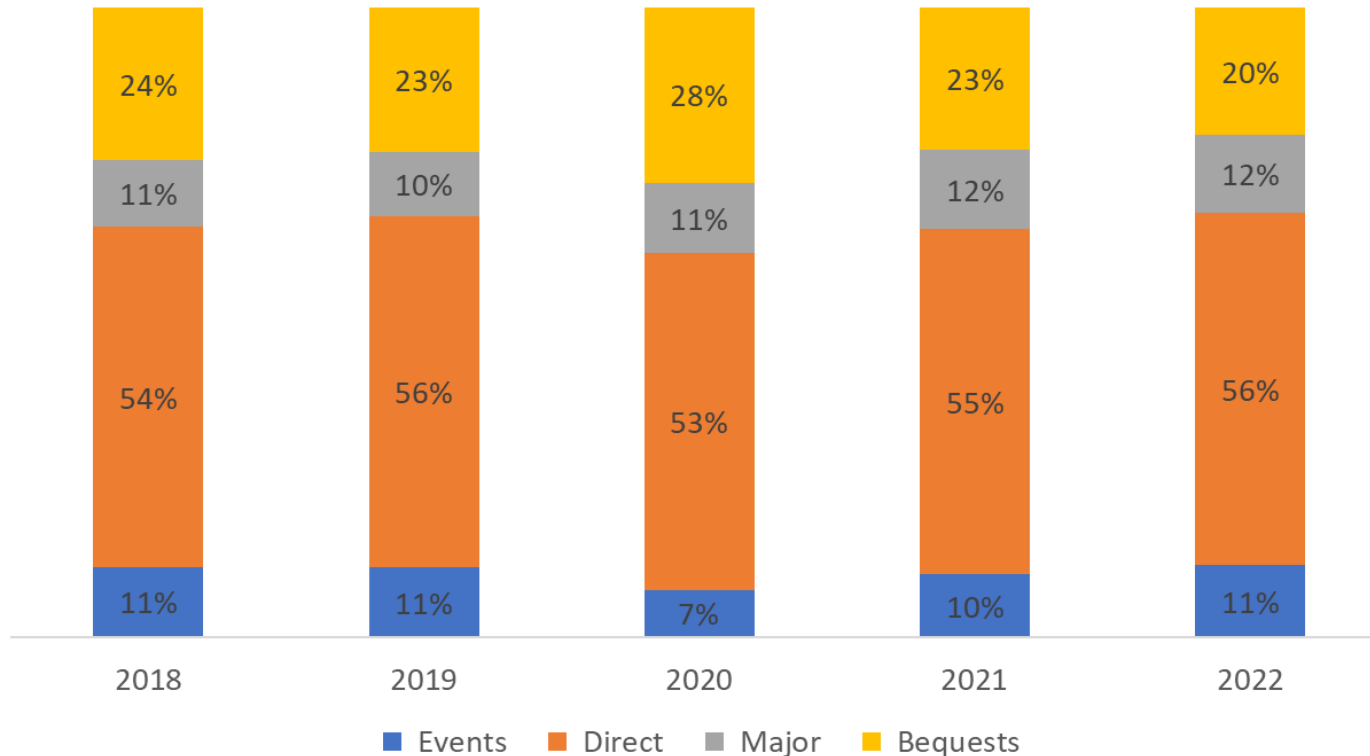
Return on Full Costs



- Income has continued to grow at a healthy rate, though two organisations account for nearly half the growth.
- Direct costs have almost recovered to pre pandemic levels and salary costs are marginally higher.
- Net income growth has slowed but continues its meteoric rise.
- Return per dollar invested has dropped back a little as organisations begin to reinvest in acquisition and program innovation.

Income mix by year

Gross Fundraising Income



Both More Profitability and The Benchmarking Project data show that the income mix remained fairly stable over the past 5 years.

There was a COVID dip for events in 2020 which was compensated for by a larger proportion from Gifts in Wills.

Chart key:

Events: Community fundraising, Peer to Peer, Mass Events and Merchandise

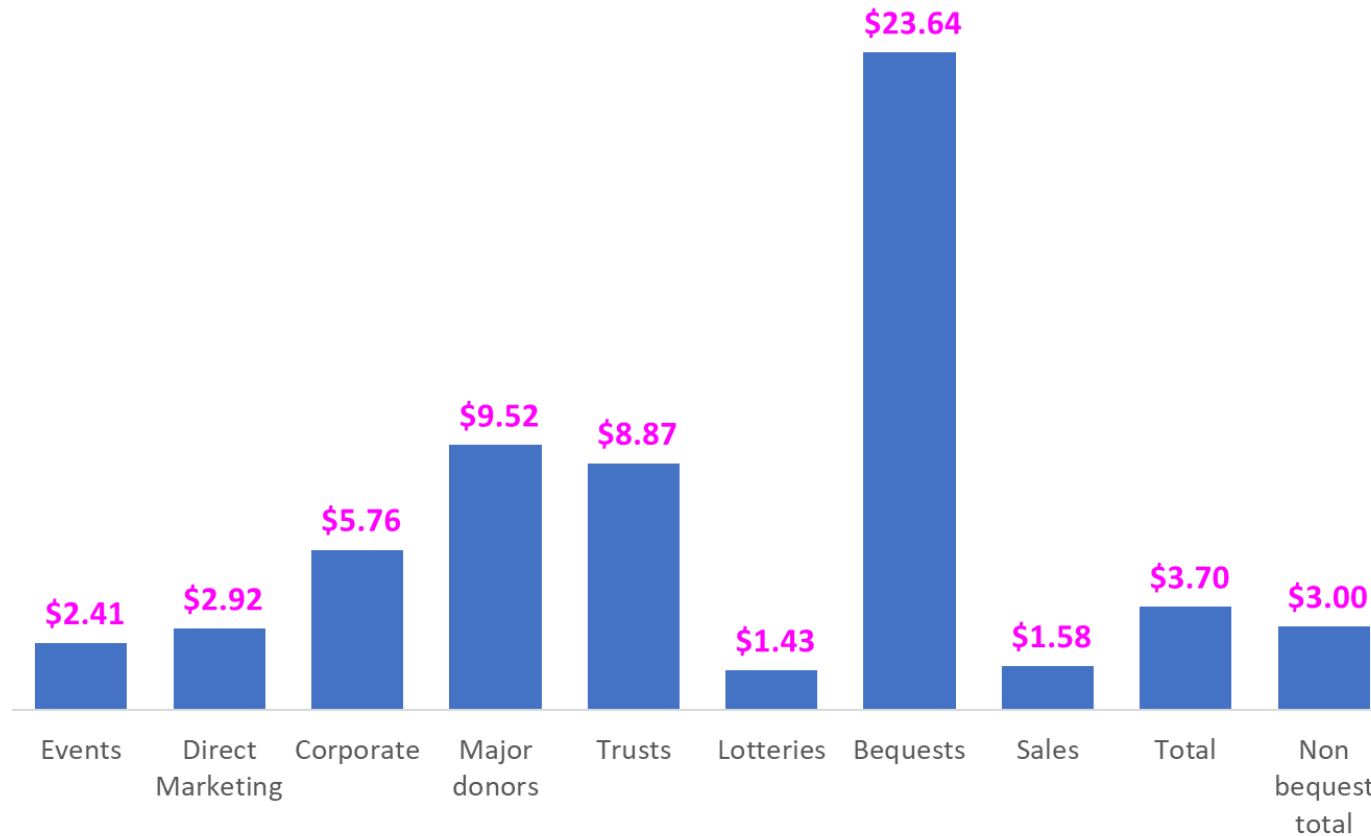
Direct: all appeals and Regular Giving, Digital, unsolicited and Emergency. Includes Mid Value but not Major Donors

Major: income from people under stewardship for a Major Gift (rather than a defined value range)

Bequests: Gifts in Wills income

Macro data set 2017 to 2022

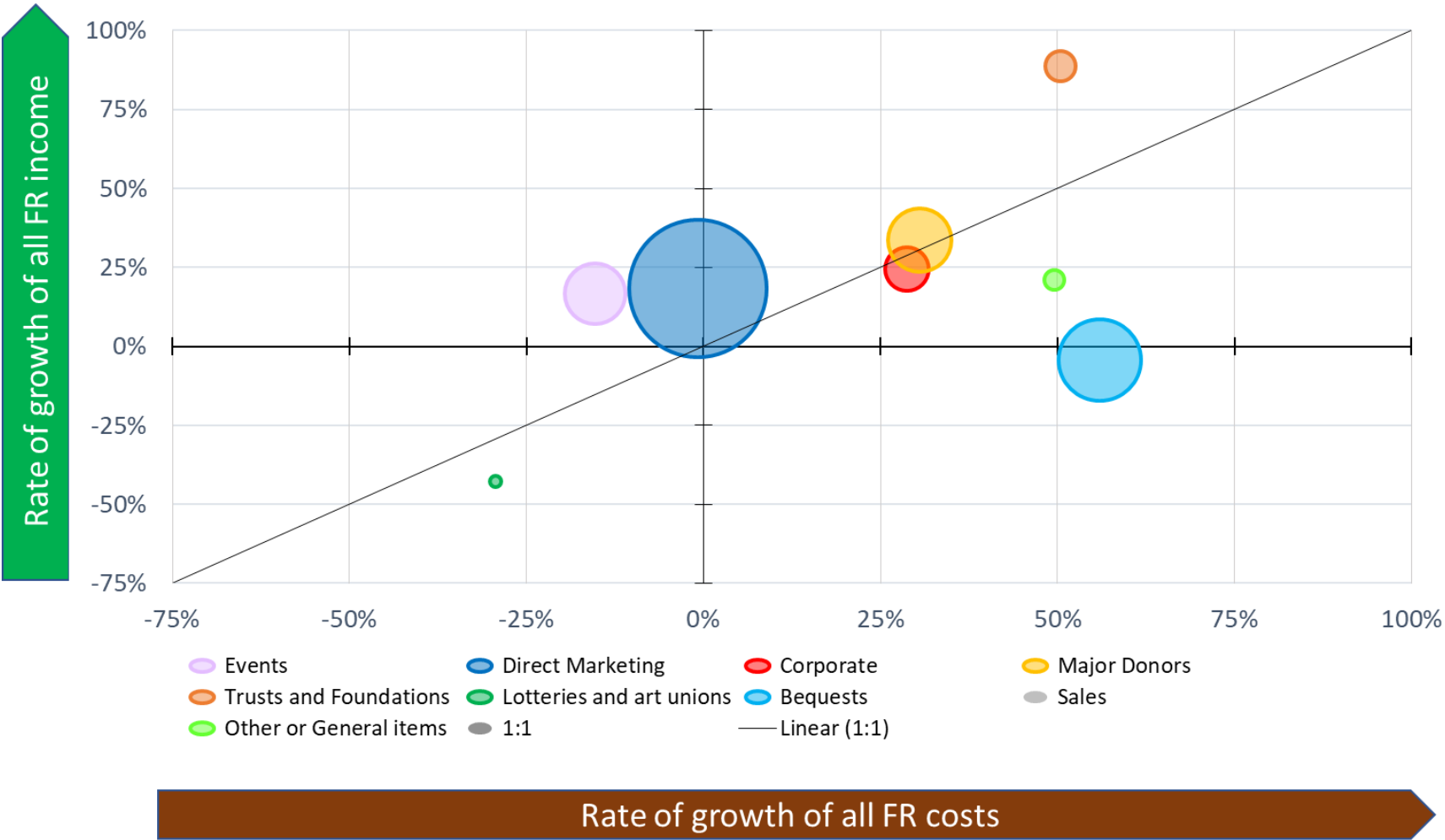
Full Return 2017-2022 Totals (Income / Cost)



The returns from Bequests remain eight times higher than Direct Marketing.

Higher Value fundraising - Corporate, Major Donors, and Trusts are all areas of greatest recent increases in investment by charities, and continue to generate high returns.

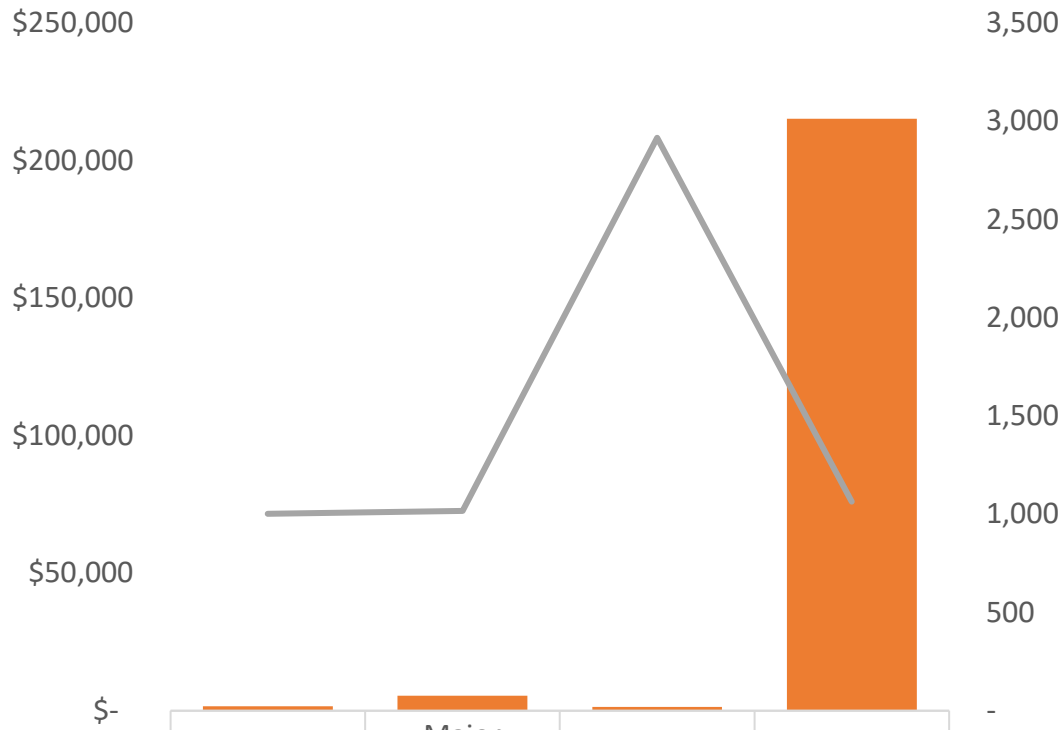
Full accelerator market by activity 2017 to 2022



- This chart illustrates the relationship between investment and income growth.
- A doubling of investment with a doubling of income would be at the top right of the diagonal line.
- If income grows faster than investment then growth is accelerated with improving marginal returns.
- Organisations have accelerated investment in High Value fundraising, and seen commensurate increases in income.
- The area of fastest increase in investment, albeit from a low basis: Bequests, is yet to deliver returns.
- Events and direct marketing have grown income despite cutting costs over the five year period.

Relationships under management

Relationships Managed per FTE and income per contributor

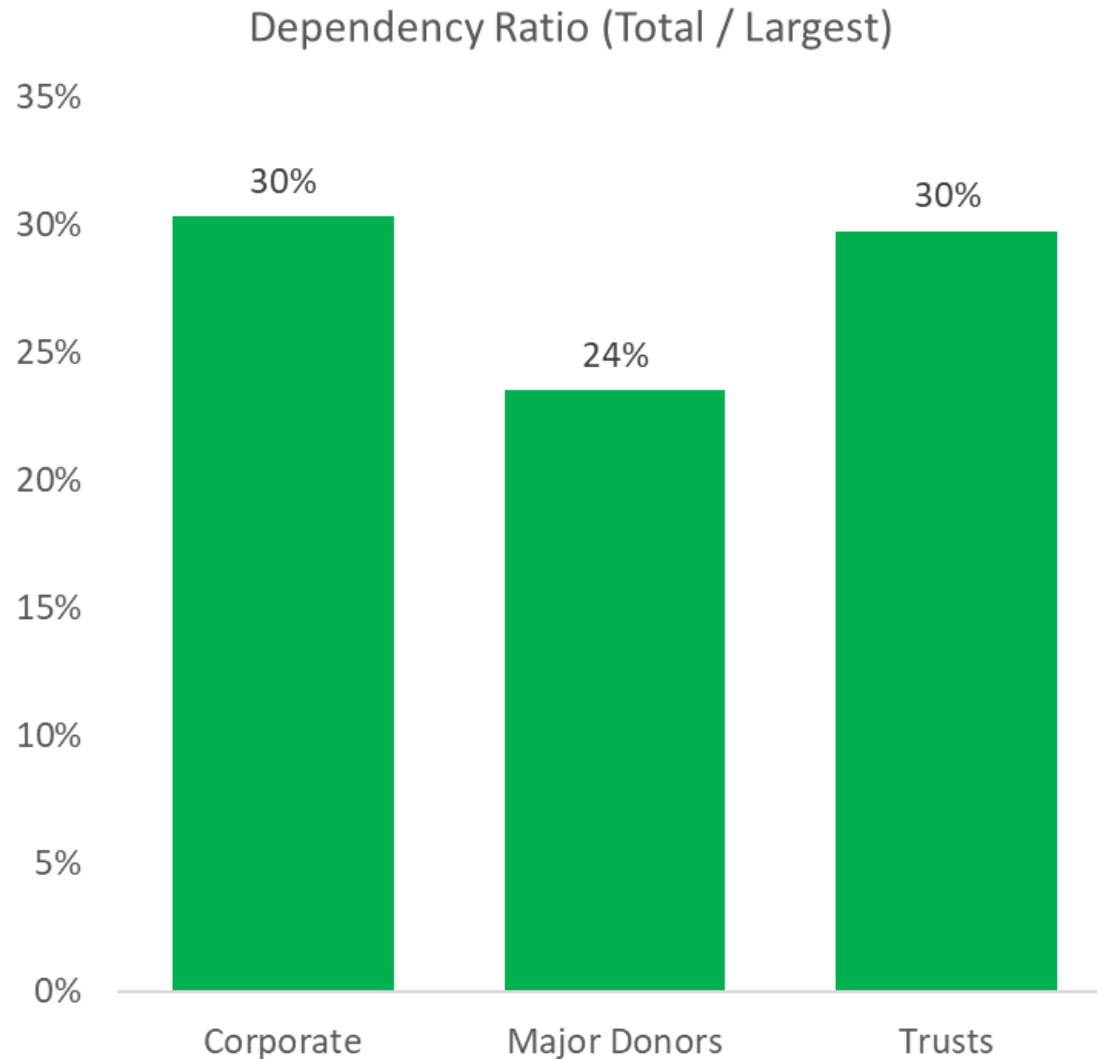


Relationships managed	23	76	19	3,012
Income per contributor	\$71,556	\$72,563	\$208,250	\$75,931

The average number of relationships managed per Full Time Equivalent staff member varies significantly by organisation and by program.

Yet the average income from each Corporate, Trust and Gift in Will supporter is roughly the same.

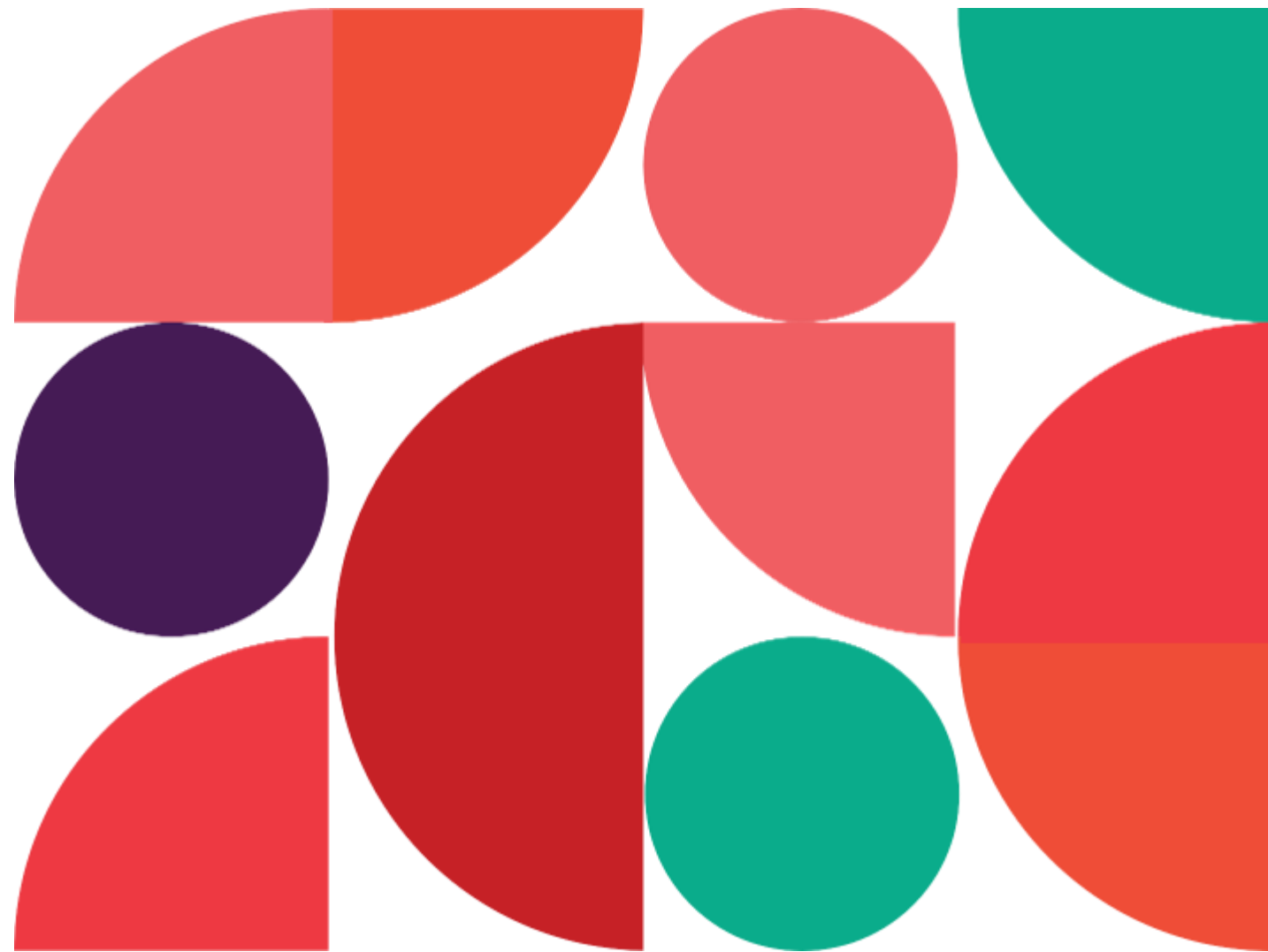
Dependency ratio



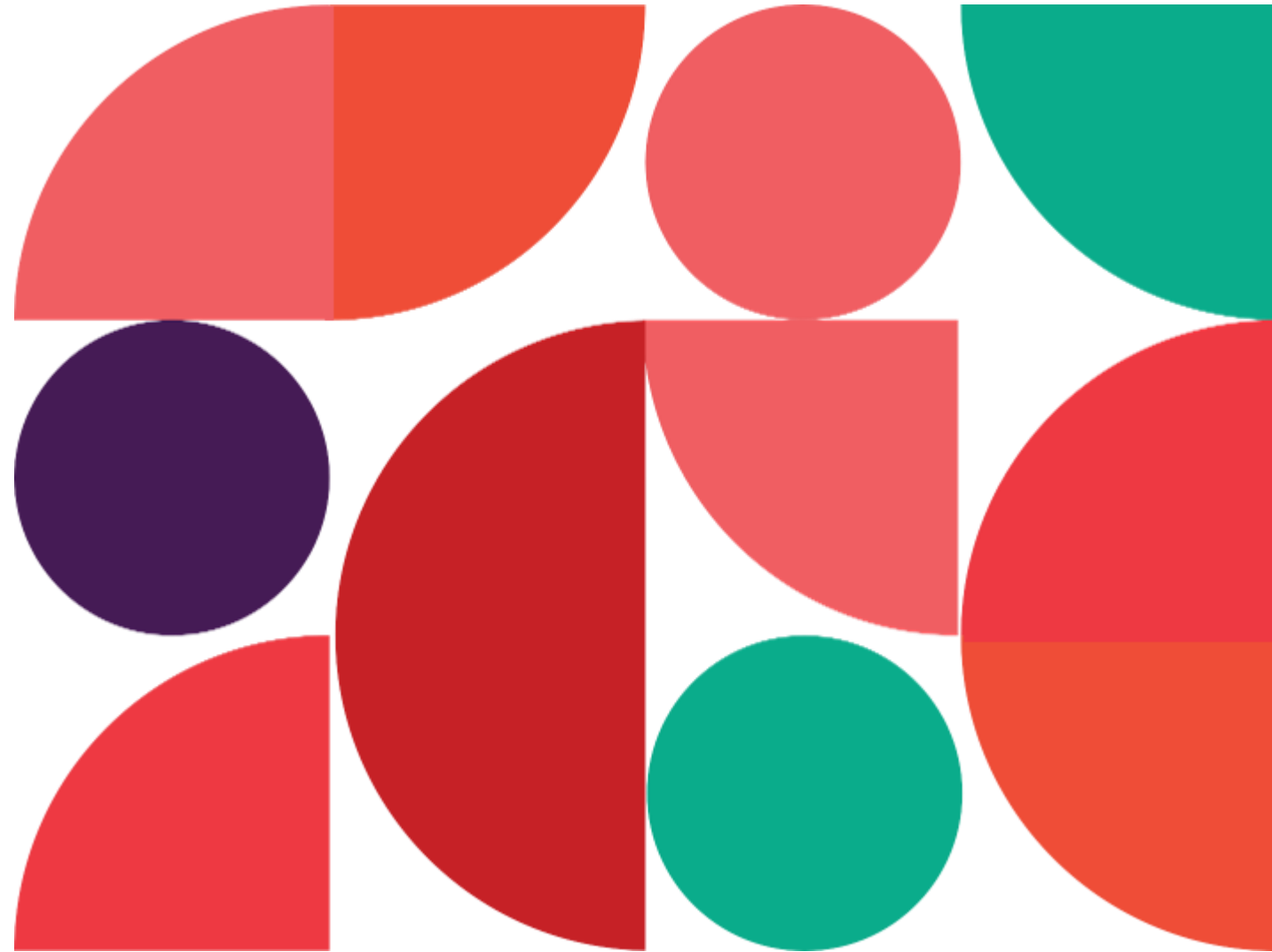
The largest funder typically contributes 30% of all income within Corporate Giving, Major Donors and Trusts.

Some organisations have a higher percentage given by the top funder exposing them to greater risk.

Individual Giving

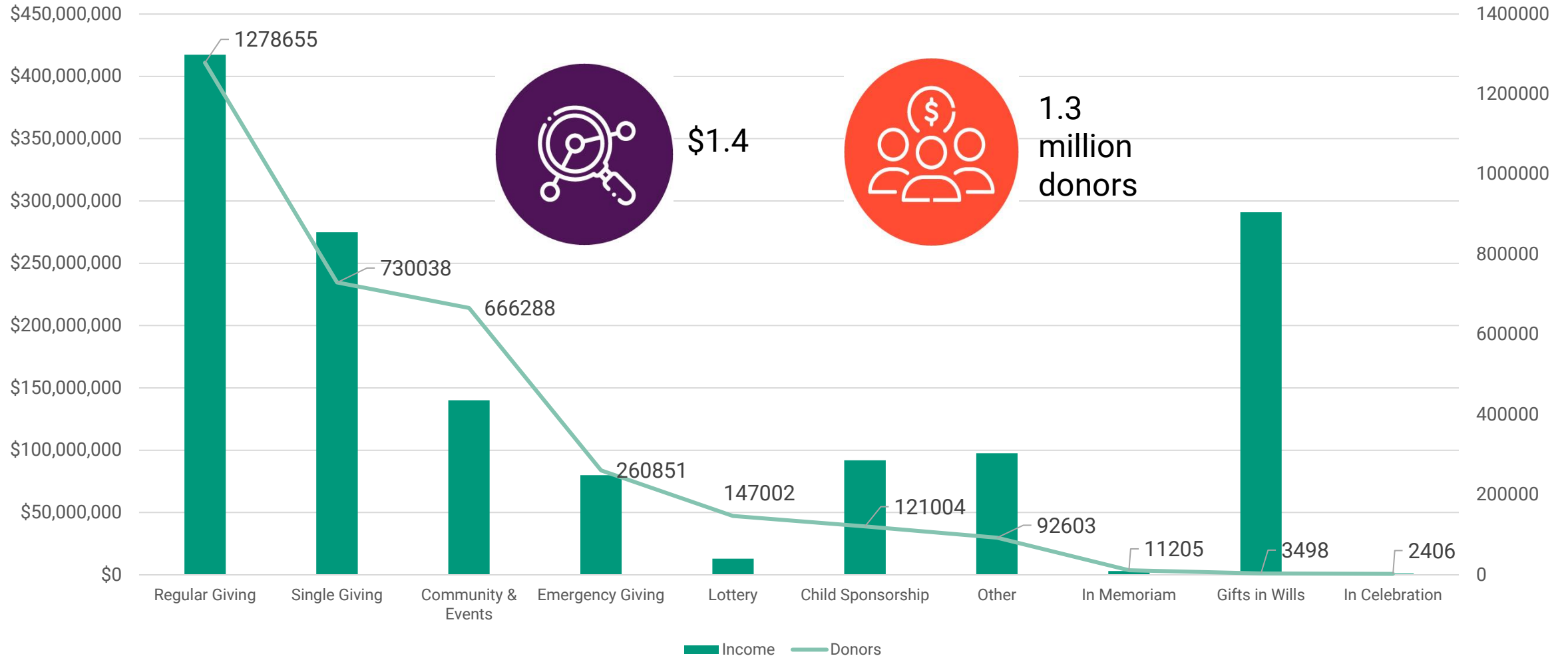


Individual Giving Overview



43 Australian charities

2022 Calendar Year Individual Giving Income & Donor Numbers





Gifts In Wills
24k Confirmed



Regular Giving
1.2m donors



Single Giving
730k donors

Metric	Highest	Average	Lowest
Regular Givers 2022	109k	29k	200
Single Givers 2022	67k	17k	2k
Events Givers 2022	148k	15k	3k
Regular Giving Income 2022	\$50m	\$10m	\$59k
Child sponsorship income 2022	\$53m	\$29m	\$15m
Single Giving Income 2022	\$23m	\$5m	\$299k
Emergency Giving income 2022	\$29m	\$6m	\$1k
Community & Event income 2022	\$15m	\$2m	\$2k
Gifts in Wills income 2022	\$27m	\$4,080,501	\$63k

The Big Picture: income and retention

Income

- Income is growing
 - Regular Giving has returned to pre 2020 levels.
 - Community fundraising, Peer-to-Peer and Events recovering.
 - Single Giving growing after ongoing declines in acquisition resulted in income and donor volume declines.
 - Gift in Wills maintains as a high-income contributor and confirmation rates continue to rise as more organisations invest in Gift in Wills marketing.

Retention

- The total active donor pool is not growing, sustaining at the same level for the past five years. Acquisition volumes are not sufficient to grow overall donor pool despite increasing numbers of charities investing in volume acquisition.
 - Community and Events and Emergencies are driving high volumes of acquisition with low repeat giving.
 - Emergencies are driving high volumes of new donors.
- Retained donors are critical to stability and growth. Long-term donors continue to grow in lifetime value and gift in wills confirmation rates.
 - 80% of Individual Giving income comes from retained donors.
- Retention has stabilised for both Single Giving and Regular Giving after ongoing declines in both second gift rates, early Regular Giver retention and overall retention.

The Big Picture: value and diversification

Value

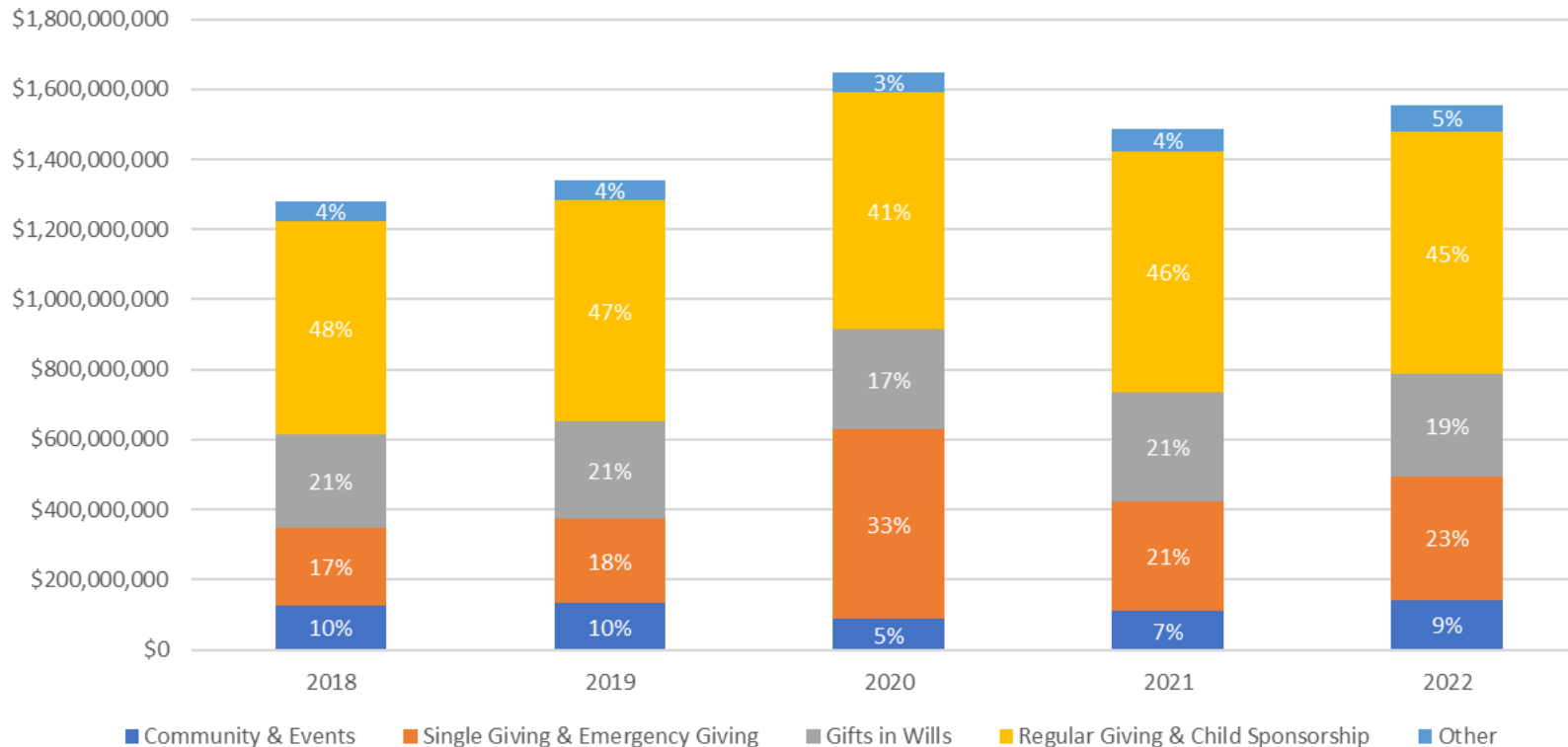
- Average gifts and income per donor are growing. Single Giving shows strong growth, Regular Giving slow growth.
- High Value giving is a critical contributor, spiking during emergencies.
 - High Value Single Givers have shown strong and sustained growth over the past three years, in response to Emergencies and Single Giving.

Diversification

- Digital continues to grow recruiting new Single and Regular Givers and now represents two in ten Single Gifts made.
- Direct Mail continues to dominate single giving, delivering five in ten Single Gifts made.
- Face-to-Face acquisition volumes are recovering after 2020 interruptions and are delivering almost 60% of Regular Giving income.
- Conversion of Online Leads to Regular Giving continues to grow with performance improvements seen as investment in the technique grows.

Individual Giving showing resilience and growth

Individual Giving Income Trends



In calendar year 2022 we saw overall Individual Giving income, number of donations and donor numbers grow across the 43 Australian charities analysed.

We've observed a steady growth trend in Individual Giving since 2017 with an unprecedented spike in giving in 2020, driven by emergency giving (bush fires and pandemic).

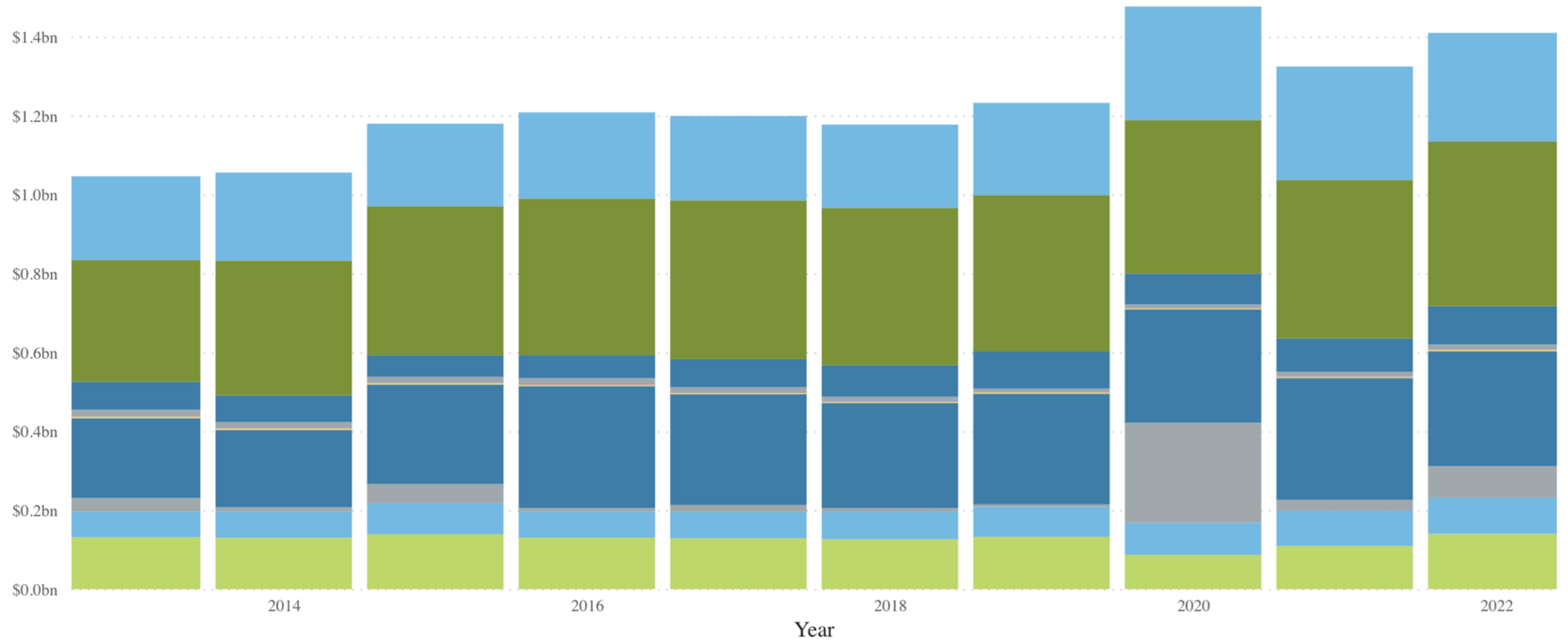
The disruptions to Community and Event fundraising and Regular Giving in 2020 was offset by exceptional Emergency Giving and increased Single Giving from our High Value donors and organisations (not corporate sponsorship but donations from businesses).

Reliance on Regular Giving has decreased marginally as Single Giving has grown.

Other includes Lottery, In Memoriam, In Celebration, Membership and any Individual Giving not able to be classified to the identified giving types. All together they contributed less than 6% of total income in 2022.

Individual Income growth by gift type

● CE ● CS ● EM ● GIW ● IC ● IM ● LOT ● OTH ● RG ● SG



Giving trends

All major giving types have grown over the past 5-years with Emergency Giving (EM) and Single Giving (SG) growing at the highest rates.

Regular Giving (RG) and Child Sponsorship regular giving (CS) maintain as the highest income contributors despite the slowest growth over the last 5-years.

Individual giving income grew 6.4% (10% when we exclude the influence of Gifts in Wills) from 2021 to 2022. The compound annualised growth rate over the past 5-years was 5% which is below the current annual inflation rate of 7% and above the current wage growth rate of 3% and amidst a declining household savings ratio.

Individual giving income is not growing as fast as inflation but has grown faster than wages.

CAGR (Compound Annual Growth Rate)	GIW	RG	SG	CE	Combined
Ave, annualised growth 2013 to 2017	9%	7%	0%	-1%	3%
Ave annualised growth 2018 to 2022	2%	1%	7%	3%	5%
CAGR	GIW	RG	SG	CE	Combined

The Compound Annual Growth Rate (CAGR) over the past five years was 5% which is below the current annual inflation rate of 7% and above the current wage growth rate of 3%.

There is also a declining household savings ratio.

Individual giving income is not growing as fast as inflation but has grown faster than wages.

Australia

Income 2022

\$1,371,676,748

1 Year Change

\$81,921,681

1 year % Change

6.4%

5 Year Change

\$207,846,165

5YearGIDiff%

17.9%

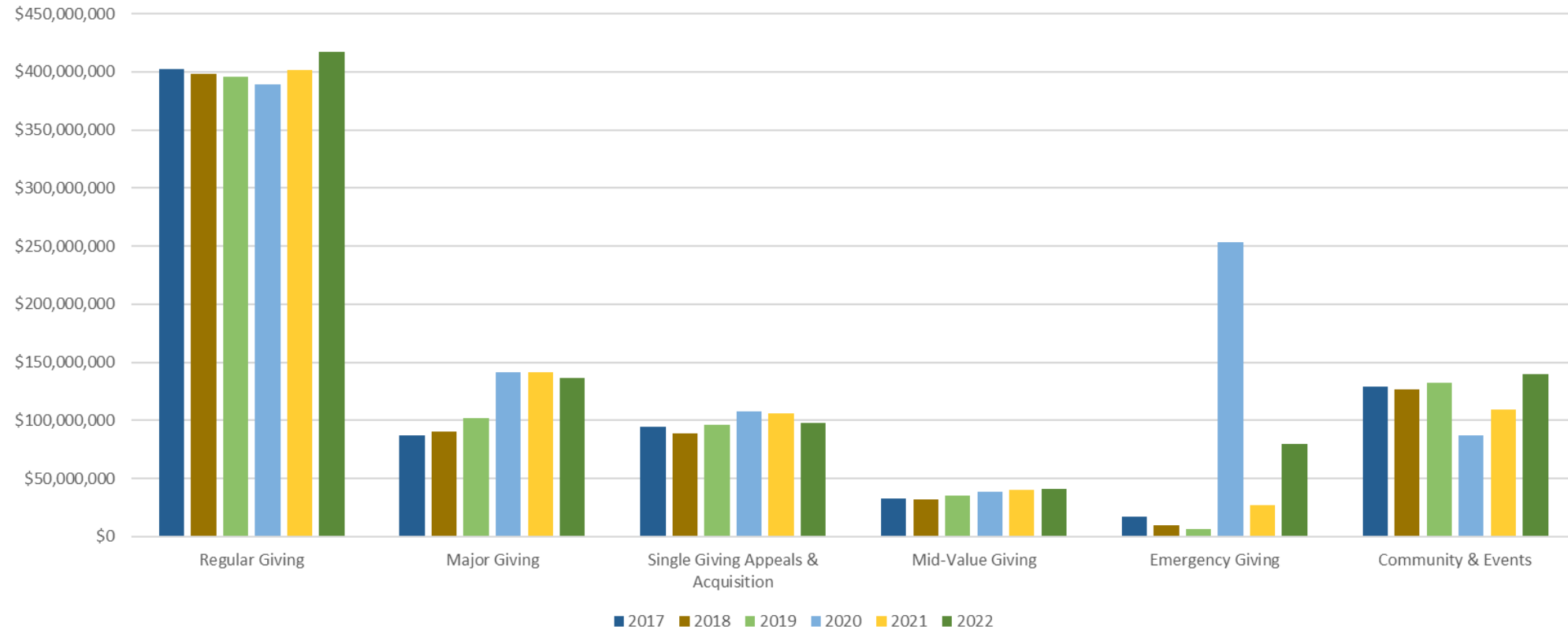
Includes all individual giving

In the past decade (2013 to 2022) the primary drivers of revenue have changed.

In 2013 Regular Giving (RG) dominated, followed by Single Giving (SG), Gifts in Wills (GIW) and Community and Events (CE).

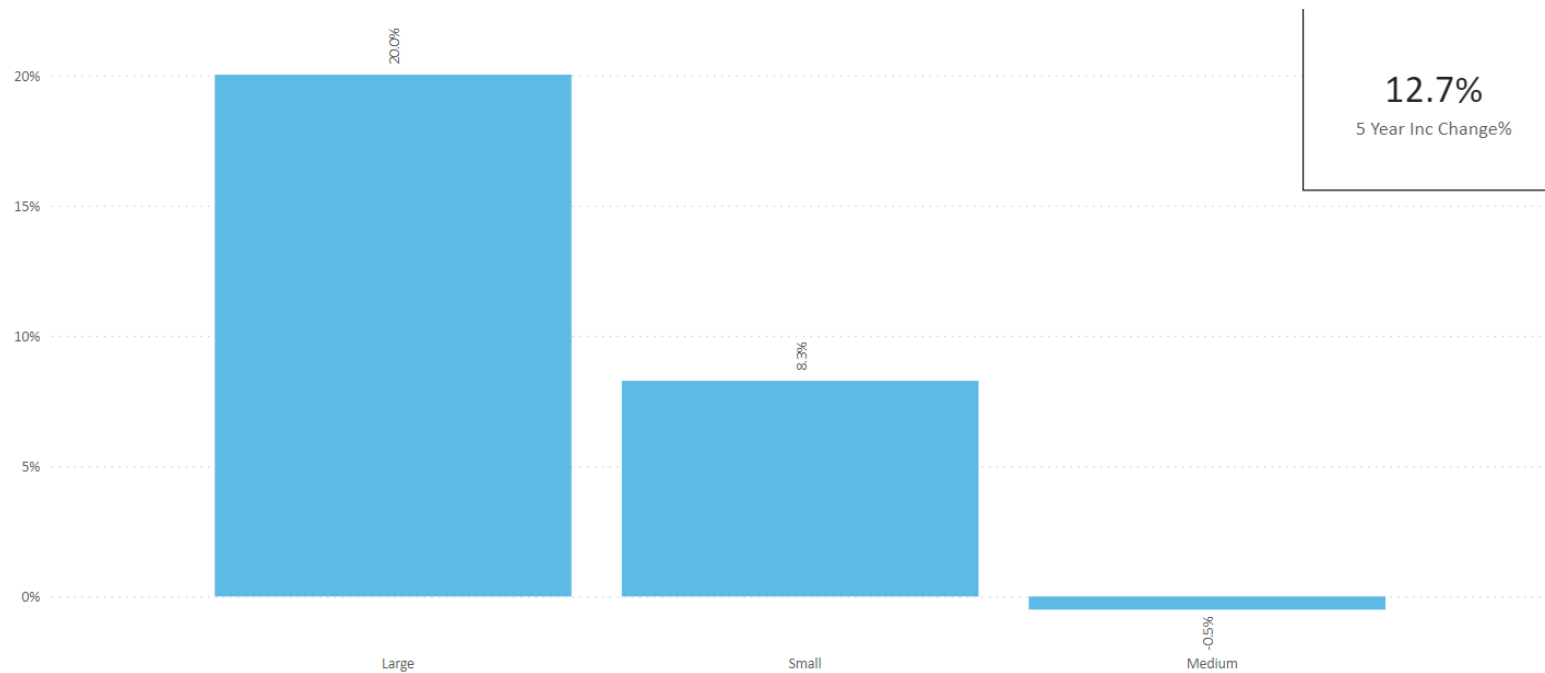
Regular Giving took over from Single Giving as the primary income driver in the early 2000's.

Individual Giving program trends



Underlying growth is coming from Regular Giving acquisition and retained Single Giver donor growth, in particular High Value (Major Giving: single gifts \$5k+ and Mid Value Giving: single gifts \$1k - \$5k) giving. In addition, Community, Peer to Peer and Events income has now recovered above 2019 income levels.

Trends within organisation size categories



Individual Giving income grew 6.4% (10% when we exclude the influence of Gifts in Wills) from 2021 to 2022.

Organisations raising under \$12m in 2022 (small) from Individual Giving grew at the highest rate of 11% in this time frame, with those raising over \$27m (large) growing just 9%.

Medium sized organisations (raising between \$12m and \$27m in 2022) saw a five year decline of 5% but when we exclude the influence of Gifts in Wills growth of 9% is observed.

Five year income growth was 19.8%, with charities raising over \$27m growing 24%, those between \$12m and \$27m (medium) growing 5% and those raising under \$12m growing 45%.

Income growth rates

Industry Income % growth	2020 to 2021	2-year % growth	5-year % growth
Individual Giving (Overall)	6.4%	-4.8%	17.9%
Individual Giving (Overall ex Gifts in Wills)	10.2%	-6.3%	22.4%
Single Giving	-4.4%	-4.5%	28.4%
Regular Giving + Child Sponsorship	3.8%	8.3%	8.6%
Regular Giving (ex Child Sponsorship)	4.0%	7.4%	3.8%
Community & Event Giving	28.4%	62.1%	9.5%
Gift-in-Wills	-5.8%	1.2%	3.6%

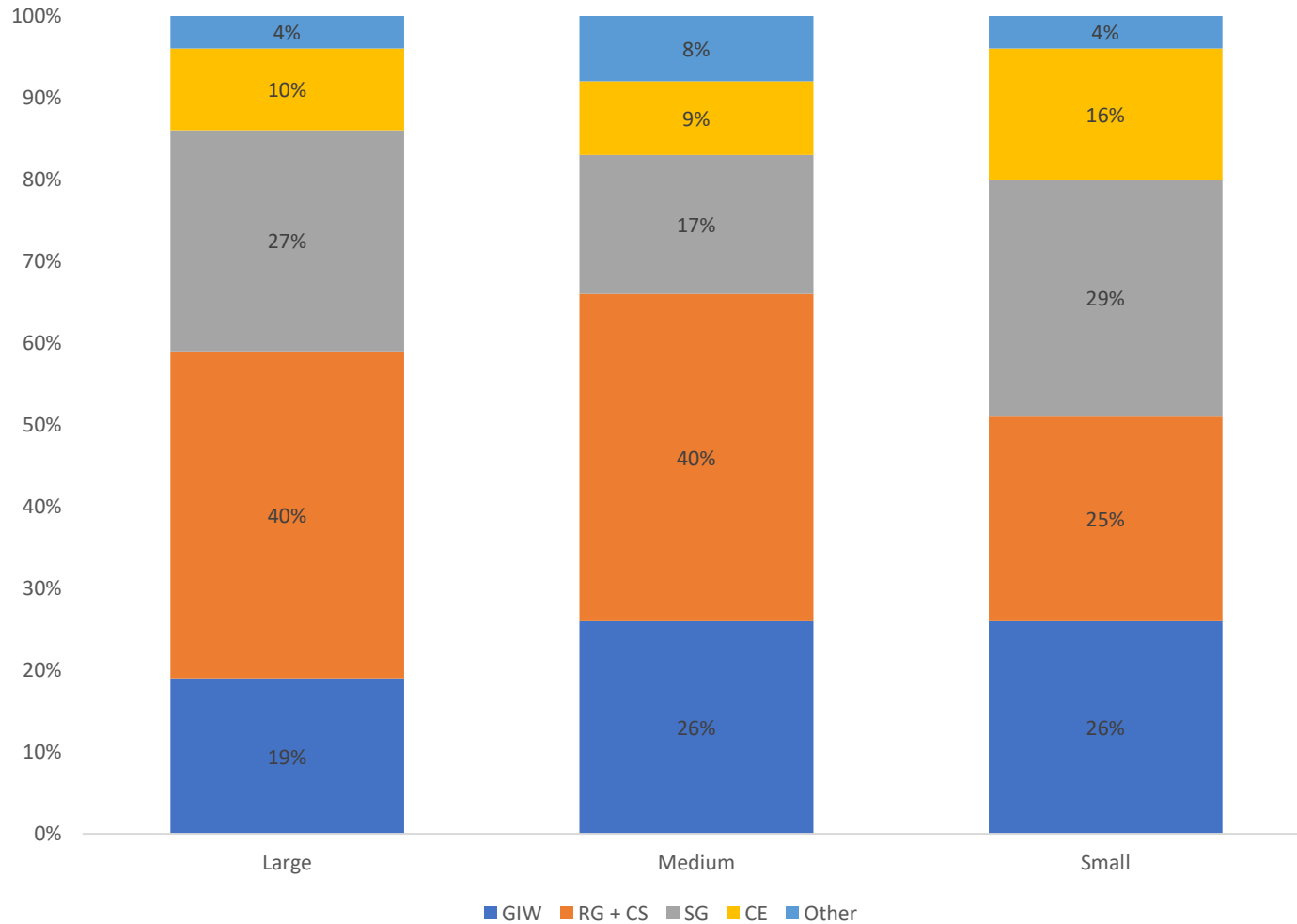
65% of charities saw an increase in Individual Giving income between 2020 and 2021. 72% of charities grew over the last five years.

Outside of organisations that experienced declines due to variations in Gifts in Wills income, 30% saw declines due to slowing Regular Giving programs and 30% by declines in Single Giving.

Growth category	GIW	RG	SG	CE	All Individual Giving
% of organisations that grew 2021 to 2022	51%	54%	37%	49%	65%
% of organisations that grew 2017 to 2022	51%	70%	58%	53%	72%

Income Reliance

Average Income Stream Reliance by Size

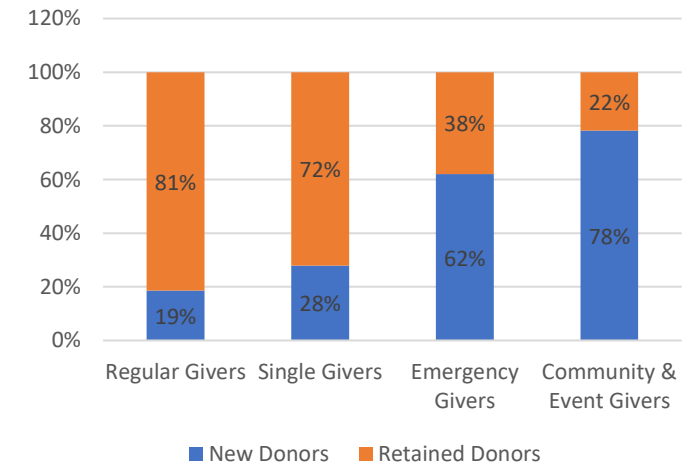


The smaller a charity's overall income, the higher reliance on Community and Events and Single Giving.

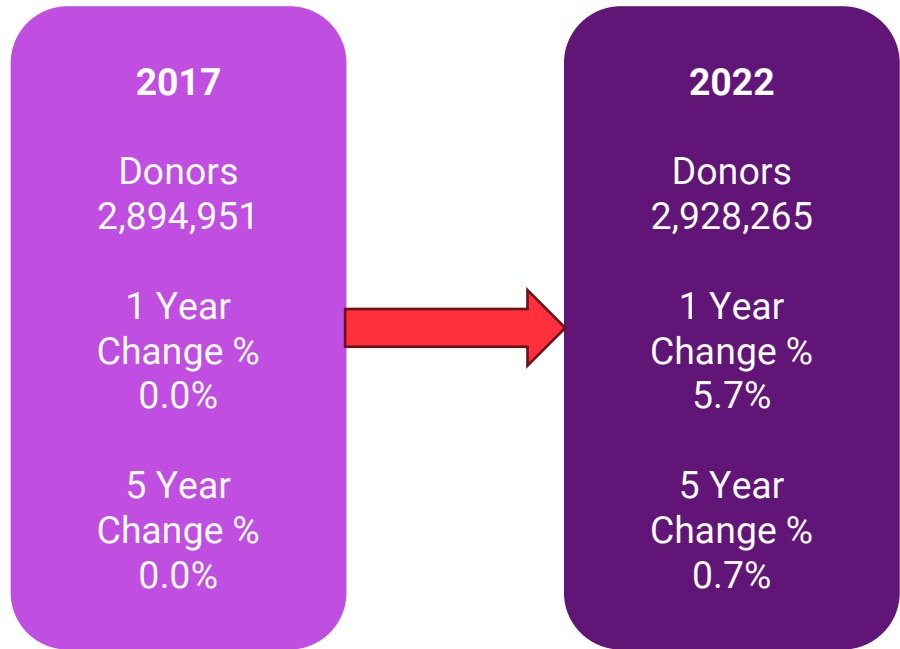
As programs grow in size investment in Regular Giving becomes more prominent and reliance on Community and Events, in particular, reduces.

This in turn reduces the reliance on volume acquisition year on year.

2022 Donors by Gift Type



Acquisition volumes not driving up total active donor numbers



Donor Number % growth	2020 to 2021	5-year % growth
Individual Giving (Overall)	6%	1%
Single Giving	-11%	-16%
Regular Giving	2%	-5%
Community & Event Giving	6%	3%
Gift-in-Wills	3%	-2%

In 2017 2.9m donors* gave to the 43 charities analysed. In 2022 2.9m donors gave to the same 43 charities.

The number of donations made annually has seen small growth of 5% since 2017, and the number of total donors only increasing by 0.7% since 2017.

Despite acquiring 1.2m new donors in 2022 and 5.8m donors since 2017 growth in income has come from giving in response to emergencies, ongoing investment in Regular Giving acquisition and retained donors giving more each year rather than more people giving.

* Note the donor count is a combined total of each of the 43 organisations and will count donors multiple times who give to multiple organisations

Of the 1.2 Million new donors recruited last year, almost 50% came through Community, Peer-to-Peer & Events



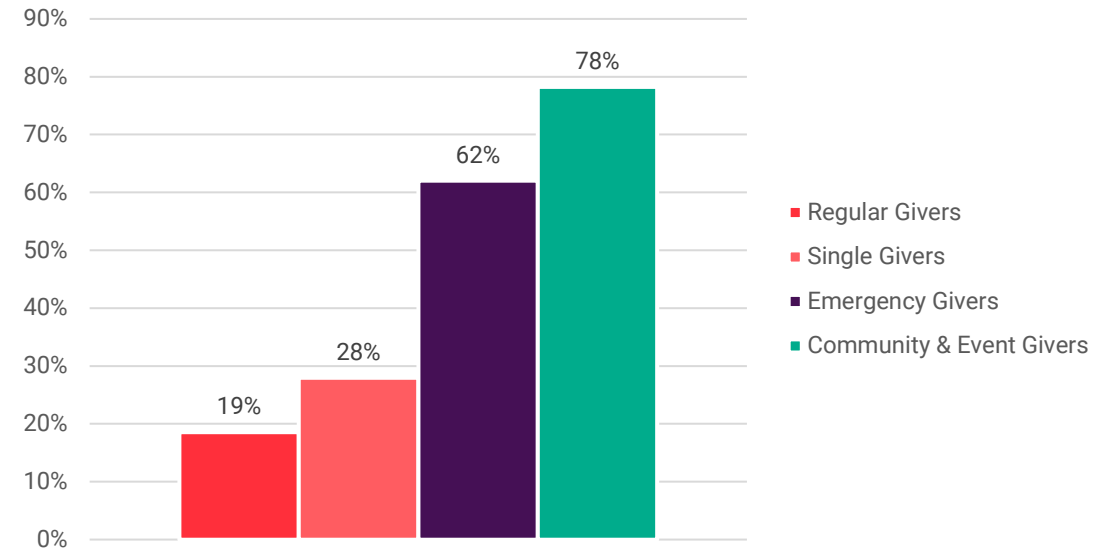
Percentage of total new donors in 2022 by Gift Type

Community and Events accounted for almost half of new donors in 2022, but only 24% of income.

Emergency donors accounted for a further 14% of new donors and 5% of income.

With subsequent giving low (both in income and donor volume terms) from both activities the challenge is ensuring an immediate net return.

What percentage of donors, by gift type, were new last year?



Regular Giving was the least reliant on new donors in 2022 at 19%

Single Giving was also less reliant on new donors with 28% of all single givers in 2022 first time givers

Community & Events was heavily reliant on new donors with 78% of all 2022 donors new

38% of Emergency donations in 2022 came from retained donors

Acquisition volume trends

Donor Acquisition Volume % growth	2020 to 2021	5-year % growth
Individual Givers (Overall)	8%	22%
Single Givers	-18%	-7%
Regular Givers	-2%	-22%
Community & Event Givers	4%	36%
Gift-in-Wills Givers (realised GIW)	6%	-7%



Regular Giving acquisition volumes 21% lower in 2022 compared to 5-years ago. Whilst we saw some recovery in volume of new Regular Rivers in 2021, we have not returned to the peak volume level of 2018.

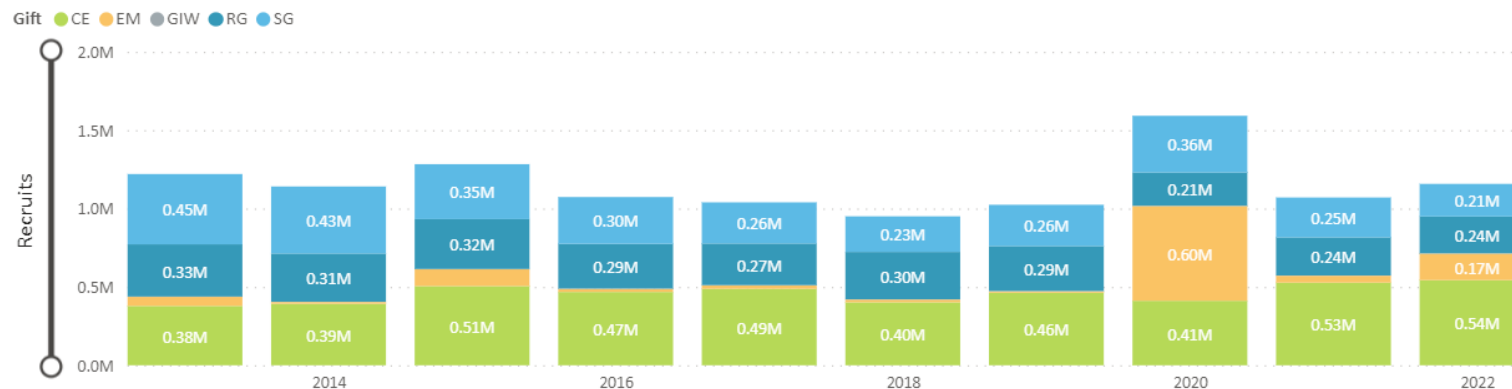


Community and Event donor acquisition has fluctuations year on year with 4% growth between 2021 and 2022 and 36% growth over the past 5-years.



Single Giver recruitment was down 7% compared to 5-years ago.

Recruits by Year



The annual volume of new Single Givers and new Regular Givers have been generally declining year on year for the last five years.

Individual Giving Activity Contribution

Area	International	Health	Animal Welfare	Environment	Social Welfare
Overall income growth 5 years	10%	23%	15%	19%	24%
Overall income growth 2021 – 2022	14%	12%	0%	3%	-5%
Top income source 2022	Regular Giving	Gifts in Wills	Gifts in Wills	Regular Giving	Regular Giving

Income includes Single Giving, Regular Giving, Community & Events and Emergency Giving. Child sponsorship has been excluded due to its big impact for just three charities in the program

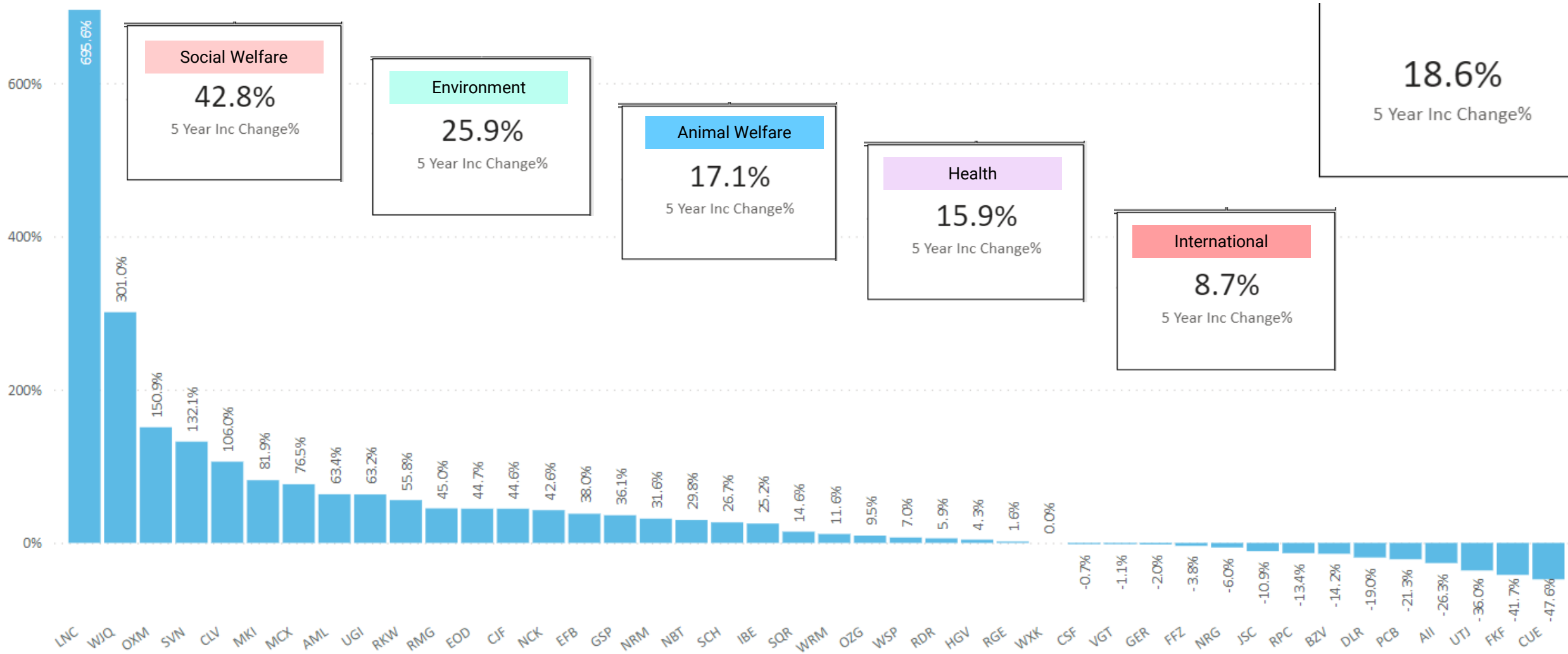
Over the past five years, all sectors have experienced growth. The strongest increases were seen for Social Welfare and Health related causes.

In the last year alone though sector performance has varied significantly. International had the highest growth rate of 14%, heavily influenced by emergencies and disasters. Each sector's ability to recover from Community & Events disruptions and to return to previous acquisition levels, particularly Face-to-Face Regular Giving, also contributed to this variation.

While international causes saw strong donor number growth aligning with income increase. The social-welfare, environment and animal welfare triad faced declines in donor number growth which have struggled over five years as well. This can be partly attributed to program maturity within the environmental and animal welfare sectors.

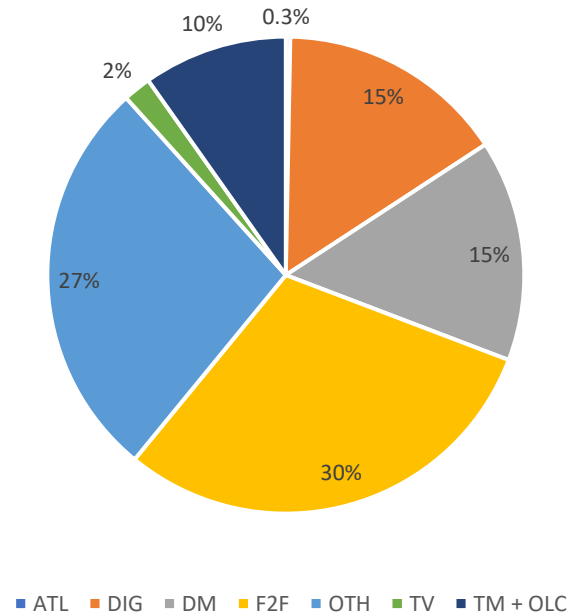
* Heavily influenced by one organisation's investment in acquisition when we remove this influence five year growth sits at 24%

72% grew individual giving over the last 5-years

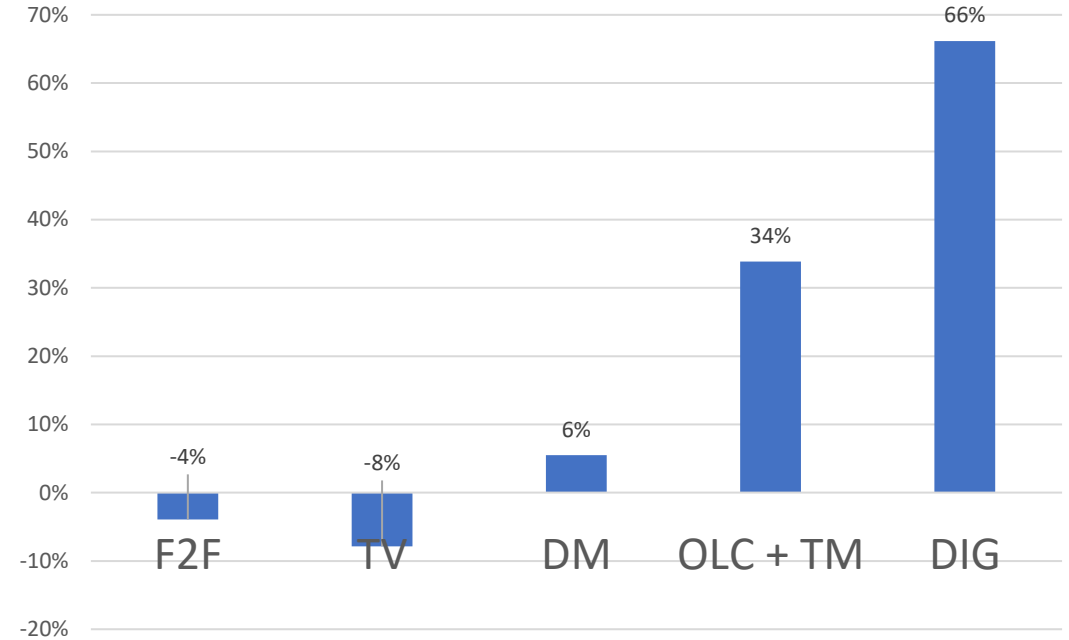


Channel of Solicitation mix is changing, slowly

2022 Income Contribution by Solicitation Channel



2018 - 2022 Income Growth Channel of Solicitation



Face-to-Face, as a channel of solicitation, continues to deliver the largest proportion of revenue (30% of individual giving in 2022) outside of 'Other', which is dominated by Gift in Wills income which does not usually have a channel associated with solicitation and Community, Peer-to-Peer and Event income not assigned a solicitation channel (likely heavily influenced by the use of third-party platforms and a lack of detail in data transferred). F2F income percentage contribution has been declining since 2018 and has decreased 4% over the past 5-years.

Direct Mail is used predominantly for Single Giving solicitation, delivered 15% of income in 2022, this percentage contribution continues to decline marginally year on year though 2022 income is higher than 5-years ago. Digital (DIG), as a set of solicitation channels, contributed 16% of 2022 income, and continues to see big increases during Emergency fundraising periods. Critically digital is increasing as a response channel, as reported by members, but data capture limitations prevent accurate analysis. Digital has grown 66% over the past five years.

Telemarketing (TM) and Online Lead Conversion (OLC) combined delivered 10% of income in 2022 and have shown sustained growth over the past four years. If you consider that Online Lead Conversion is reliant on digital activity to generate leads the combination of Digital, OLC and Telemarketing delivered 25% of income last year.

Channel of solicitation affecting short and long-term value

Channel of Solicitation	2022 % of total income	2022 % of total donors	Main Donor Types	Average Gift	Five Year Value per recruit (2018 recruits)	Average Tenure (years)	Second gift rate % (12 months) / Year 1 retention	YoY Retention / Year 2 Retention	GIW Potential (% of active givers confirmed)
Face to Face	30%	23%	Regular Givers (99%)	\$36	\$520	4.4	47%	30%	0.13%
Direct Mail	15%	15%	Single Givers (75%) Regular Givers (13%)	\$145 \$40	\$270	6.8 14^	29% 80%	52%	0.41% 0.44%
Digital	15%	17%	Single Givers (35%) Regular Givers (33%) Emergency Givers (12%)	\$199 \$38 \$228	\$315 \$1,631	2.6 5.5 1.0	22% 68% 23%	32% 54%	0.38% 0.44% 0.02%
Telemarketing and Online Lead Conversion	10%	9%	Regular Givers (97%)	\$29	\$565	4.0	62%	40%	0.44%

^ Reflective of this activity being active 10+ years ago but with little direct acquisition in recent years

Spotlight on Digital Giving: Solicitations Growing

Income

Digital, as a set of solicitation channels which includes email, SMS and online, maintains as the **fastest growing solicitation channel**, growing 17% in 2022 and 66% over the past five years with an average annualised growth 2018 to 2022 of 15%.

Digital as a solicitation channel is growing in both Single Giving and Regular Giving. However, it remains a second or third tier channel in both income contribution wise. Single Giving digital giving increased through the pandemic and has stayed higher than pre-pandemic levels.

Donor Profile

- Digital Single Givers are an even split of males and females with an average age of 50 at recruitment.
- Digital Regular Givers are skewed female with an average age of 45 at recruitment

Retention & Value

- Average gift at Acquisition:
 - SG: \$136
 - RG: \$30
- Current Average Gift:
 - SG: \$174
 - RG: \$38
- After 3-years 28% of single givers have given again and 48% of regular givers are still giving

* This is likely an under representation due to Community, Peet to Peer and Events data lacking channel detail at a high rate (80% is classified against 'other as the solicitation channel) and the challenges with channel attrition for campaigns using multiple solicitation channels.



Digital solicitation delivered 16% of income in 2022*, rising to 18% when Online Lead Conversion is added.



Contactability

- Mail: 76%
- Email: 87%
- SMS: 40%
- Phone: 78%



- Active Digital RGs confirm a GIW 0.44%
- Active Digital SG confirmed GIW 0.33%



Digital RGs give on average for 5 years, and SG for 3 years



65% of charities grew digital giving last year

When acquisition keeps getting more expensive and averages gifts are not keeping up, retention is what makes the difference

Regular Giving has returned to a growth phase, post the pandemic disruptions to acquisition, and remains the most popular way to give in the sector with 43% of donors last year giving in this way. This growth is driven by stable (yet not increasing in line with inflation or real wages) average gifts, improved early retention, increased investment in upgrades, and face-to-face acquisition recovering after pandemic-related declines.

Our subscription orientated economy is evident in our Regular Giving acquisition numbers. At the start of the decade, we were recruiting more Single Givers than regular givers or community & events givers. By 2019 we were recruiting 1.5 times as many community & event givers as we were regular givers or single givers. With community & events income recovering to pre 2020 levels, 2022 saw more community & event donors recruited than ever before, regular giving recruitment numbers continue to recover after the decline seen in 2020 and single giving recruitment drop to the lowest volumes in a decade.

Single Giving has experienced a decrease in overall gift volumes and number of donors but an increase in income due to retained donors giving more. Average gifts for Single Givers continue to outpace inflation and retention rates have improved in the last two years continuing the stability we've seen across the decade. ACNC data supports this trend of higher value donations coming from retained donors who are giving more often or at greater amounts. Despite this decline in donor numbers, philanthropy is on the rise with significant growth seen in high end Major Gifts and Mid Value giving.

High Value donations (gifts over \$1,000) continue strong growth as income increases from a growing number of gifts exceeding \$5,000.

For both Regular Giving and Single Giving we are not recruiting enough new donors to grow the overall donor pool. The Single Givers we retain are growing in value enough to grow overall Single Giving gross income. The Regular Givers we retain are not growing enough in value, due to attrition rates and flat average gifts (upgrades are not enough to offset attrition) to grow overall gross income.

Community, Peer-to-Peer and Events continue to grow, reliant on ongoing acquisition due to low repeat participation rates. Very few Community and Event donors go on to give in other ways but those that do are retained at high rates.

The volume of realised Gifts In Wills has remained consistent for five years correlating with new confirms observed five to ten years ago; however yearly variations may be influenced by economic factors. It takes, on average, eight years between someone's first donation and a commitment to a Gift In Will, though 30% of confirms come within the first five years of giving. We are growing the volume of confirmed Gift in Will supporters year on year with those leaving a residual gift delivering higher value. Single Givers and higher value donors continue to be the most likely to confirm a gift in their Will.

Overall volume of Individual Givers is remarkably stable – we are not growing the overall pool of active givers each year



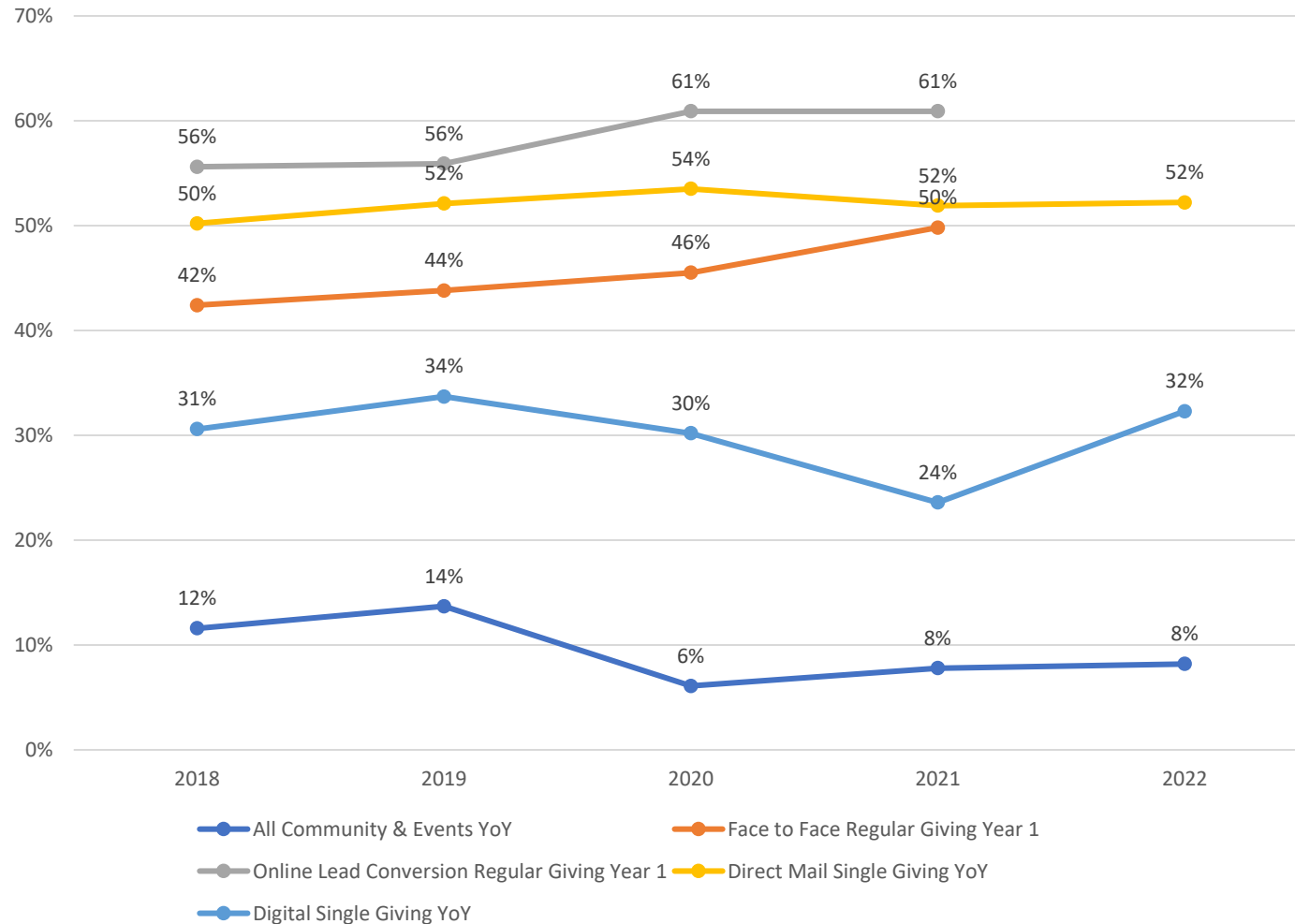
We retained 53% of all Single Givers, Regular Givers and Community and Event Givers combined in 2022.

This overall donor base retention has been remarkably stable for the past 5-years.

Combined donor numbers – regular givers, single givers and community & event givers split by new, retained (gave in 2021 and gave again in 2022, and reactivated (gave prior to 2021 and again in 2022)

Retention Showing Stability

Retention Rates by Gift Type and Acquisition Channel



Retaining donors year after year is where your acquisition efforts pay back and is where we are seeing income growth coming from.

Retention rates have shown some improvement in the past three years after a persistent downwards trend.

This improved retention is coming alongside lower volumes of acquisition.

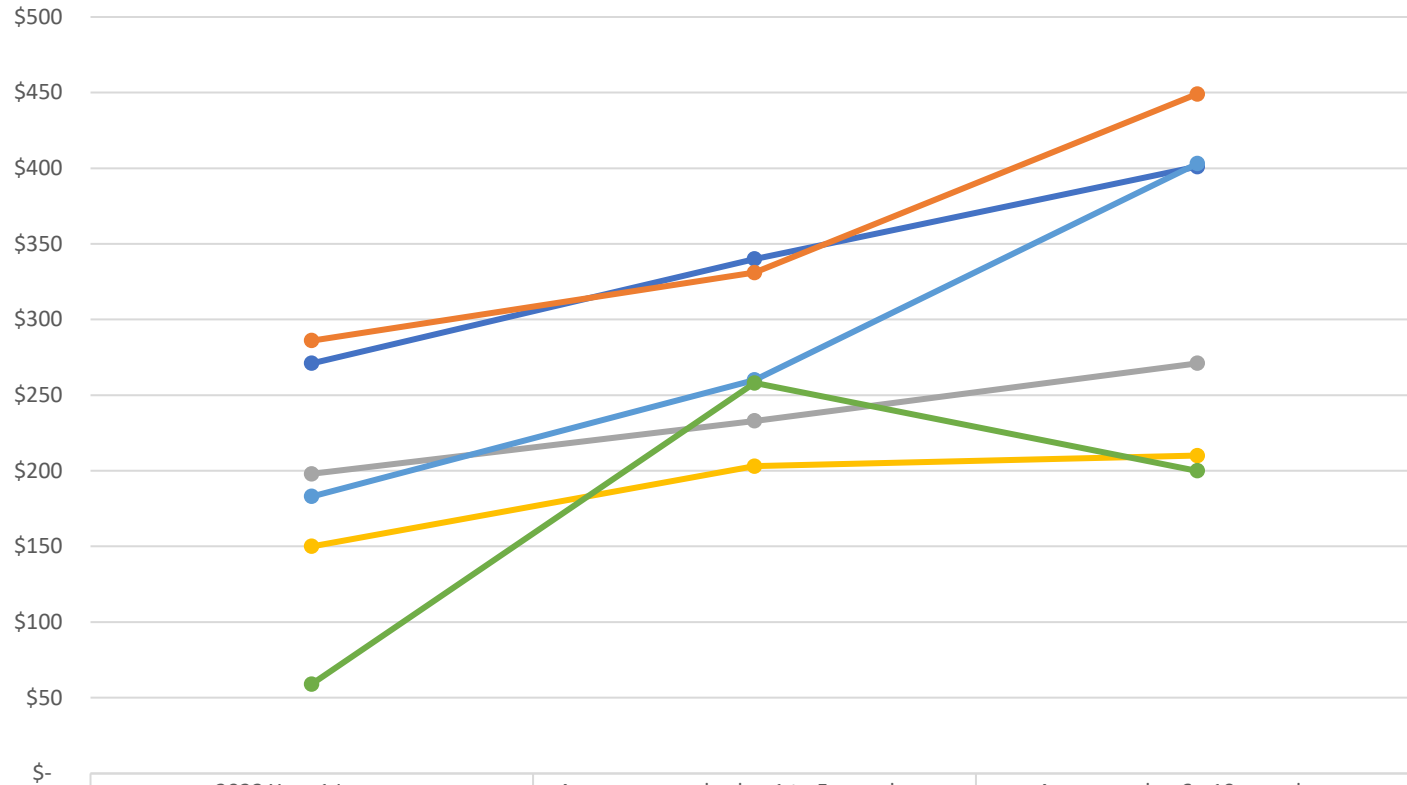
For regular giving this has seen fewer younger donors (under 25) recruited, particularly via Face-to-face, which has influenced improvements in retention.

For single giving the average first gift of new Direct Mail donors has risen 45% since 2019 and sits alongside stable retention.

For Single Givers recruited via digital the higher the volume of new donors the lower the retention, particularly evident in 2020 and 2021 and when the effects of two organisations with very high volumes of new digital donors in 2020, likely influenced by emergencies, are removed retention in this channel shows even better stability.

Digital donors driving better value over time

Average Annual Value



	2022 Year 1 Income	Average annual value 1 to 5 year donors	Average value 6 - 10 year donors
RG F2F	\$271	\$340	\$401
RG DIG	\$286	\$331	\$449
RG OLC	\$198	\$233	\$271
SG DM	\$150	\$203	\$210
SG DIG	\$183	\$260	\$403
SG OLC	\$59	\$258	\$200

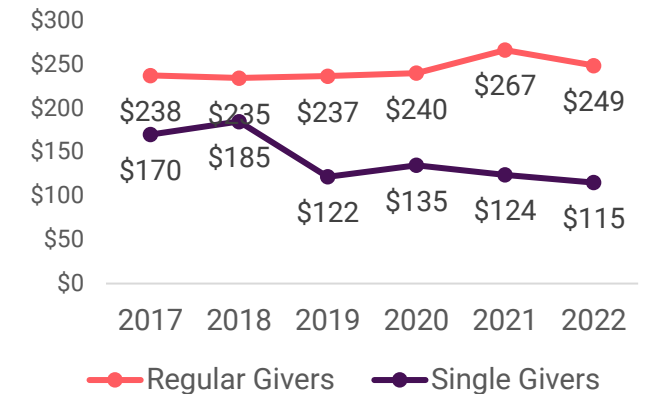
A new Regular Giver is now worth about two times as much in the first year of giving as a new single donor.

Digital recruits, both Regular Givers and Single Givers are delivering growing and strong annual value the longer they give.

Regular Givers converted from online leads (OLC) also grow over time but due to their lower first gift levels see F2F and Digital recruits delivering 1.5 annual value.

Our single givers are growing in value over the years at similar rates with digital recruits starting out higher and maintaining. Keep in mind this is the channel of recruitment noted and that subsequent gift solicitation can be by multiple channels.

Year 1 Income Per New Donor



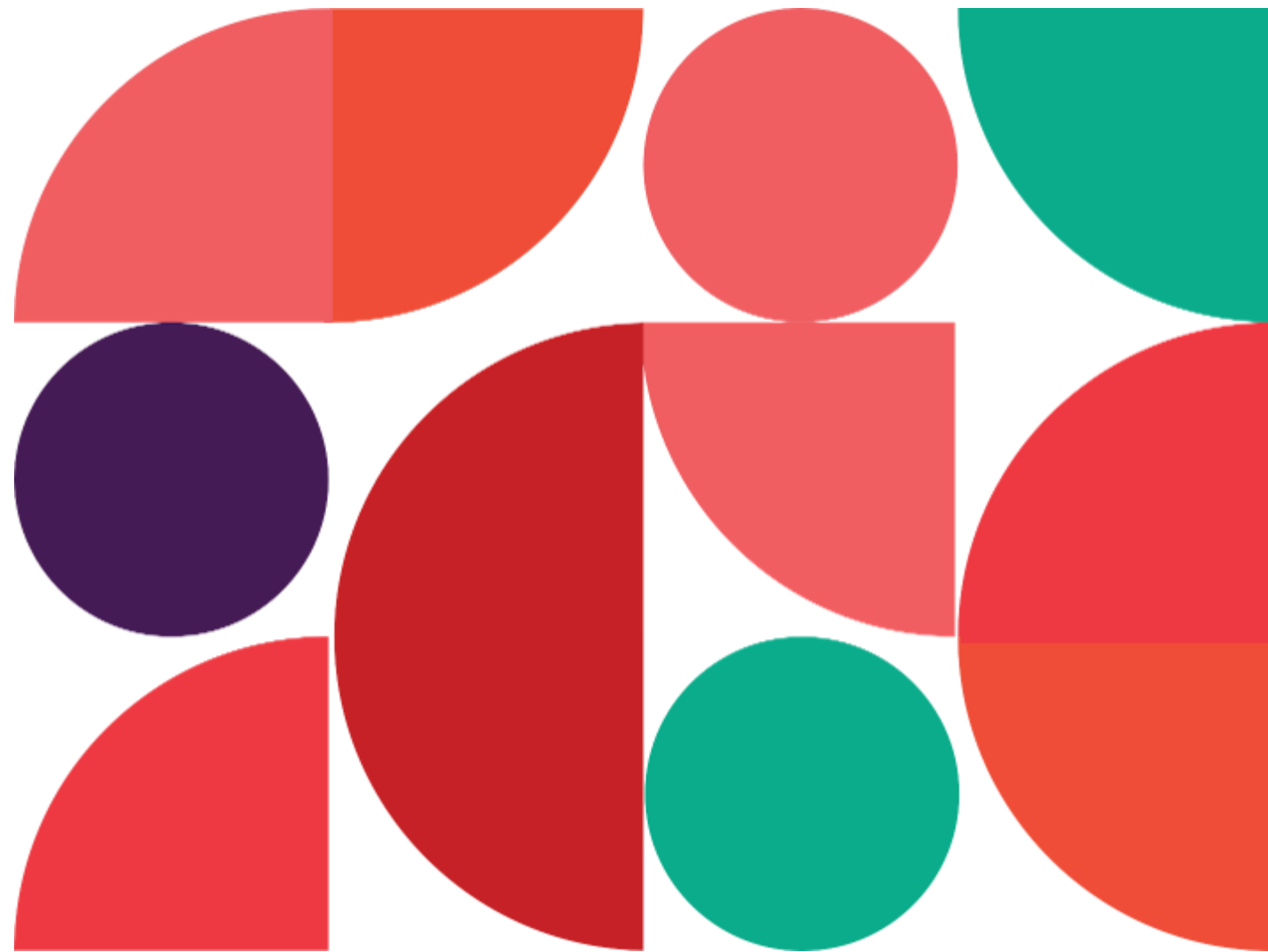
The road to Gifts in Wills

Donor Type	Average Age	2 nd Gift Rates (12 months) / Year 1 Retention	Average ways of giving*	% Conversion to RG (2022 new vs all)	% of Donors Confirmed as GIW	Average time between First Gift & GIW confirmation	Average GIW (7-year average)
Community & Event Givers	44	14%	1.0	0.4%	0.02%	8 Years	\$267,000
Single Givers	70	25%	1.3	1.4%	0.58% DM 0.15% DIG	8.5 years	\$123,000
Emergency Givers	Not enough data	21%	1.0	1.1%	0.01%	8 Years	\$72,000
Regular Givers	51	55%	1.3	N/A	0.21% non-F2F 0.06% F2F	9 Years	\$87,000

This is the average number of different giving types (Single Gift, Regular Gift, Emergency Gift, Community Event Gift, the giver type has on average

With Gifts in Wills delivering 24% of income in 2022 inspiring donors to commit to this high value giving plays an important role in many programs. But investing can be challenging when the returns take, on average 8 years or longer to come in. Taking a long-term view of your income is critical to ensuring appropriate investment. Single givers are historically the most likely to confirm a Gift in Will.

Donor profiles



Single Givers in 2022

724K
Single Givers 2022

1.15M
SG Gifts Last Year

\$212.62M
SG Value

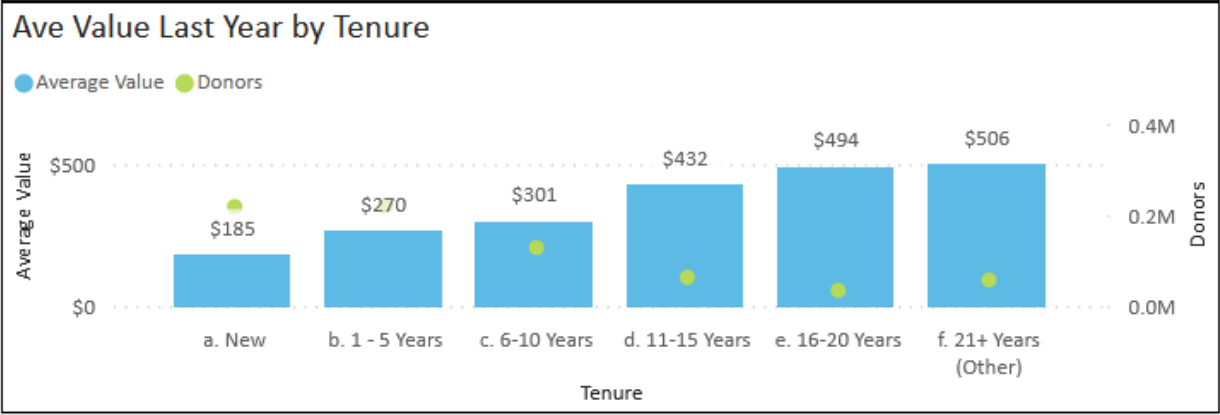
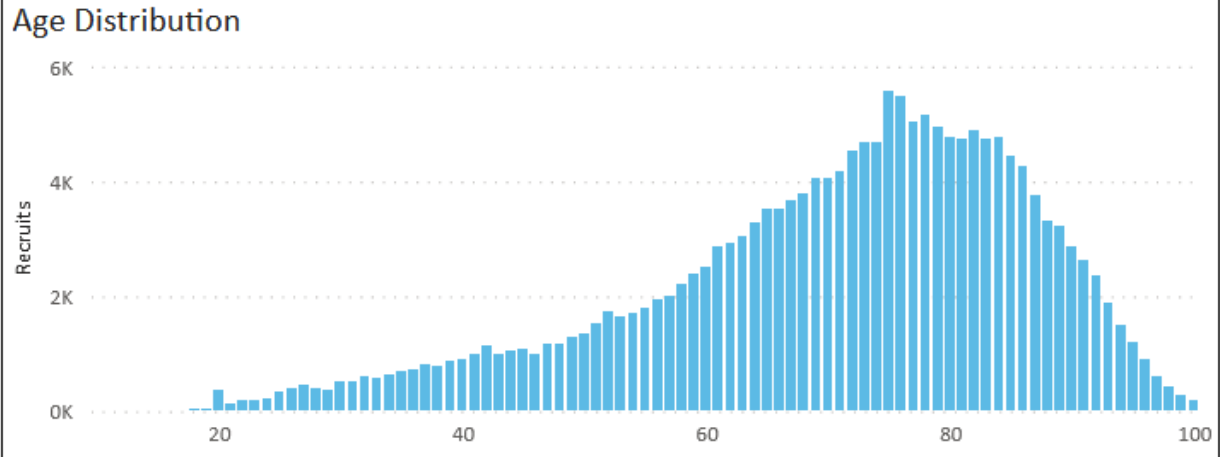
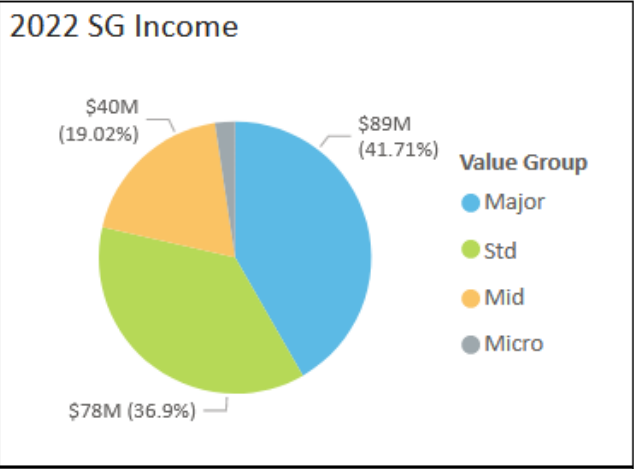
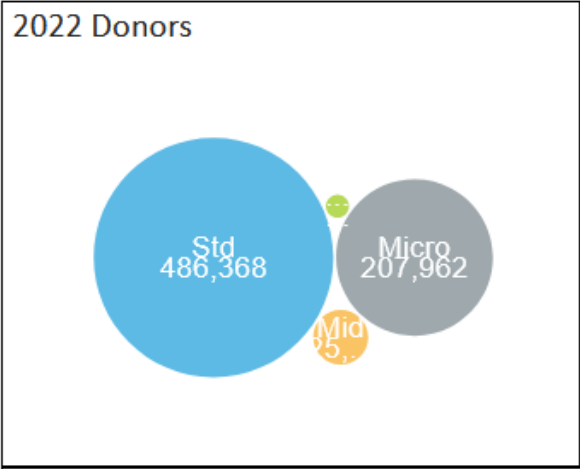
6.36
Average Tenure (Years)

70.33
Average Age

\$142
Average First Gift

\$294
Average Value per Donor LY

1.27
Giving Diversification



- Percentage of total Individual Giving income in 2022: 19%
- Overall donor retention rate 2022: 45%
- Average gift in 2022: \$234
- % of total confirmed Gifts in Wills: 69%

Value Band	Donation range
Micro	\$0 - \$49.99
Standard	\$50 - \$99.99
Mid	\$1,000 - \$4999.99
Major	\$5,000+

Regular Givers in 2022

1M

Regular Givers

12.14M

Regular Gifts Last Year

\$413.84M

RG Income Last Year

6.01

Average Tenure (Years)

50.82

Average Age

\$29.94

Ave First RG

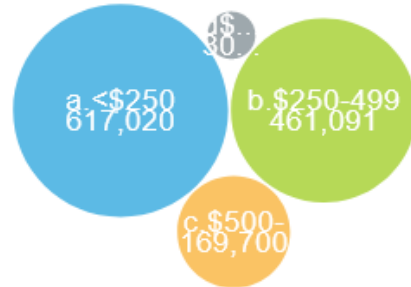
\$324

Average Value per Donor LY

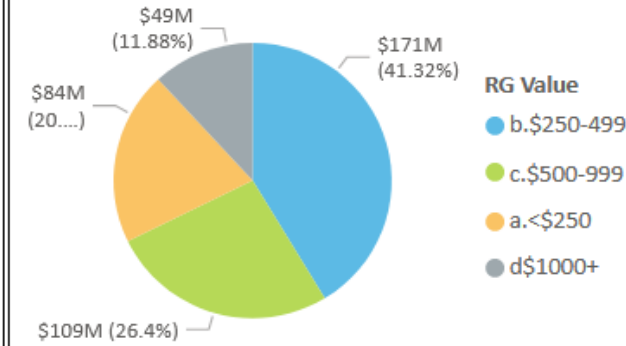
1.30

AllGiving

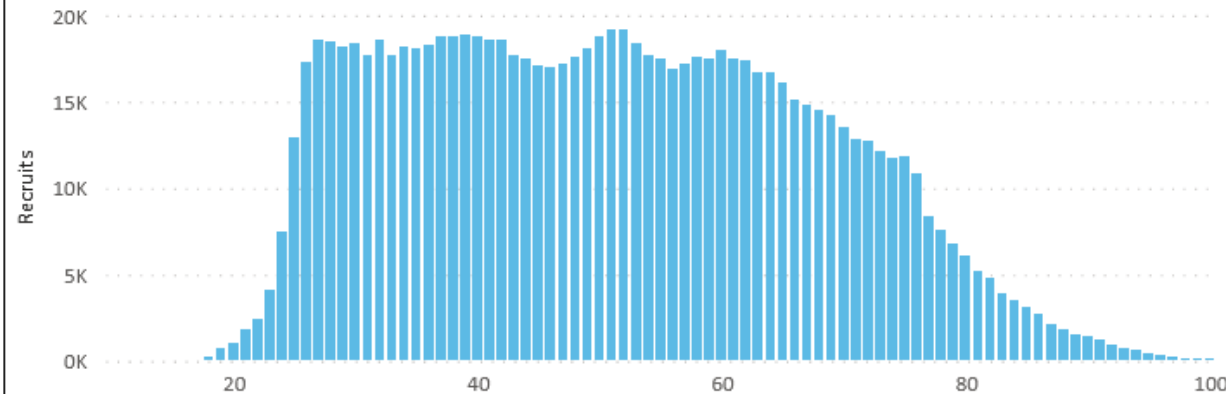
2022 Donors



2022 RG Income



Age Distribution



Ave Value Last Year by Tenure



- Percentage of total Individual Giving income in 2022: 30%
- Overall donor retention rate 2022: 80%
- Average gift in 2022: \$34 per month
- % of total confirmed Gifts in Wills: 12%

Value Band	Donation range
Micro	<\$250 annual
Standard	\$250 - \$499.99
Mid	\$500 - \$999.99
Major	\$1,000+

Community, Peer-to-Peer, events givers in 2022

691K

Eventers 2022

808.14K

Event Gifts

\$139.66M

Event Income

0.96

Average Tenure (Years)

43.94

Average Age

\$116

Ave First Gift

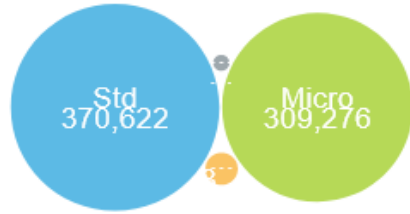
\$202

Average Value per Donor LY

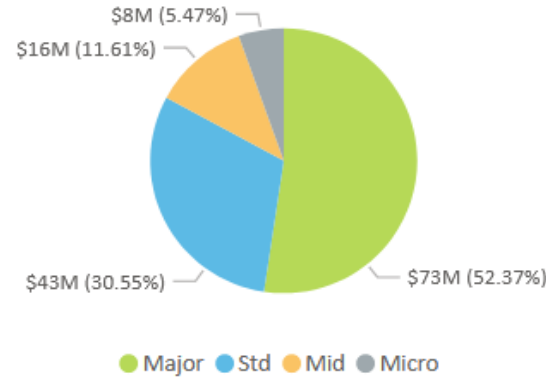
1.05

AllGiving

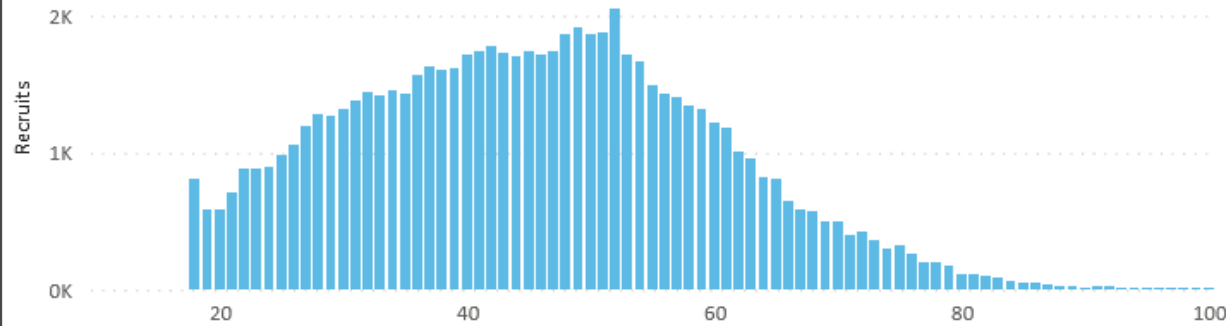
2022 CE Income



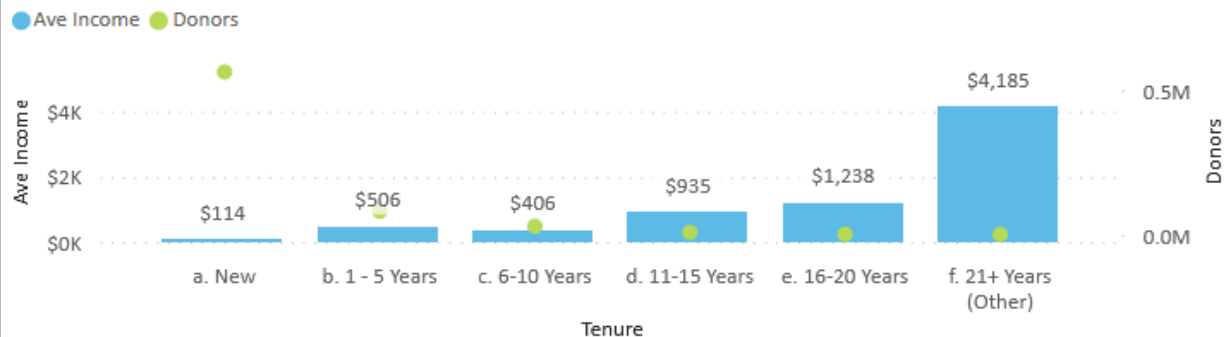
2022 CE Income



Age Distribution



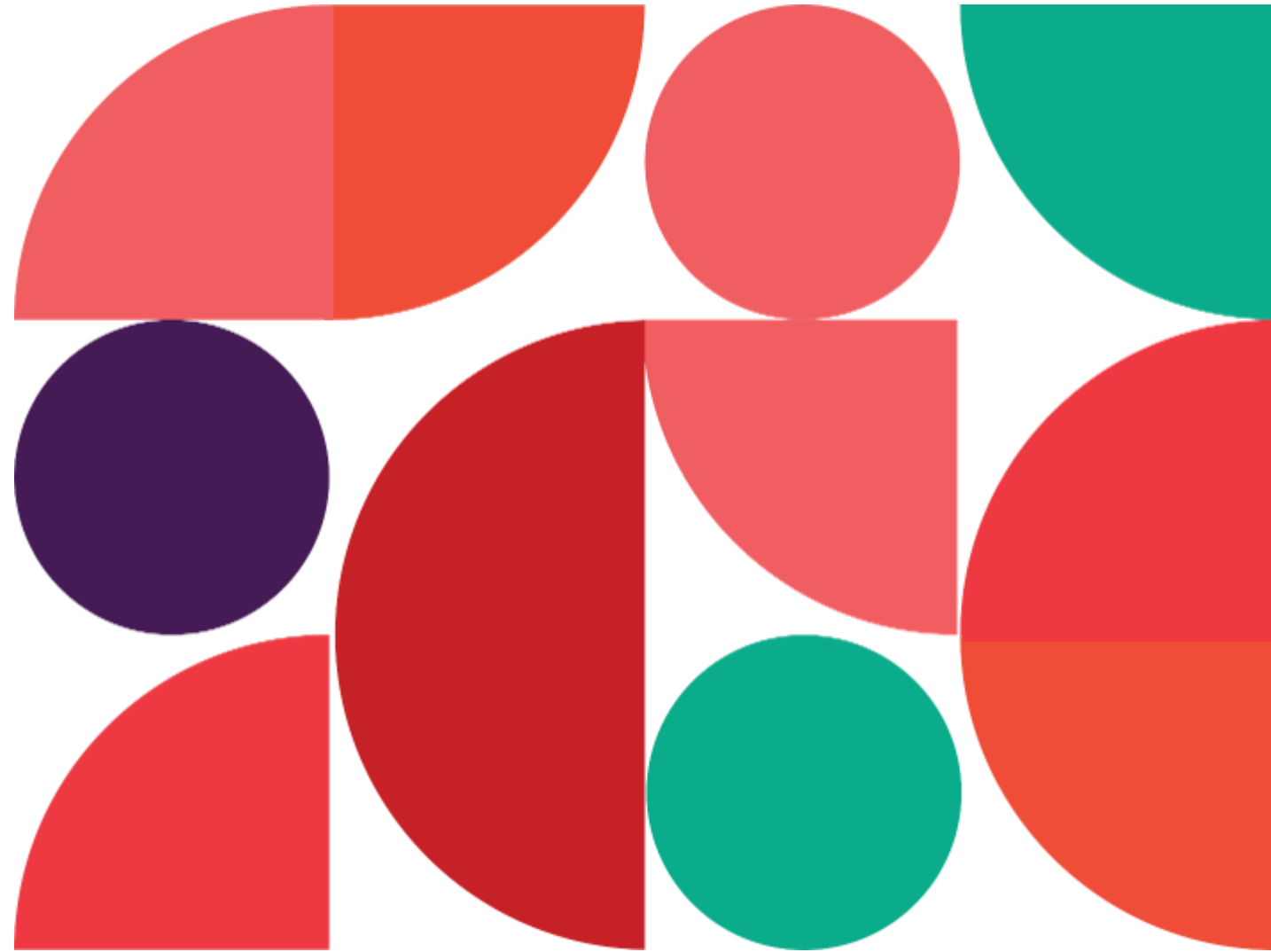
Ave Value Last Year by Tenure



- Percentage of total Individual Giving income in 2022: 10%
- Overall donor retention rate 2022: 8%
- Average gift in 2022: \$173
- % of total confirmed Gifts in Wills: 3%

Value Band	Donation range
Micro	\$0 - \$49.99
Standard	\$50 - \$99.99
Mid	\$1,000 - \$4999.99
Major	\$5,000+

Single Giving



Single Giving landscape is changing

- Single Giving, including Emergency Giving, has continued to grow over the past five years and together contributed 23% of all Individual Giving income in 2022.
- When we exclude Emergency Giving the average annual growth rate was 7% over the past five years.
- The volume of Single Gift donations declined 12% between 2021 and 2022 and the volume of donors declined 11%.
- Growth in value from Single Giving programs is being driven by:
 - Lower volumes of acquisition, delivering better quality acquisition: higher value per new donor combined with stable second gift rates
 - Increasing average gifts: 38% of Single Givers increased their gift value in 2022, this has been stable over the past five years
 - Development of Everyday donors to Mid Value Giving: Mid Value donors represent 3% of all retained Single Givers who are retained at higher rates than Everyday donors
 - Stable overall retention and strong retention of long-term donors
- The average single gift in 2022 was \$184, a 30% increase over five years.
- Despite acquiring 202k new donors in 2022 and 1.8m donors since 2017 growth in income has come from retained donor development, particularly at the High Value end (\$1k+).
- Digital and Direct Mail accounted for 76% of all new Single Givers in 2022.
- We are still very reliant on Direct Mail as the key solicitation channel for single gifts - 84% of Everyday (<\$1k gifts) Single Giving income was solicited via Direct Mail (67%) and Digital (21%). We note that the majority of participating charities indicated they integrate channel for their appeals and as such Direct Mail is a catch all for appeals that may include other channels, most likely email, SMS and telephone.
- Peak appeal giving periods (tax and end of year / festive) are flat (showing no growth)
- Long-term donors are critical to single gifts income, in 2022 donors who have given for at least the past 5 years in a row represented 33% of all Single Givers retained and have the highest annual value and retention rate.

The average Single Giver

Micro

(<\$50)

2% of SG income in 2022

- 68 years old
- Giving for almost 5 years
- Minimal gender information recorded

- 29% of 2022 donors
- Average Gift: \$25
- 1.2 gifts per donor
- 12% of all confirmed GIW from Single Givers
- 46% recruited via Direct Mail

Standard

(\$50 - \$999.99)

37% of SG income in 2022

- 71 years old
- Giving for 7 years
- More females than males giving

- 67% of 2022 donors
- Average Gift: \$97
- 1.7 gifts per donor
- 75% of all confirmed GIW from Single Givers
- 43% recruited via Direct Mail & 25% via Digital

Mid value

(\$1k - \$4999.99)

19% of SG income in 2022

- 71 years old
- Giving for 10 years
- More even gender split than standard

- 3.5% of 2022 donors
- Average gift: \$698
- 1.5 gifts per donor
- 10% of all confirmed GIW from Single Givers
- 35% recruited via Direct Mail & 26% via Digital

Major

(\$5k+ - <\$1m)

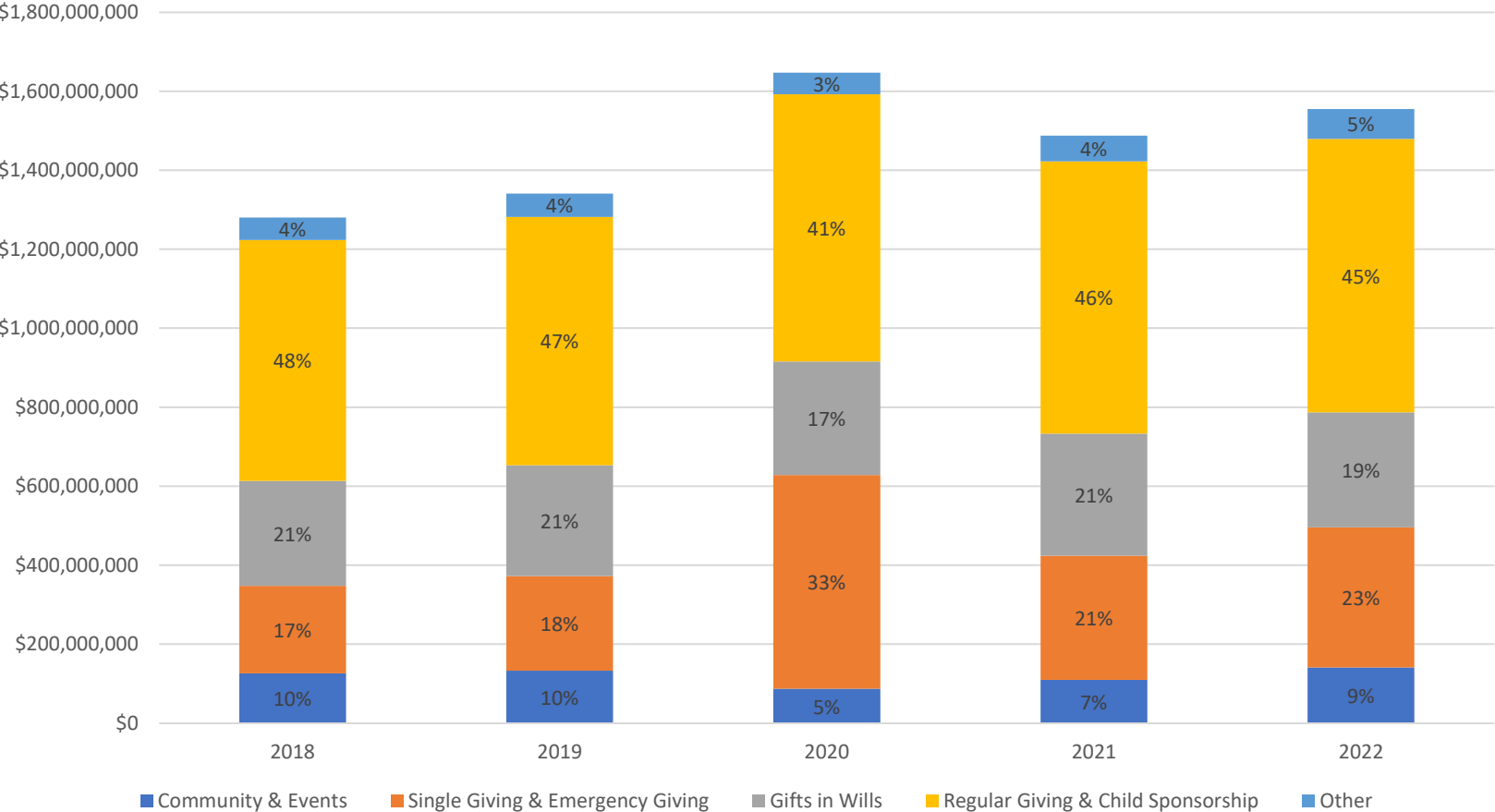
42% of SG income in 2022

- 71 years old
- Giving for 11 years
- More males than females

- 0.6% of 2022 donors
- Average gift: \$8,000
- 1.6 gifts per donor
- 3% of all confirmed GIW from Single Givers
- 32% recruited via Direct Mail & 42% via "other" (most likely this is personal solicitation)

Single Giving growth is being driven by retained donors

Individual Giving Income Trends



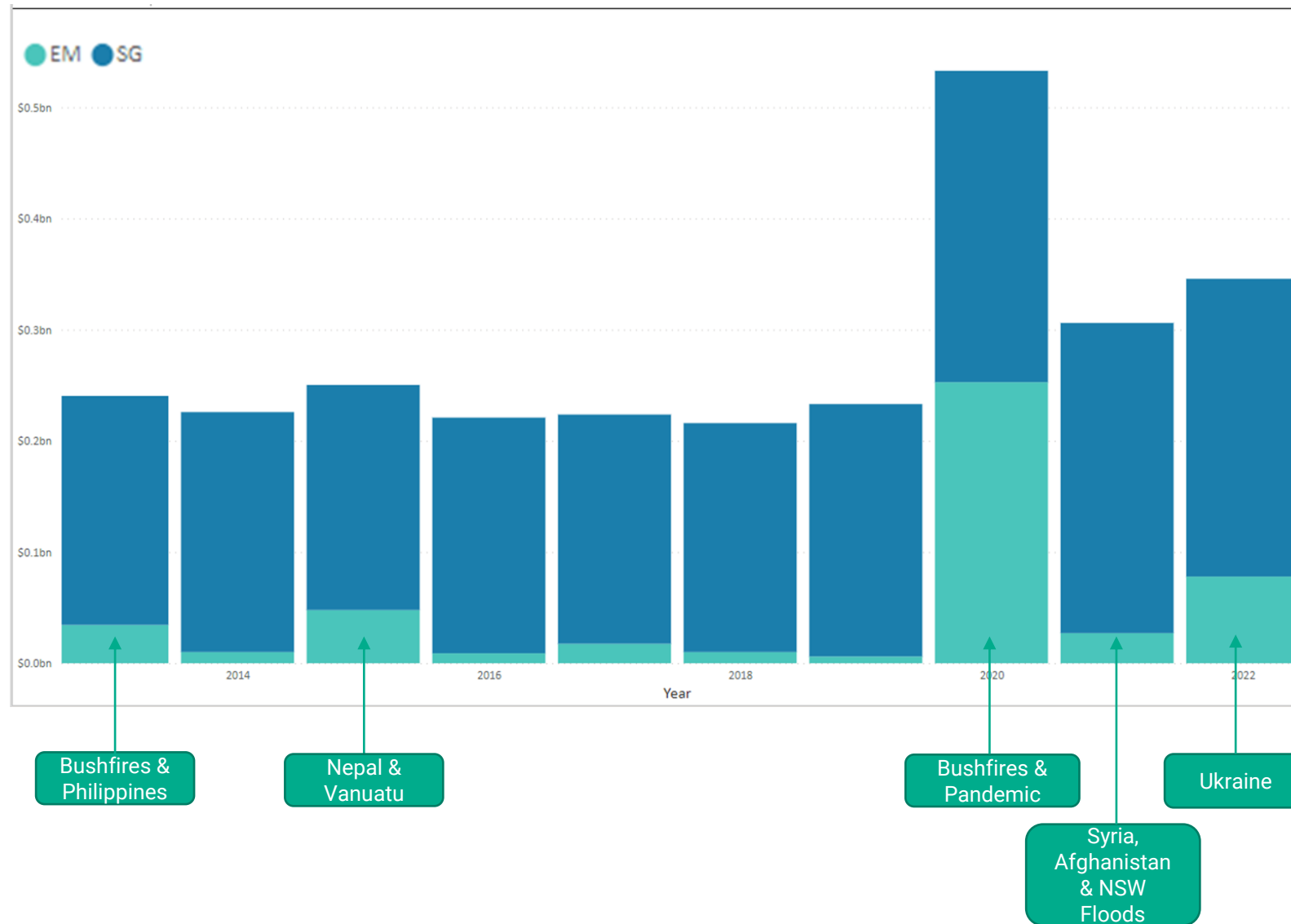
Single Giving has grown at an average annual growth rate of 7% over the past five years when we exclude the influence of Emergency Giving.

70% of programs analysed grew Single Giving last year, with 70% growing over the past five years.

This is despite the volume of donations declining 12% between 2021 and 2022 and the volume of donors declining 11%.



Emergency Giving is adding to income but not active donor numbers



The increasing prevalence of war and natural disasters means that Emergency Giving (EM) (Single Gifts in response to Emergencies), has driven growth in income.

It is likely that Emergency Giving has also led to growth in general Single Giving.

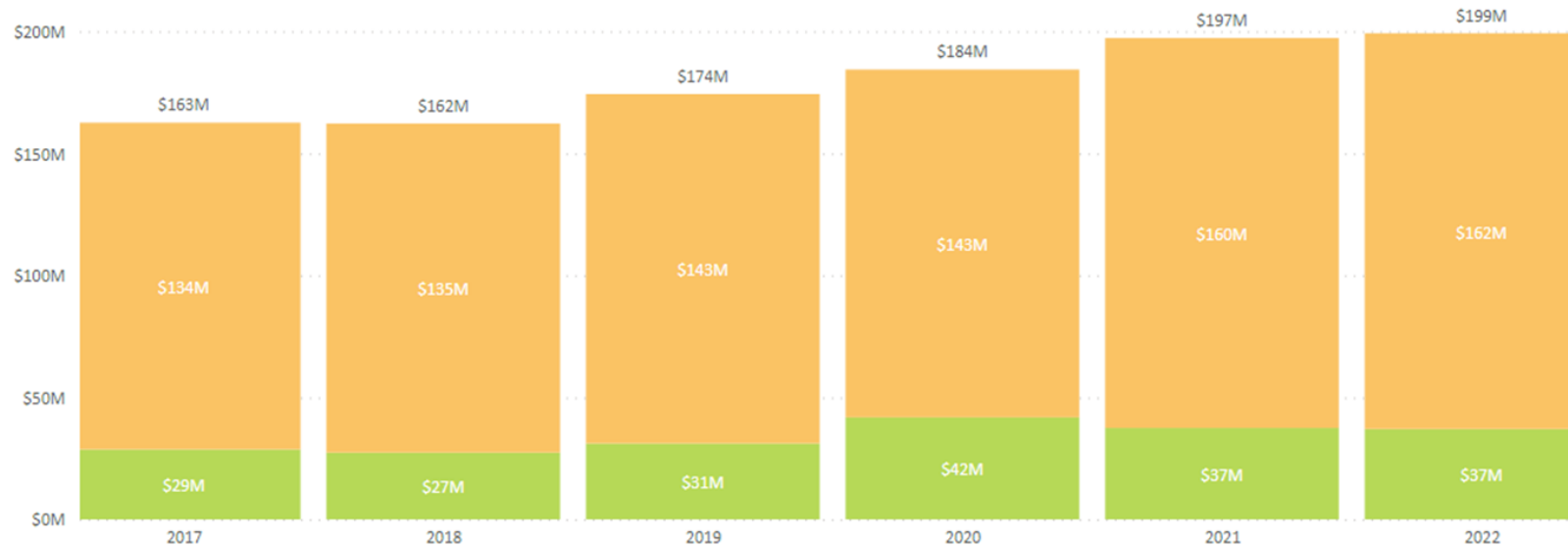
With some variation 50% - 65% of Emergency Giving income comes from new donors with repeat giving from first time givers very low.

Emergency Giving is dominated by gifts under \$1,000 (60% of all Emergency Gifts in 2022 were under \$1,000), but noticeably Emergency Givers have:

- Low second gift rates: 17% in 2022, 25% giving again within 3-years,
- High average gifts: \$141 in 2022,
- Low Gift in Will confirmation rates at 0.01% across all Emergency Givers. This represent 3% of all confirmed Gifts in Wills.

Single Giving growth driven by retained donors

Income by Year



This chart shows the growth in Single Giving income by calendar year, split by income from retained Single Givers (SG Warm in yellow) and new single givers (SG Acq in green).

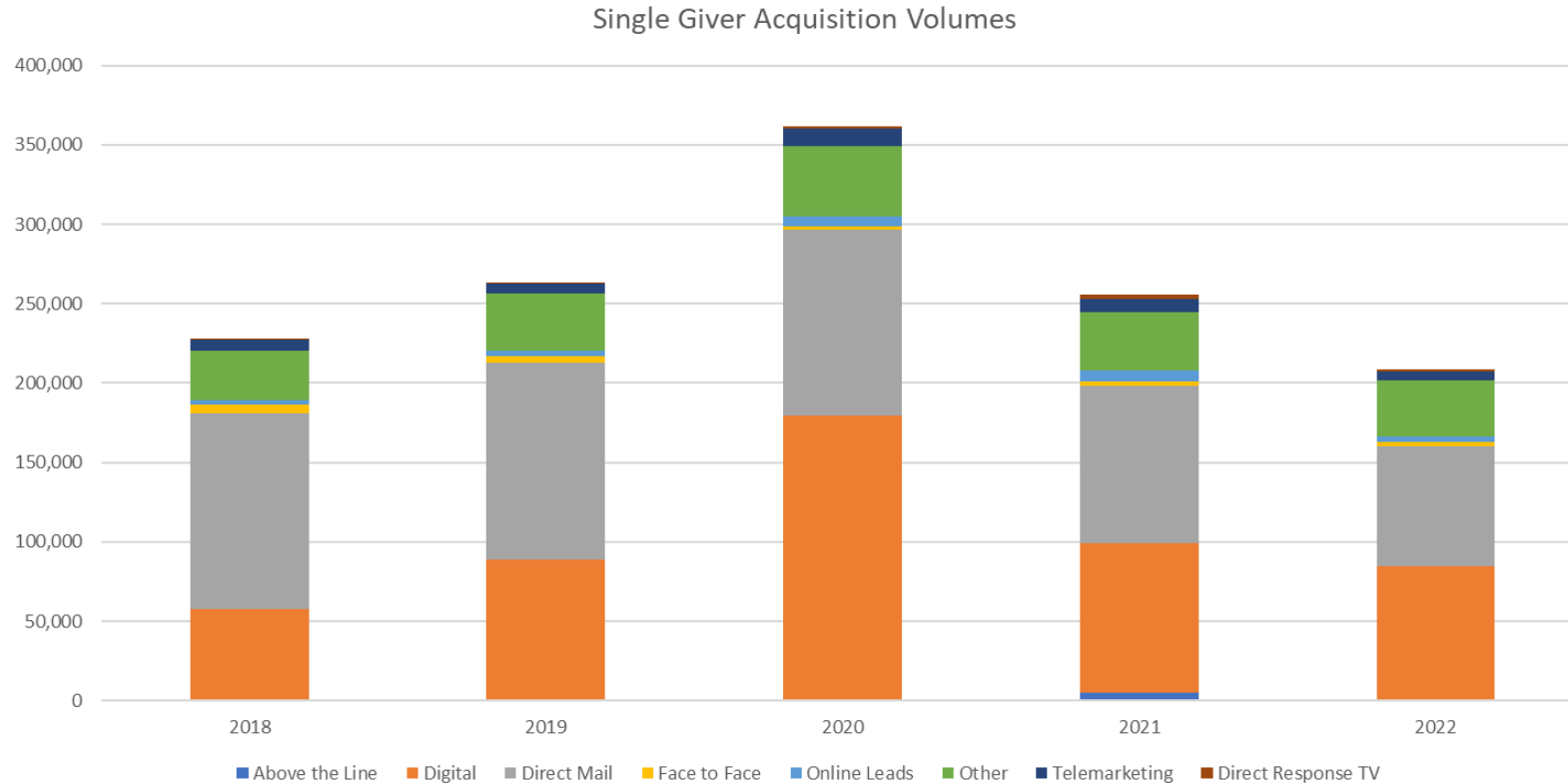
Growth in SG income over the past five years has been driven by strong growth from Major Gifts (donations over \$5k), sustained growth in Mid Value Giving (\$1k - \$5k) and steady income from a declining volume of Everyday Giving donors (gifts <\$1k).

This growth has been driven by donor development rather than increasing acquisition.

New donor income has maintained at around 18% of annual Single Gift income annually, sustained by increasing average gifts at acquisition offsetting some of the ongoing declines in acquisition volumes

Stability in retained donor income (SG Warm) has been the result of increasing average gifts and some improvements in second gift rates and overall retention.

Single Giver acquisition volumes continue to decrease, Direct Mail and Digital now providing similar volumes of new Single Givers



Digital and Direct Mail accounted for 76% of all new Single Givers in 2022.

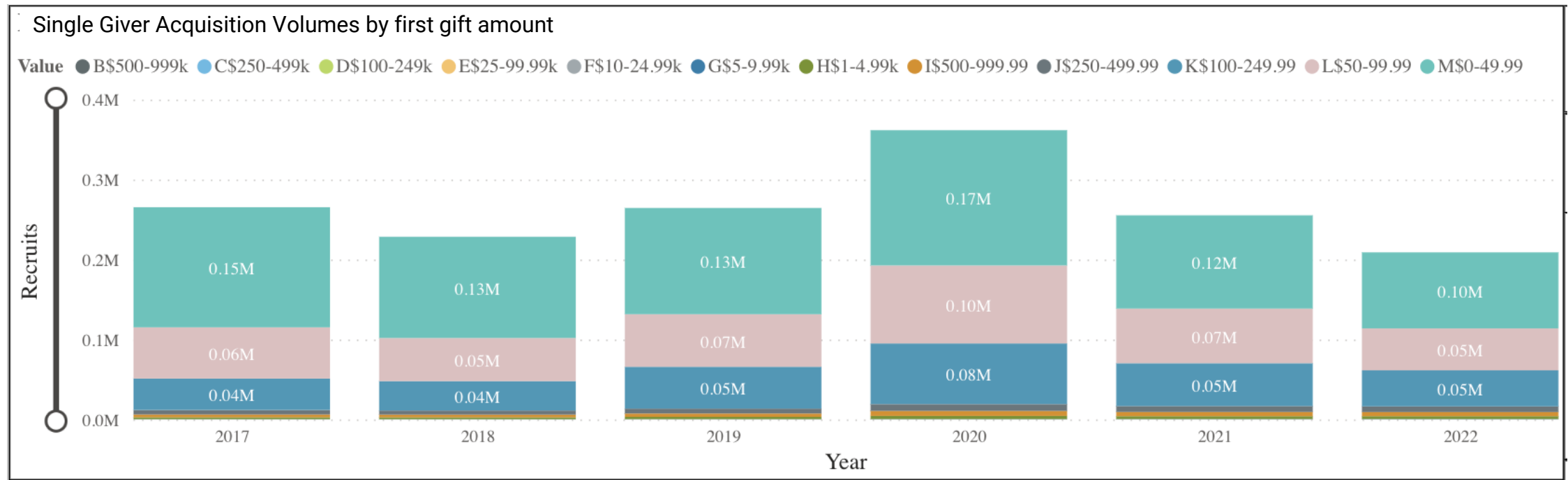
In 2022 Digital overtook Direct Mail for the first time as the highest source of new Single Givers, in 2022 Digital provided 40% of new Single Givers with Direct Mail at 36%.

- 65% of new Everyday Single Givers (gifts under \$1k) were solicited via Direct Mail followed by 40% via Digital.
- 53% of new Mid Value donors (Gifts \$1k - \$5k) were solicited via Direct Mail followed by 31% via Digital.
- 23% of new Major donors (gifts over \$5k) were solicited via Direct Mail and a further 30% via Digital with 45% via “other” which suggests non-direct responses.

Following a significant increase in the volume of new Single Givers recruited via Digital in 2019, the events of 2020 saw a massive spike in new Single Givers, predominantly via Digital with ‘Other’ also growing significantly.

This jump came mostly from the <\$100 donors and followed the increase in Emergency Giving and the reallocation of spend from Face to Face to Digital and Online Lead Conversion (which resulted in higher volumes of new single givers from this regular giving focused activity). 2021 and 2022 also saw significantly higher Emergency Giving which may have increased new donor numbers.

Ongoing decline in the acquisition of lower value donors



Here we see the significant increase in lower value, <\$500 donors, in 2020 who accounted for the larger proportion of new donors giving that year than seen previously or since. The volume of new donors giving <\$500 has now dropped well below previous years with those giving above \$500 showing continued and steady growth.

The decline in the acquisition of these lower value donors can already be seen to be affecting subsequent income as these donors are retained at lower rates than their higher value counterparts.

Single Gift average first gifts show sustained growth



The average first gift from new Single Givers shows healthy growth.

The average Single Gift in 2022 was \$184, a 30% increase over five years.

There is a large variance by charity with the range in first average gift for new single donors in 2022 \$46 to \$544.

Heavily influenced by the channel of solicitation Digital recruits gave, on average, a first gift of \$137 in 2022, Direct Mail recruits \$99, Telemarketing recruits \$65 and online lead converts \$63.

The table below shows the growth in average first gift. As our volumes of new Single Givers declines the average first gift is increasing suggesting a quality over quantity outcome.

Single Giving average gift overall by channel of solicitation

Channel of solicitation	2022 average gift
Above the line	\$223
Digital	\$191
Direct mail	\$144
Direct response TV	\$113
Online lead conversion	\$52
Telemarketing	\$75

The table shows the growth in average first gift. As our volumes of new Single Givers declines the average first gift is increasing suggesting a quality over quantity focus.

Channels with low second gift rates like Online Lead Converts and Telemarketing see a larger uplift in average gift for retained donors (the small proportion who continue giving are of higher value).

The Single Giver donor pool is not increasing

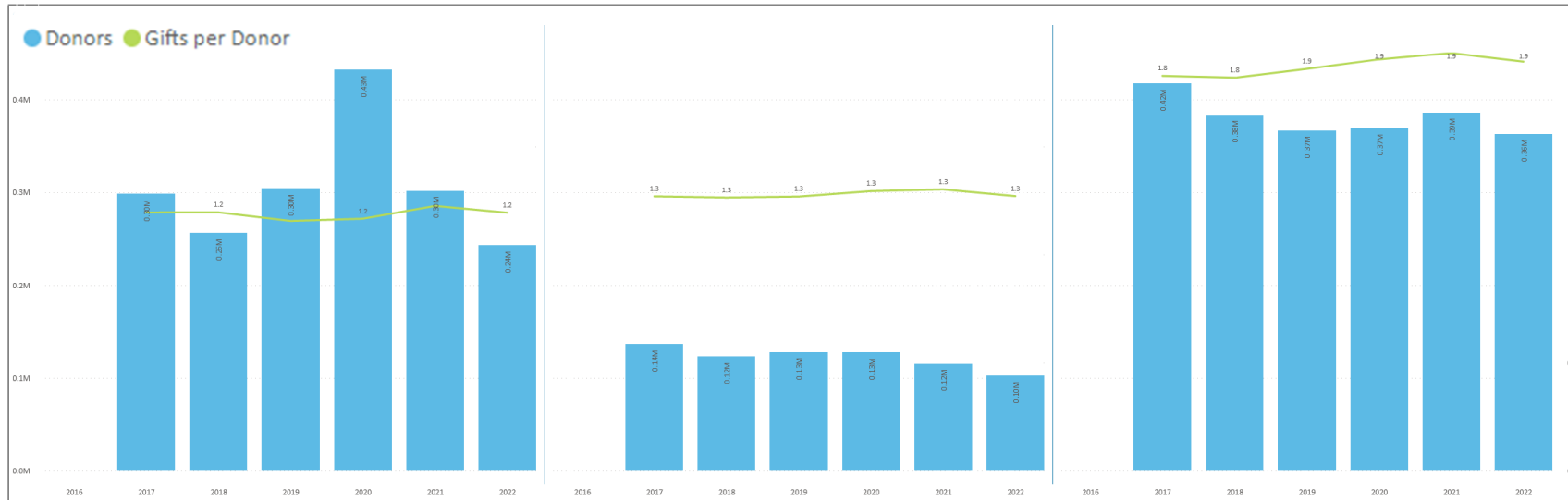
The number of gifts and donors* declined last year and over the past five years.

Despite acquiring 202k new donors in 2022 and 1.8m donors since 2017 growth in income has come from retained donor development, particularly at the High Value end (\$1k+).

In addition, the acquisition volume of everyday givers has been declining for the past five years. This suggests a shift in focus towards High Value fundraising. It also underscores the need for a continued focus on donor retention and the long term quality of donor as opposed to driving revenue from first time givers.

4% of new Regular Givers in 2022 were converted Single Givers. This equates to about 13% of the declining Single Giver donor numbers in 2022 but probably represents an increase in those donors' potential lifetime value.

* Note the donor count is the combined total of each of the 43 organisations and counts donors who give to multiple organisations multiple times.



New donors
1.2 gifts per donor in 2022

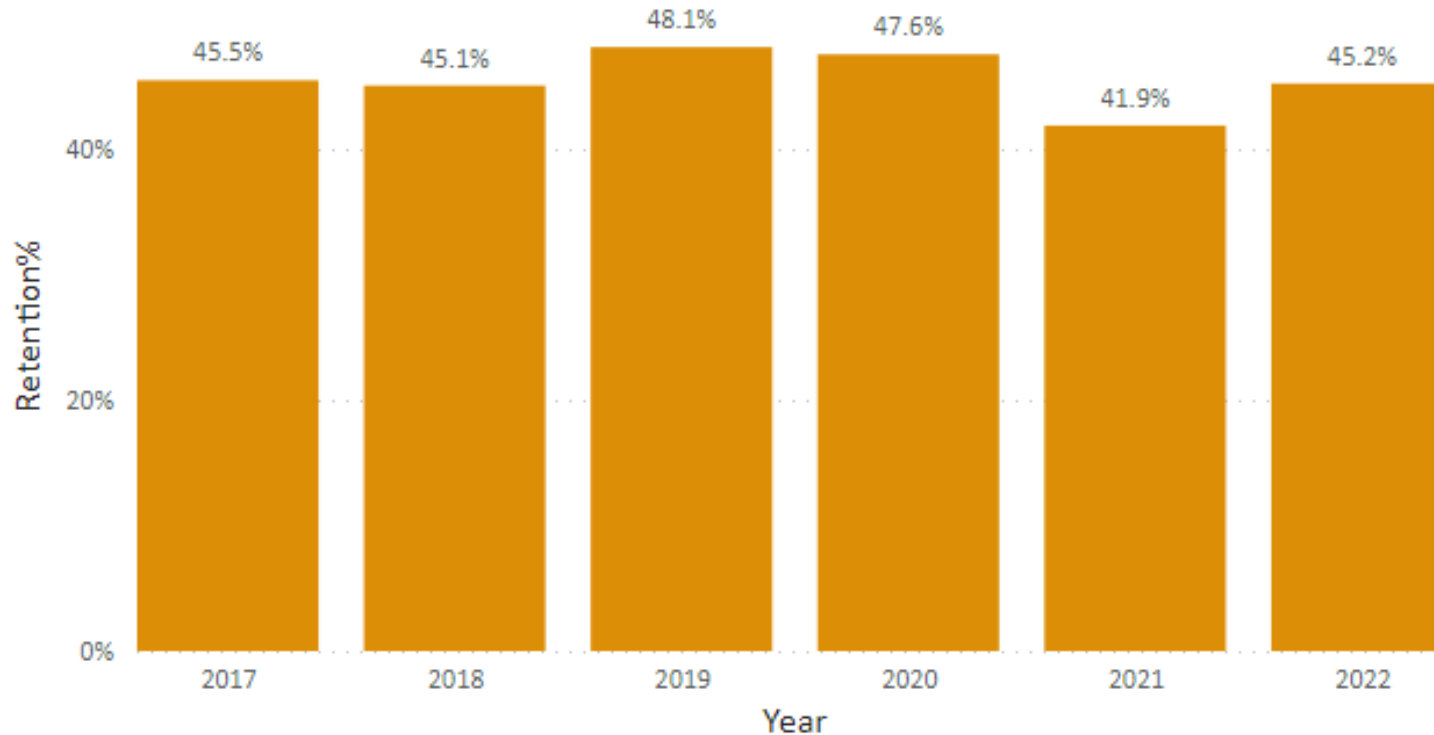
Reactivated donors
1.3 gifts per donor in 2022

Retained donors
1.9 gifts per donor in 2022



Overall Single Giver retention influenced by changing acquisition channels with declines driven by Digital recruits.

YOY Retention



Overall, year on year retention of Single Givers was reasonably stable until 2020 and 2021 when new donors bringing subsequent retention down.

The significant jump in the volume of new digital donors in both 2019 and 2020 – with double the number of donors giving <\$100 in 2020 compared to previous year, has had an on-flow effect to subsequent overall retention. Digital donors have both lower second gift rates and lower ongoing retention when compared to Direct Mail donors.

Channel of recruitment is heavily influencing retention and contactability

First Gift Channel	2019 Retention	2020 Retention	2021 Retention	2022 Retention
Digital	34.0%	30.4%	23.4%	32.8%
Direct Mail	52.2%	54.0%	51.8%	52.4%

2022 Recruits First Gift Channel	Email Contactability	Mail Contactability	Phone Contactability
Digital	87%	76%	69%
Direct Mail	25%	91%	32%

Donors originally recruited via Direct Mail have shown stronger and more consistent retention in comparison to Donors originally recruited via Digital.

As the channel mix continues to change and we move to larger volumes of donors recruited via Digital, understanding, forecasting and tackling the lower retention rates will be key to adapting to your changing donor base.

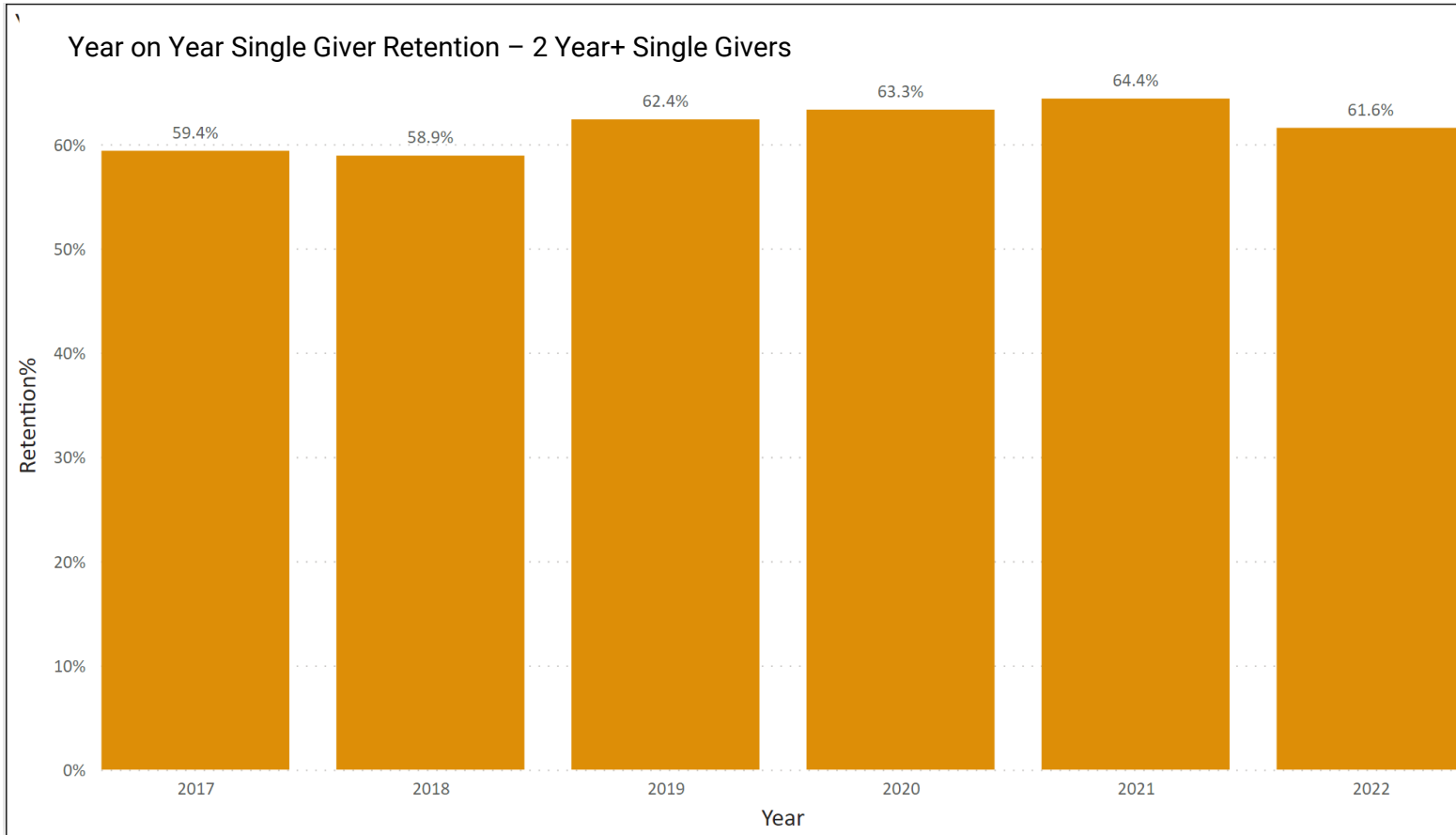
Being aware of, and having plans to manage, donor contactability is critical to this understanding.

It is critical to measure and track immediate drop off rates, as is understanding the channel mix available for those you are able to contact.

The second table shows us how different the contact channel mix available for new Digital recruits vs. Direct Mail recruits is.

Seeking to maximise overall donor contactability and increase the diversity of channels available.

Longer term Single Giver retention is stable



When we remove the influence of new donors and look at the retention of Single Givers who have been giving for two or more years the underlying retention trend is showing improvement.

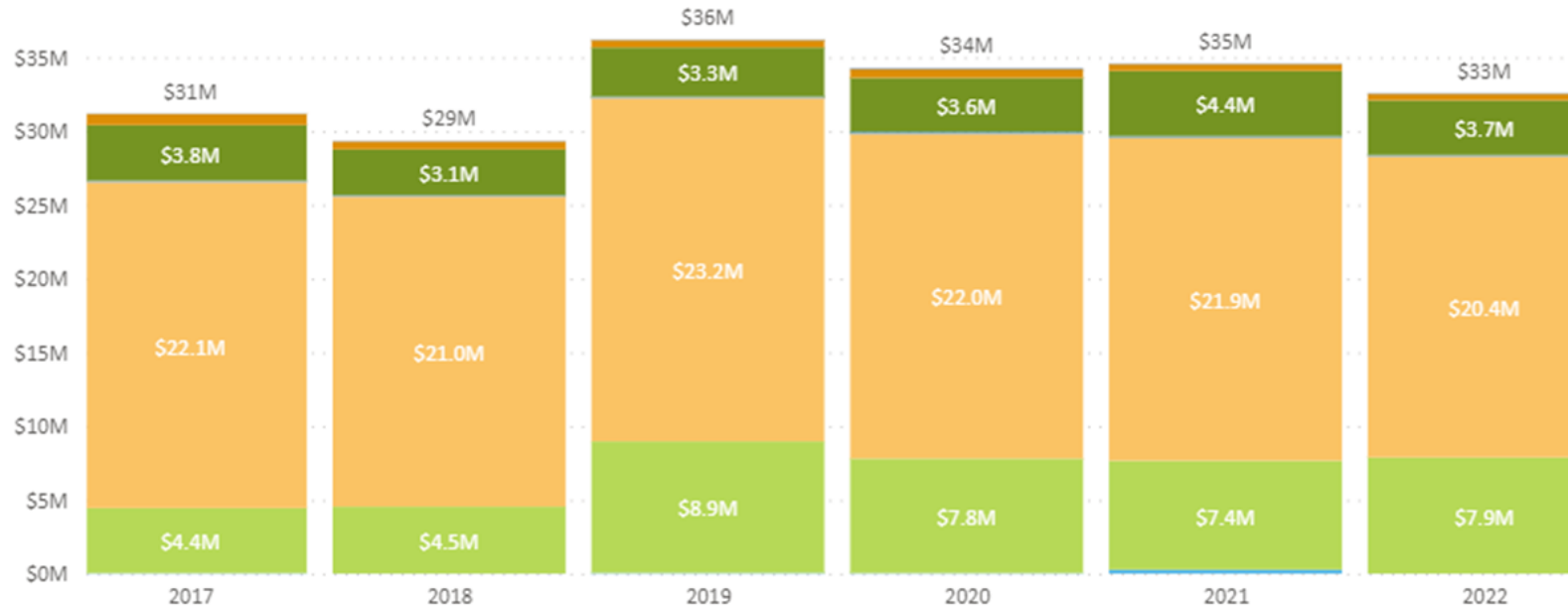
The decline between 2021 and 2022 can be attributed to the significant increase in new Digital donors giving under \$100.

This is likely associated with the dramatically increased Emergency Giving in this period and the fact that Digital donors have overall lower retention rates.

Direct mail still dominates Single Giving income generation

Income by Year

Channel ATL DIG DM F2F OLC OTH TM TV



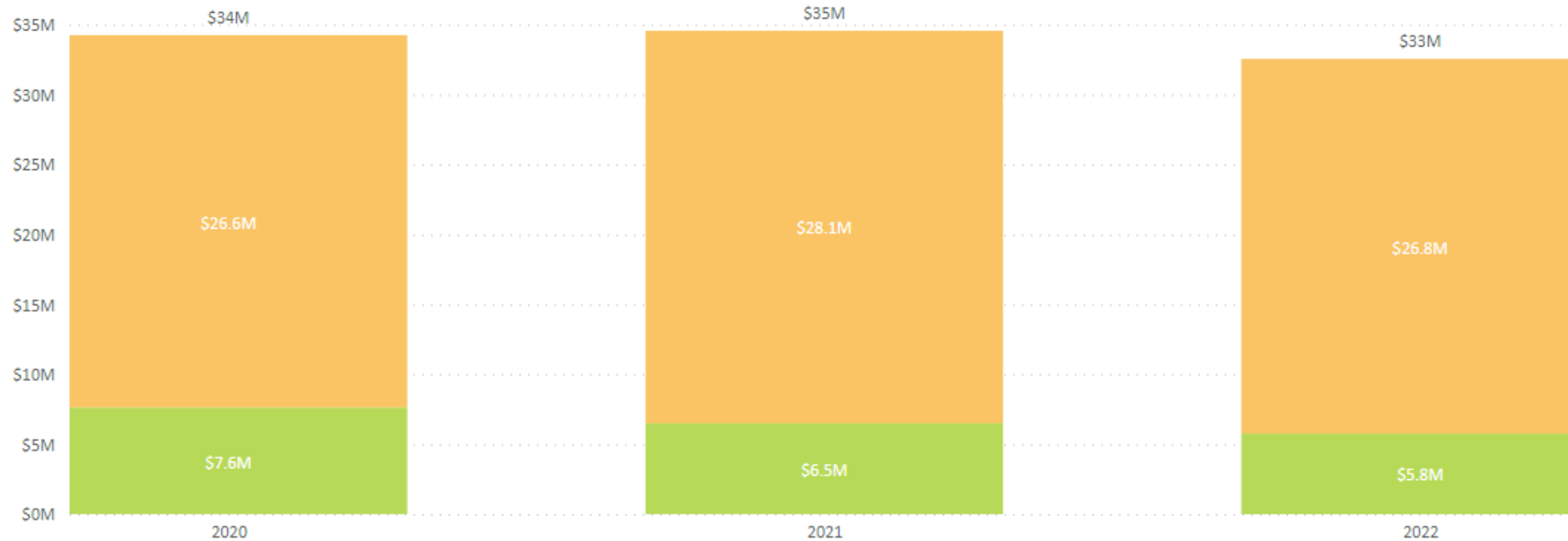
Direct Mail, as a solicitation channel, was responsible for 44% of single gift income in 2022. Removing the influence of gifts over \$5,000 this increases to 57% and to 67% for gifts under \$1,000.

We are still reliant on Direct Mail as a key solicitation channel for everyday givers (under \$1,000).

- 84% of everyday Single Giving income was solicited via Direct Mail (67%) and Digital (21%).
- 51% of Mid Value income (gifts \$1k to \$5k) were generated via Direct Mail with a further 30% generated via Digital.
- 67% of Major Donor income (gift \$5k+) were generated via “other”, suggesting direct solicitation as opposed via direct response, with a further 24% generated by Direct Mail.

Peak appeal giving periods are flat

Warm Cold (Blank) SG Acq SG Warm



This chart shows the Single Gift income for quarter four / festive appeals for Everyday and Mid Value giving (gifts under \$5,000).

A comparison of Single Giving from gifts under \$5,000 for calendar year quarter 2 (tax appeal time), and quarter 4 (festive appeal time), shows:

- A small decline over the past three years in both periods.
- Declines predominantly from retained donors.
- Tax period showed a minor decline of 5% between 2021 and 2022, with 66% of this decline attributed to declines in Direct Mail.
- The festive period shows a similar decline of 6% with 75% of this decline from Direct Mail.

The short term value of Single Givers increases as second gift rates stabilise

The year one value of new Single Givers is increasing as a result of increasing average gifts (first and subsequent) and the continued shift in solicitation channel for new donors from Direct Mail to Digital which sees Digital recruits delivering higher average gifts (51% higher for first gift and 56% for second gifts).

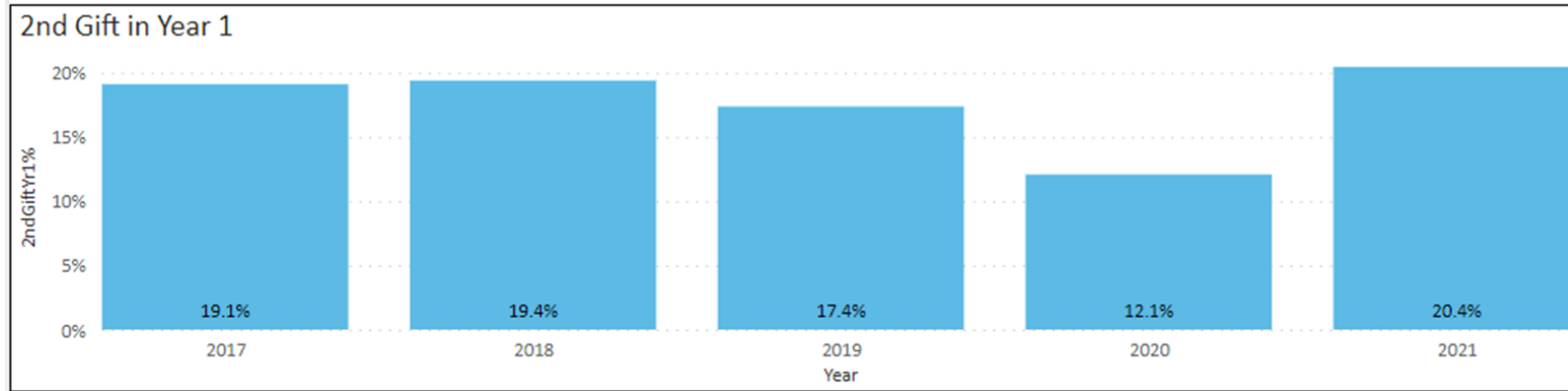
Direct Mail donors continue to be better subsequent value as they are retained at higher rates (52% year on year vs. 32% for Digital recruits).

Retained Direct Mail and Digital donors give, on average, 1.9 single gifts a year.

Digital recruits are being converted to Regular Giving at higher rates 5% converted over 5-years vs. 2% of Direct Mail recruits.

Channel Of Solicitation	First Gift Average (2022 recruits)	Overall Average Gift (2022)	Year One Income per donor (2021 recruits)	Gifts per donor (2022 everyday retained donors)
Direct Mail	\$99	\$140	\$117	1.9
Digital	\$137	\$198	\$154	1.8
Telemarketing	\$49	\$70	\$73	2.0
Online Leads	\$51	\$52	\$59	1.8

Single Giving second gift rates by channel



The top chart show the second gift rate of new donors, within 12-months of their first gift. 2021 new Single Givers gave again at a 20.4% rate. This is an improvement on what was an ongoing decline.

Channel of solicitation	Average 2 nd gift rate 2021 recruits	Benchmarking Highest rate	Benchmarking Lowest rate
Digital	20%	34%	7%
Direct Mail	29%	51%	17%
Telemarketing	20%	63%	2%
Online Leads	10%	50%	2%

Second gift rates vary by channel and by charity suggesting opportunity to improve with effort.

Digital has improved considerably alongside an increase in the channels available to contact these new donors.

Single giving second gift rates and contactability

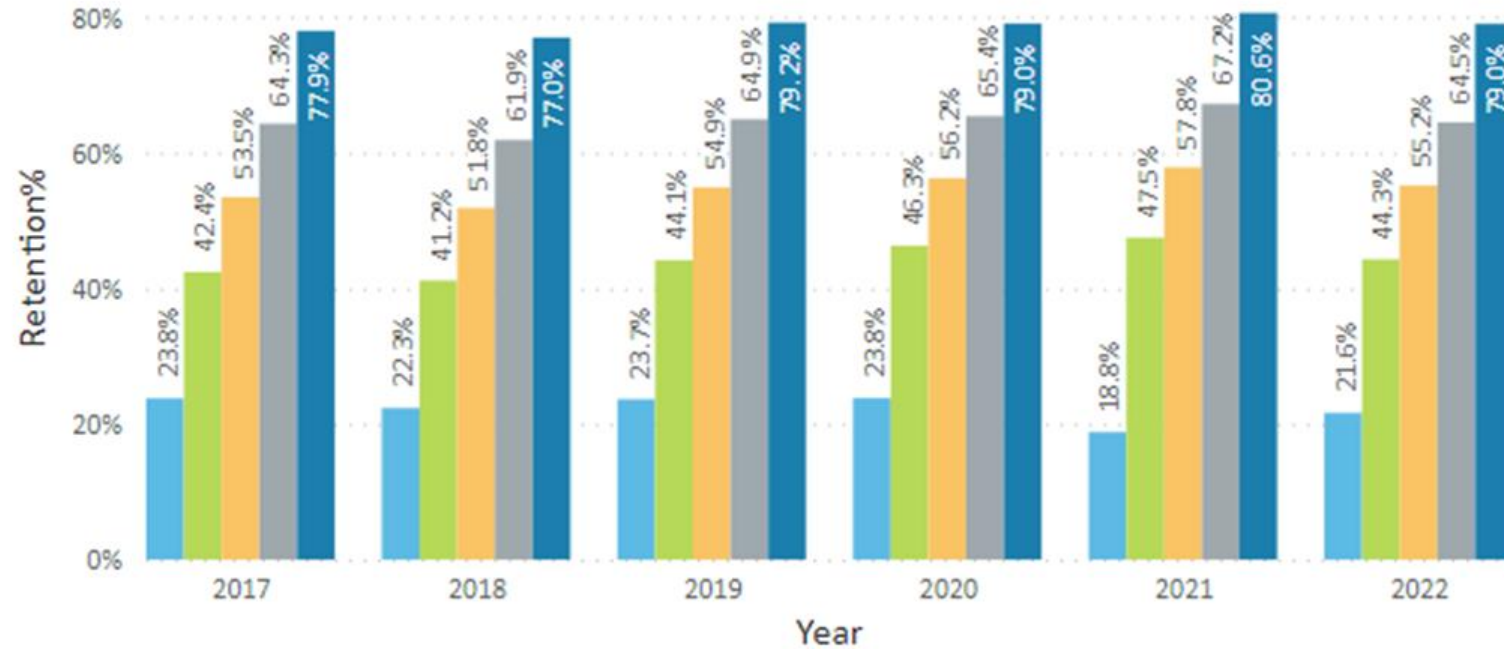
Channel	Ave age at recruitment (2022)	Ave first gift amount (2022)	Contactability (2022)	Ave year 1 value (2021 recruits)	Ave number who give again in year 1 (2021 recruits)	Ave age at 3 years	Ave 3-year survival rate	Average giving over 3 years (2019 recruits)	How else do they engage?	Confirmed GIW % after 8 years (2015 recruits)
Single Gift – Direct Mail	76	\$99	Mail: 88% Email: 26% SMS: 16% Phone: 37%	\$148	29%	77	40%	\$298	RG conversion after 3 years: 1.6%	0.3%
Single Gift – Digital	50	\$137	Mail: 76% Email: 87% SMS: 40% Phone: 78%	\$189	20%	56	29%	\$378	RG conversion after 3 years: 2.7%	0.3%

For new Digital donors, email alone is not sufficient to maximise second gift rates. This is shown through donors with low offline contactability levels having low second gift rates.

The data suggests the more contact channels and therefore giving channels available, the higher retention will be.

The longer a donor gives, the higher the retention rate

Last5Years ● 1 ● 2 ● 3 ● 4 ● 5



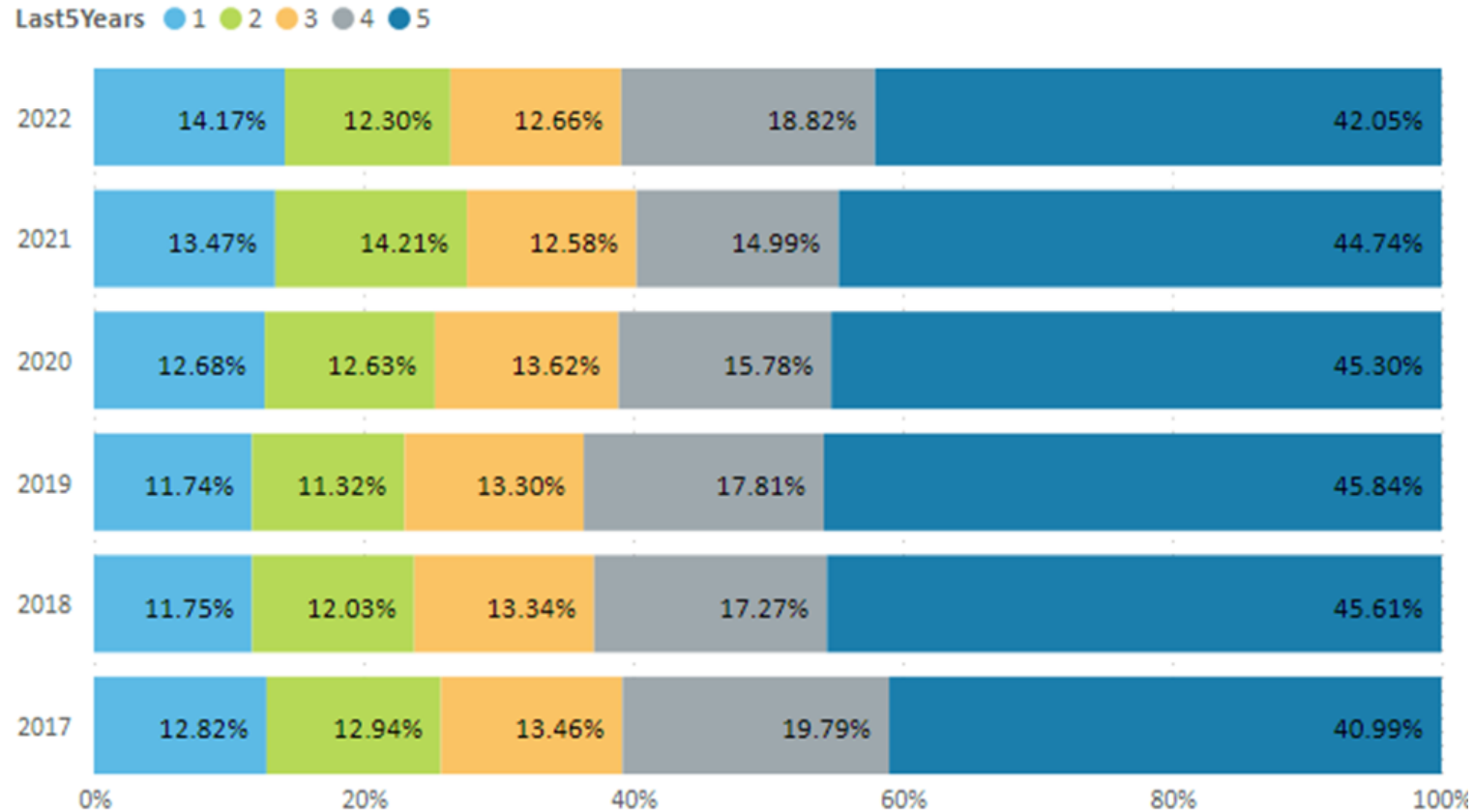
Retention starts to stabilise once Single Givers have been giving for more than 3 years.

At that point, the channel of solicitation is less relevant, though still an indicator of potential future value.

What becomes more important are the channels that are available to contact them (contactability).

Long-term donors are the best

Percentage of Single Giving income contributed by years giving



In 2022 donors who have given for at least the past 5 years in a row:

- Represented 33% of all Single Givers retained
- Were retained at 80% since 2021
- Donated 42% of Single Giving income
- Were 48% of all Major donors
- Were 43% of all Mid Value donors
- Were 32% of all Everyday donors

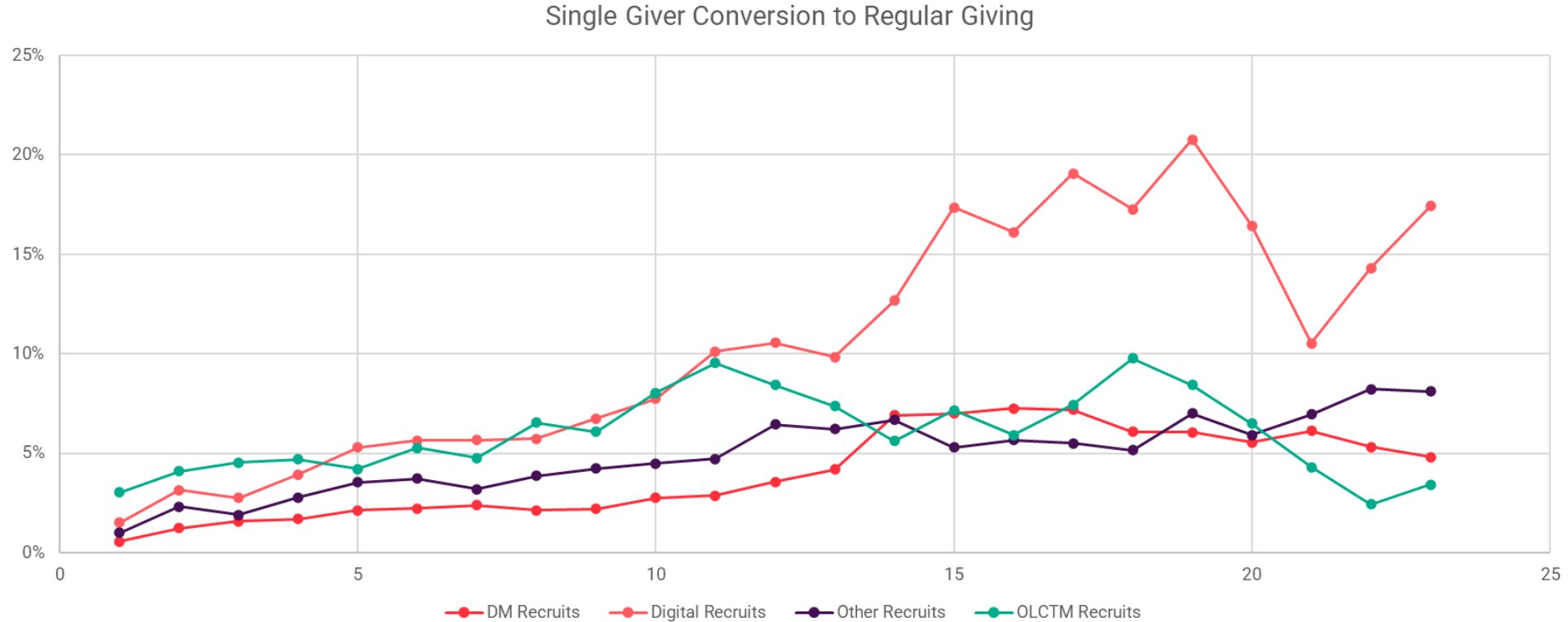
They are on average 72 years old, have been giving for an average for 14 years and have a gift diversification of 1.5. This means they make their single gifts and 50% also give in another way.

Contactability:

- 70% are still mailable
- 47% can be phoned
- 21% can be emailed
- 16% can receive SMS

Supporter experience planning must include an understanding of this critical audience.

Single Givers convert to Regular Giving over time, Digital and Online Lead recruits are converting at higher rates



This chart tracks the conversion of Single Givers to Regular Giving, over time.

Single Givers converting to Regular Giving represented 4% of all new Regular Givers in 2022 and this has been consistent for the past five years.

Single Givers become more likely to convert over time.

Advisory panel: key advice on Single Giving

Understand the value drivers in your database.

Focus on nailing the Single Giving value proposition to get a high average gift at time of acquisition. This can help to increase the value of each donor and maximize long-term Return On Investment.

Make planning for seeking second and third gifts part of your acquisition planning by focusing on excellent onboarding and consistency with acquisition messaging.

This can help to increase retention rates and encourage donors to give again.

Become experts at understanding your donors' needs and motivations and responding to those.

To support this become experts at the channels your donors provide, use, and respond to.

Maintain acquisition investment even through challenging economic times. They are your long-term donors of the future.

Less investment means less fundraising revenue now but also into the future as Single Givers give for the longest time and provide strong lifetime value.

Pay attention to your contactability rates across different channels. If you can't contact donors, this compromises your program's ability to raise fundraising dollars.

Make sure you understand what volume of new donors are opting out at the point of sign up, you may have fewer new donors than you think.

Single Giving – key takeaways

Key Takeaway 1

Direct Mail is still a critical channel for Single Giving income generation – delivering 51% of single gift income last year and representing 43% of Single Givers

Direct Mail average gift is increasing along with year 1 value. Second gift rates are stable, with little fluctuation over the past five years and direct mail donors are the most likely to commit to a Gift in Will

If you have Direct Mail as part of your mix don't take your eye off the prize

Key Takeaway 2

Digital continues to grow with a slightly younger demographic and higher value giving. Digital acquisition is driving a similar volume of new donors as direct mail, but retention is lower though some organisations are doing well indicating opportunity for improvement.

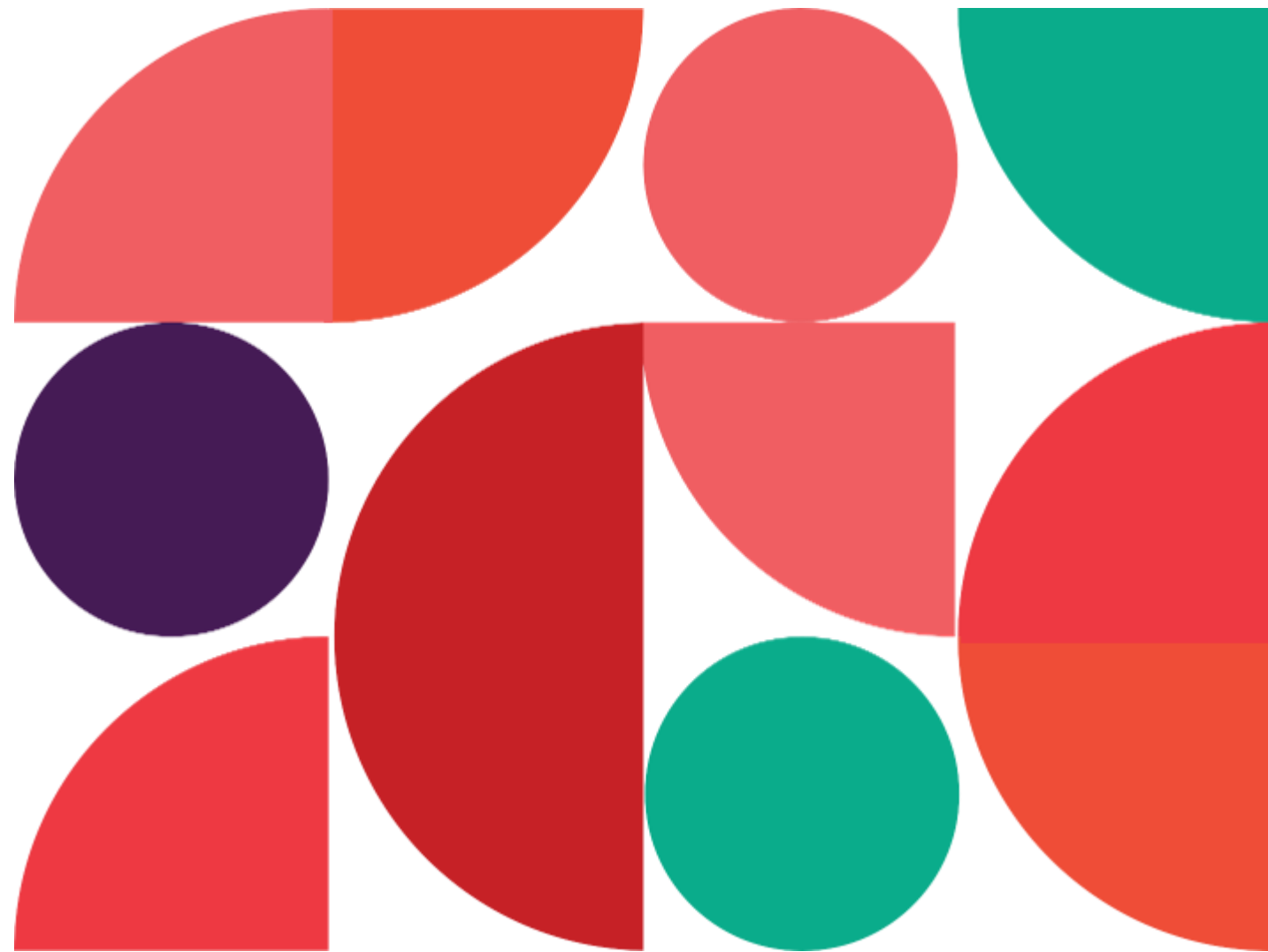
Combined Direct Mail and Digital deliver the bulk of Single Giving income and indicate a multi-channel approach is maximising income.

Key Takeaway 3

Single Givers drive not only single gift income but are a strong prospecting pool for Gifts in Wills, Mid Value giving and some regular giving conversion (whilst low volumes they are very good value).

Single Gifts are a great way to initially engage donors and with a long-term view drive high lifetime value.

High Value Giving



High Value Giving Overview

Corporate Philanthropy & Sponsorship & Trusts and Foundations

- Trusts and Foundations have an observed 0.6% per annum growth rate
 - Income ranged between \$18k and \$6.7m in 2022
 - Trusts and foundations income saw a dip in 2021 and 2022
- Corporate only 11.3% per annum growth (fastest growth)
 - Income ranged between \$4k and \$36m in 2022
 - Corporate income saw a significant temporary dip in 2021

High Value Regular Giving

- Regular Gifts of \$1,000 or more annually accounted for 12% of 2022 Regular Giving income and 2% of regular givers in 2022
- High value regular giving income and donor numbers are growing at a similar pace to Regular Giving overall

High Value Emergency Giving

- Emergency Gifts of \$1,000 or more annually accounted for 53% of 2022 Emergency income in 2022 (though this percentage varies from Emergency to Emergency)
- 56% of this income was given by organisations

High Value giving overview

Major Gifts: any kind of gift \$5,000 or more, accounted for 19% of all Individual Giving income in 2022 (note this exclude Corporate and Trusts and Foundations)

An additional \$173m of income from Corporate sponsorship, Corporate Philanthropy, and Trusts and Foundations was also analysed alongside this income

Please note:

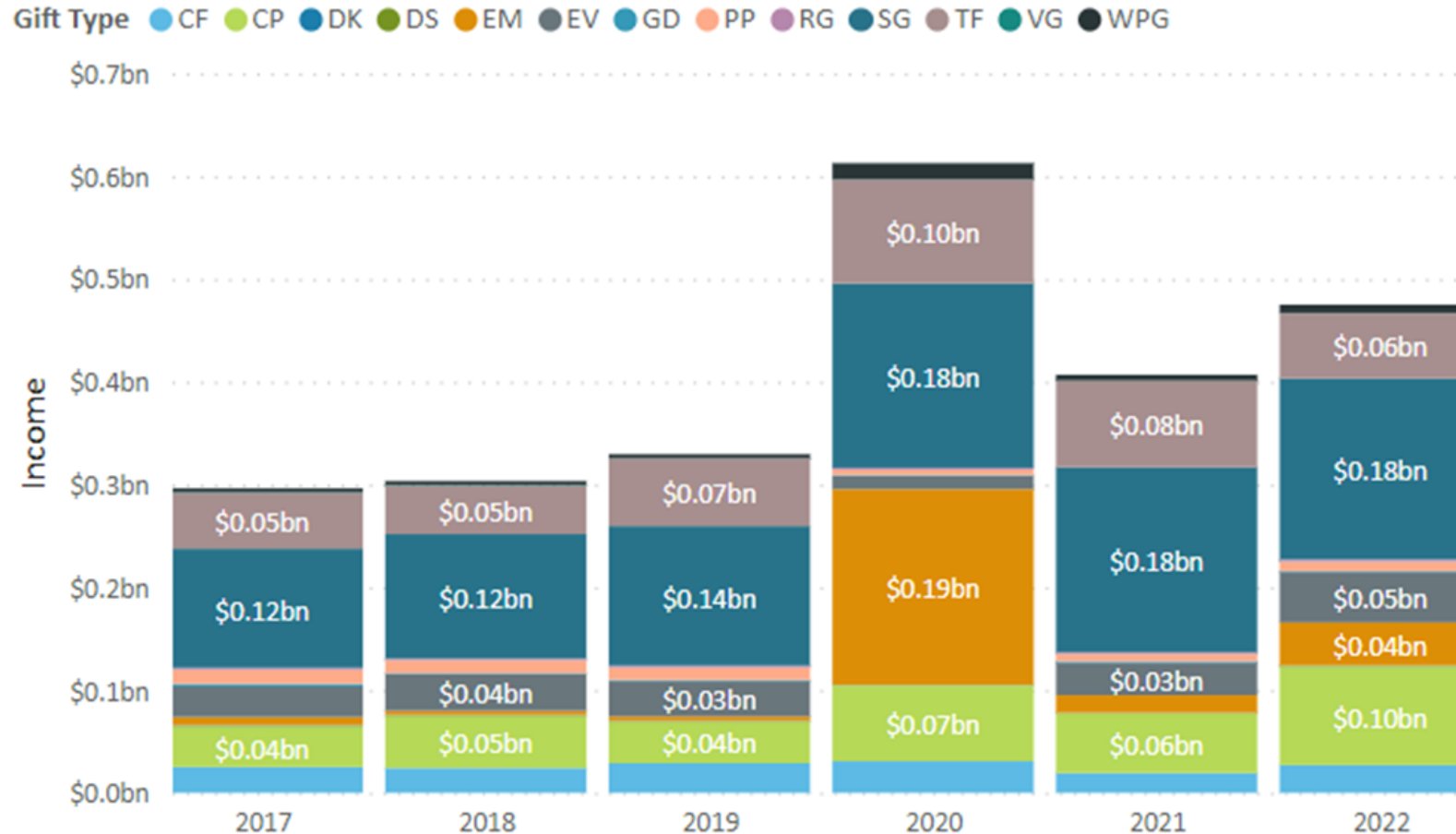
- Not all 43 Australian charities supplied datasets including all Corporate and Trust and Foundation income generated as some income is not recorded in donor databases / CRMs. The following observations are based on what was supplied
- Many organisations give to our Individual Giving activities (such as in response to appeals, via Community fundraising etc), and this is included in the reporting

Here we explore high value giving which we have broken down into:

- Corporate and Trusts & Foundations
- Gifts in Wills
- High Value individual giving:
 - Major Giving: gifts \$5,000 and above
 - Major Single Giving: Single Gifts of \$5,000 and above
 - Mid Value Giving: gifts \$1,000 to \$4,999.99
 - Mid Value Single Giving: Single Gifts \$1,000 to \$4,999.99

Major Gift 10 year income trend (all gift types)

Income



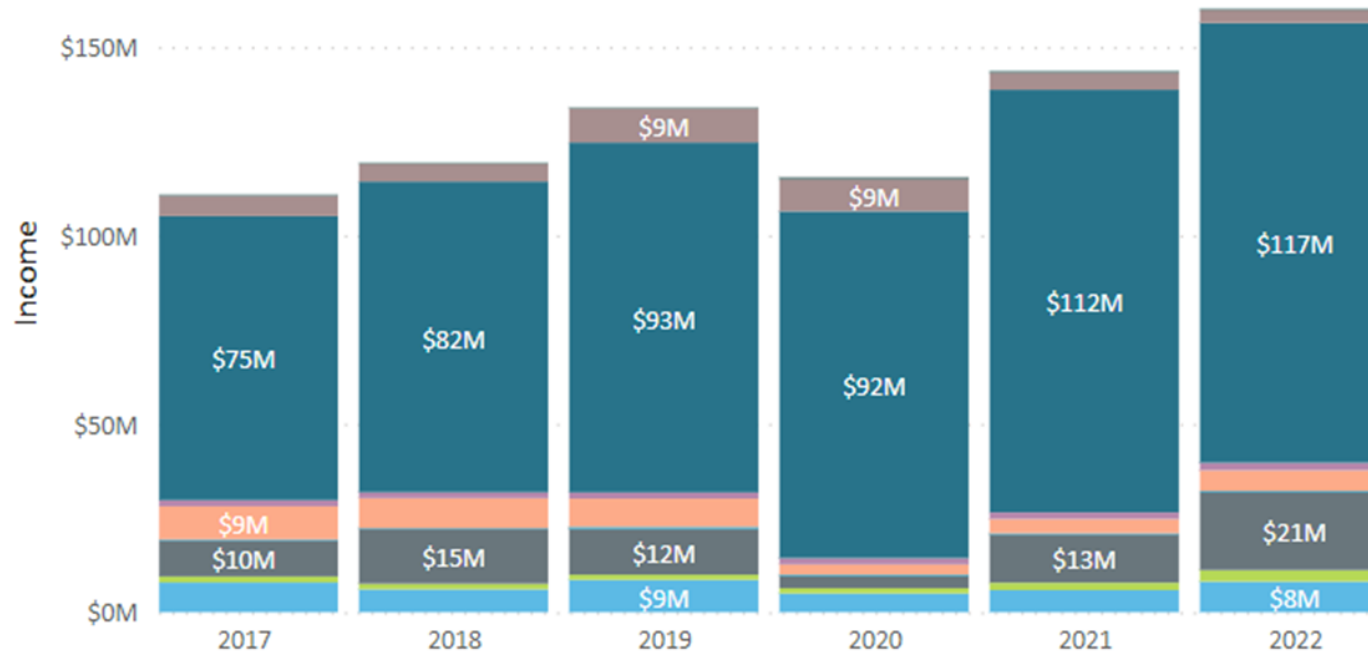
- Gifts from organisations included
- Compound average growth rate 5.6%
- Fastest growth rate between 2019 and 2022
- Large response in 2020 (from trusts and foundations and corporate)

Gift Type	% of 2022 High Value Gift Income (gifts over \$1,000)
CF – Community Fundraising	6%
CP – Corporate Philanthropy	20%
EM – Emergency Giving	9%
EV - Events	10%
PP – Peer to Peer	2%
RG – Regular Gifts	0.5%
SG – Single Gifts	37%
TF – Trusts & Foundations	13%
WPG – Workplace Giving	2%

High Value Giving 10-year income trend – organisations excluded

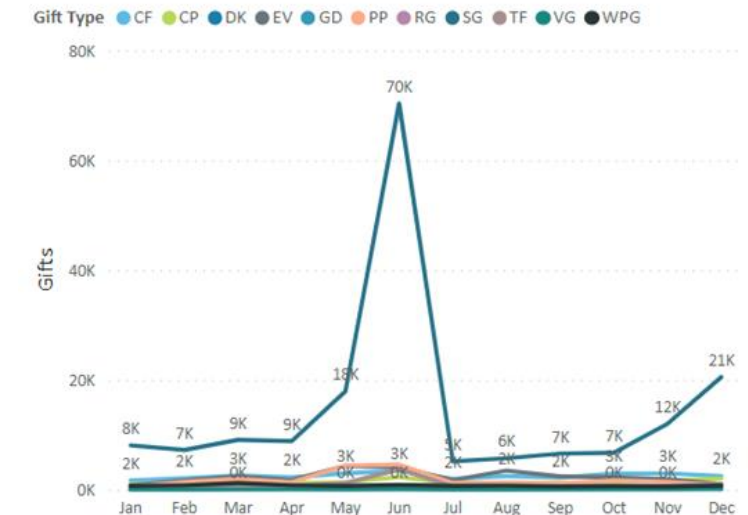
Income

Gift Type CF CP DK EV GD PP RG SG TF VG WPG



- Gifts from organisations excluded
- Emergency donations excluded
- Compound average growth rate 8.8%
- Fastest growth rate between 2020 and 2022
- Small drop in Single Giving in 2020
- Regardless of gift type the majority of gifts are given during the tax season (May/June) and then end-of-year (Nov/Dec)

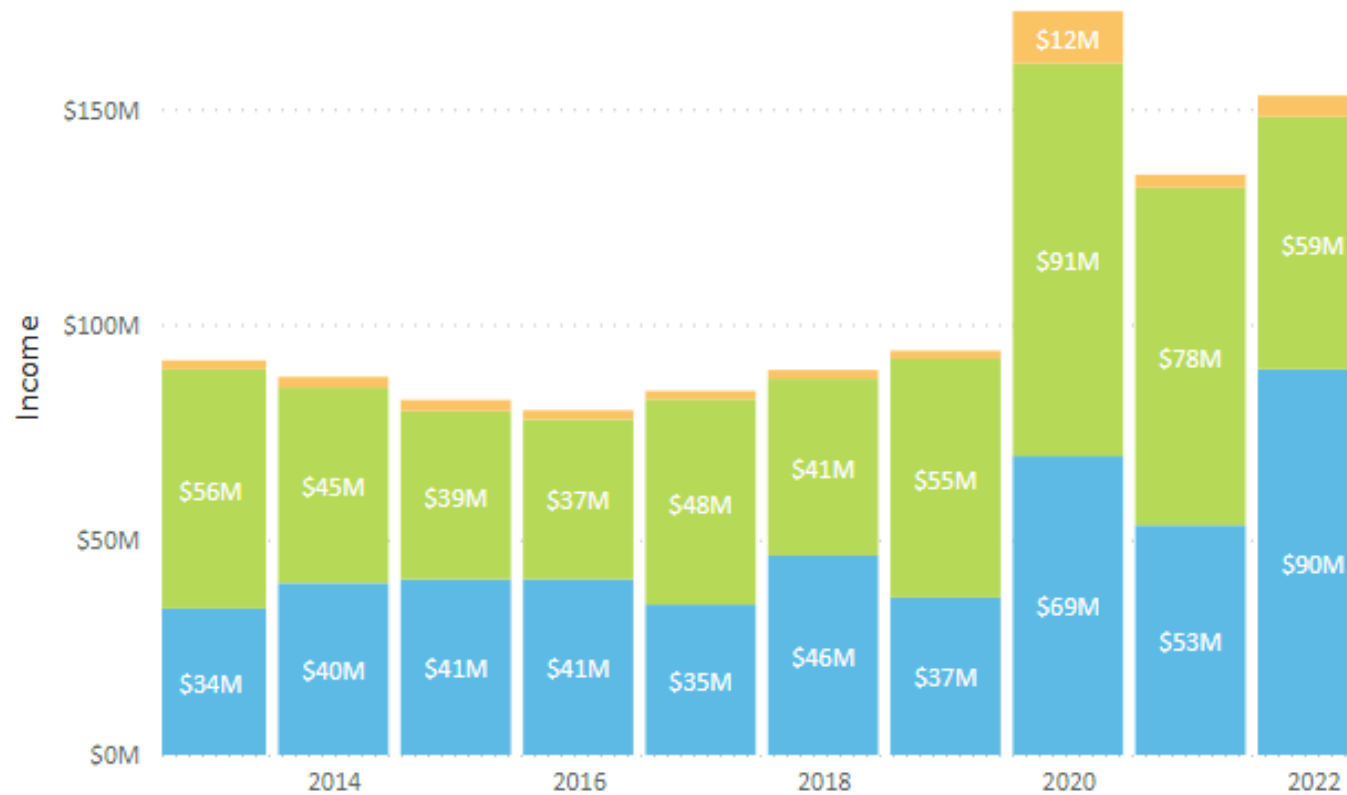
2022 Gifts volumes by month donated



10-year income trend – Trusts and Foundations, and Corporate only

Income

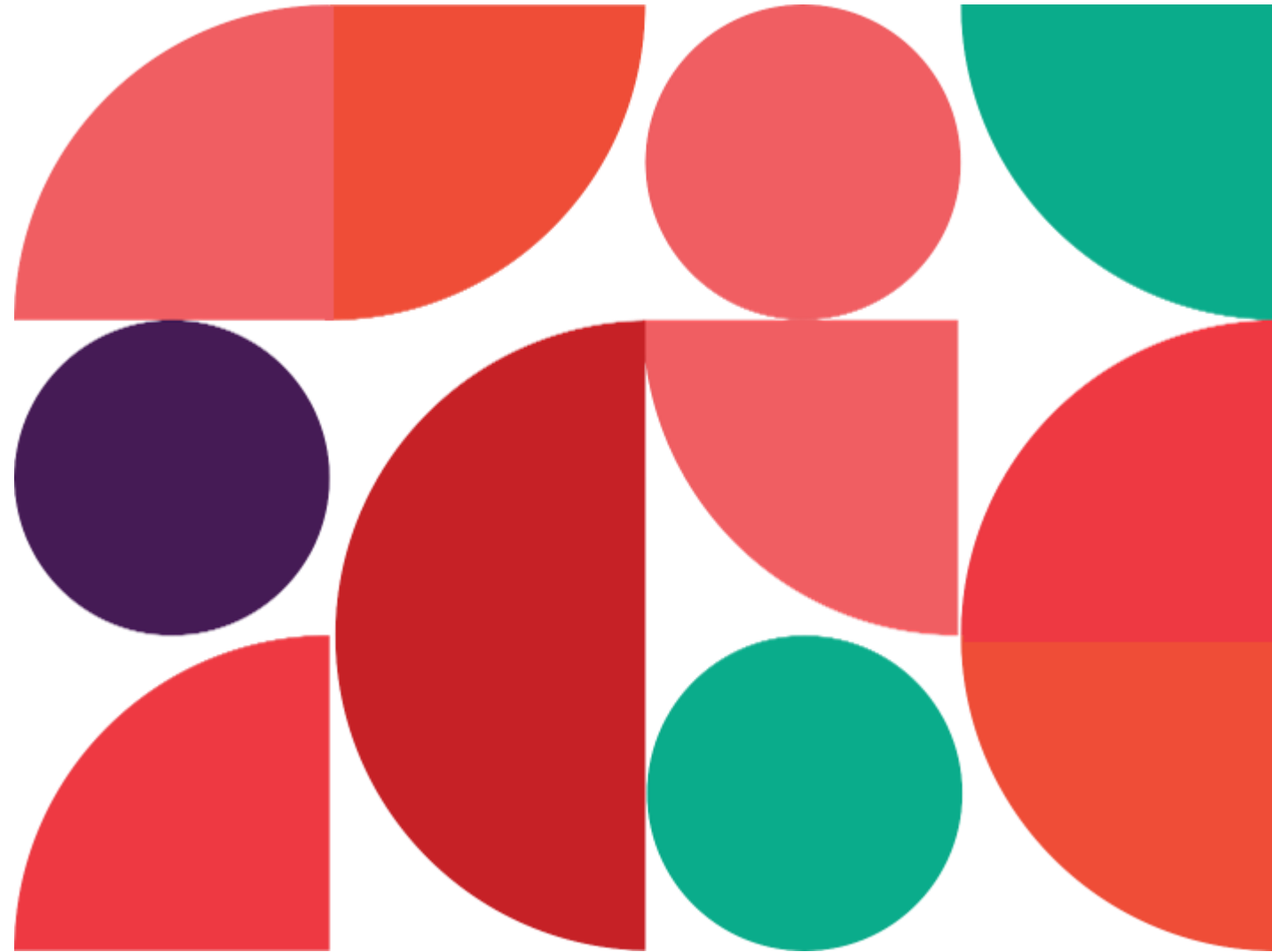
Gift Type ● CP ● TF ● WPG



- Emergency donations excluded.
- Compound average growth rate for Trusts and Foundations: 0.6%.
- Compound average growth rate for Corporate Philanthropy & Sponsorship: 11.4%.
- Fastest Trust and Foundation growth was between 2019 and 2020 then a “normalizing” reduction (for example including PAF rule changes).
- Data is skewed by 4 charities with over \$10m each in one year.

Mid Value Giving

Ruth Wicks, More Strategic and
Fi McPhee



Key Findings - summary



Mid Value income continues to grow:
income up 55% over 10 years

Donor numbers:

up 54% in 10 years

Mid donors acquisition:

up 40% over 10 years and
represents 17% of income

Retained donors:

79% stayed in MV giving band
(majority stayed the same)

Mid Value income:

18% of all Single Giving income
(compared to 13% in 2013) – MD
segment has grown more rapidly
than MV

Year on year retention:

down with only 58% of MV
donors from 2021 giving in 2022
(at any level)

Migration to major:

only 3.8% over 2021 – 2022 and
14% over 10 years for all MV
donors (15 payments)

Who are our Mid Value Donors?



Mid Value

(\$1k - \$4999.99)

- 71 years old
- Giving for 10 years
- More even gender split than standard

- 3.5% of 2022 donors
- Average gift: \$699
- 1.5 gifts per donor
- 10% of all confirmed GIW from single givers
- 35% recruited via Direct Mail & 26% via Digital

Stats

- 71 years old
- 50/50% male/female
- 9.7 years average tenure

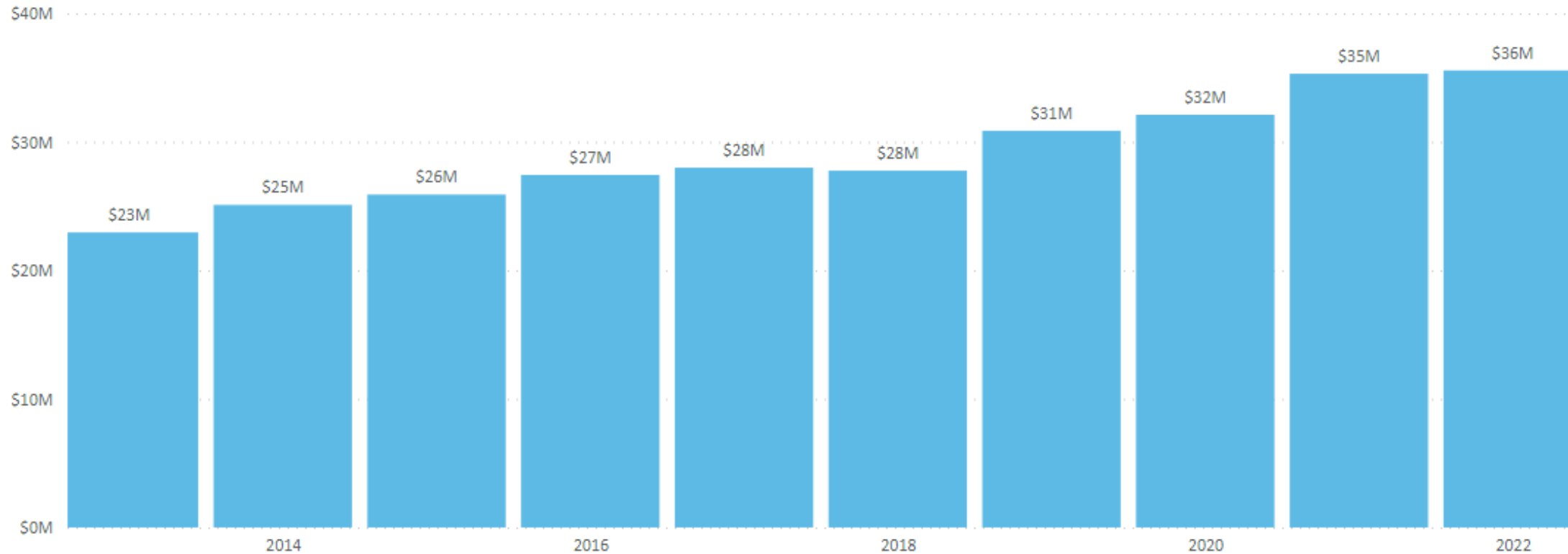
Giving characteristics

- Discerning – less likely to say they wish they could give to everyone
- Interest - long term solutions and transformational giving
- Planned in their giving (less reactive)
- More loyal

Personal characteristics

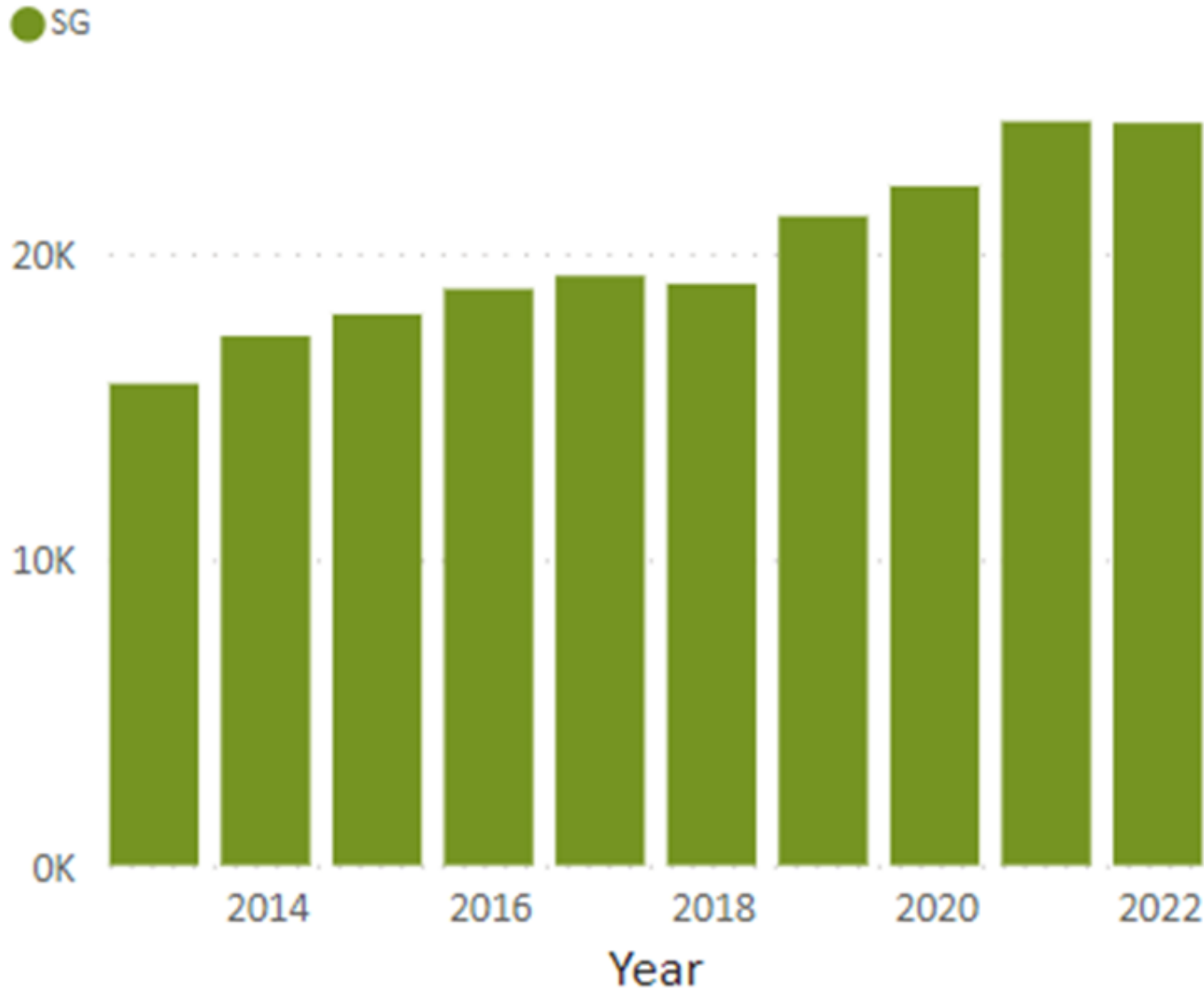
- Majority children left home
- Large % have grandchildren
- Over 50% post graduate degree qualified
- More likely to be post graduate educated
- Financially optimistic and secure
- Likely to have a disparate portfolio
- Likely to see themselves as rational

Trends: Mid Value Single Giving income trends



- Mid Value income has increased from \$22.9M to \$35.6M (\$12.7M or 55% growth)
- There has been growth across all channels but most notably in Digital (197% growth)
- One charity is responsible for \$1.7M (13%) of the increase from 2018 to 2022
- In past five years 29% of charities show a decline and 71% an increase in their Mid Value income
- On average small charities have increased by 90%, large charities by 26% and medium charities by 11%

Trends: Mid Value Single Giving donation trends

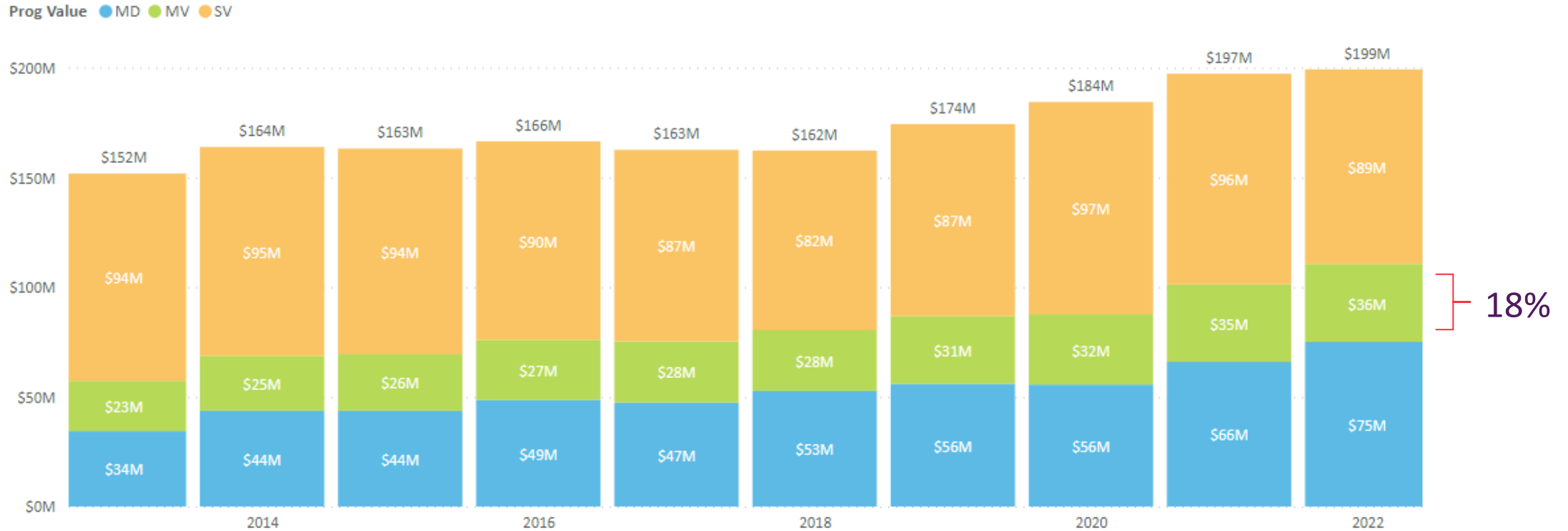


Key Finding

Mid Value growth is being fuelled by more donations NOT an increase in average value.

- The Number of donations increased from 15,882 donations in 2013 to 24,261 in 2022 (54%).
- Average gift size has remained consistent at \$1,458 in 2013 and \$1,465 in 2022 (0.5% change). This is true of all channels.
- Noting that the average gift is unlikely to change given that this is a restricted value band.

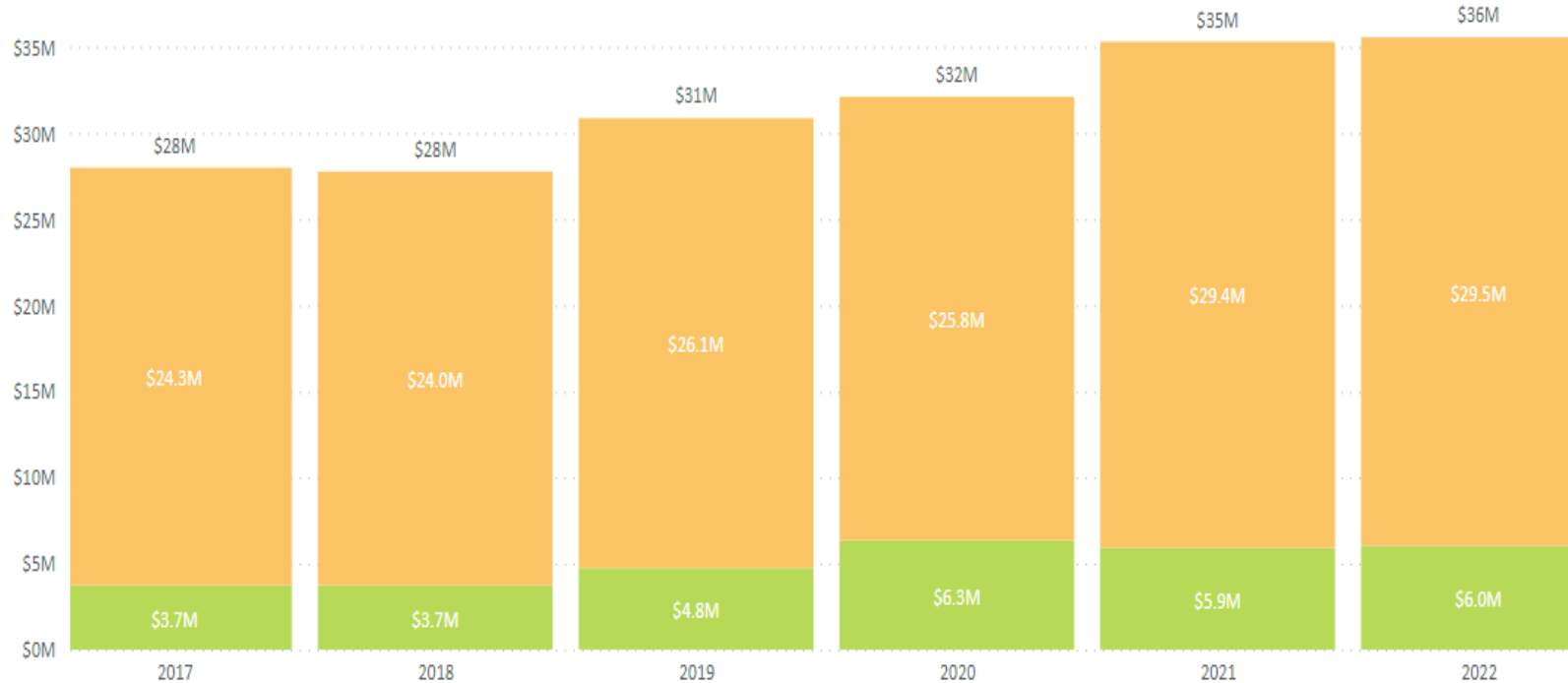
Trends: Mid Value donors' contribution to Single Giving



- Mid Value donors contributed 15% of Single Giving income in 2013 and 18% in 2023.
- This is equivalent to 8% of overall income in 2013, and this has remained steady at 8% in 2023.

Trends: Mid Value Single Giving income growing

Warm Cold (Blank) SG Acq SG Warm



This chart splits income from mid value donors between warm (retained donors: orange) and cold (newly acquired donors: green)

- **55% growth** (\$12.7 million): from \$22.9M to \$35.6M
- **One charity is** responsible for \$1.7M of this income
- **Average increases:**
 - 90% for Small charities
 - 26% for Large charities
 - 11% for Medium charities
- **Growth:**
 - Rise across all channels
 - Notable 197% rise in Digital
- **Performance in last 5 years:**
 - 29% of charities decreased
 - 71% of charities increased

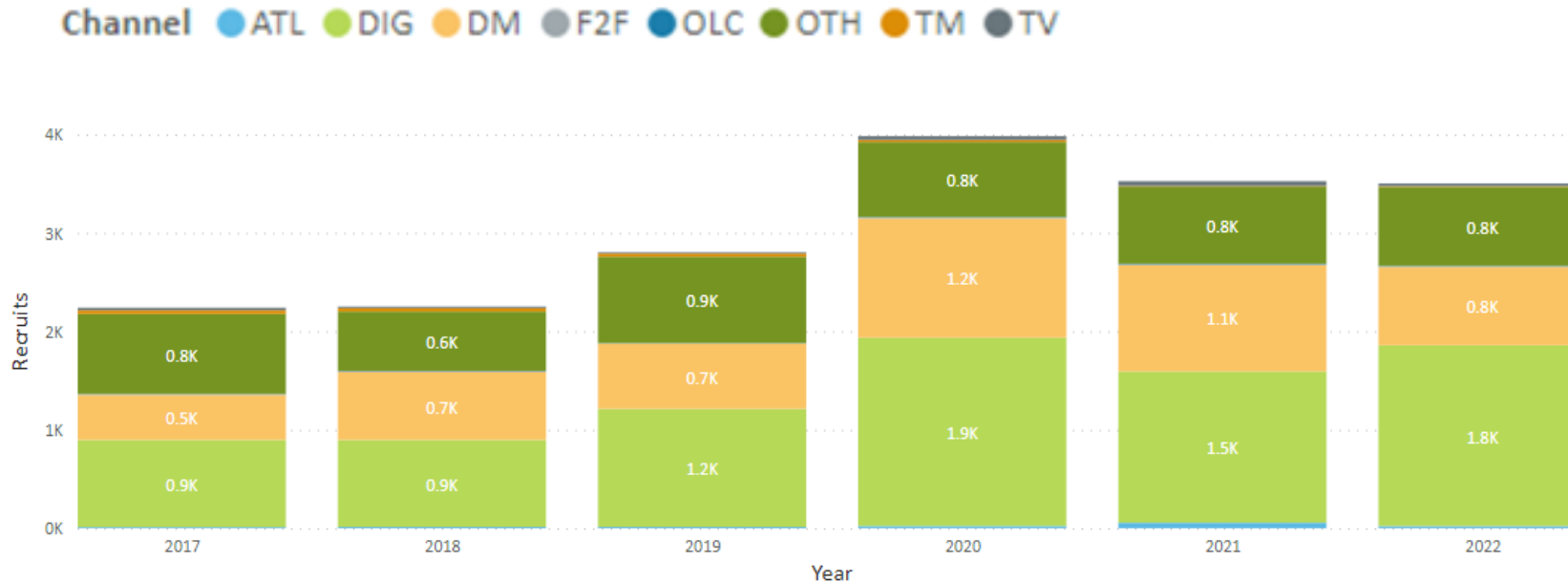
Trends: Mid Value is growing faster than Standard Value

Donor value	Five year income growth	Five year donation growth	Five year average gift growth
Standard	3.2%	-14.7%	21.0%
Mid Value	26.8%	25.8%	0.8%
Major Donor	56.3%	33.0%	17.5%

Major Donors over 5 years

- Income growth is significantly higher
 - Donation growth is higher but the difference is smaller
 - Average donation growth is significantly higher (to be expected)
1. Major Donor growth is driven by value and volume
 2. Mid Value growth is being driven by volume only
 3. Standard Value stability: is enabled by increasing average gifts which is offsetting the decline in the number of donations

Acquisition: Mid Value donor acquisition is growing



Mid Value Acquisition Performance:

- Massive spike in 2020 (due to bushfires and Covid)
- Down slightly in 2021 (but still higher than 2013)
- Stabilisation in 2022 - 3.5K new Mid Value donors acquired

\$6 million from 2022 acquisition:

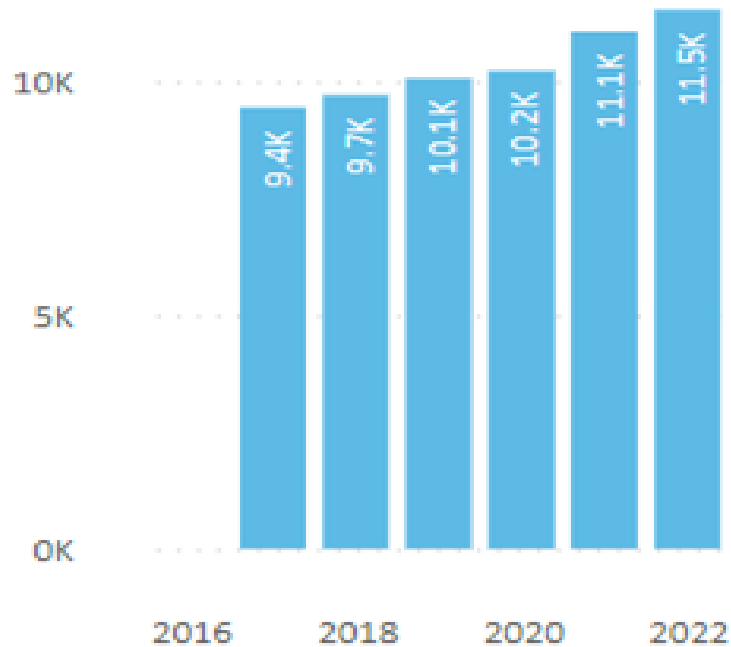
- 51% digital
- 23% direct mail
- 23% other
- 3% Above The Line and TV

Driver of income growth in cause categories:

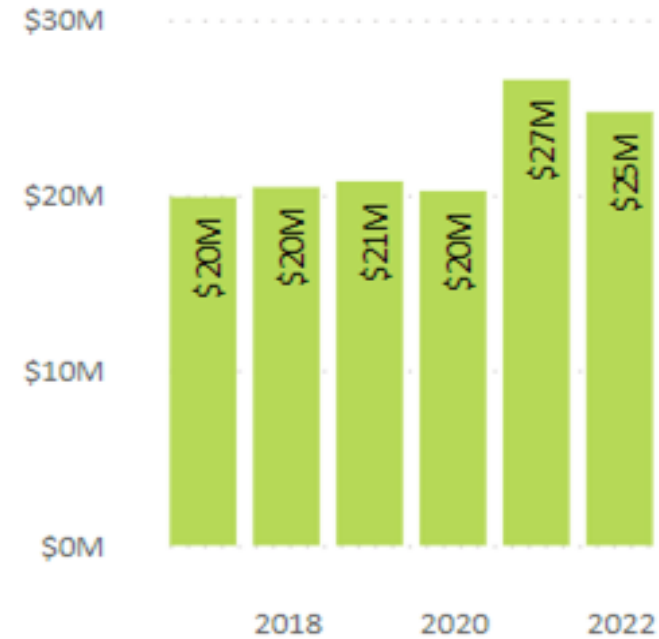
- Social Welfare mostly
- BUT International for most new Mid Value donor acquisition (43%)

Retention and migration: income from retained Mid Value donors is growing

Retained Mid Value Donor Numbers



Retained Mid Value Income



Retained Mid Value donors:

- continued upward trend
- 22% rise from 9.4K to 11.5k in 2022

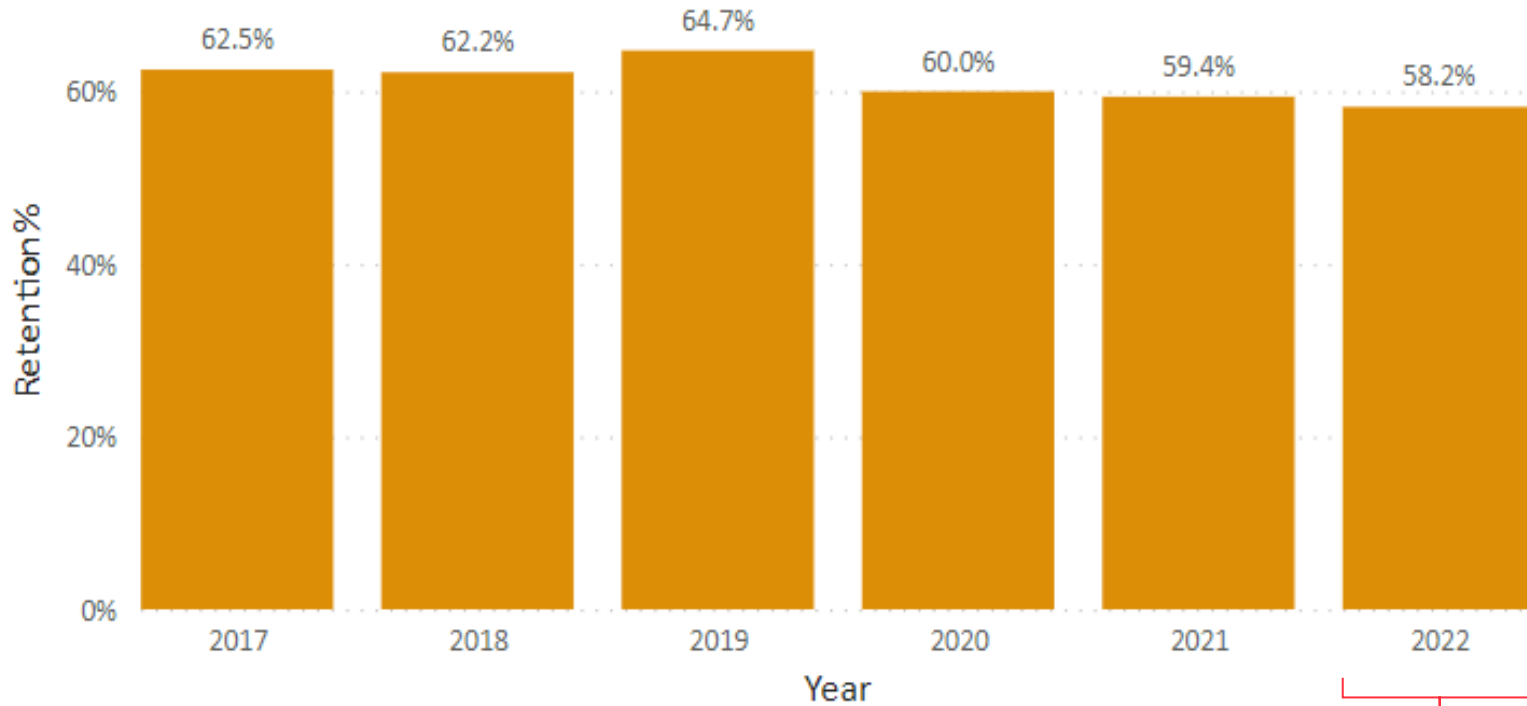
Retained donor numbers:

- lower in 2021 than 2022
- not surprising given jump in new donors in 2020
- but income higher due to a higher average gift

Mid Value income:

- 68% of income (\$25M) was given by the 11.5K retained donors
- 58% growth over 10 years (including reactivated income) from \$18.9M to \$29.8M

Retention and migration: Mid Value Donor Retention Stable



In 2022, 58% of 2021 Mid Value donors were retained

Year on year retention:

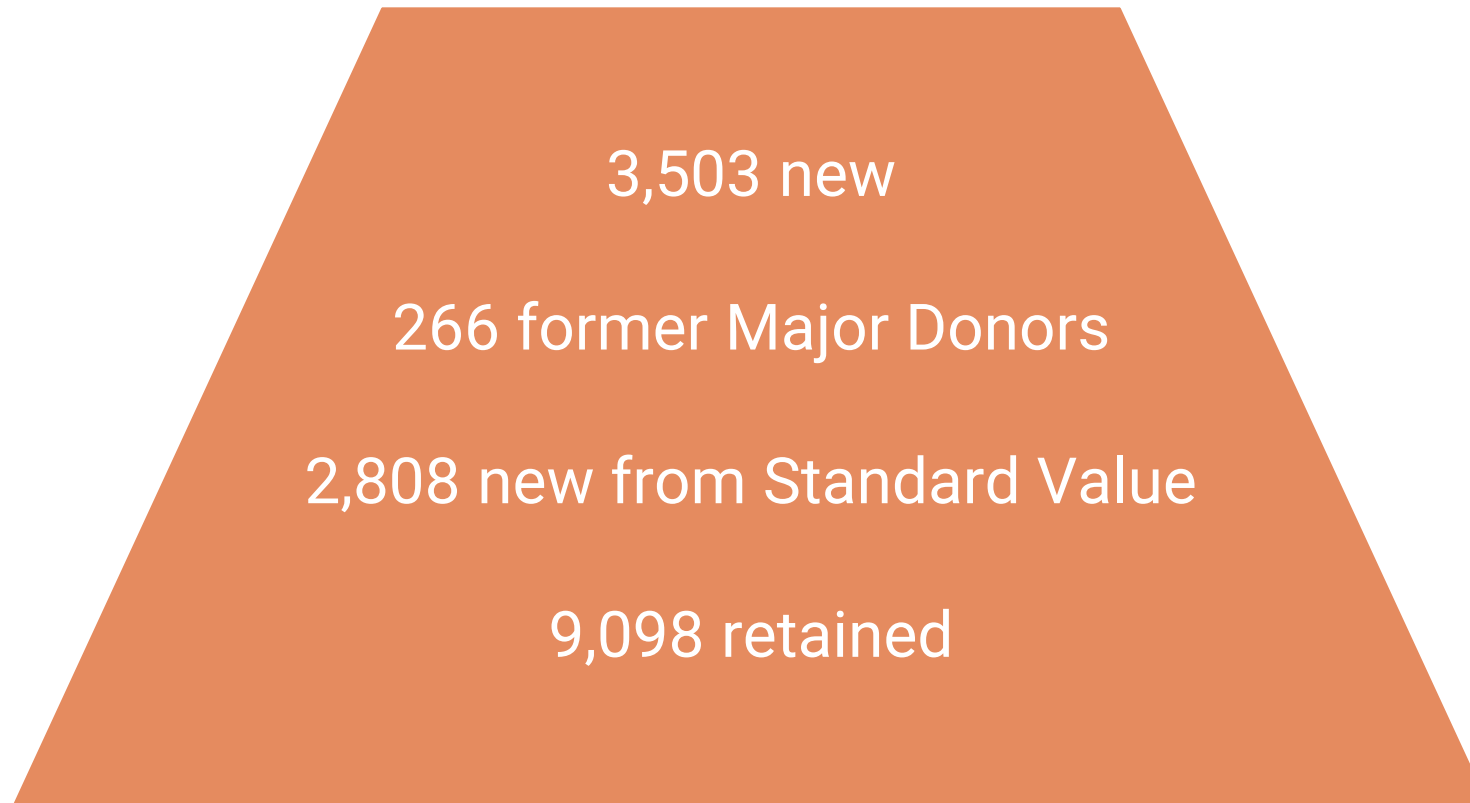
- Only 58% of Mid Value donors from 2021 gave again in 2022
- This is down from 62.5% five years ago

Drivers of this decrease:

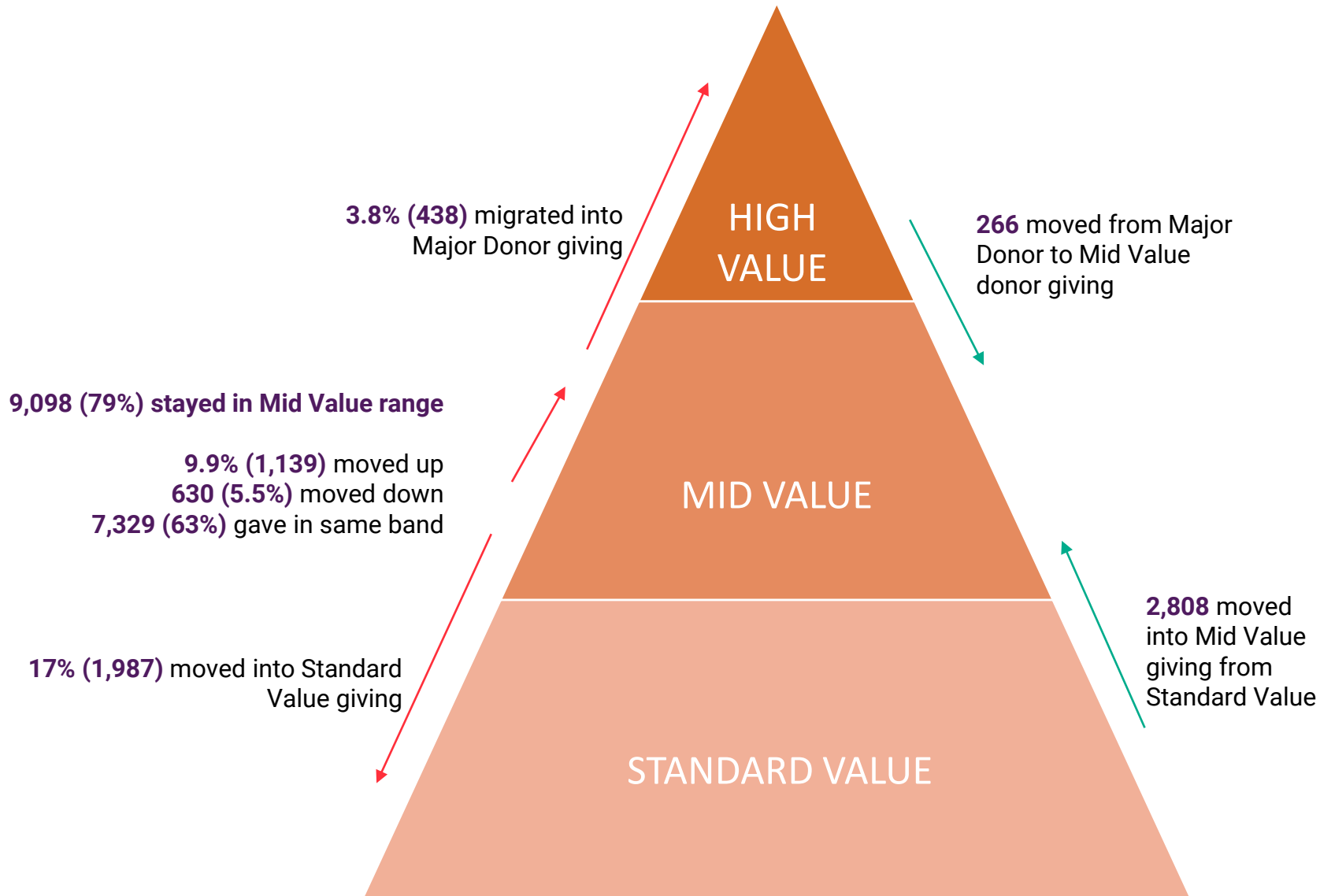
- Digitally acquired donors, were 50% of new Mid Value donors in 2022, up from 39% in 2017
- All other channels show little change over five years
- Retention has declined across all donor tenures (those giving for past two to five years).

Retention and migration: the 2022 Mid Value Donor pool

The total 2022 pool of 15,675 donors is made up of:



Retention and migration: Mid Value movement 2021 to 2022



In 2022 11,523 of Mid Value donors from 2021 gave a gift of some sort.

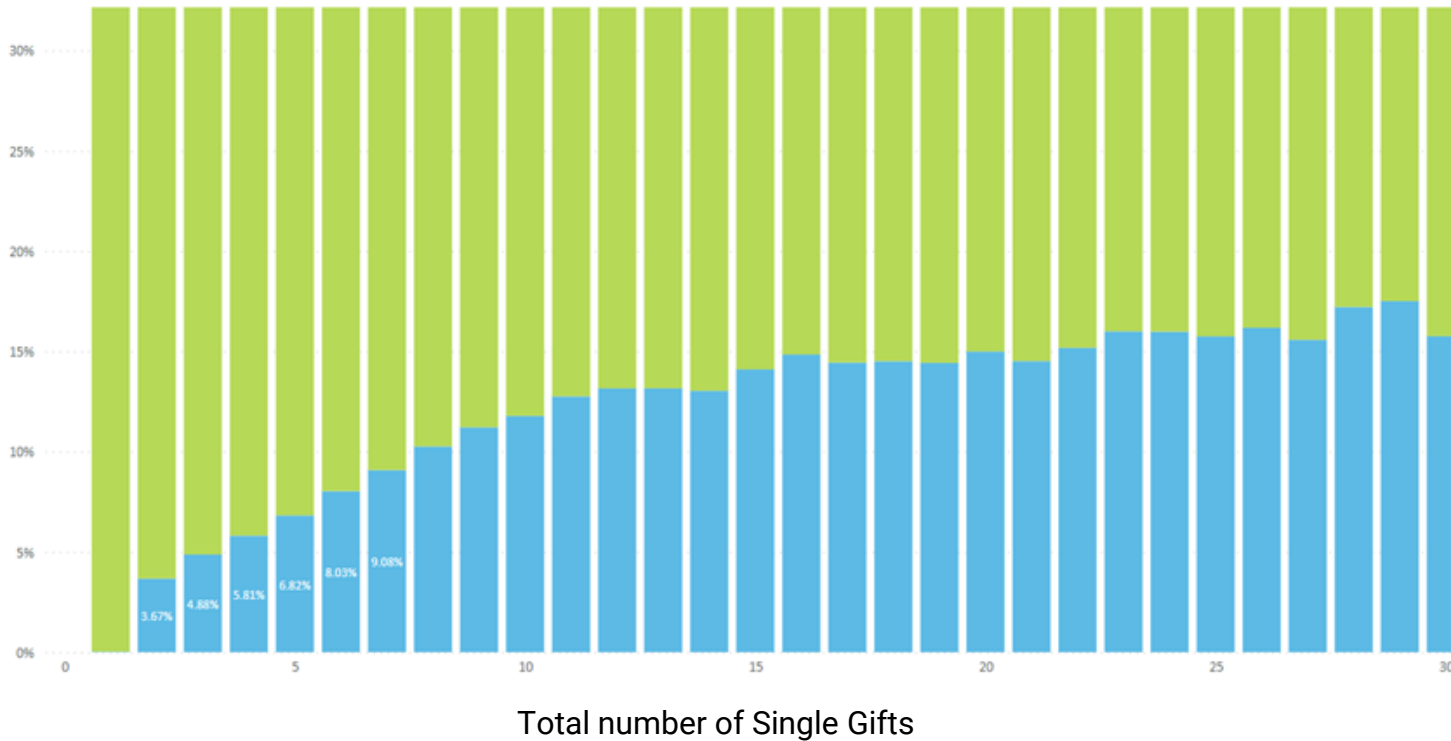
In addition 3,503 New Mid Value donors were recruited.

A net total of 172 Mid Value donors moved from Mid Value to Major Donor status in 2022.

While a small number as a proportion of overall Single Givers, this represents a significant number of new Major Donors.

Retention and migration: Mid Value migration

% of Mid Value migrating to Major Donor



This chart shows the proportion of Mid Value donors that have migrated to the Major Donor category (blue bars) against the total number of Single Gifts they have made.

After 15 gifts (which equates to approximately 10 years at 1.5 payments per year) 14% of Mid Value donors have migrated into Major Donor giving.

In the same time frame 48% have remained in the Mid Value band and 37% have moved into Standard Value band.

Between payments 15 and 30 (a further 10 years) an additional 1.65% migrate into Major Donor giving.

Migration from Standard Value into Mid Value is slower at 1.67% over 10 years but the volumes are higher as the population of Standard Value donors is very large.

4.72% of current Mid Value donors have confirmed a Gift in Will (compared to 1.79% of Standard Value).

Key Takeaways – Mid Value

Key Takeaway 1

There are opportunities to grow Mid Value giving

Across donor numbers, income, and % of income.

Invest in MV for your organisation

Key Takeaway 2

Mid Value attention = retention

New Mid Value donors often find you through Digital

When they arrive how are you building loyalty?

Key Takeaway 3

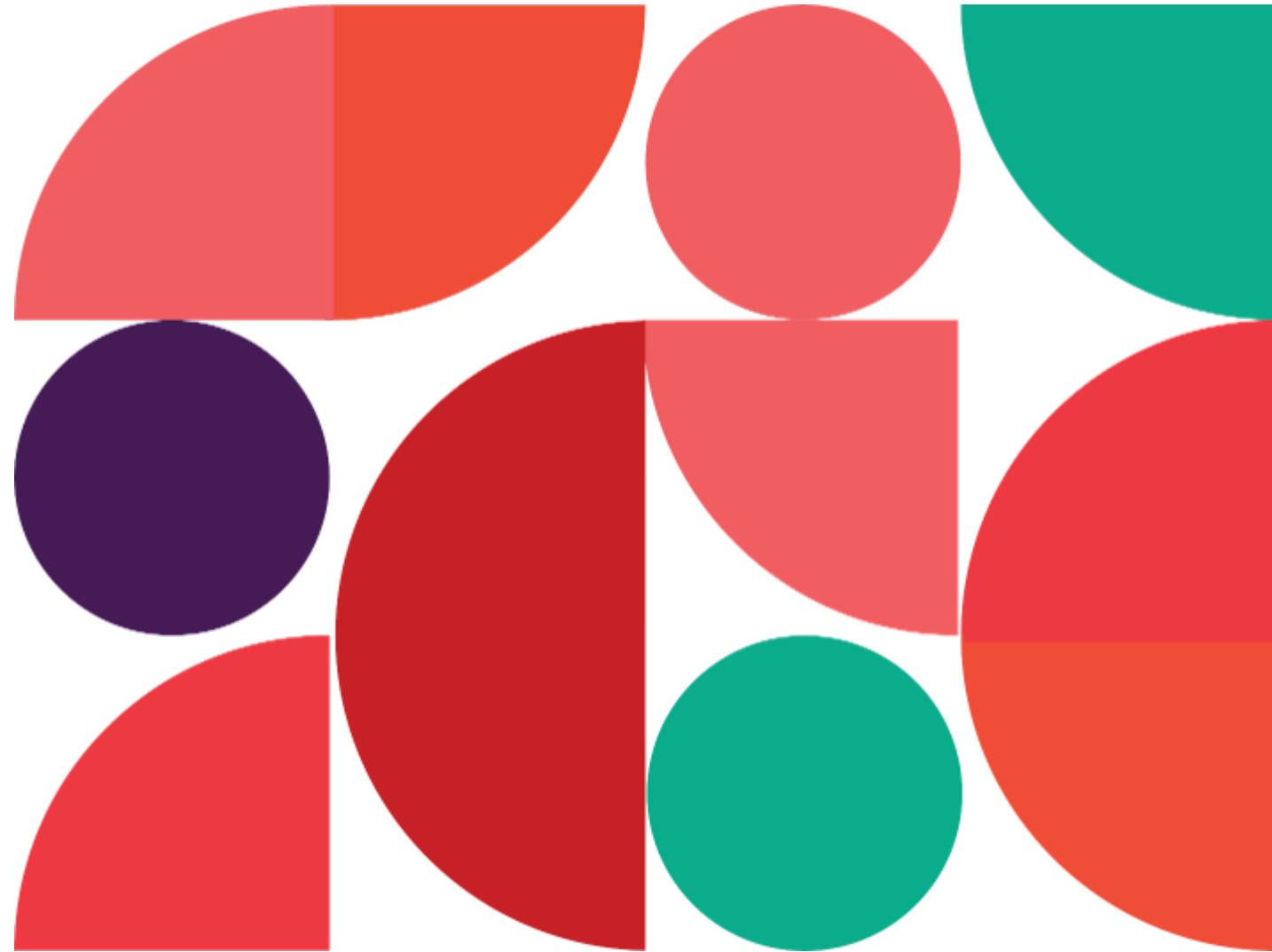
Mid Value migration is tricky but valuable

A small % of Mid Value migrate into Major Giving, yet 15% of Major Donors started in Mid Value

Focus on migrating Mid Value from Standard Value

Major Donor Giving

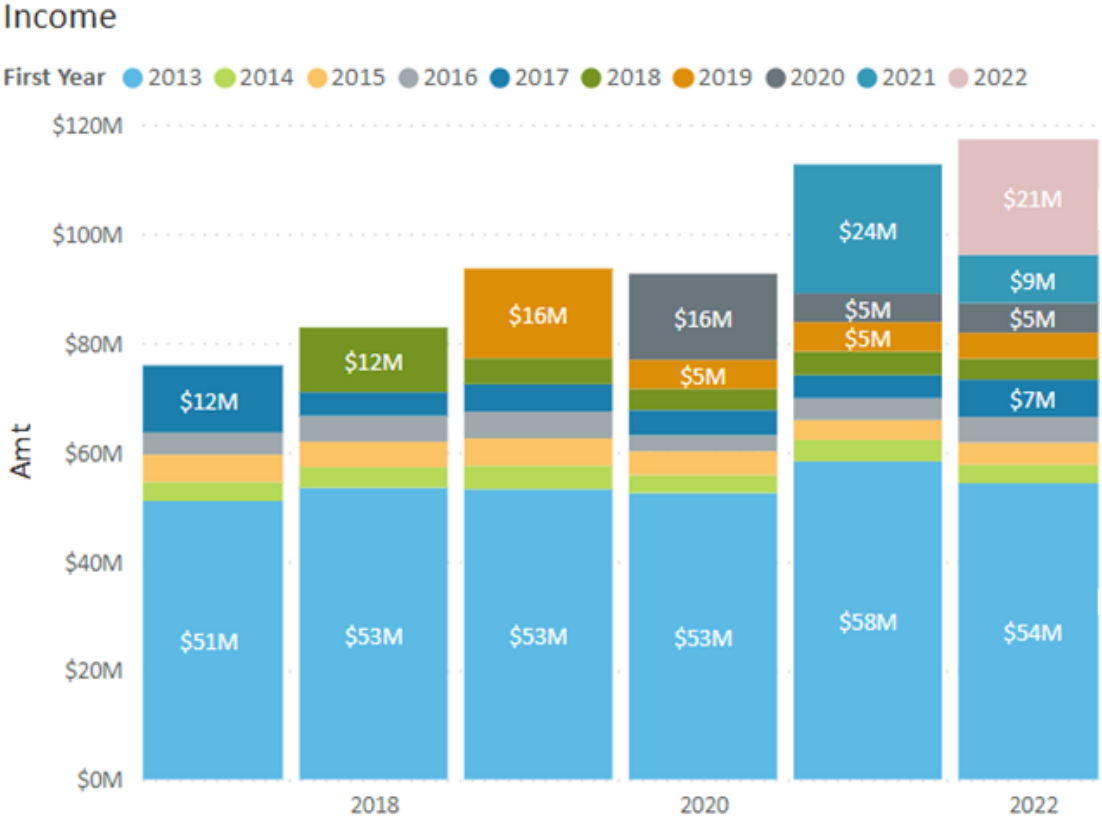
Roewen Wishart, Xponential and
Fi McPhee



Single Giver Major Giving overview

- Major Single Gifts: Single Gifts of \$5,000 or more, accounted for just under 10% of all Individual Giving income in 2022
- Growth in Major Gifts has been consistent with the 10 Year Compound Average Growth rate:
 - *For all gifts:* 5.65% per annum growth
 - Fastest growth from Calendar Year 2019 to 2022, with a significant, temporary dip in 2021
 - *For Individuals only:* 8.8% per annum growth
 - Noting a significant temporary dip in 2020
- Over the past 4 years, total growth in the \$25K+ value band (+37%) exceeded that of the \$5K-\$25K value band (+22%) – very large gifts have grown at a faster rate
- 31% of Major Single gifts in 2022 were solicited via Direct Mail, 15% via Digital and 53% are classified against 'Other' as the solicitation channel. In this context 'Other' likely indicates personal solicitation and gifts given not in response to a specific channel of solicitation
- Just under 50% of major single gifts are solicited via some form of direct marketing though likely still part of an overall relationship management approach
- In past three years, International and Social Welfare Major Giving was more dependent on Direct Mail and Digital channels than Other (compared to Health and Environment).
- 83% of Major Single Giving income came from retained donors in 2022.
- Reactivated donors accounted for 14% of total income

Major single gift income delivering sustained growth



Single Gifts of \$5,000 and higher have delivered sustained growth with 2021 and 2022 new donors making a significant contribution to growth.

Major Single Giving income trends

Major Single Gift income by year, split between retained (SG Warm & new (SG Acq) donors



83% of Major Single Giving income came from retained donors in 2022.

New donors have contributed between 16% and 17% of major gift income consistently over the past 6 years.

Major Single recruits by year, split by first gift value band

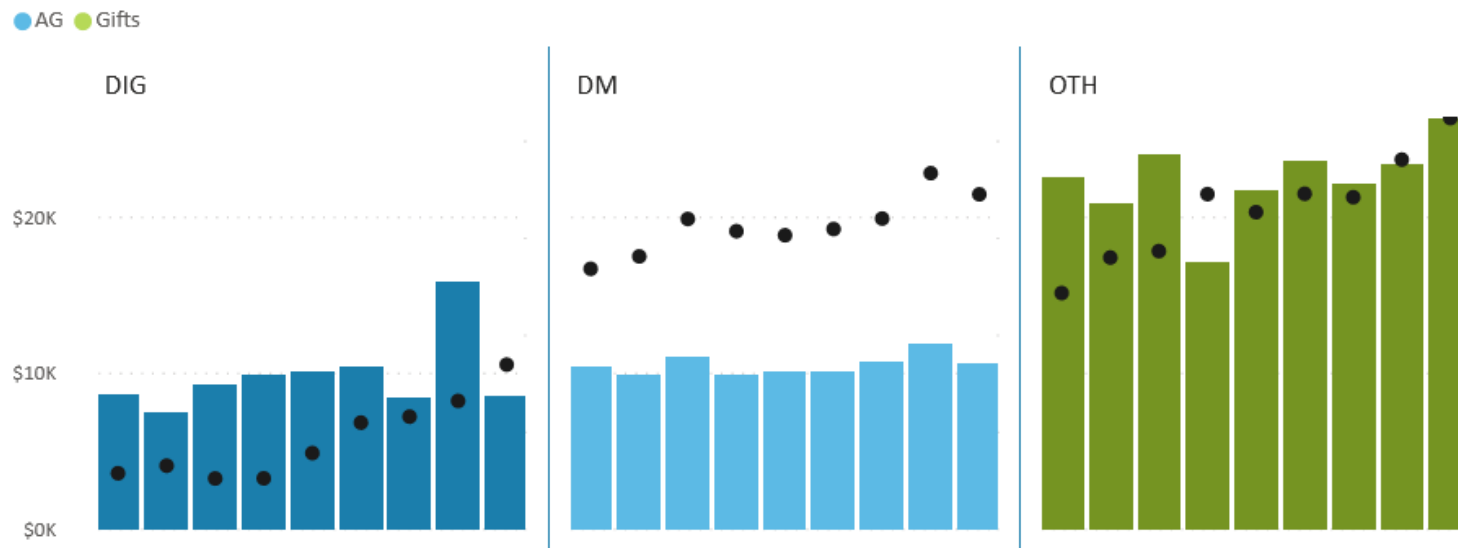


New Major Single Givers represented just 0.3% of all new single givers in 2022.

The volume of new Major Single Givers continues to grow and these handfuls of donors make a significant impact on income.

Major Donor average gift by channel

Major Gifts: Average Gift growth by channel



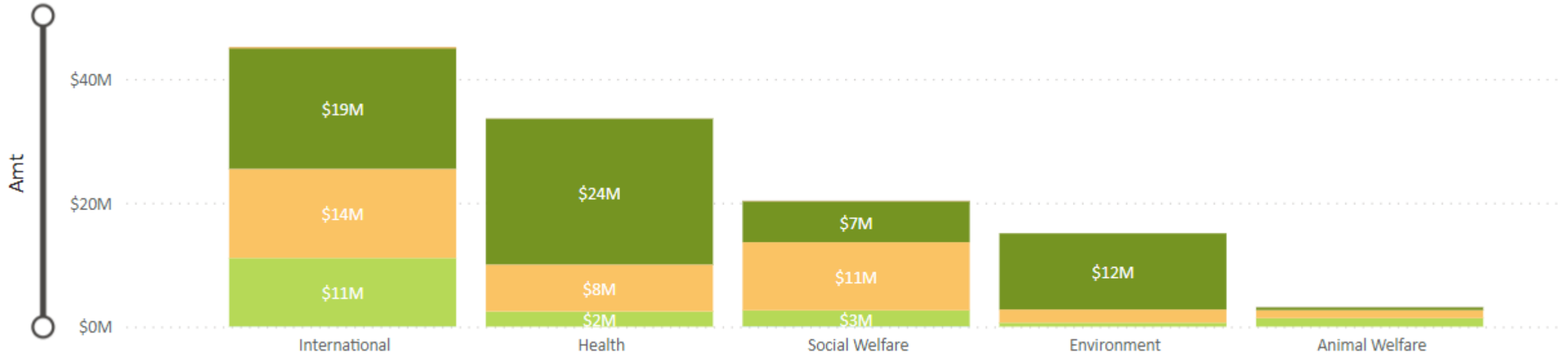
- Little change in average gift over 10 years for Digital and Direct Mail (except for an anomaly in Digital in 2021 driven by gifts over \$1m)
- Average gift growth for Other over 10 years is 25%
- Large increase in volume of gifts for Digital and Other (includes in-person solicitation). This has more than doubled in 10 years.

Channel of Solicitation	2022 Major Gift Average Gift
Digital	\$8,564
Direct Mail	\$10,629
Other	\$26,312

Total Major Donor Single Gift value by channel and sector

2022 Income

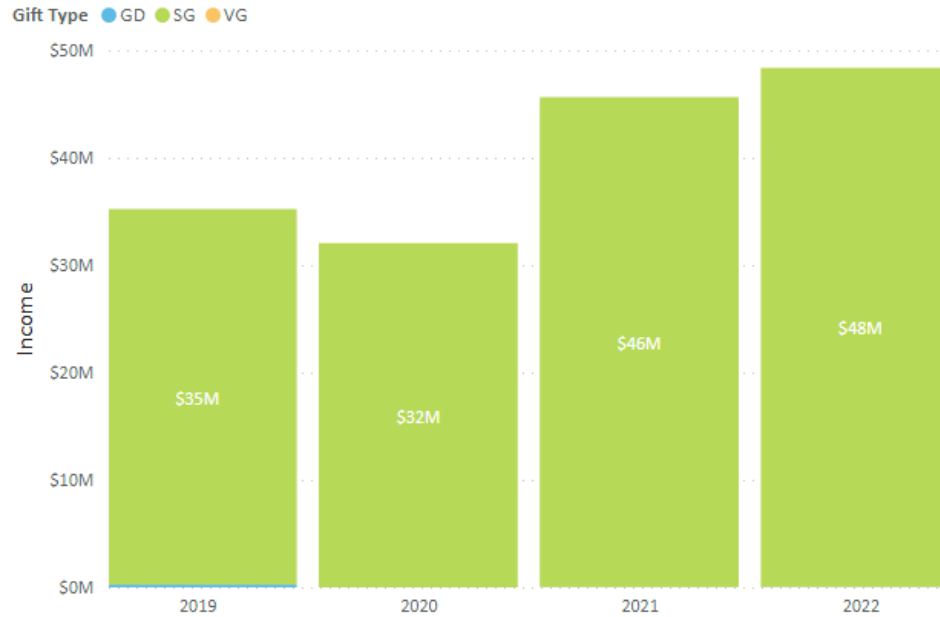
Channel ATL DIG DM F2F OLC OTH TM TV



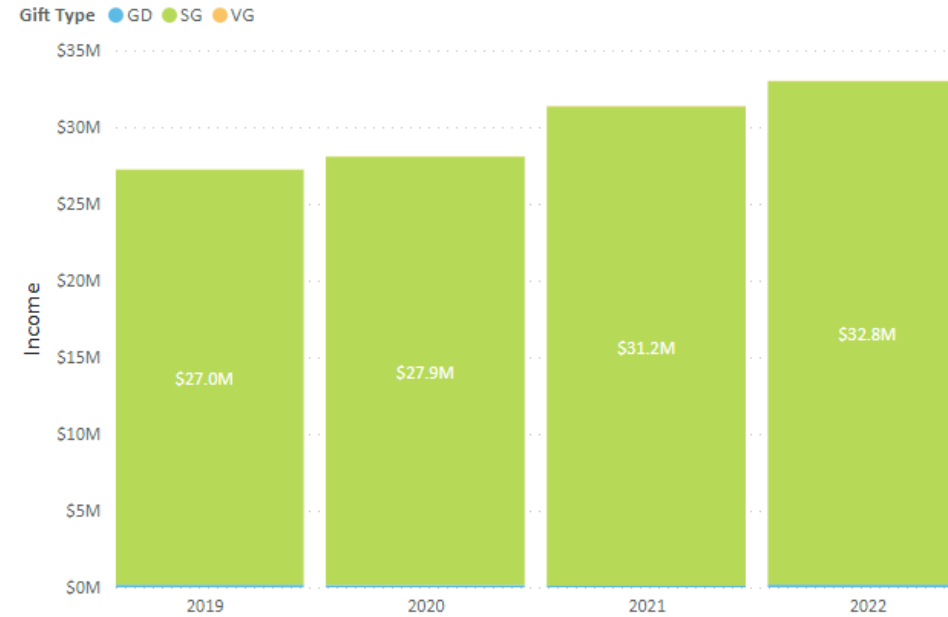
- International and social welfare are more dependent on Direct Mail and Digital channels for major gifts (compare to health and environment)
- There are opportunities for more gifts via personal cultivation and solicitation (“OTH” channel)

Change in Major Single Gift Values by value band

Gifts \$25K and above



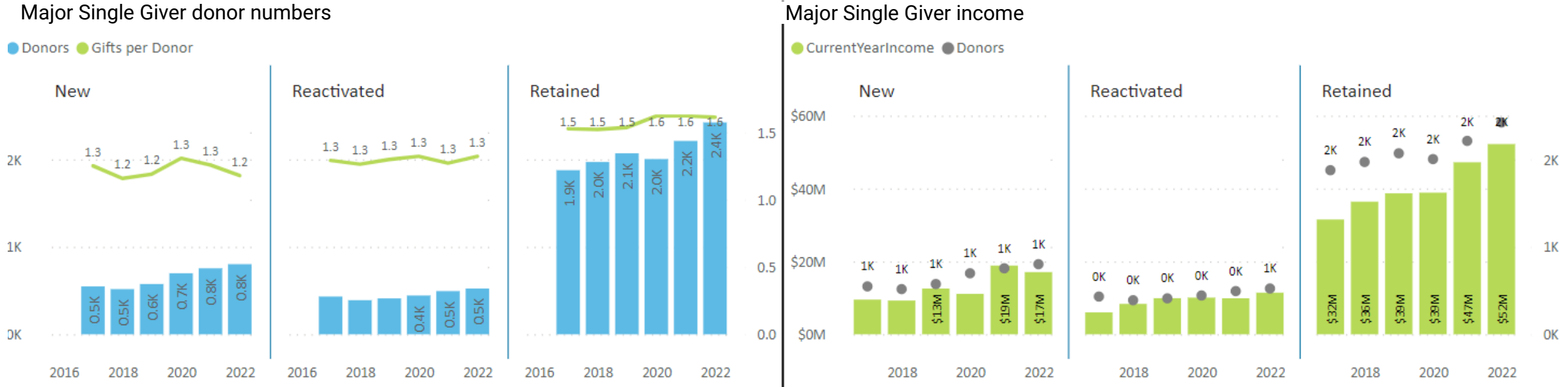
Gifts \$5K to \$24,999



Change in total gifts from individuals \$25K and above has increased by 37% over 4 years

Change in total gifts from individuals between \$5K and \$25K has increased by 22% over 4 years

Retained Major Single donor volumes growing alongside their value



The overall retention rate of Major Single Givers in 2022 was 63%.

2022 new Major Single Givers

- 24% second gift rate
- Average first gift in 2022 was \$16,280
- Average year one income per donor in 2022 was \$23,000
- Giving 1.2 gifts per donor

2022 retained Major Single Givers

- 63% retention rate
- Five year plus givers retained at 83%
- Giving 1.6 gifts per donor
- Reactivated donors accounted for 14% of total income

Major giving – key takeaways

Key Takeaway 1

Within Major Donor Single Giving channel groups, diversification is important.

Pandemic circumstances brought about large increases/decreases in several channels within 3 years.

Can we anticipate the next instance?

Key Takeaway 2

Most Major Gift revenue growth was caused by increased gift volume from retained donors, rather than increased average gift value.

Personal cultivation/solicitation (“OTH” channel) has seen growth in both volume of gifts and average value of gifts.

Key Takeaway 3

Relationships management and personal solicitation are critical, supplemented by direct mail and digital activity.

Gifts in Wills

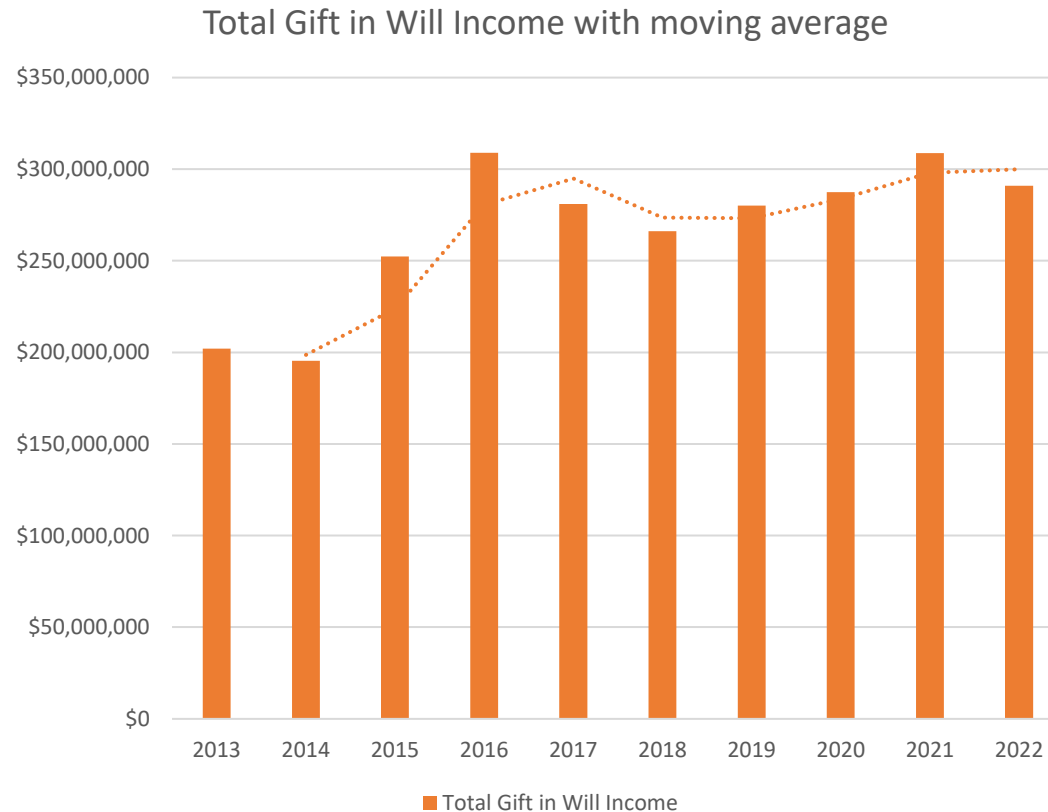
Karen Armstrong, More Strategic and
Fi McPhee



Gifts in Wills summary

- Less income was given via Gifts in Wills in 2022 compared to 2021, however, this followed a very strong result in 2021. The average annual growth rate over the past five years is 2%: small but consistent growth.
- The major driver of the income change was both a decline in volume and value of residual estates. This is an important trend to monitor for 2023 benchmarking.
- The average residual Gift in Will over three years is \$200k and median \$64k. Median pecuniary is \$5k.
- There can be a very long gap between time of last gift and realized Gift in Will income. The average time between last gift and realisation of a Gift in Will is 4.45 years.
- Known Gift in Will supporters continue to have a high average value but low overall contribution to total income.
- The best opportunities for Gifts in Wills is in the high socio-economic level areas indicated by a score of 10 on the Index of Relative Socio-economic Advantage and Disadvantage (IRSAD).
- Average confirmed age has fallen, this potentially may have been driven by online wills
- Supporters can be confirmed as Gift in Will givers as early as their first gift and in fact a very large percentage occur at this time. The propensity of success however increases as their number of gifts grow
- Supporters with donations of \$1000+ during their lifetime are contributing to 32% of the Gift in Will income. Coordinating stewardship with Major Donor and Mid Value donor teams is critical.
- Data shows the importance of ensuring that the whole organisation is involved in planning for an effective Gifts in Wills program, particularly data teams and Major and Mid Value fundraisers.

Gifts in Wills realised income growing



A study by More Strategic has also found that the volatility in Gifts in Wills is even greater for mid to small charities.

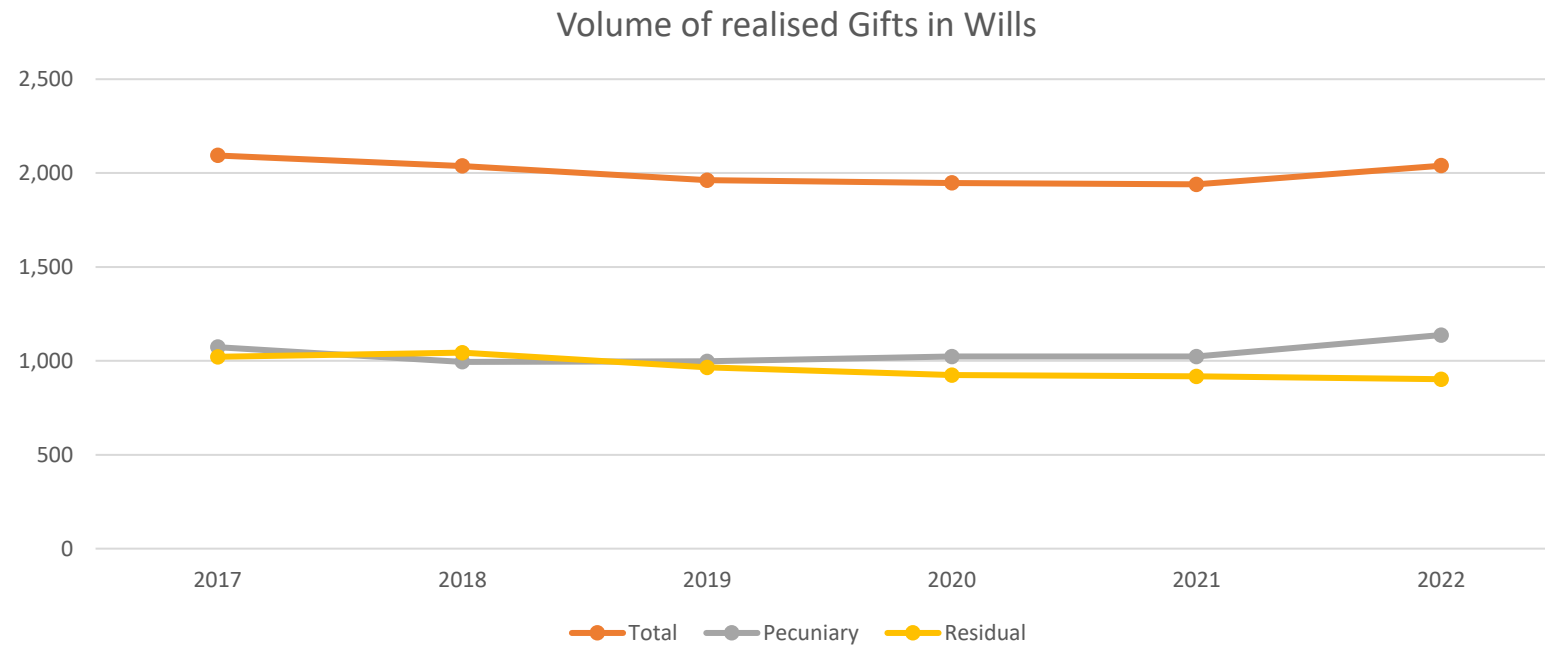
For charities with a prior year income of >\$10m there is a 68% probability that the following year's income growth will be between -41% and 50%. <\$10m there's a 95% probability that income growth will be between -87% and +96%.

The data cover just under \$200m in income and 2,000 bequests.

Variations in income year on year should be seen in the context that Gifts in Will income can be highly volatile and unpredictable and heavily influenced by large outliers.

The use of a rolling average trendline improves the interpretation of this and shows that the overall growth trend is relatively stable.

Volume of realised Gifts in Wills flat



Of particular note is the fact the number of Gifts in Wills realised each year has been flat for the last five years, as income has varied year on year the actual volume of bequests realised has stayed the same.

Interestingly, and despite recent tactical moves to promote residual gifts in wills we have seen more pecuniary gifts made in recent years – though these decisions will have likely been made many years ago, before the shift in messaging towards residual.

With the overall volume of Gifts in Wills year on year is not fluctuating, this changed mix in type of gift over the past three years has affected total income.

Gifts in Wills averages

All

2022

- Average GiW: \$97K
- Median: \$16K

2021

- Average GiW: \$137K
- Median: \$20K

2020

- Average GiW: \$116K
- Median: \$17K

Pecuniary

2022

- Average GiW: \$50K
- Median: \$6,250

2021

- Average GiW: \$53K
- Median: \$10K

2020

- Average GiW: \$30K
- Median: \$5K

Residuary

2022

- Average GiW: \$157K
- Median: \$59K

2021

- Average GiW: \$231K
- Median: \$66K

2020

- Average GiW: \$212K
- Median: \$68K

Three year trend

Residuary

- Average GiW \$200K
- Median \$64K

Pecuniary

- Average GiW \$45K
- Median \$5K

Gifts in Wills: gifts by organisation size and sector

Organisation Size

Large

- Average GiW: \$109K
- Median: \$17K

Medium

- Average GiW: \$131K
- Median: \$20K

Small

- Average GiW: \$103K
- Median: 13K

Sector

Animal Welfare

- Average GiW: \$119K
- Median: \$19k

International

- Average GiW: \$84K
- Median: \$13k

Environment

- Average GiW: \$167K
- Median: \$20K

Social Welfare

- Average GiW: \$91K
- Median: \$10K

Health

- Average GiW: \$132K
- Median: \$20k

Use a degree of caution when interpreting these trends as it can be influenced by the number of charities and estates.

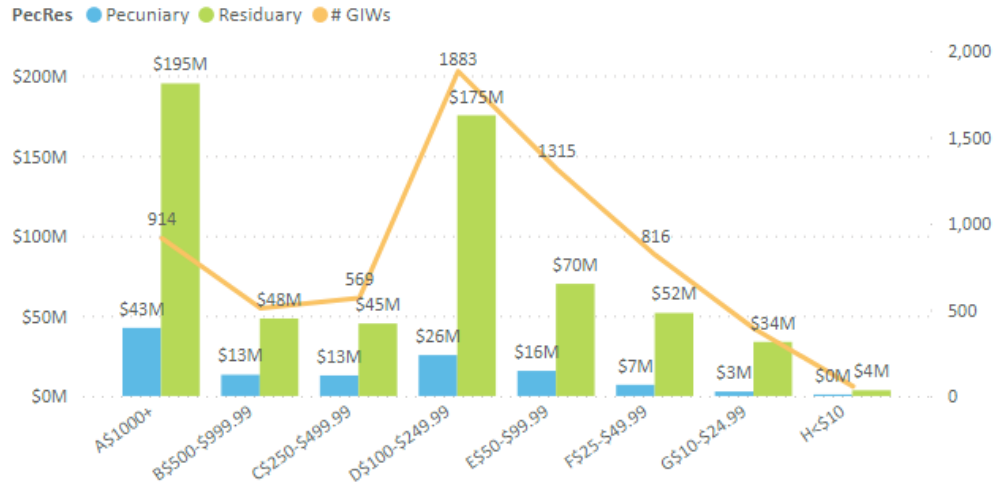
Interestingly, large charities have a slightly lower average gift than medium charities.

In some analysis More Strategic have seen a correlation that medium charities are more likely to have a larger % of known Gift in Will donors and therefore more likely stewarded with higher average, although when looking at this data set this was not evident.

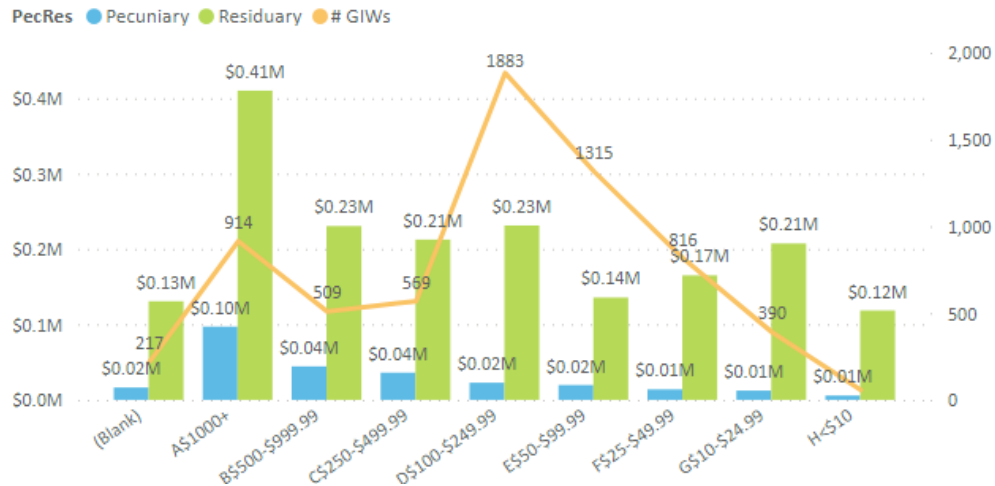
The impact of residual gifts was explored and again this is the biggest influencing factor with medium charities having the highest residual gift value and interesting this is the highest % to small charities.

Gifts in Wills by value of donors' pre GiW income

GIW Income by Previous Value



GIW Average by Previous Value



High Value donors giving more than \$1000 in a Single Gift are contributing to 32% of income. These High Value donors represented only 4.14% of all Single Giving donors in 2022.

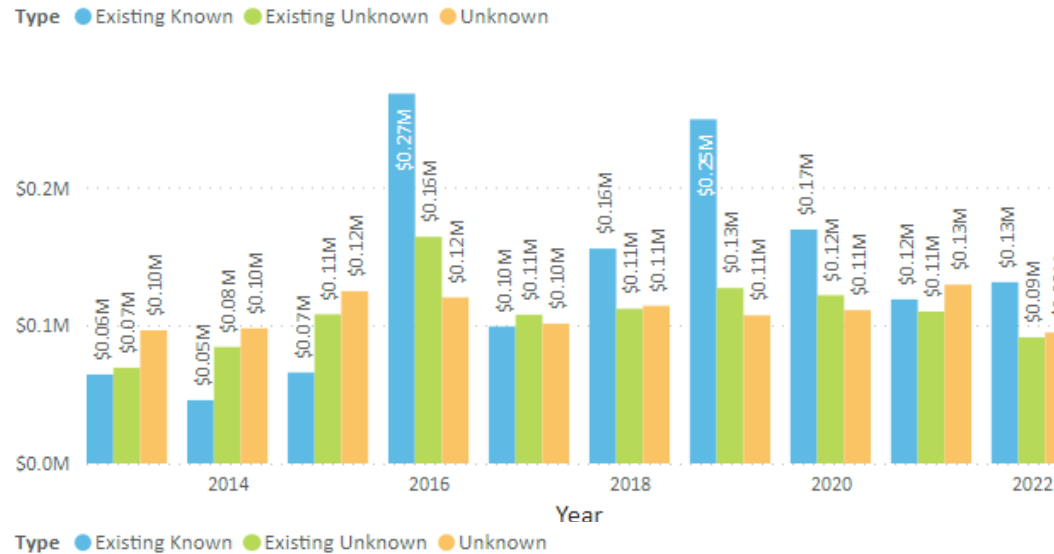
Interestingly the next biggest group is donors giving between \$100 and \$249 who contributed 27% of Gift in Will income and made by far the largest number of individual Gifts in Wills.

The average Gift in Will for donors giving more than \$1000 in a Single Gift is double that of most other donors and worthy of stewardship.

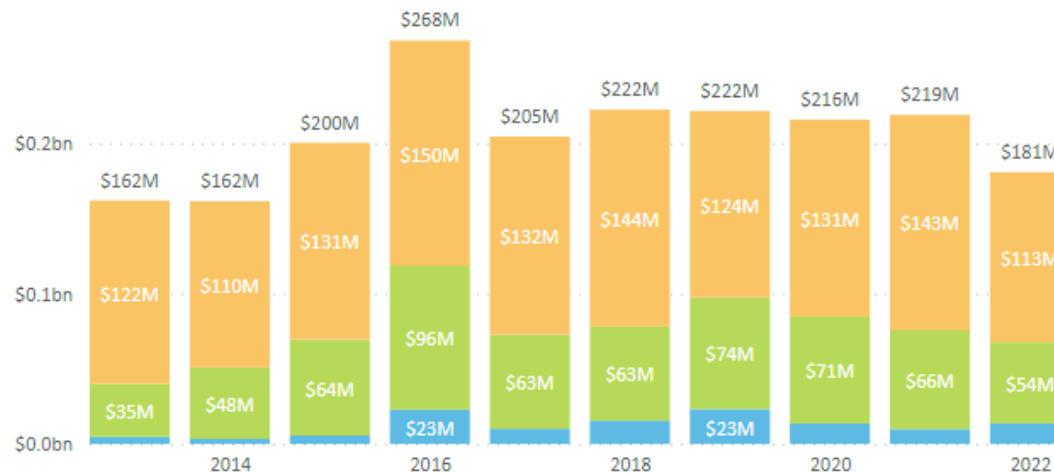
Those managing Mid and Major Donor programs should be involved with Gifts in Wills donor communications planning.

Gifts in Wills and known or unknown status

Average Gift in Will by status



Gift in Will Income by status



Two categories of Gift in Will donors:

1. Known Gift in Will donors: the existing known, supporters we already know have confirmed a gift in their will.
2. Existing unknown: supporters who realise a Gift in Will but did not advise us of their intent in their lifetime.

Have a higher average Gift in Will amount than a third category:

3. Previously unknown: supporters: people who realise a Gift in Will we can not identify on our databases.

“Known” and “existing unknown” contributed 38% of Gift in Will income last year.

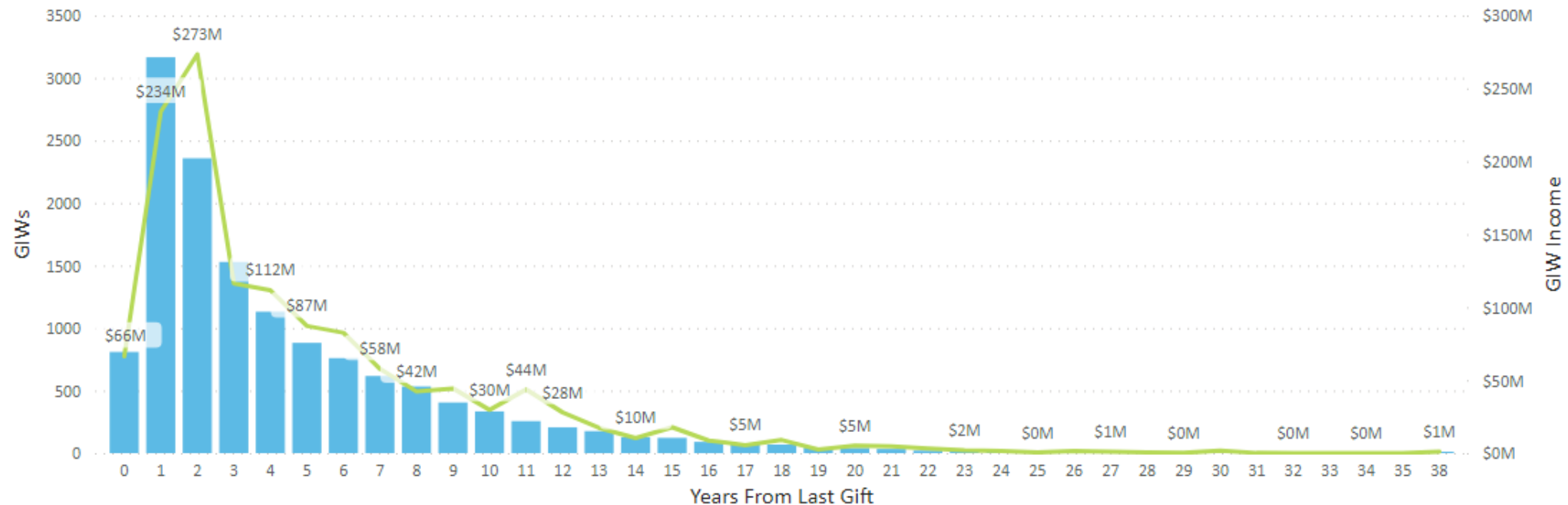
This proportion is likely higher when we consider that volunteers and service users are not included in the datasets we analyse and therefore would not be recognised as ‘known’ supporters.

Consideration should be given to ensuring that data on donors’ giving histories are retained for sufficient time to allow for effective tracking of Gift in Will statuses.

The importance of this is show by the chart on the next page.

Gifts in Wills: time to realised Gift in Will from last other donation

Time between last Gift and GIW realised

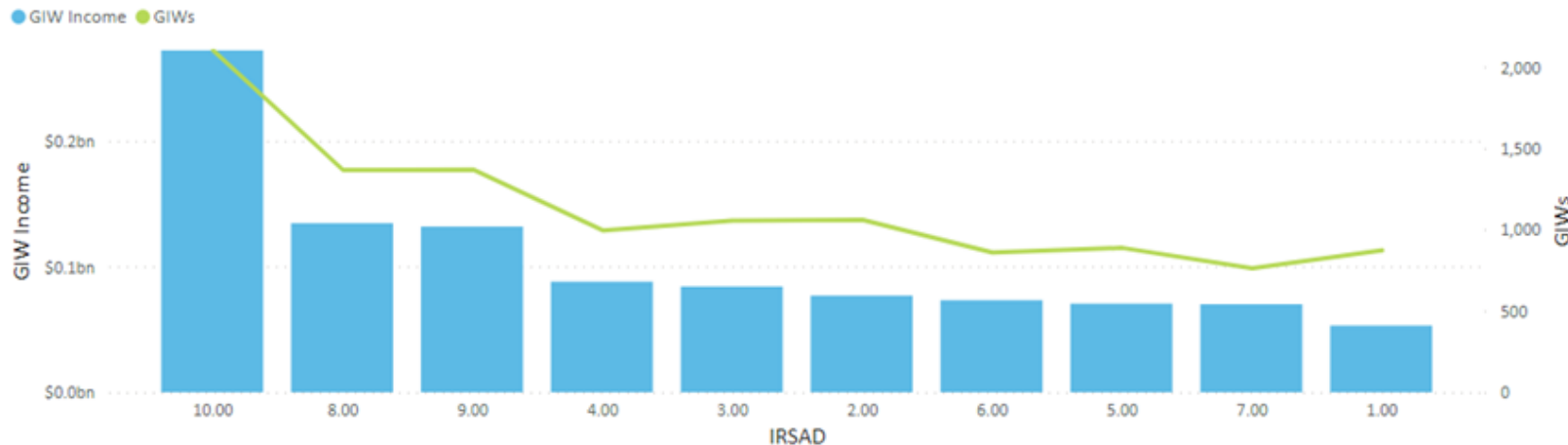


While the previous value of a donor's giving is important it is also important to remember that there can be a very long tail of when their last gift was given before a Gift in Will is realised.

This is important when considering our known / unknown contributions. Be aware that data teams may be removing 'old' data during data migrations. Identifying previous links to your organisations, such as volunteering and service use, will be impactful in guiding your Gifts in Will marketing strategy.

Use this evidence to inform any data migration projects.

Gifts in Wills: relative social and economic disadvantage



The Australian Bureau of Statistics (ABS) Index of Relative Socio-economic Advantage and Disadvantage (IRSAD) is a useful tool to examine the demographics of Gifts in Wills.

The highest socio-economic group 10th decile has positive correlations on the number and value of Gifts in Wills.

The 8th and 9th deciles also show a correlation for the number of Gifts in Wills.

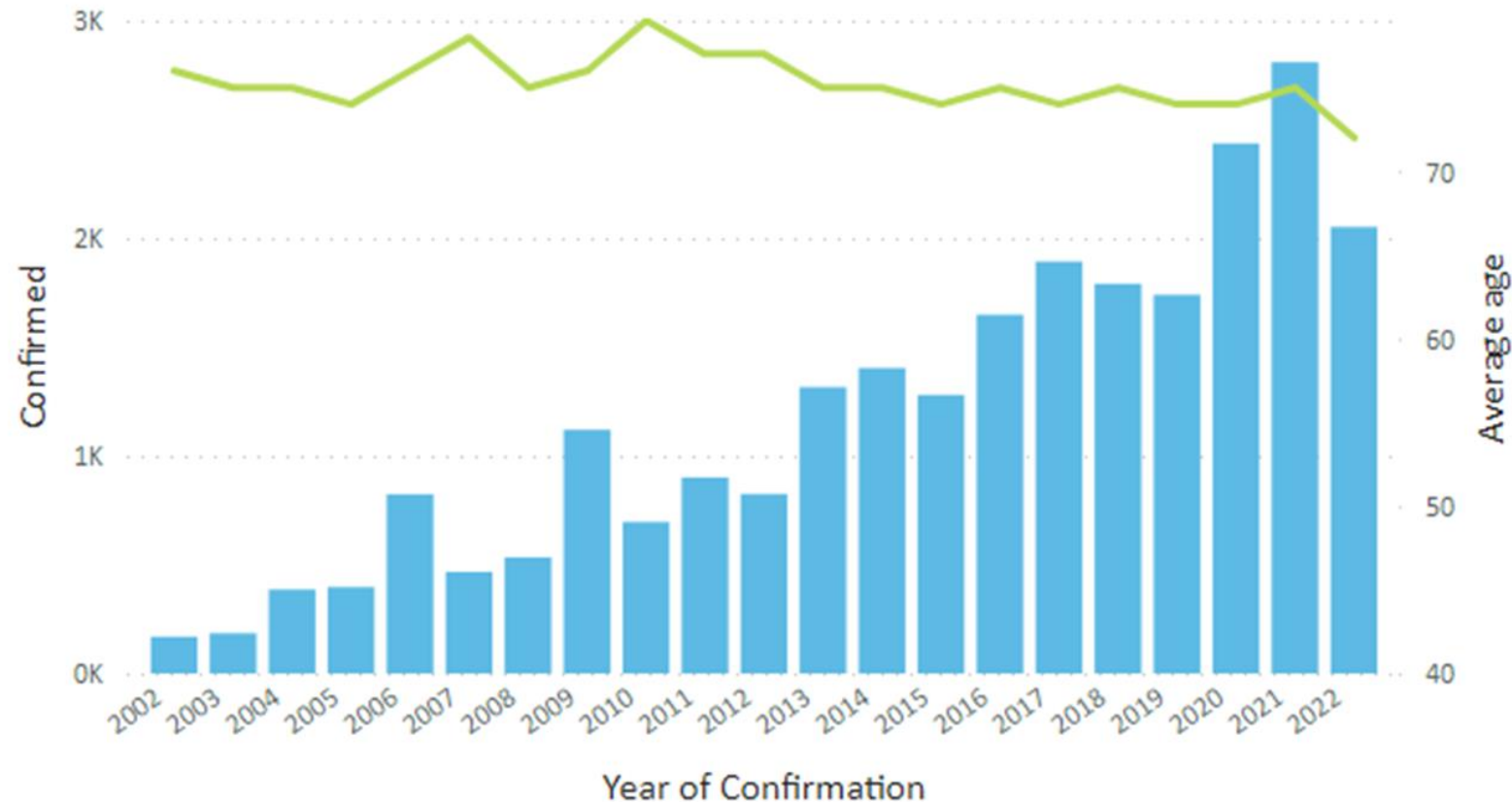
The trend is somewhat flat, tending to a slight decline in value.

The 8th to 10th deciles represent the socio-economic and geographic areas which result in the largest number and highest value of Gifts in Wills. This is in line with the bulk of donors sitting in these deciles.

Average age of confirmed Gifts in Will donors

Confirmed, Average age

BY YEAR OF CONFIRMATION



Where we have data on age, this shows that the average age of people confirming a Gift in Will has now dropped to 72 years.

This may reflect the beginning of a trend driven by the expansion of online Will platforms allowing organisations to attract Gift in Will supporters at a younger age, and to be able to record this information as well as the expansion of the targeting of Gifts in Wills marketing.

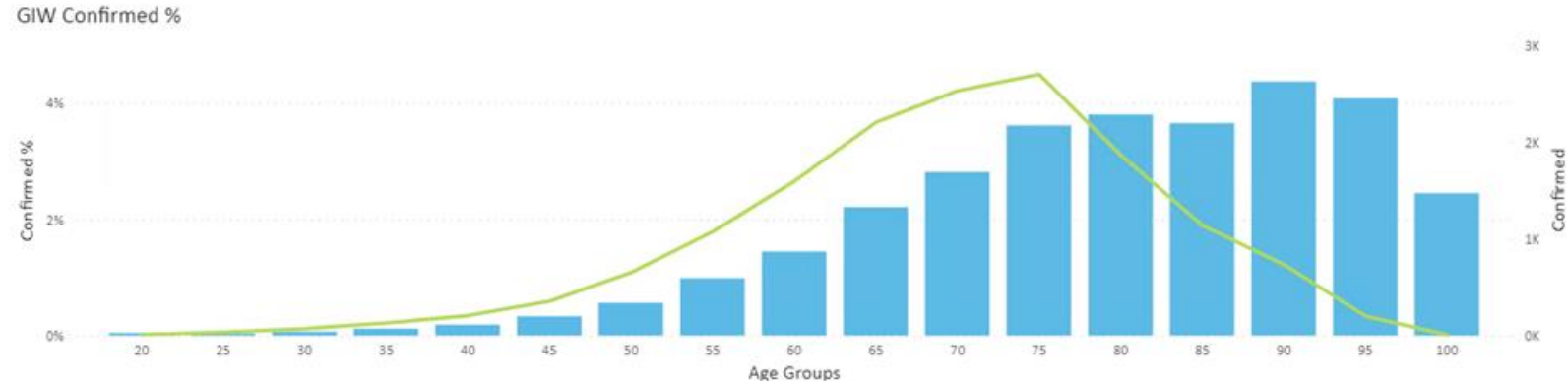
It should however be noted that the average age for a realised Gift in Will is over 90.

This shows that at least 20 years of stewardship of confirmed Gift in Will supporters is still necessary.

This change in the age profile of Gift in Will donors is one to watch.

Gifts in Wills: proportion by supporter age

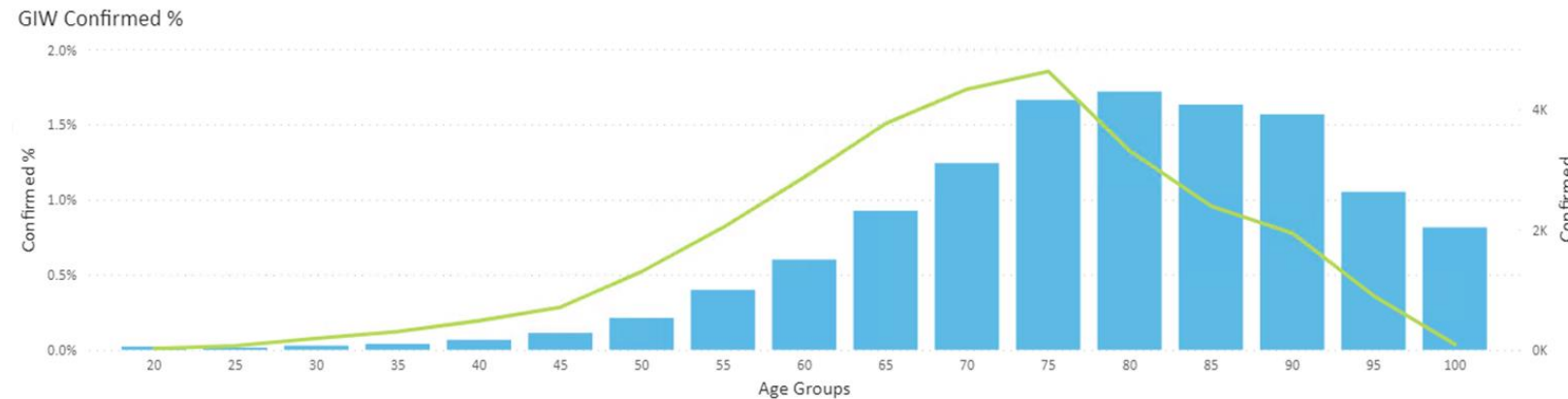
Confirmed Gift in Will by Age – active donors



The highest proportion of confirmed supporters is in the range 75 to 79 years.

More than 4% of active donors and 1.8% of all donors in this age bracket have confirmed a Gift in Will.

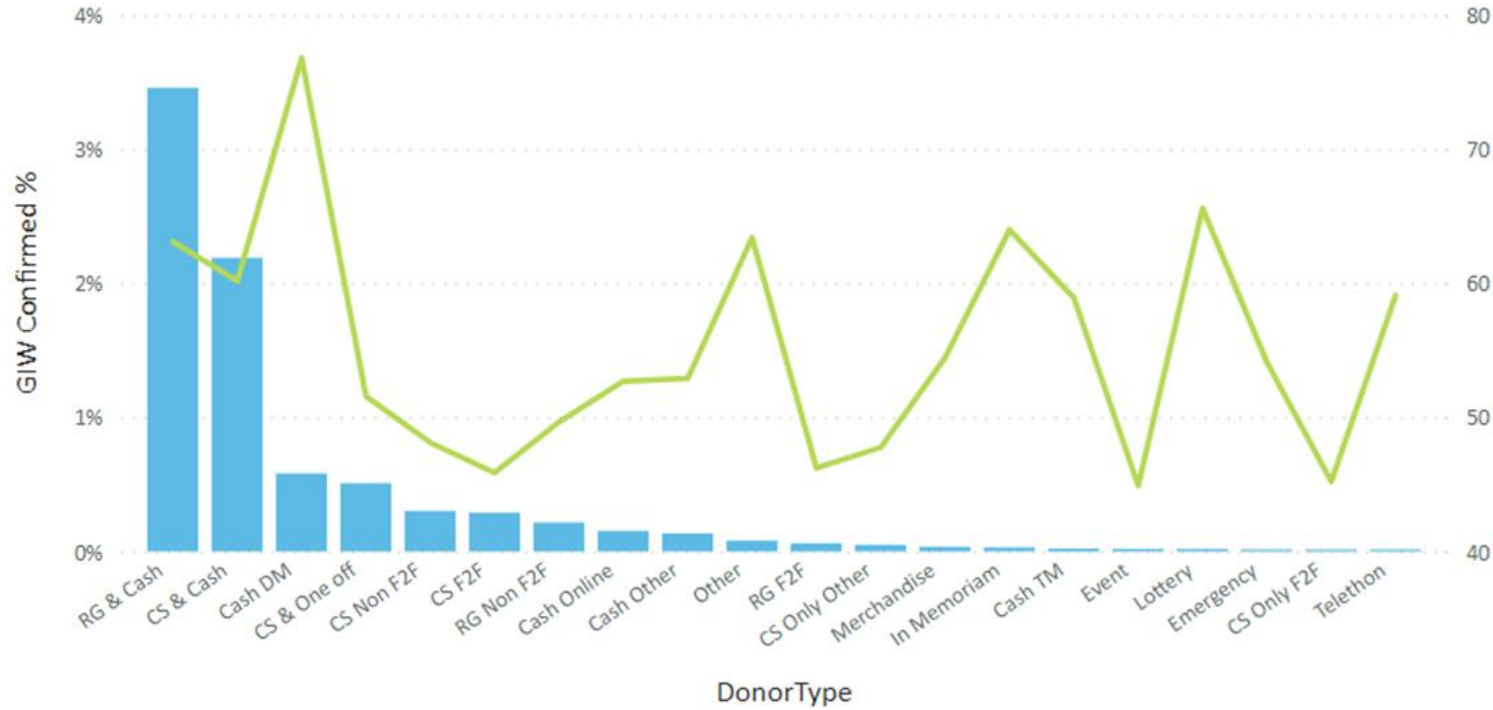
Confirmed Gift in Will by Age – all donors



While some younger supporters have considered making a Gift in Will, these donors remain a smaller percentage of the cohort of confirmed Gifts in Wills.

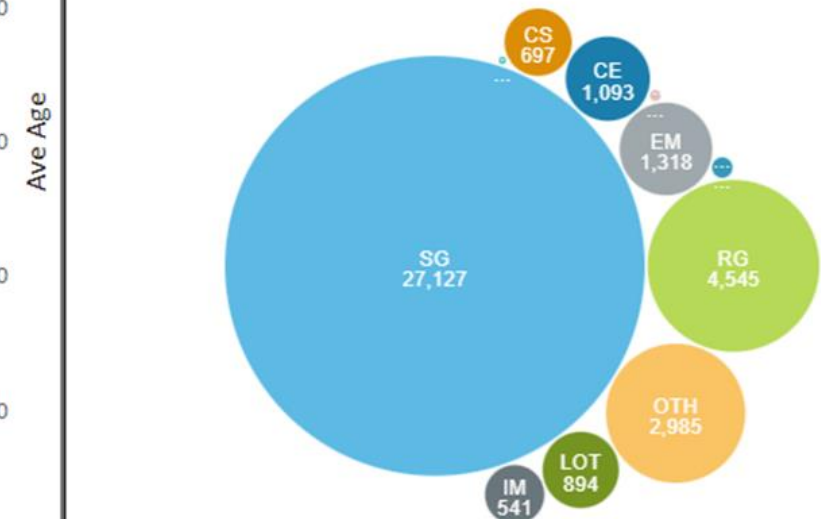
Some donors are more likely than others to confirm a Gift in Will

GIW Confirmed % and Ave Age by DonorType



Single Givers comprise the largest volume of confirmed Gifts in Wills, with donors who engage in multiple ways showing the highest confirmation rates

GIW Confirmed by First Gift Type

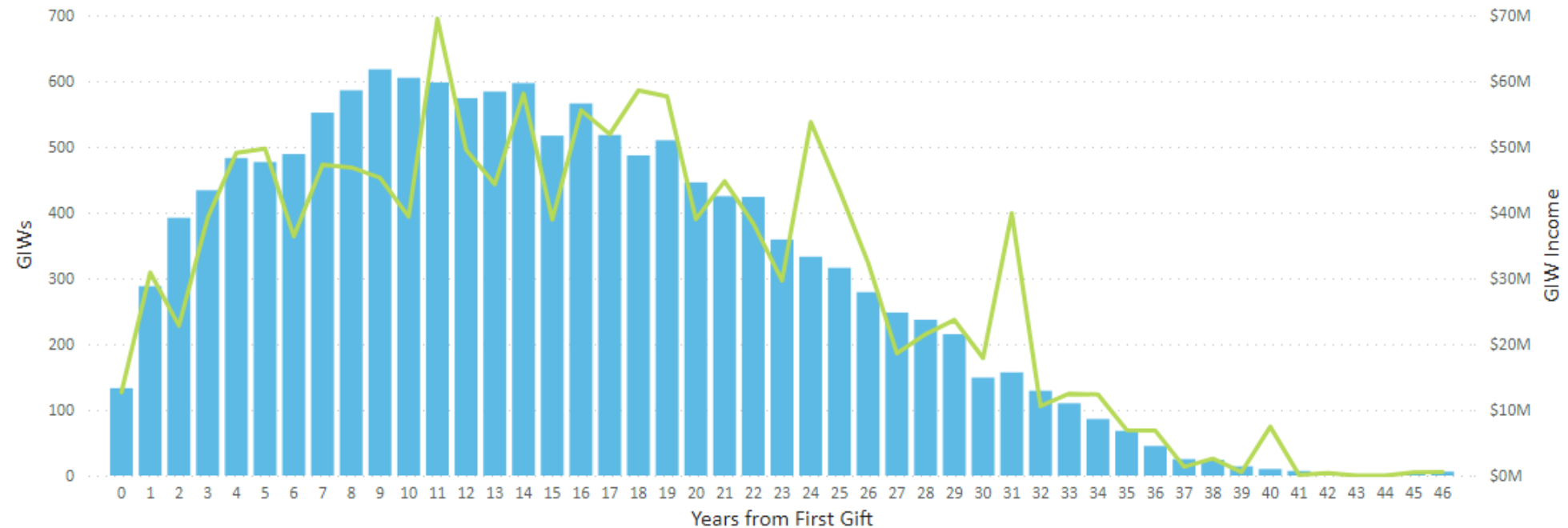


Gift in Will confirmation rates by donor type

Regular Givers & Single Givers	3.5%	Child Sponsors & Single Givers	2.2%	Direct Mail Single Givers	0.6%	Child Sponsors (non-F2F)	0.3%
Child Sponsor F2F	0.3%	Regular Giver (non-F2F)	0.2%	Digital Single Givers	0.2%	Regular Giver F2F	0.1%
In Memoriam	0.03%	Event	0.02%	Emergency	0.01%	Telephone Single Giver	0.2%

Time between first gift and realisation of Gift in Will

Time between first gift and GIW realised

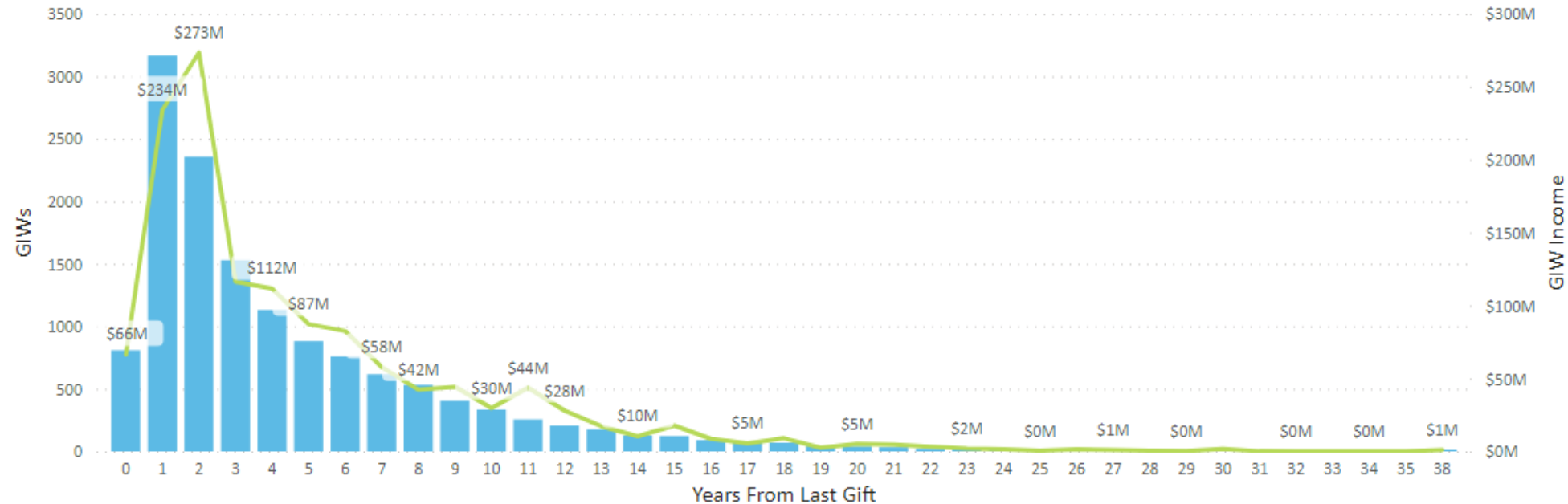


With some Gifts in Wills taking more than 45 years from a first gift of any type to realisation – organisations should be prepared for some very long periods of stewardship.

The average time between first gift and realisation of a Gift in Will from donors who notify an organisation they have added them to their Will is 15 years.

Value of Gifts in Wills value based on timing of the first and last gift

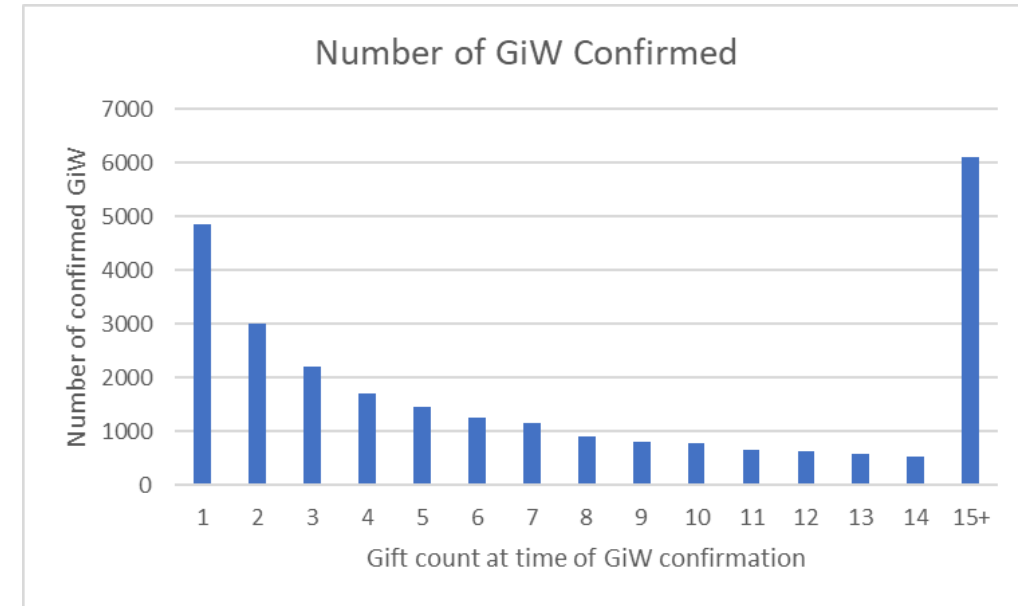
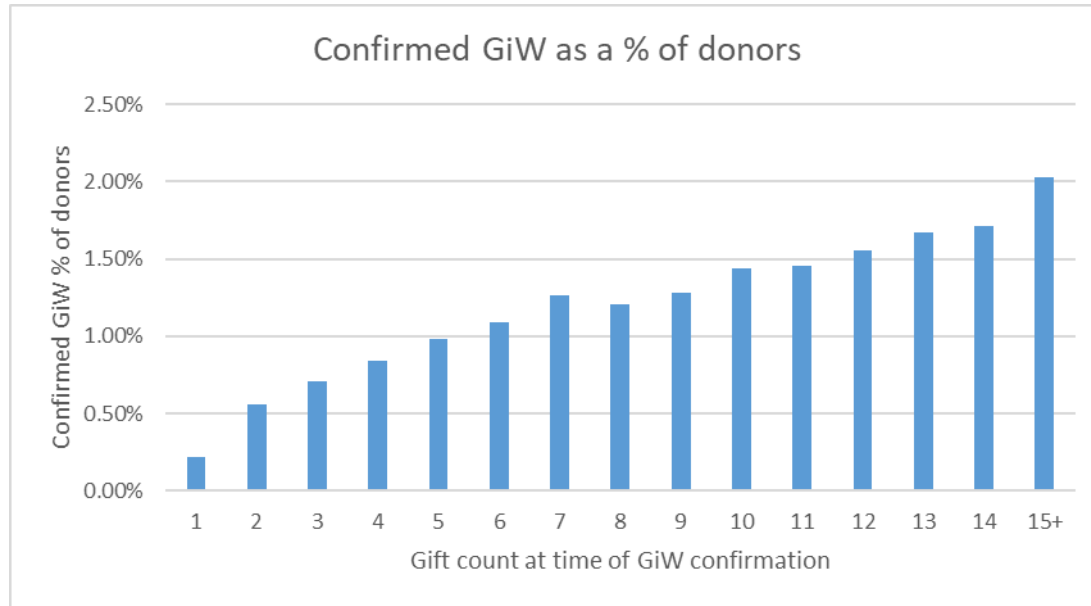
Time between last Gift and GIW realised



There is no significant difference in the size of Gifts in Will based on the timing of the first or last gift made by supporters. The green line in the chart above indicates the average gift in will correlating with the blue bar which represents the length of time between a donor last gift and a gift in will realisation.

The average time between last gift and realisation of a Gift in Will from donors who notify an organisation they have added them to their Will is 4.45 years

Gift count at the time of Gift in Will confirmation



There is then a slow increase as the number of gifts increases, with a gift count about 11 increasing the proportion of confirmations above 1.5%.

The number of donors likely to confirm a Gift in Will after just one gift is high as the volume of donors making a single gift is high. When we remove the influence of one organisation that is particularly successful as securing a Gift in Will confirmation before or at the first gift, we see this volume and percentage confirmation rate fall in line with the subsequent trend.

Gifts in Wills key takeaways

Key Takeaway 1

Residual gifts offer higher average value.

Recommending a residual (percentage of estate) can assist with the overarching consideration of supporters' financial optimism and whether people feel 'well off' enough to leave a Gift in Will.

Average age and the percentage confirmed by age will continue to be important metrics to consider in income projections and the likely time frame for the realisation of Gifts in Wills.

Key Takeaway 2

Single Givers are still the most likely to confirm a Gift in Will and currently represent the highest proportion of Gifts in Wills.

There are stronger opportunities for stewardship towards a Gift in Will confirmation which includes those with gifts of \$1000 or more, older people, female supporters, and in IRSAD 10th decile and to a lesser extent the 8th and 9th deciles.

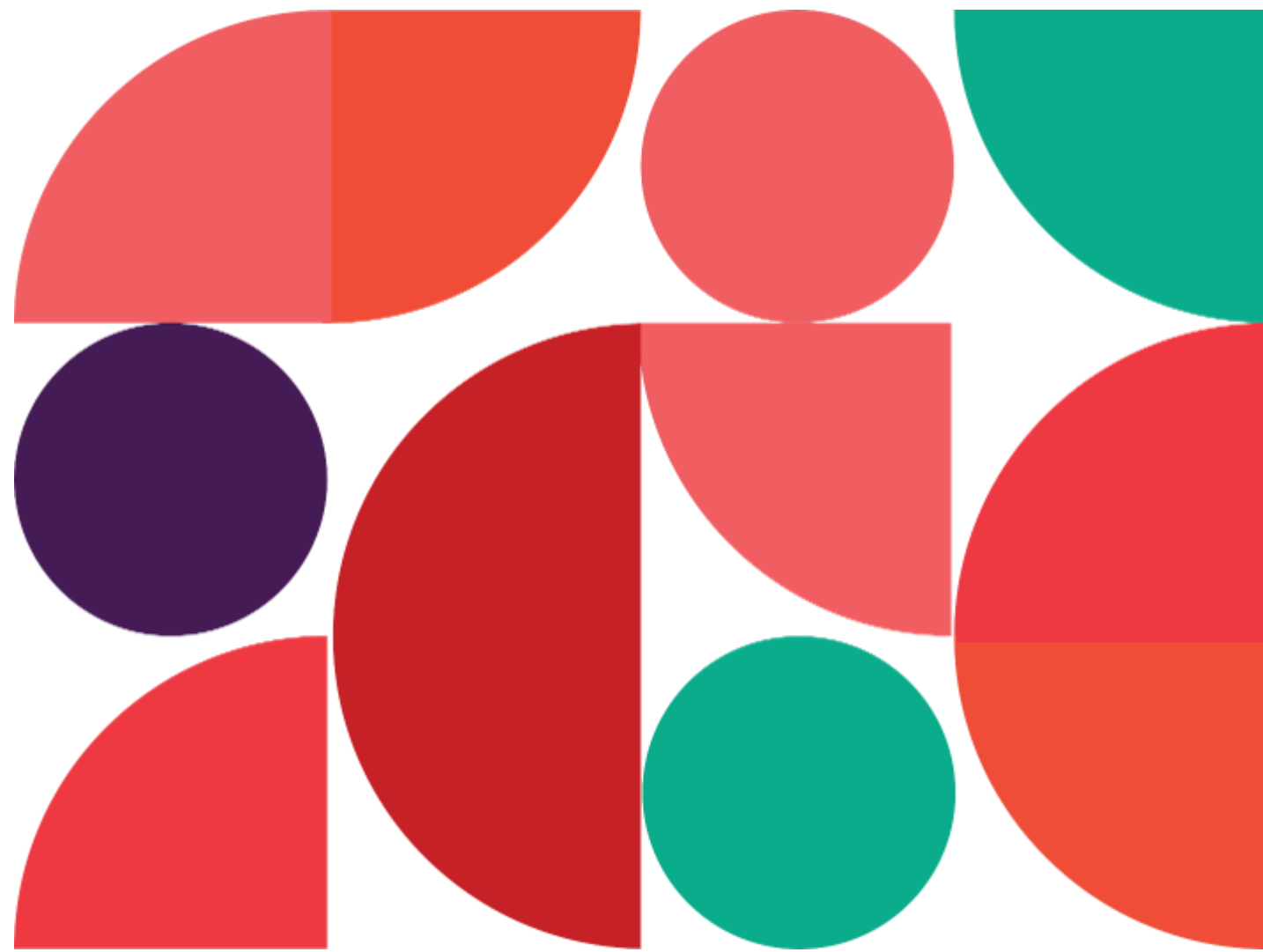
Key Takeaway 3

There is a long period of stewardship from the first gift to a realised Gift in Will. This is likely to extend even further with recent investment in Online Will platforms and acquisition of younger donors.

There is an average 4.5 years between last gift and realisation of a gift in will. Ensure your program does not treat these donors as lapsed but as highly valued supporters even when their giving stops.

Community and Events

John Burns, Marlin Communications and
Fi McPhee



Community and events summary

- Overall Community and Events income between 2013 and 2019 is remarkably consistent at approximately \$130 million per year.
- The impact of COVID during 2020 and 2021 seems to have abated. Community and Events income in 2022 was at a ten year high point.
- This recovery from COVID has not been uniform across all organisations.
- There continue to be challenges in capturing supporter data in this channel, particularly where events are run through third party platforms.
- The share of income from Community and Events varies widely across organisations, with some large fundraising organisations having negligible income in this channel.
- Community and Events donors are most unlikely to donate in other ways. They have the lowest donor diversification score of all Single Givers at 1.05.
- Community and Events fundraising does however bring in a huge number of new donors, particularly a relatively young demographic who may not support charity in any other way.

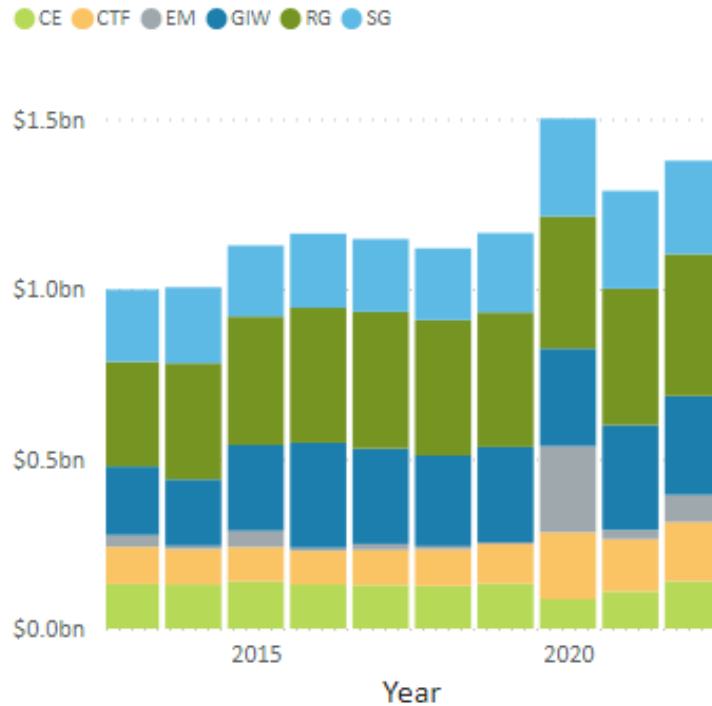
Note: the scope of Community and Events category covers:

- Peer to Peer fundraising
- Door Knock fundraising (not regular giving)
- Special events, for example golf days, gala dinners and conferences
- Other community events organized by an organisation or by supporters and volunteers

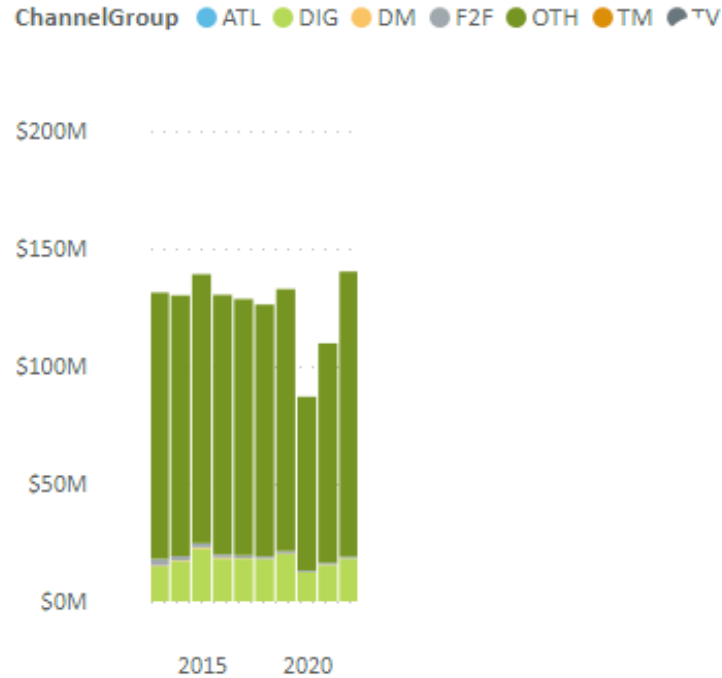


Overall Community event income

Total income



Community and Events income



Overall income between 2013 and 2019 is remarkably consistent at approximately \$130 million per year.

This represents a reasonable percentage of overall fundraising revenue (10.1% in 2022).

The Covid impact of 2020 and 2021 is obvious in this data.

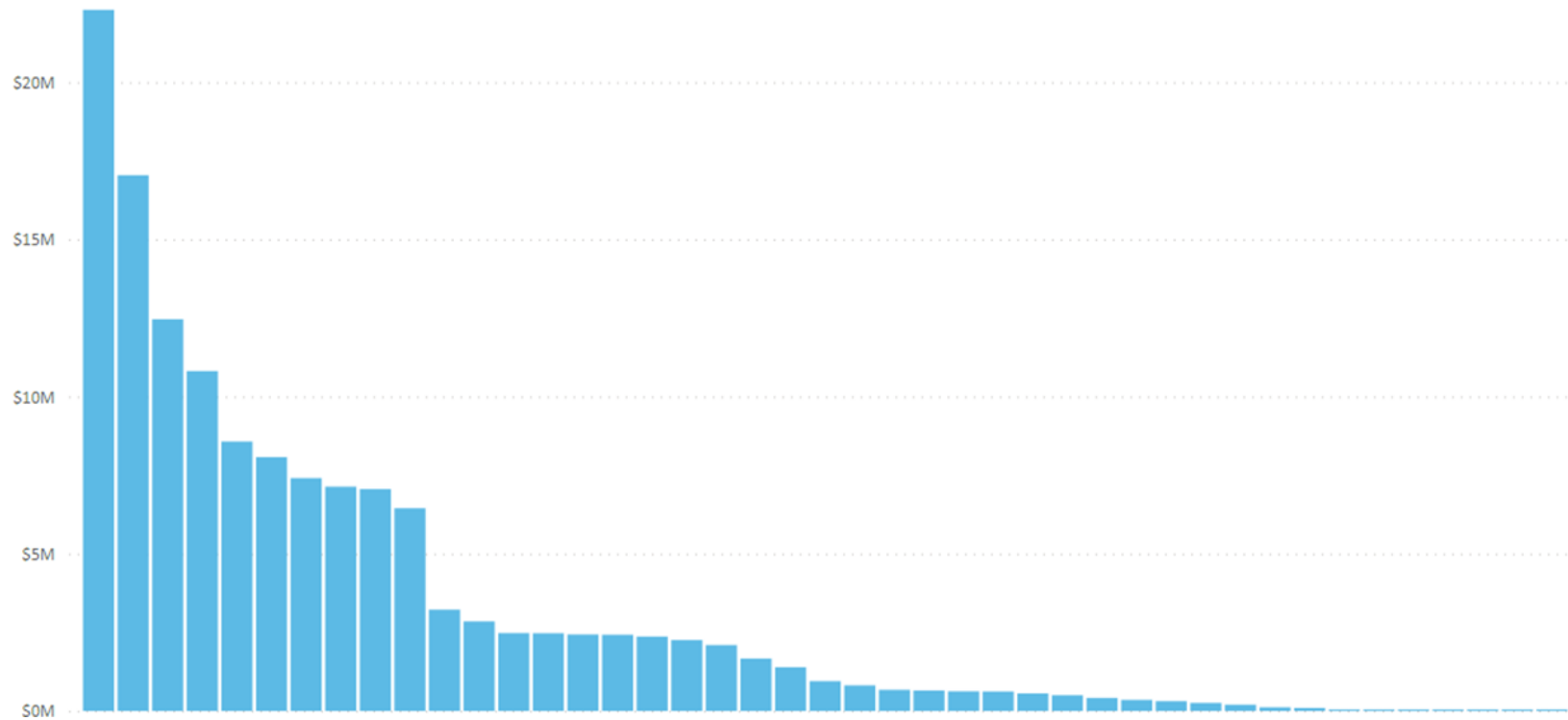
Activity in 2022 appears to have fully recovered. However, this may include “catch up” events postponed from the previous year/s.

Covid recovery is not uniform across organisations.

The gift channel is predominately “Other” highlighting some of the data capture challenges in this space, likely the result of high use of third party platforms and data transfer protocols.

Income by organisation

Community and Events income 2022, by organisation



Income is dominated by two organisations with a further nine generating over \$5 million per year

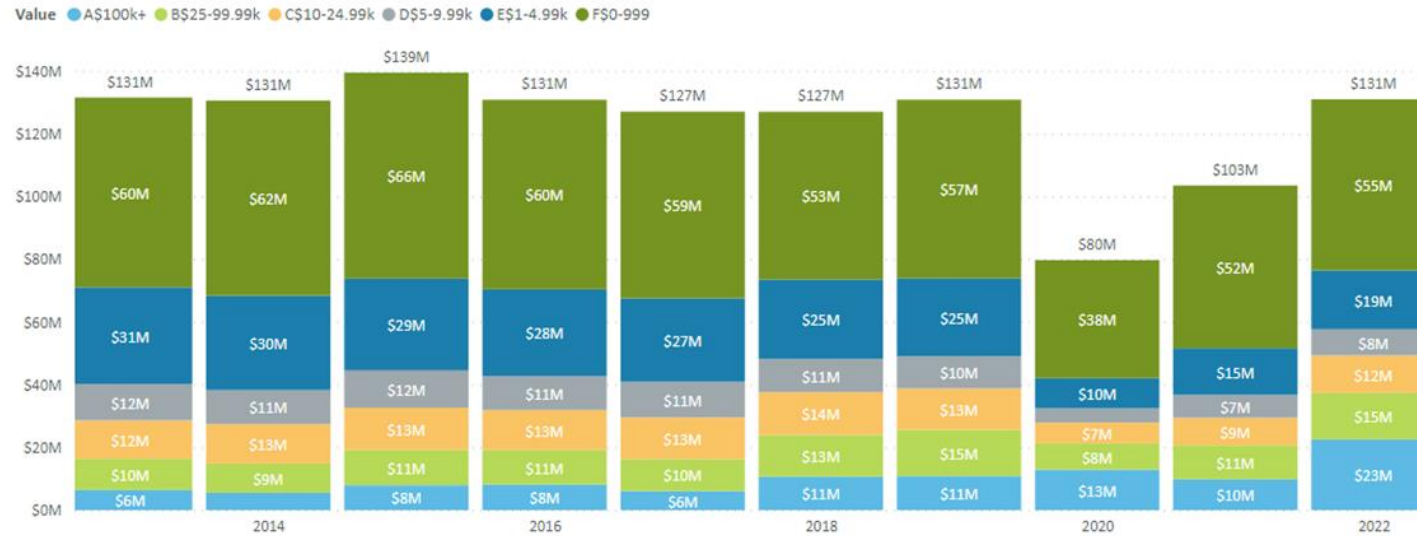
A further 11 organisations have income ranging over \$1 million per year.

These organisations are generally well established in the community, peer-to-peer and event space, with dedicated, well resourced portfolios.

22 organisations have income that is below \$1 million. This is likely to be incidental to other fundraising programs.

CE income by gift size and category

Income by Year



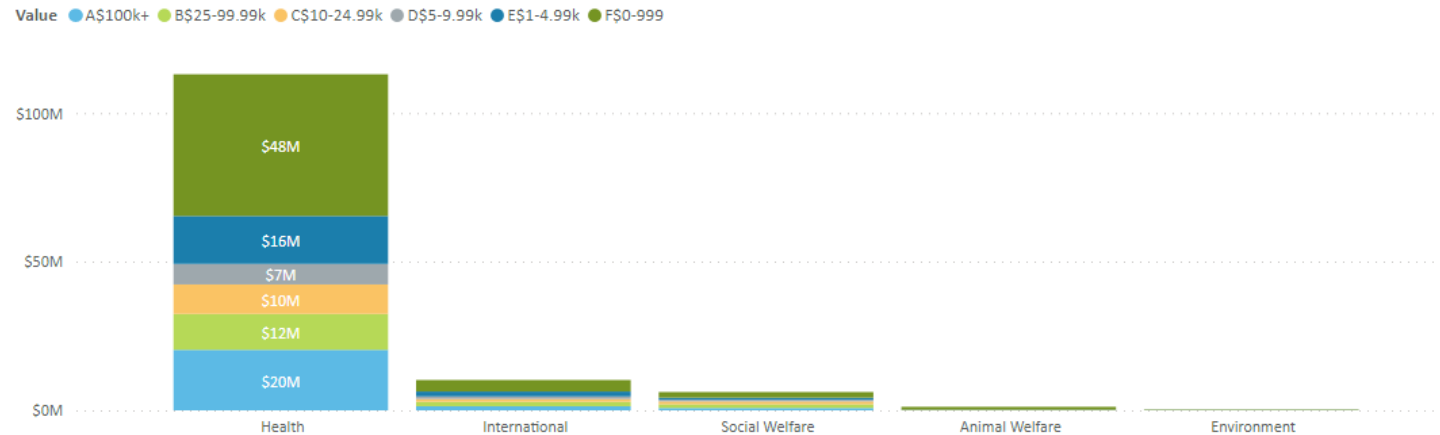
Not surprisingly gift size is dominated by those under \$1,000.

There is however a significant increase in high value gifts in 2022.

Note that High Value transactions in the Community and Event space can include “bundled” gifts. That is a large number of small value gifts that are bundled together prior to transfer to the charity.

Notably the event space is dominated by organisations in the Health category to the almost complete exclusion of other sectors.

2022 Income



Key metrics: one and five year comparison by organization size

Income

Large	Medium	Small
Income 2022 \$49,939,416	Income 2022 \$22,901,948	Income 2022 \$9,333,701
1 Year Change \$2,726,561	1 Year Change \$6,900,775	1 Year Change \$3,502,388
1 year % Change 5.8%	1 year % Change 43.1%	1 year % Change 60.1%
5 Year Change \$15,621,762	5 Year Change -\$10,295,461	5 Year Change \$366,310
5YearGIDiff% 45.5%	5YearGIDiff% -31.0%	5YearGIDiff% 4.1%

Gifts

Large	Medium	Small
Gifts 2022 449,247	Gifts 2022 217,074	Gifts 2022 99,085
1 Year Change -95,682	1 Year Change 45,466	1 Year Change 28,993
1 Year Change % -17.6%	1 Year Change % 26.5%	1 Year Change % 41.4%
5 Year Change 124,678	5 Year Change -144,875	5 Year Change -13,724
5 Year Change % 38.4%	5 Year Change % -40.0%	5 Year Change % -12.2%

Donors

Large	Medium	Small
Donors 2022 404,805	Donors 2022 186,712	Donors 2022 74,771
1 Year Change -34,549	1 Year Change 40,906	1 Year Change 27,615
1 Year Change % -7.9%	1 Year Change % 28.1%	1 Year Change % 58.6%
5 Year Change 155,423	5 Year Change -114,651	5 Year Change -12,255
5 Year Change % 62.3%	5 Year Change % -38.0%	5 Year Change % -14.1%

Average Gift

Large	Medium	Small
Ave Gift 2022 \$111	Ave Gift 2022 \$106	Ave Gift 2022 \$94
1 Year Change \$24.52	1 Year Change \$12.26	1 Year Change \$11.00
1 Year Change % 28.3%	1 Year Change % 13.1%	1 Year Change % 13.2%
5 Year Change \$5.43	5 Year Change \$13.78	5 Year Change \$14.71
5 Year Change % 5.1%	5 Year Change % 15.0%	5 Year Change % 18.5%

The one-year comparisons are heavily impacted by Covid.

All categories saw an increase from 2021 to 2022, however this was heavily skewed to Small and Medium organisations both in percentage increase and dollar value increase.

Additionally Large organisations were the only group to register a decrease in both donors and gifts in the one year comparison.

Over five years Large and Small organisations both increased income with Small increasing by a notable 53.2%. This is not surprising in the context of Small organisations having a higher reliance on Community and Events income.

Small and Medium organisation also increased average gift by over 50% over that period with Large registering a 14% decrease.

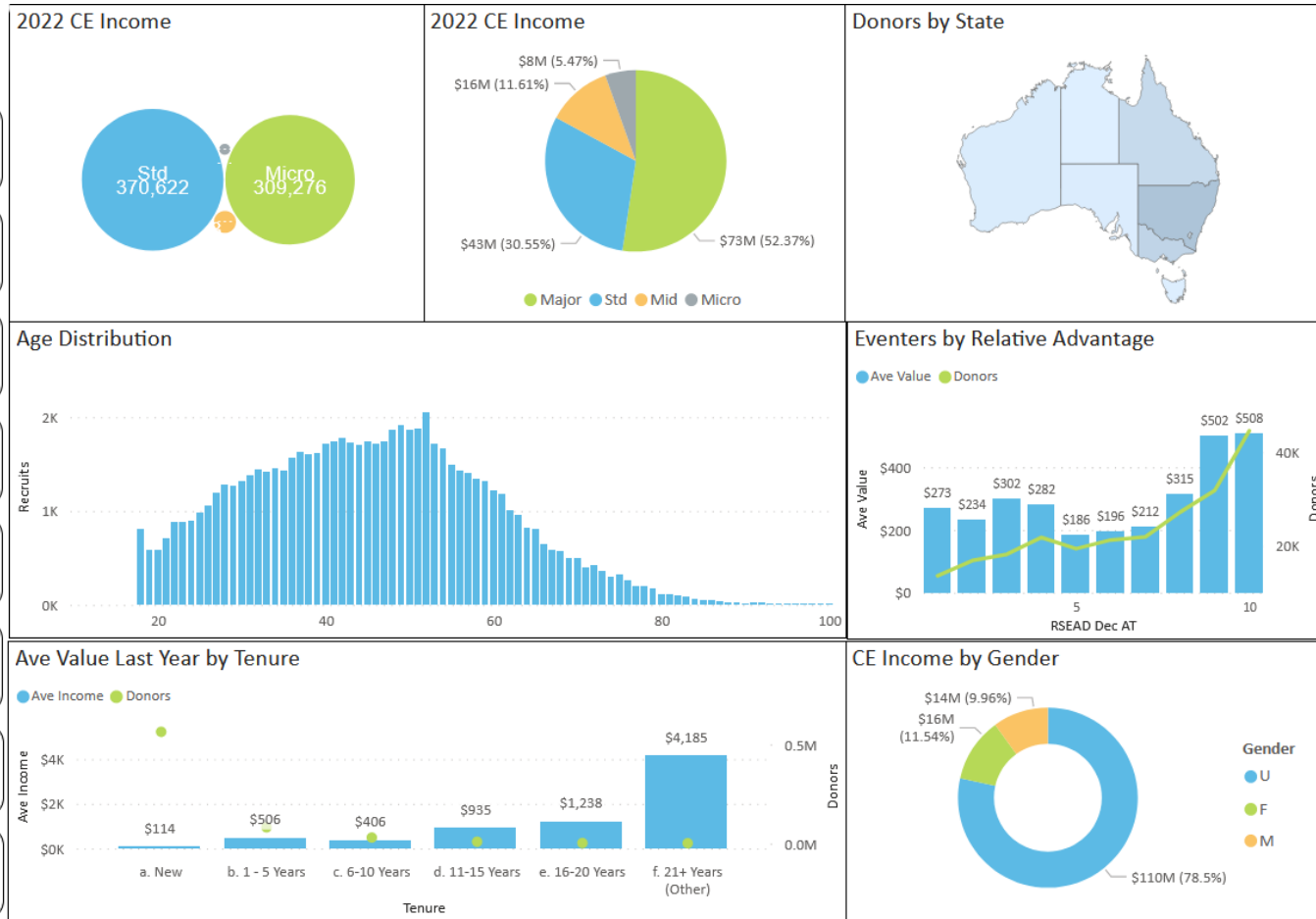
In terms of share of revenue (not shown on table) over five years Large and Small organisations increased share by 2.70% and 3.55% respectively at the expense of Medium who registered a 6.24% decrease.

In 2022 Share of Revenue was:

- Large: 56.17%
- Medium 31.43%
- Small 12.40%

Community and Events – Donor Profile

- 691K**
Eventers 2022
- 808.14K**
Event Gifts
- \$139.66M**
Event Income
- 0.96**
Average Tenure (Years)
- 43.94**
Average Age
- \$116**
Ave First Gift
- \$202**
Average Value per Donor LY
- 1.05**
AllGiving



Age participation in events continues to increase to peak at age 52 after which the decline is quite consistent.

Average tenure is less than one year indicating participation in a single event and supported by analysis showing the average number of ways a Community and Event donors supports is 1.04 (meaning they generally only give via Community and Events).

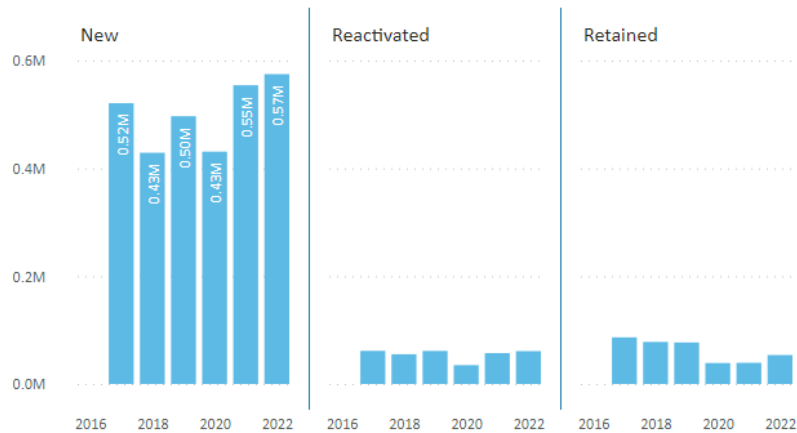
Participation and average value significantly increase in the top two deciles of Relative Advantage, although all deciles do participate.

The large amount of unknown gender also representative of data challenges in the event space.

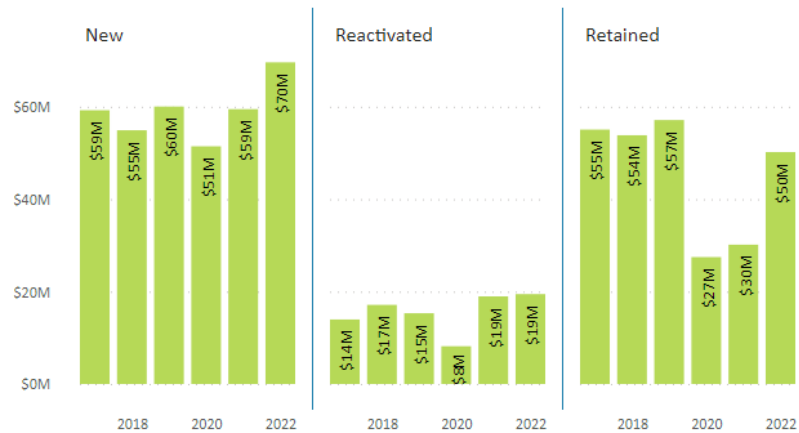
Of note generally is that data collection on gender in the sector is still quite binary.

Community and Events donor acquisition and retention

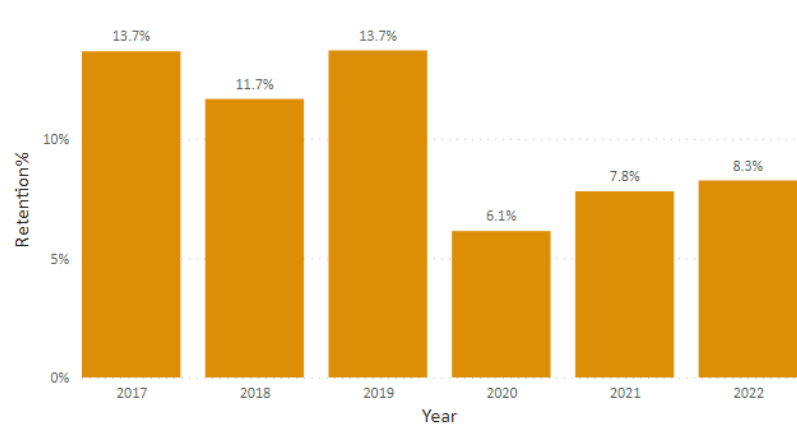
Donor Volumes



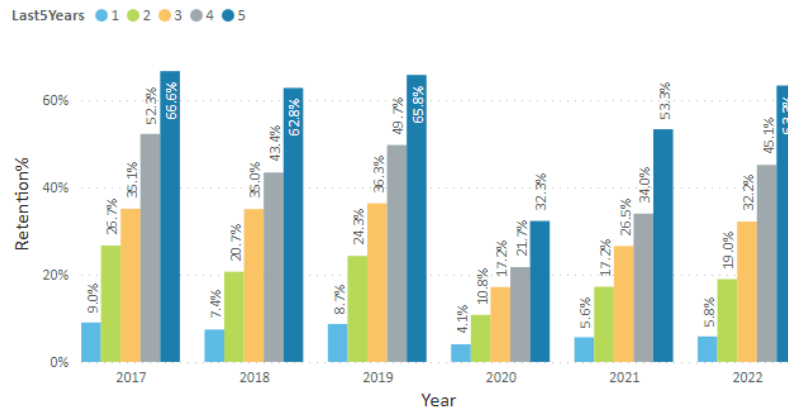
Income



YOY Retention



Retention by Longevity



Current year on year figures are heavily Covid impacted however key trends can be drawn out.

The vast bulk of event participants are recorded as first timers. 17% of 2022 participants were previous participants with half of these having participated in 2021.

The average gift from retained donors is vastly greater than that of newly acquired participants.

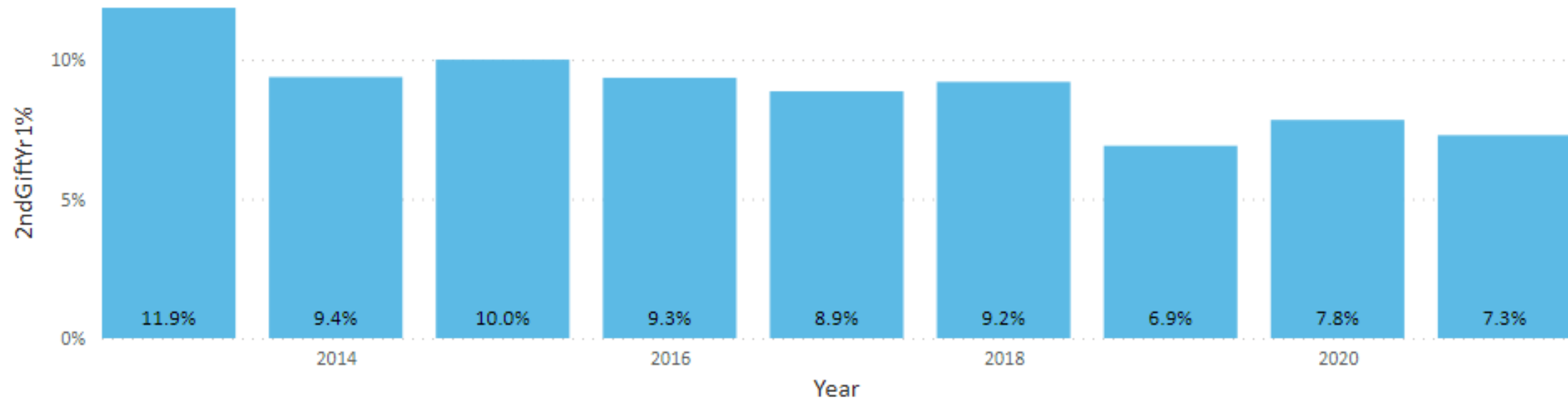
The dip in retained donor income during Covid, which was not reflected in new donor income, is likely to be a result of retained donors in a new or "pivoted" event during that time

The longer a donor is retained, the more likely they are to remain retained.

Average gift increases significantly the longer a donor is retained.

Community and Events donors Long Term Value

2nd Gift in Year 1



Repeat participation in Community and Events is low, with 2022 second gift rates at 7.3%. This has been declining as the volume of events and acquisition increases.

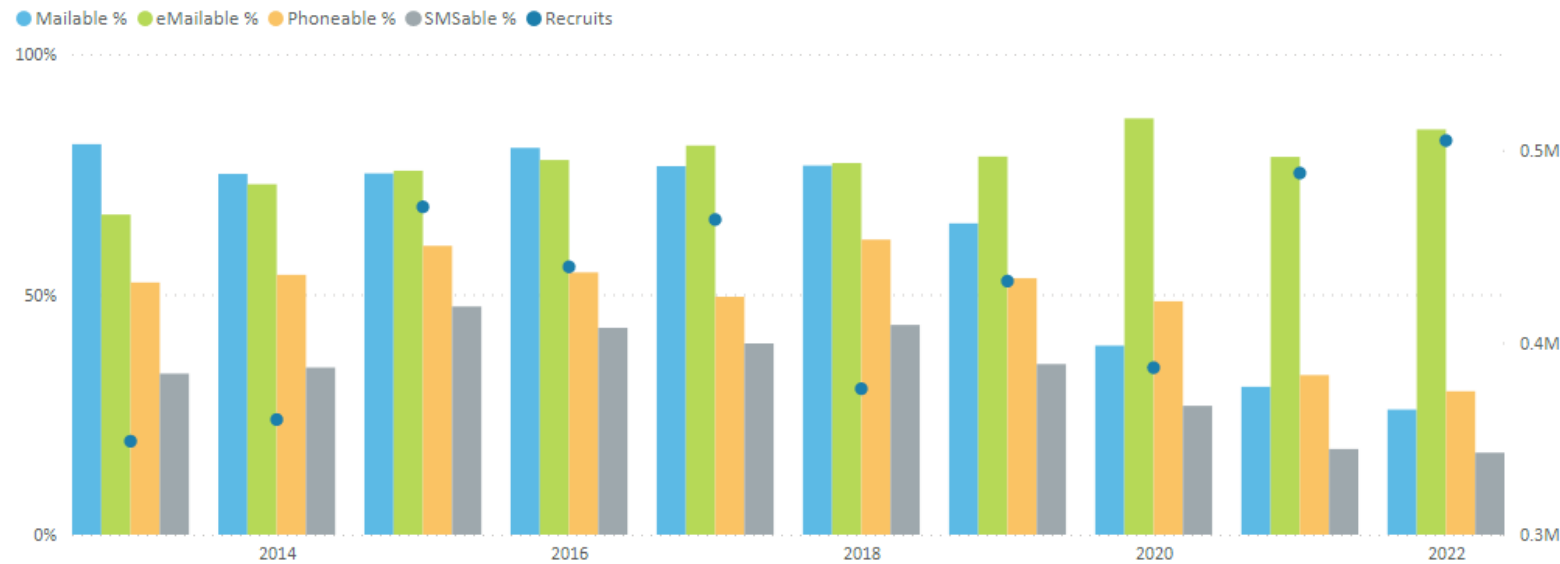
In 2022 just 0.4% of Community and Event donors converted to Regular Giving. Whilst a small volume, those who convert are retained at higher rates than direct to Regular Giving recruits.

A small volume of Community and Event donors have confirmed a Gift in Will. Those most likely to have done this are those who have gone on to support in another ways.

The average confirmation rate on Community and Event donors is 0.02% with the best-in-class charity achieving 0.71%. The average age of Community and Event donors who have confirmed a Gift in Will is 44.

Community and Event donor contactability

Contactability by Year of Recruitment



Of note is the emerging dominance of email as the sole point of contactability.

However, the rate of email penetration has not increased significantly. The ability to collect other data points has decreased and has significantly exacerbated by COVID.

The near collapse in contactability by phone from 76.81% in 2018 to 25.95% in 2022 is likely to have significant ramifications on future retention figures.

This may be the result of data collection and data transfer protocols and should be of key concern.

Community and Events key takeaways

Key Takeaway 1

Community fundraising, Peer-to-Peer and Events fundraising inspires in a huge percentage of new donors to support our organisations (23% in 2022).

Constant acquisition is necessary because repeat giving and participation levels are incredibly low.

Key Takeaway 2

Community and Event donors are very unlikely to support in other ways, for example they are unlikely to convert to Regular Giving or confirm a Gift in Will.

It is still worth working to identify highly engaged Community and Event donors, as whilst a low volume will go on to give again, give in other ways or commit to a Gift in Will there is value over time from these supporters

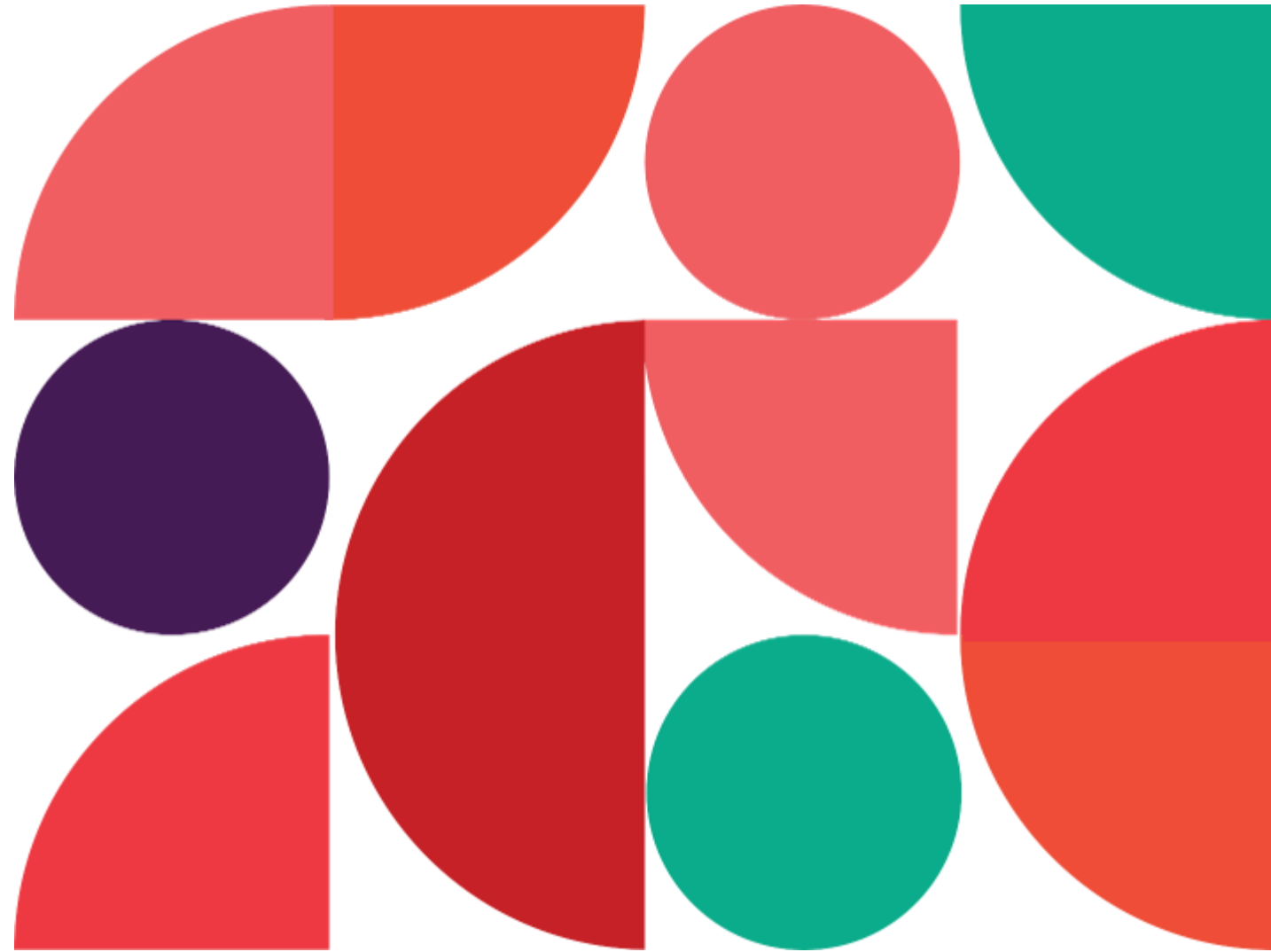
Key Takeaway 3

The challenges around data capture in Community and Events fundraising complicate organisations' abilities to effectively analyse their programs and steward their donors.

This is reflected in the collapse in rates of donor contactability in recent years.

Any improvements to the quality of data captured will support increased understanding of this group of donors and support attempts to improve retention and stewardship.

Regular Giving



The average Regular Giver

Micro

(<\$250 a year)

- 49 years old
- Giving for almost 5 years
- More females vs. males giving

- 48% of 2022 donors
- Average First Gift: \$25
- 32% of all confirmed GIW from regular givers
- 52% recruited via F2F, 11% recruited via OLC

Standard

(\$250 - \$499 a year)

- 51 years old
- Giving for 6 years
- More females vs. males giving

- 36% of 2022 donors
- Average First Gift: \$31
- 1.7 gifts per donor
- 34% of all confirmed GIW from regular givers
- 64% recruited via direct mail & 8% via digital

Mid value

(\$500 - \$999 a year)

- 54 years old
- Giving for 9 years
- More even gender split than standard

- 13% of 2022 donors
- Average First Gift: \$39
- 23% of all confirmed GIW from regular givers
- 58% recruited via F2F & 11% via digital

Major

(\$1k+ a year)

- 59 years old
- Giving for 11 years
- More males than females

- 3% of 2022 donors
- Average First Gift: \$71
- 11% of all confirmed GIW from regular givers
- 36% recruited via F2F & 19% via digital

Regular Giving overview – acquisition and income

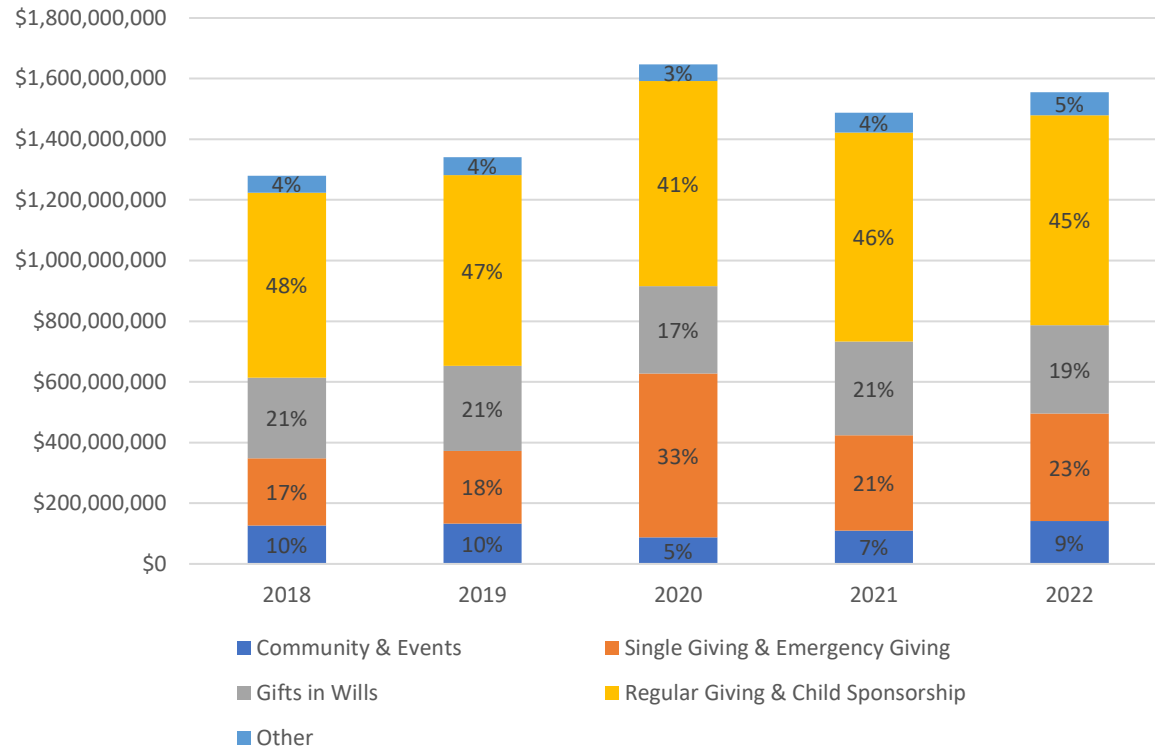
- Regular Giving acquisition is recovering after declining for the first time ever in 2018
- There were further declines in 2020 as a result of the impact of the pandemic on our ability to conduct Face-to-Face and Telemarketing.
- We see consistent growth coming from Digital. Not just Digital advertising but also conversion of leads generated online (Online Lead Conversion). It is also likely that DRTV and other activities are driving potential donors to our websites.
- Overall income from Face-to-Face continues to grow albeit at a slow rate.
- Acquisition volumes are still well below 2019 levels. Demand is outstripping supply in the Face-to-Face market. Some long-term high-volume recruiters have also reduced their volumes.
- Face-to-Face maintains as the highest volume acquisition channel with Digital and Online Lead Conversion the fastest growing.
- While volumes for Face-to-Face acquisition aren't back to what they were, this isn't a bad thing for charities. Most are driving quality over volume particularly by decreasing the recruitment of younger donors (18 to 25 year olds).
- While the cost per donor is higher than before, and continued to rise in 2022, better quality should increase long-term value.

Regular Giving overview – retention

- 90% of Regular Giving income came from retained and reactivated donors in 2022 demonstrating how critical retention and recovery activities are within Regular Giving programs.
- Overall retention of Regular Givers was 80% last year and this has been improving based on lower acquisition volumes over the past three years.
 - Direct Mail recruits (5.4% of all Regular Givers in 2022), albeit with small volume of new donors (just 2% of all new recruits in 2022) were retained at a rate of 90%.
 - Digital recruits were retained at an overall rate of 86%.
 - Face-to-Face donors retained at 75%.
- The average retained Regular Giver contributed \$370 in 2022 and made an average of 10.7 gifts in the year.
 - This highlights declines management is critical, is as we are not guaranteed a full 12 or 13 payments per donor.
- Once Regular Givers reach their fifth year of giving, income attrition is under 15% per year dropping to just 6% by nine years of giving.
 - By the fifth year of giving Regular Givers are, on average, over 54 years of age and at least 9% of retained Regular Givers make additional single gifts.
 - Face-to-Face recruits are the only anomaly to this and have much lower additional giving rates.
 - 2% of these long-term Regular Givers have confirmed a Gift in Will.

Regular Giving growth driven by sustained acquisition

Individual Giving Income Trends



Regular Giving, including Child Sponsorship has continued to grow over the past five years and together contributed 45% of all individual giving income in 2022.

Note 3 charities in the analysis offer Child Sponsorship as a Regular Giving product, they generated \$92m in 2022 from their Child Sponsors. This analysis focuses on non-Child Sponsorship Regular Givers from this point forwards.

In calendar year 2022 we saw overall Regular Giving (RG) and Child Sponsorship (CS) (see note) income, number of donations and donor numbers grow across the 43 Australian charities analysed.

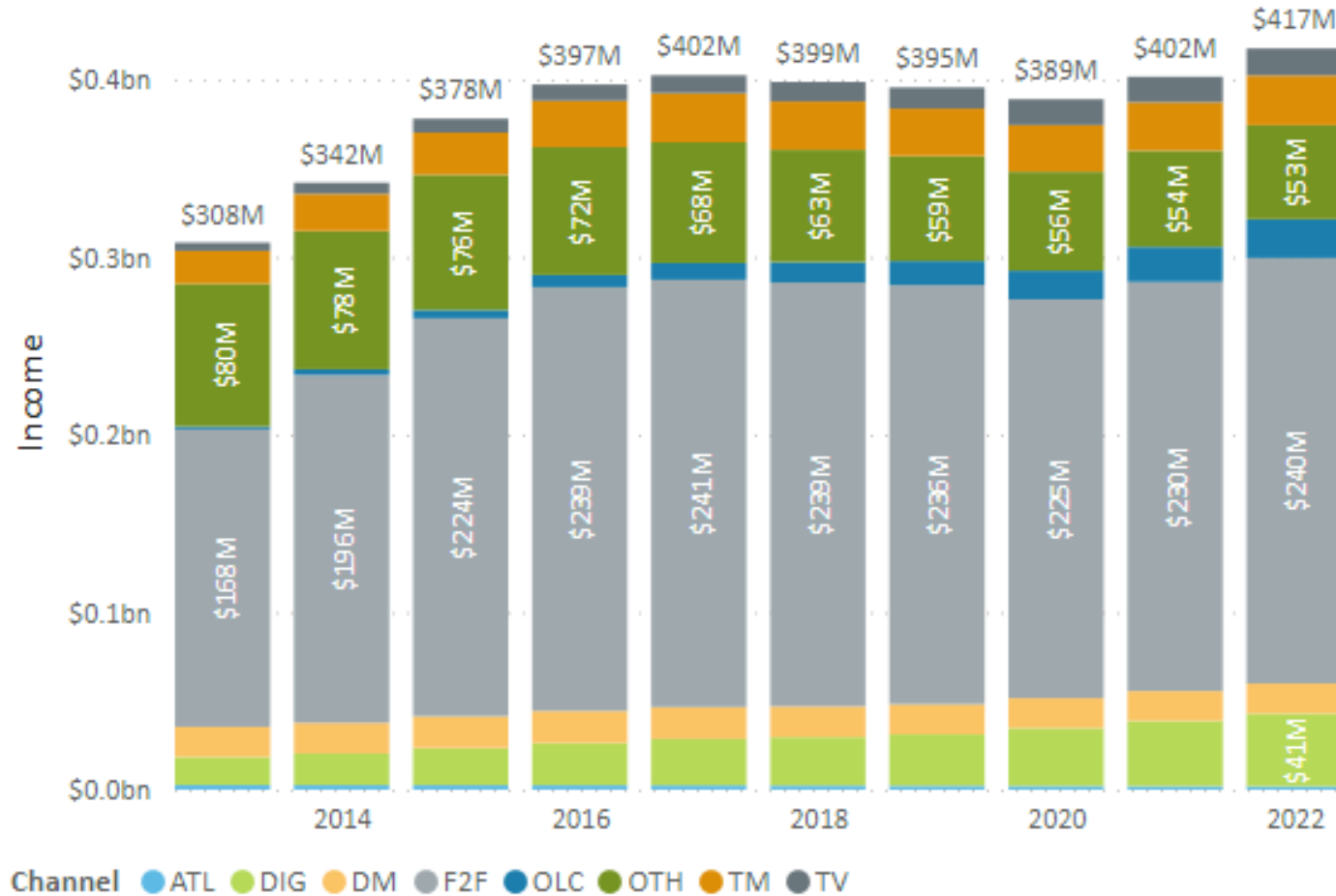
Regular Giving has grown at an average annual growth rate of 10% over the past five years when we exclude the influence of Child Sponsorship.

67% of programs analysed grew regular giving between 2021 and 2022, with 67% growing over the past five years.

The volume of donations grew 3% between 2021 and 2022 and the volume of donors grew 2%, but the five year view shows the volume of donors declining by 5%.

Regular Giving overview

RG Income by Channel

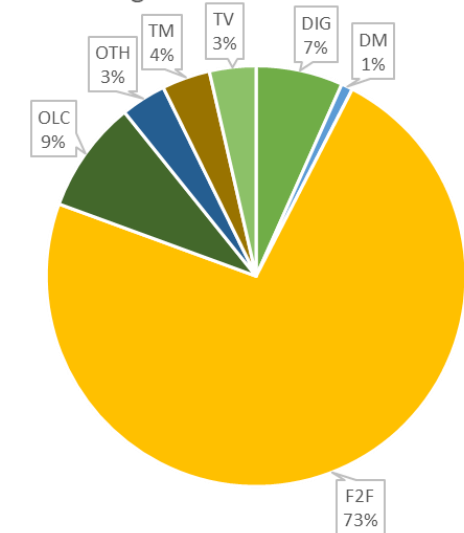


2022 saw income at its highest ever driven by a 2% increase in donor numbers over 2021. This is the flow on effect of strong acquisition numbers in 2021 and stabilising retention.

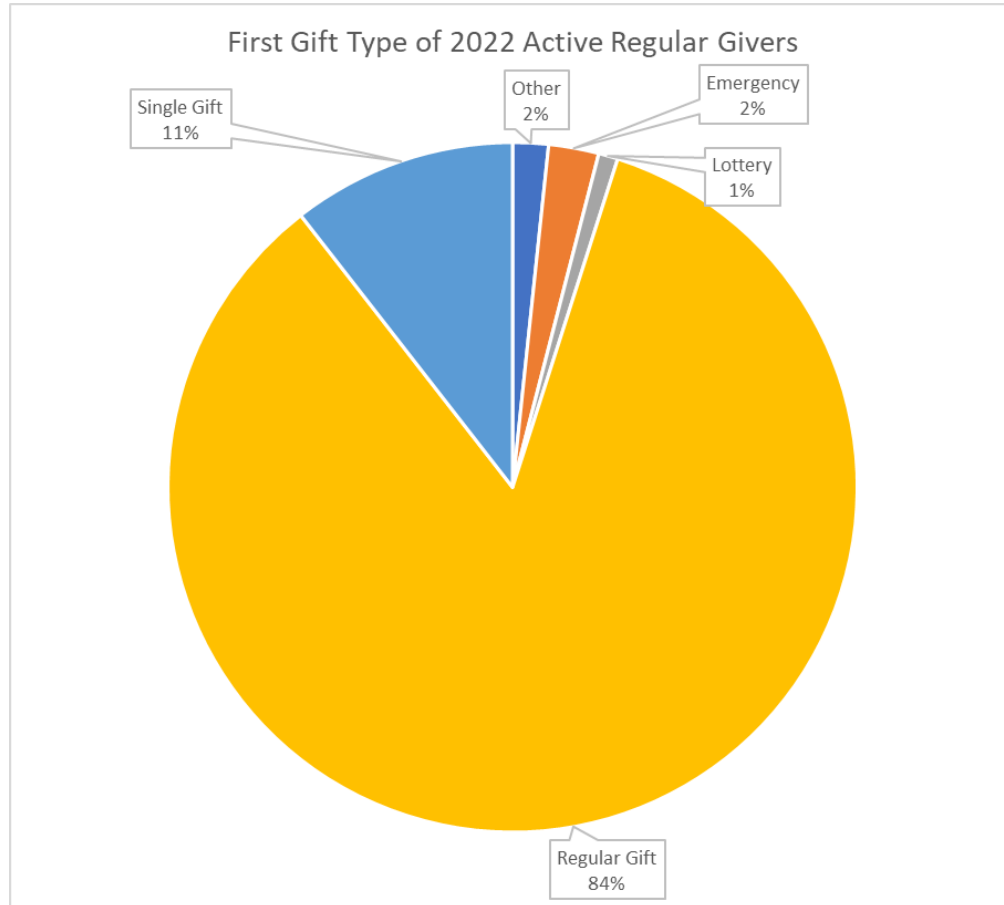
Charities raising over \$27m total in 2022 grew 4% over the past 5-years, those raising between \$12m and \$27m grew 4% and those raising under \$12m grew 5%.

Face to Face remains the channel delivering the largest volume of new donors and the largest proportion of income.

2022 New Regular Giver Channel of Solicitation



The majority of new Regular Givers are first time givers



84% of Regular Giving income in 2022 was from donors new to the charities they were acquired by.

The remaining 16% of income comes from people who have previously given, with Single Givers the most likely to have converted. Emergency donors and Lottery givers are the next most likely but at small volumes.

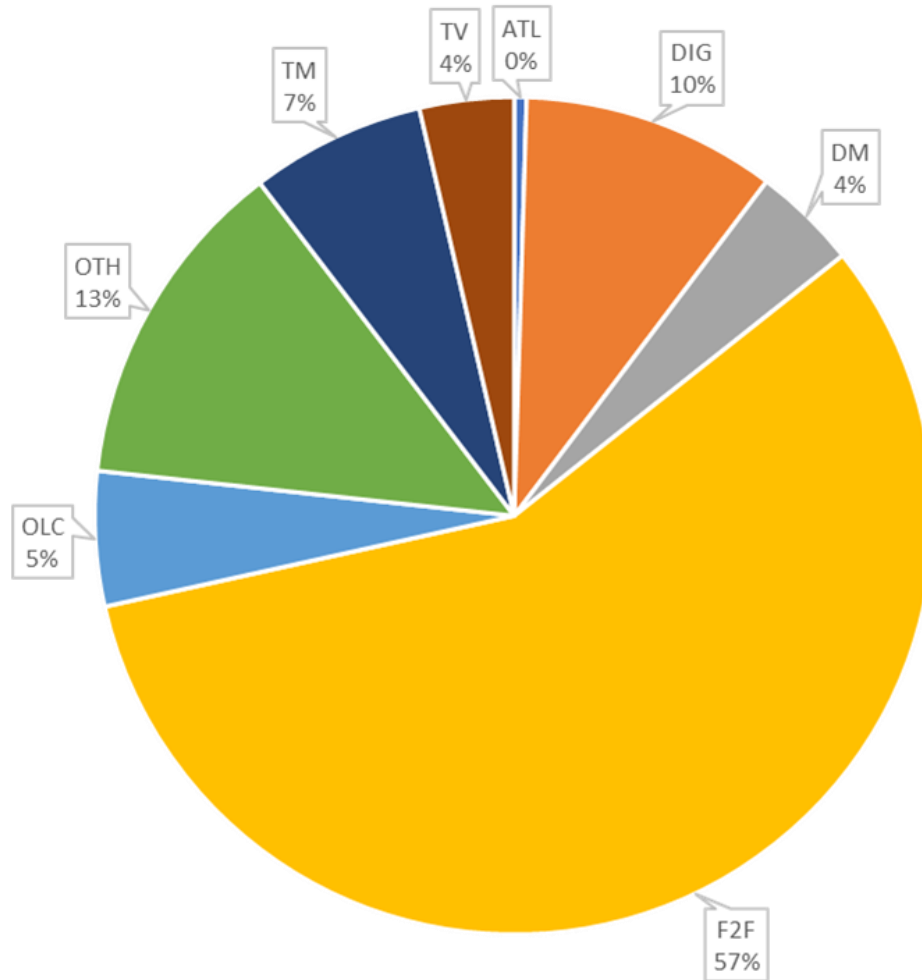
Regular Givers converted from other types of giving are retained at higher rates than donors directly recruited.

Whilst there is always discussion about diversifying to a 'younger' audience and converting other types of donors like Community fundraisers and peer-to-peer donors to Regular Giving the data shows us:

- The older the Regular Giving recruit the better the retention and therefore Lifetime Value
- We have been recruiting fewer and fewer younger donors over the past five years which has positively affected retention rates
- Community fundraisers and Peer-to-Peer conversion to Regular Giving is at very low volumes.
- Single Givers, Emergency donors and Lottery givers are more likely to convert.

Regular Giving – Face-to-Face continues to dominate

2022 RG Income by Channel of Donor Solicitation



The average volume of active Regular Givers in 2022 of the 43 charities analysed was 30k (range: 211 to 109k). These donors contributed 35% of Individual Giving Income in 2022.

Over half of this income was from donors who were solicited via Face-to-Face (F2F). The dominant channel for donor acquisition over the last decade, F2F growth has slowed substantially in the last 5-years, with the average annual growth rate between 2018 and 2022 being 0.01%.

The next largest contributor channel of solicitation is Digital (DIG) which delivered 10% of regular giving income in 2022. With the average annual growth rate between 2018 and 2022 being 11% Digital is the second fastest growing income contributor to regular giving.

Closely followed by Online Lead Conversion (OLC) which contributed 5% of income saw an average annual growth rate of 17% between 2018 and 2022.

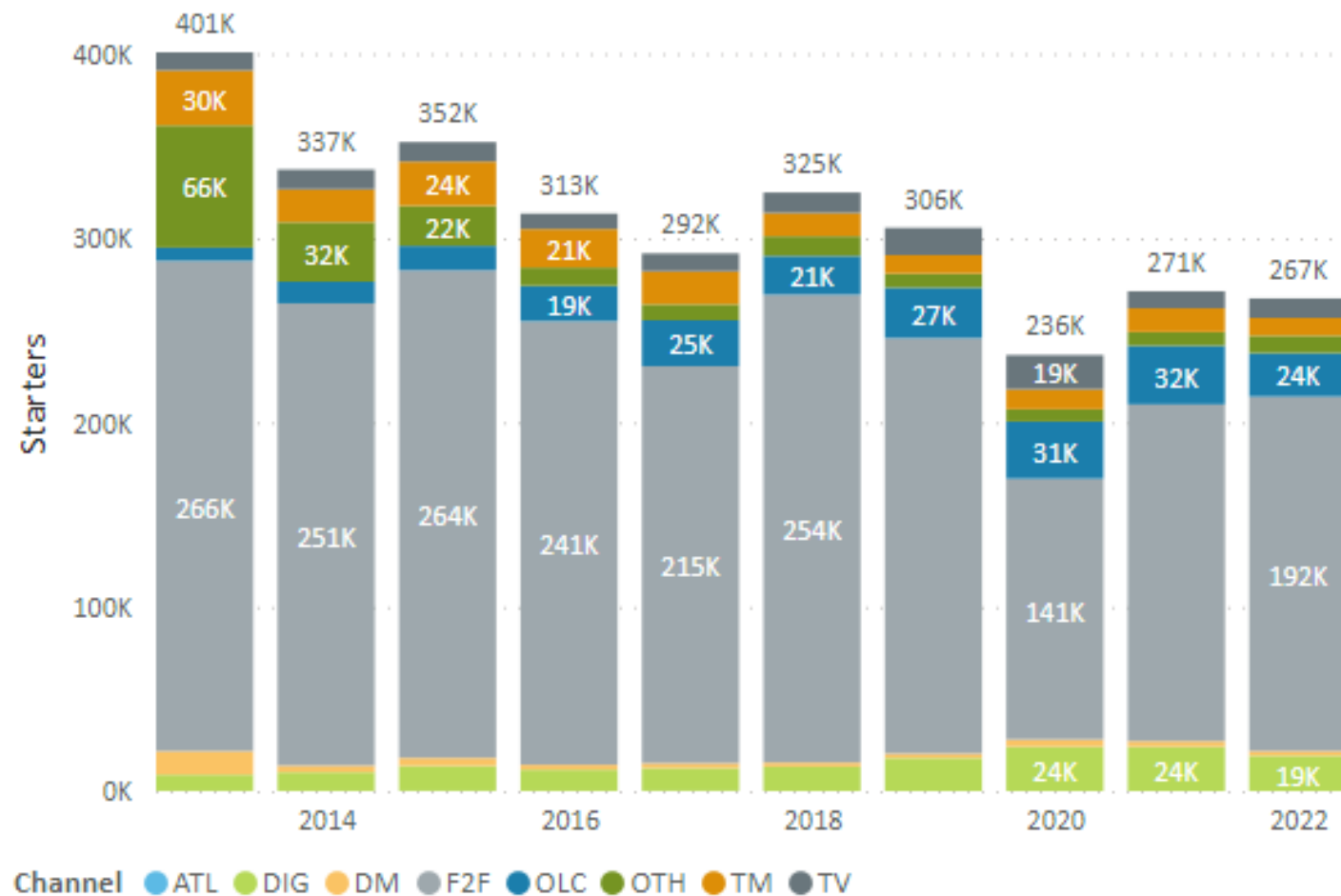
Given that Online Lead Conversion is reliant on Digital activity to generate leads and predominantly Telemarketing for conversion to Regular Giving; the combination of Digital, Online Lead Conversion and Telemarketing is delivering 22% of income and has shown strong annual average growth of 8% over the last 5-years.

On a charity level though it's important to consider F2F has a more than 20 year history, and the technique is fairly homogenous across charities, with the biggest variable being retention.

By comparison, the Digital lead conversion space is much newer and has a much larger range of variables impacting outcomes (such as lead source, lead quality, and Telemarketing quality).

Acquisition volumes of new Regular Givers continue to decline

RG Starters by Channel



8% of new Regular Givers were converted from another form of giving in 2022.

Of the 92% whose first gift was a Regular gift 9% were converted digital leads.

The vast majority are still recruited via Face-to-Face though this volume is still down from 2019 levels as a result of supply shortages, as reported by our advisors, and some previously large volume recruiters reducing volumes or withdrawing from Face-to-Face altogether.

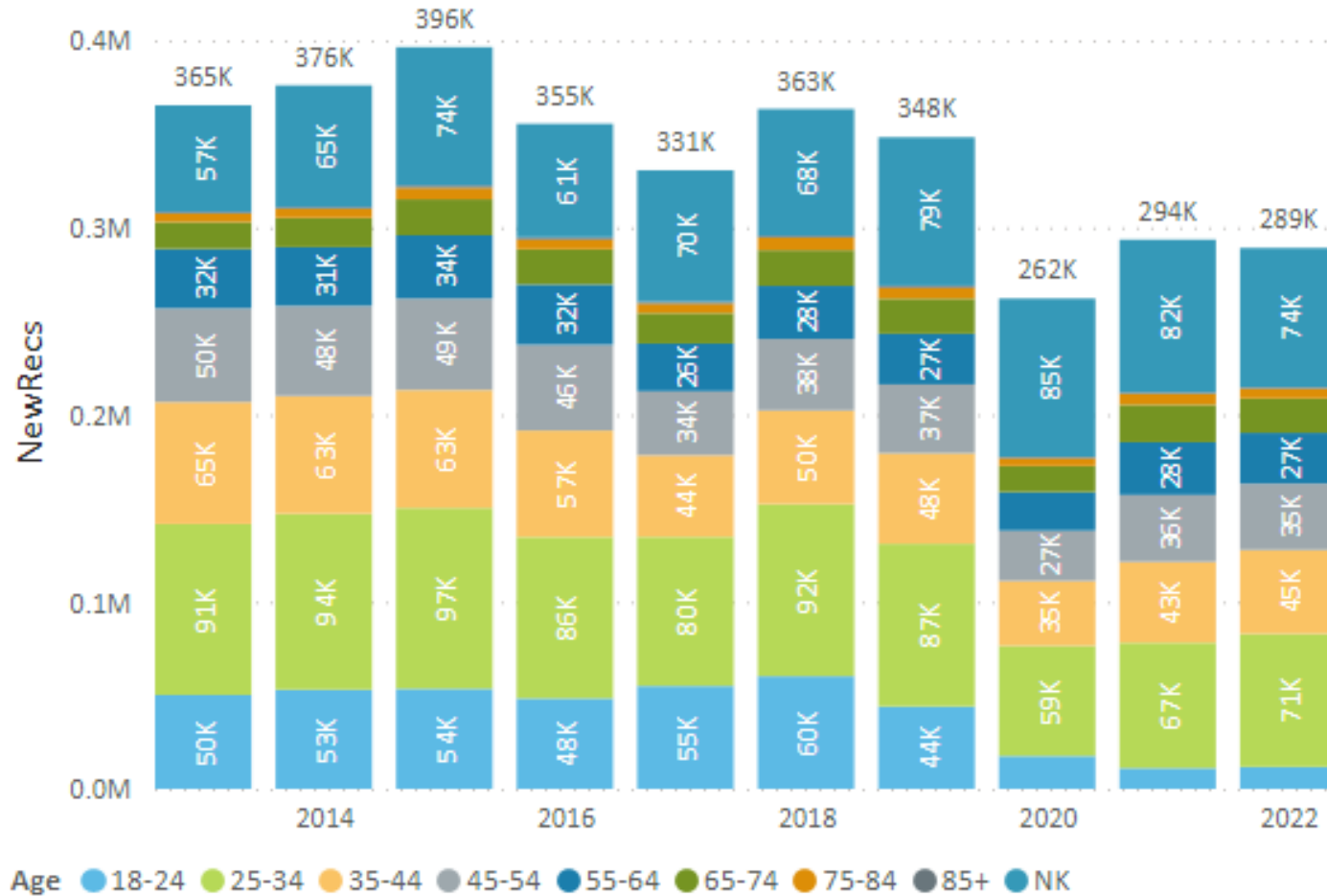
The volume of recruits by charity from Face-to-Face in 2022 averaged at 6,600 across the 29 charities who invested in Face-to-Face last year. However, the range was between 30k and 1k.

Digital and Online Lead Conversion deliver the next largest volume and are both showing continued growth. These, however, represent only 16% of the total recruited in 2022.

The largest volume recruited via Digital was under 3k and the largest volume via Online Lead Conversion was under 6k.

Quality of recruit critical to Regular Giving income stability

RG Sign Ups by Age



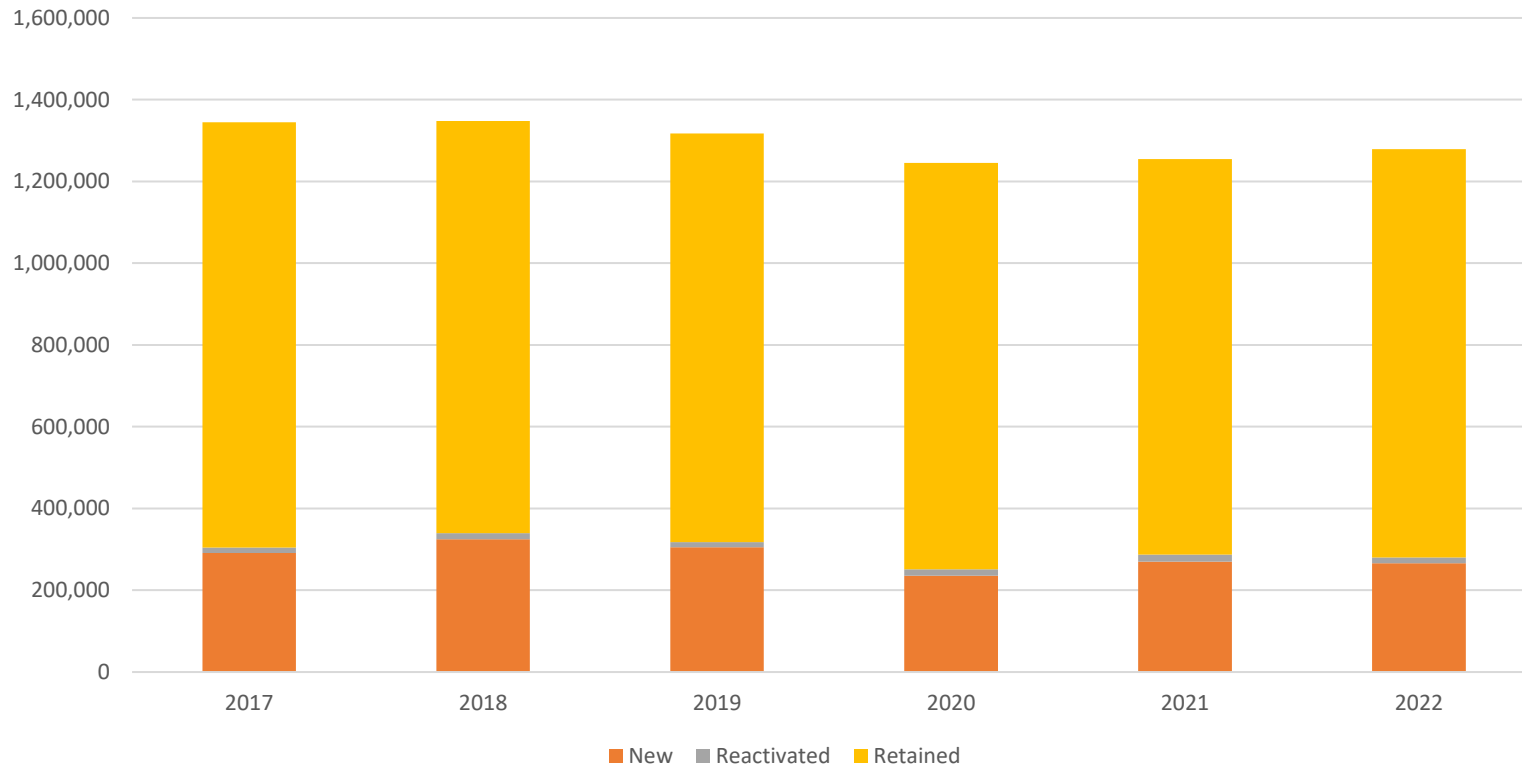
Regular Giving income had been declining since 2017, with a steeper drop in 2020 due to disruptions to acquisition.

Since 2021 income has recovered and grown past 2019 levels. Growth in value from Regular Giving programs is being driven by:

- Better quality acquisition:
 - driven by a reduction in the volume of under 25s recruited via F2F; and
 - increasing volumes of new recruits via digital who have strong retention
- An improvement in short-term retention rates, likely the result of the better-quality acquisition and stable long-term retention rates
- Improvements in the number of payments per donor – likely the result of a combination of instant debits, four-weekly payments and improved declines management
- The stability of long-term Regular Givers whose retention is high

The Regular Giving donor pool relies on sustained acquisition

Active Regular Giving Donor Numbers



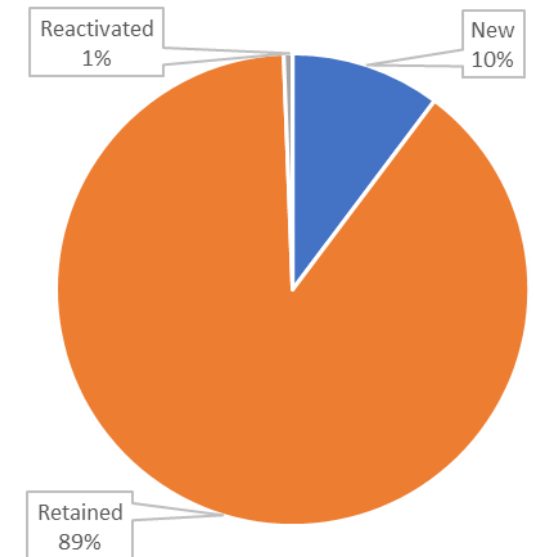
The number of donations made annually has seen slight growth of 0.3% since 2017. While the number of total donors* decreased by 5%.

Despite acquiring 265k new donors in 2022 and 1.5m donors since 2017, the volume of active Regular Givers is lower now than in 2017.

New donors contributed 10% of total Regular Giving income in 2022, retained donors 89% and reactivated donors just 1%.

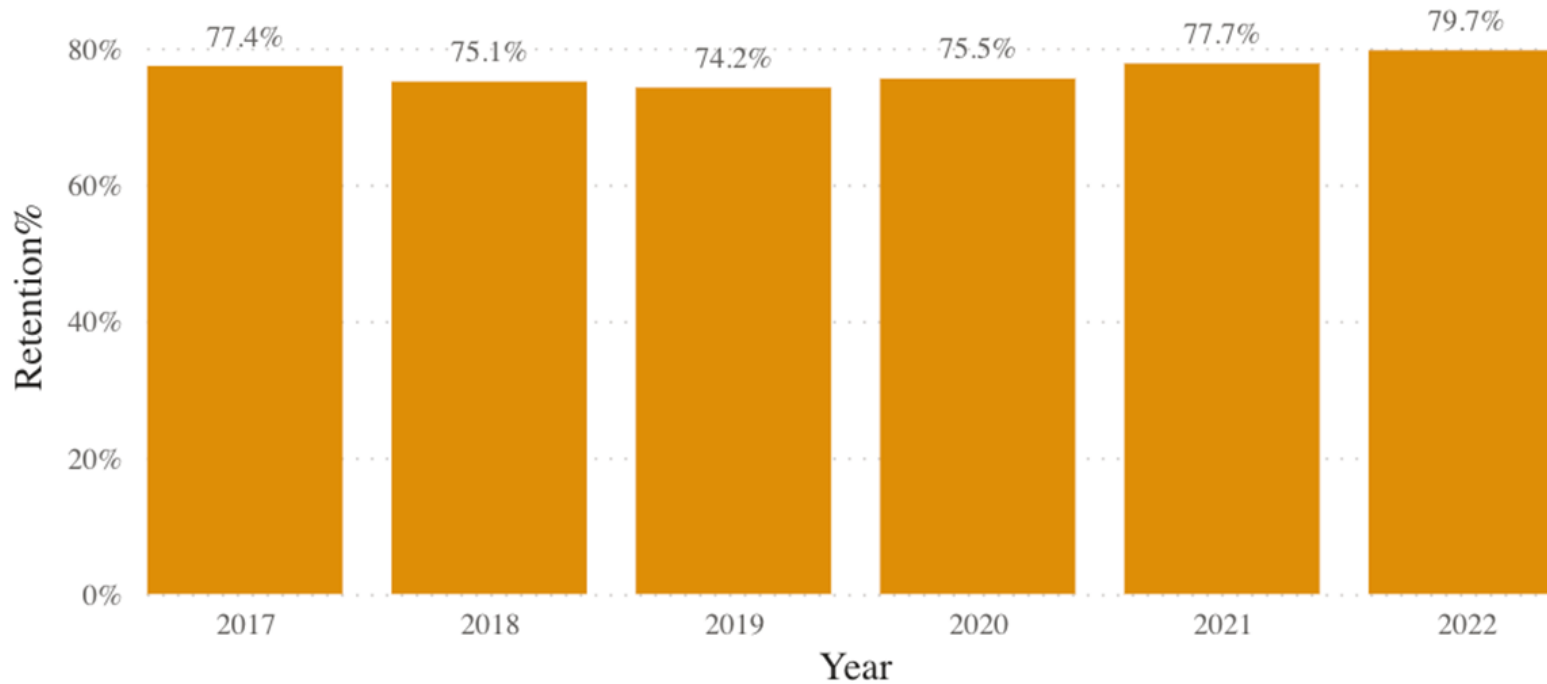
**Note the donor count is a combined total of each of the 43 organisations and will count donors multiple times who give to multiple organisations. For RG this number reflects starters, as opposed to all sign ups.*

Regular Giving Income 2022



Overall Regular Giver retention improving

Regular Giving – year on year retention



Almost 80% of 2021 Regular Givers were retained in 2022 and we observed an improvement in this overall year on year retention rate.

The decline in acquisition volumes of younger donors over the past three years is contributing to this improved retention.

Retention rates vary widely by charity with improvements possible over time

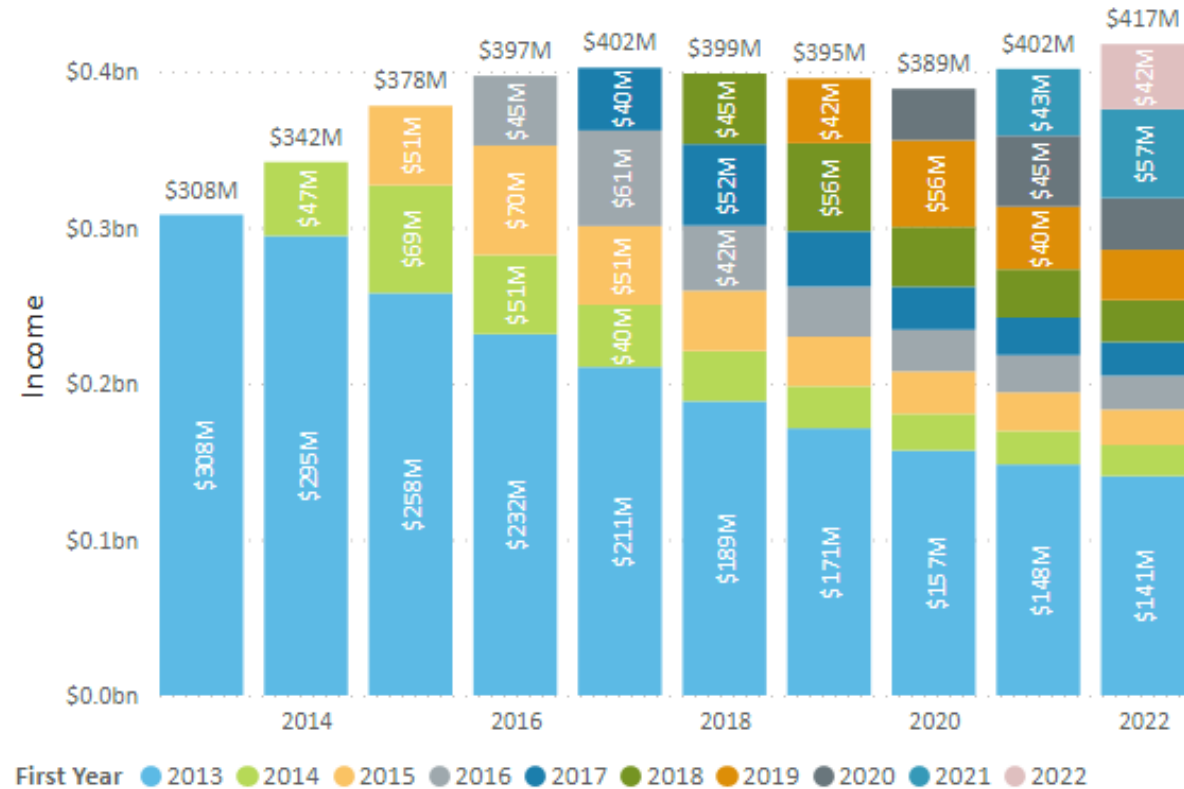
Channel of recruitment	One Month Retention	Three Month Retention	12 Month Retention
Face-to-Face	Average: 88% High: 99% Low: 77%	Average: 78% High: 92% Low: 62%	Average: 50% High: 76% Low: 38%
Digital	Average: 98% High: 99% Low: 89%	Average: 89% High: 98% Low: 68%	Average: 74% High: 87% Low: 52%
Online Lead Conversion	Average: 91% High: 99% Low: 79%	Average: 86% High: 94% Low: 74%	Average: 62% High: 72% Low: 49%

The range in retention rates demonstrates the potential for improvements by individual charities.

Advisors indicate ensuring choices for supplier selection and management, payment frequency, payment method and gift value alongside a focus on proactive declines management, donor save programs and upgrade coverage (reaching all donors with an upgrade offer) all impact overall retention.

Regular Giving growth driven by retained donors

RG Income by First Year



52% of 2022 regular giving income was generated from donors recruited in the last five years.

23% of Regular Giving income comes from donors recruited six to ten years ago, and a further 25% from donors recruited more than ten years ago.

Maintenance of long-term donors is as critical as onboarding and retaining new donors, even more so when the Gift in Will potential of retained donors is taken into account, as is shown in the table below.

Getting your Regular Givers past the first five years reveals a different profile of donor and a higher likelihood of retention.

Recruited	Average Age	Average Value given in 2022	% of active RG confirmed a Gift in Will
2022	43	\$157	0.006%
1 to 5 years ago	48	\$315	0.09%
6 to 10 years ago	54	\$373	0.23%
10+ years ago	59	\$446	0.79%

Regular Giving delivers net returns after at least two years

Year of Recruitment	Average Year One ROI: F2F	Average Year One ROI: OLC	Average Year One ROI: TM
2021	0.6	0.4	0.6
2020	0.6	0.4	0.6
2019	0.6	0.4	0.6

2019 Recruits	Average Three Year ROI
Face-to-Face (F2F)	1.20
Online Lead Conversion (OLC)	0.81
Telemarketing (TM)	1.40

2017 Recruits	Average Five Year ROI	Average time to break even
Face-to-Face (F2F)	1.50	27 months
Online Lead Conversion (OLC)	1.03	34 months
Telemarketing (TM)	1.31	39 months

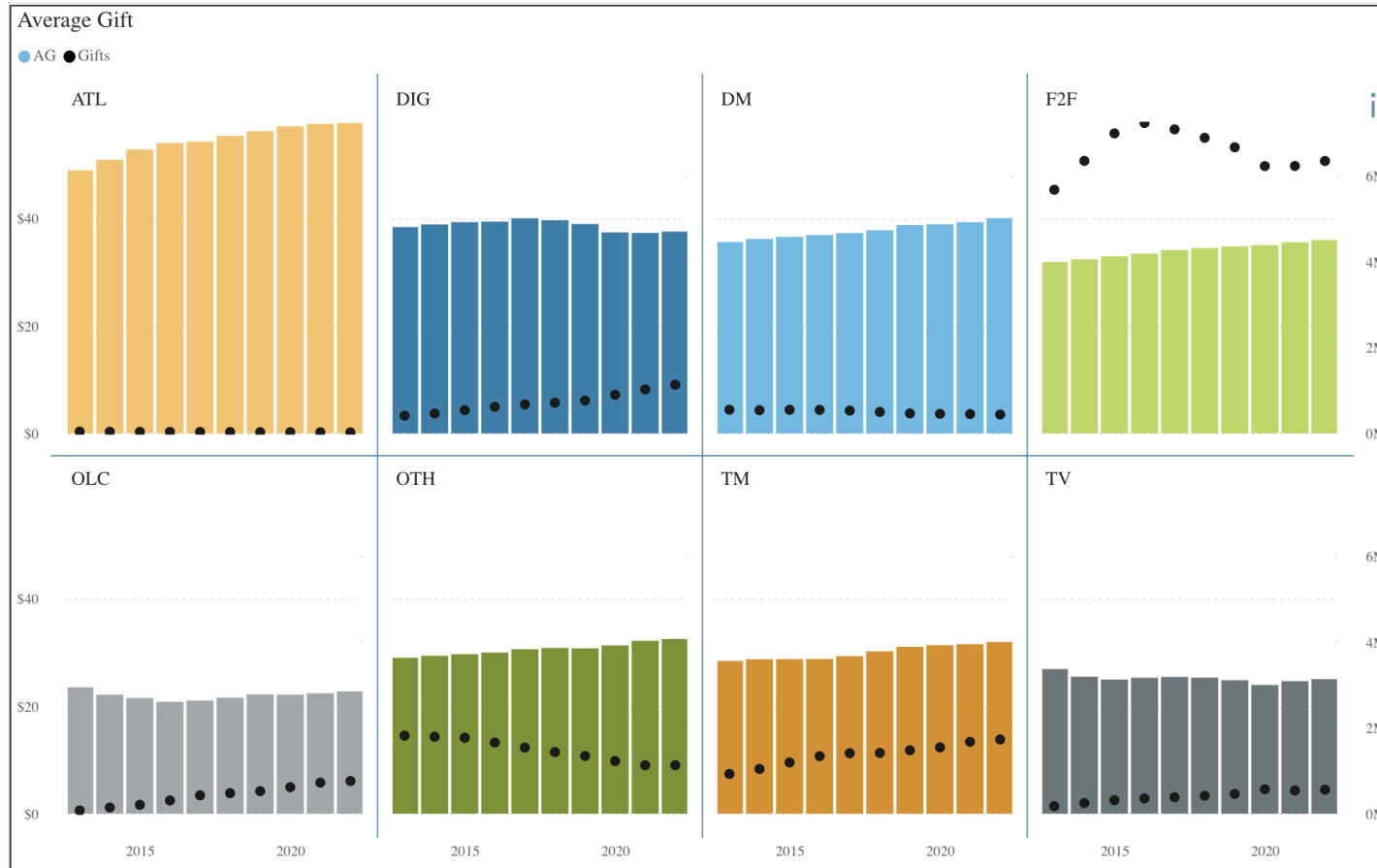
Longer term donors deliver the net value in Regular Giving programs. Regular Givers recruited more than six years ago donated 49% of all Regular Giving income in 2022.

Break even is two plus years for the majority of F2F programs, longer for OLC/TM. Time frames vary widely across programs and charities, particularly as cost for leads, calling and ongoing engagement and conversion vary. Time frames are shorter for donors converted from other forms of giving such as TV and other small volume channels.

Attrition starts to plateau at around four years, at which point the average age of Regular Givers has shifted from 43 at acquisition to 54.

The average tenure of a retained Regular Giver is currently eight years.

Average gifts are flat



Whilst average gifts have shown sustained growth across all channels, except for Digital, the actual growth is slow and well below inflation, more in line with real wages.

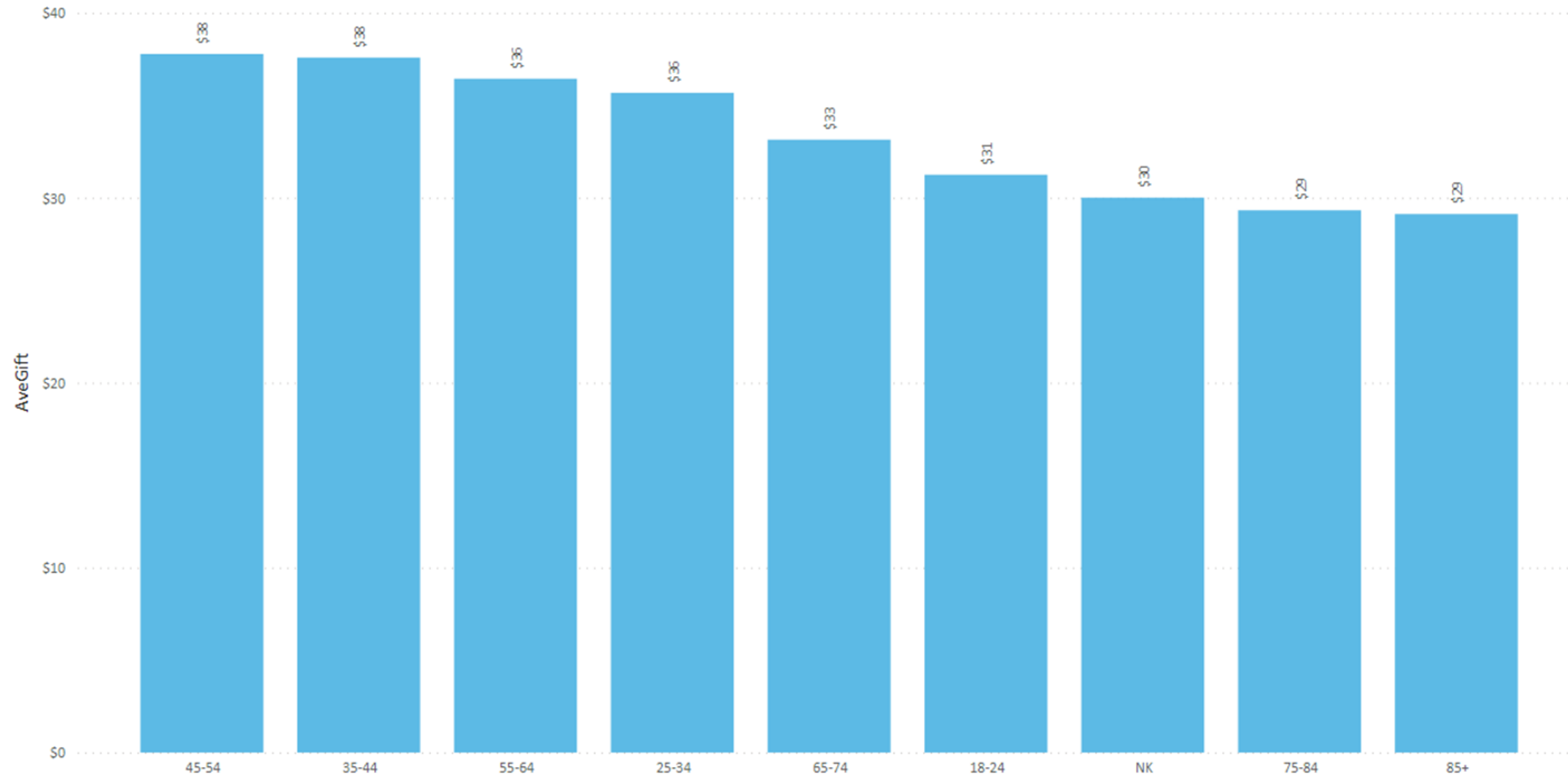
10 years ago, when digital was a newer channel for Regular Giving the average gift was high compared to other channels, as volumes have grown, and more organisation pick up the opportunity the Digital average gifts have now aligned with other channels.

The range for Face-to-Face was \$26 to \$46, The range of Online Lead Conversion was \$10 to \$45 and for Digital \$21 to \$69.

Channel	Above the Line (ATL)	Digital (DIG)	Direct Mail (DM)	Face-to-Face (F2F)	Online Lead Conversion (OLC)	Other (OTH)	Telemarketing (TM)	Direct Response Television (TV)
2022 Ave. Gift	\$59	\$32	\$37	\$34	\$22	\$33	\$24	\$22

Average gift stronger for the earning population

Average gift



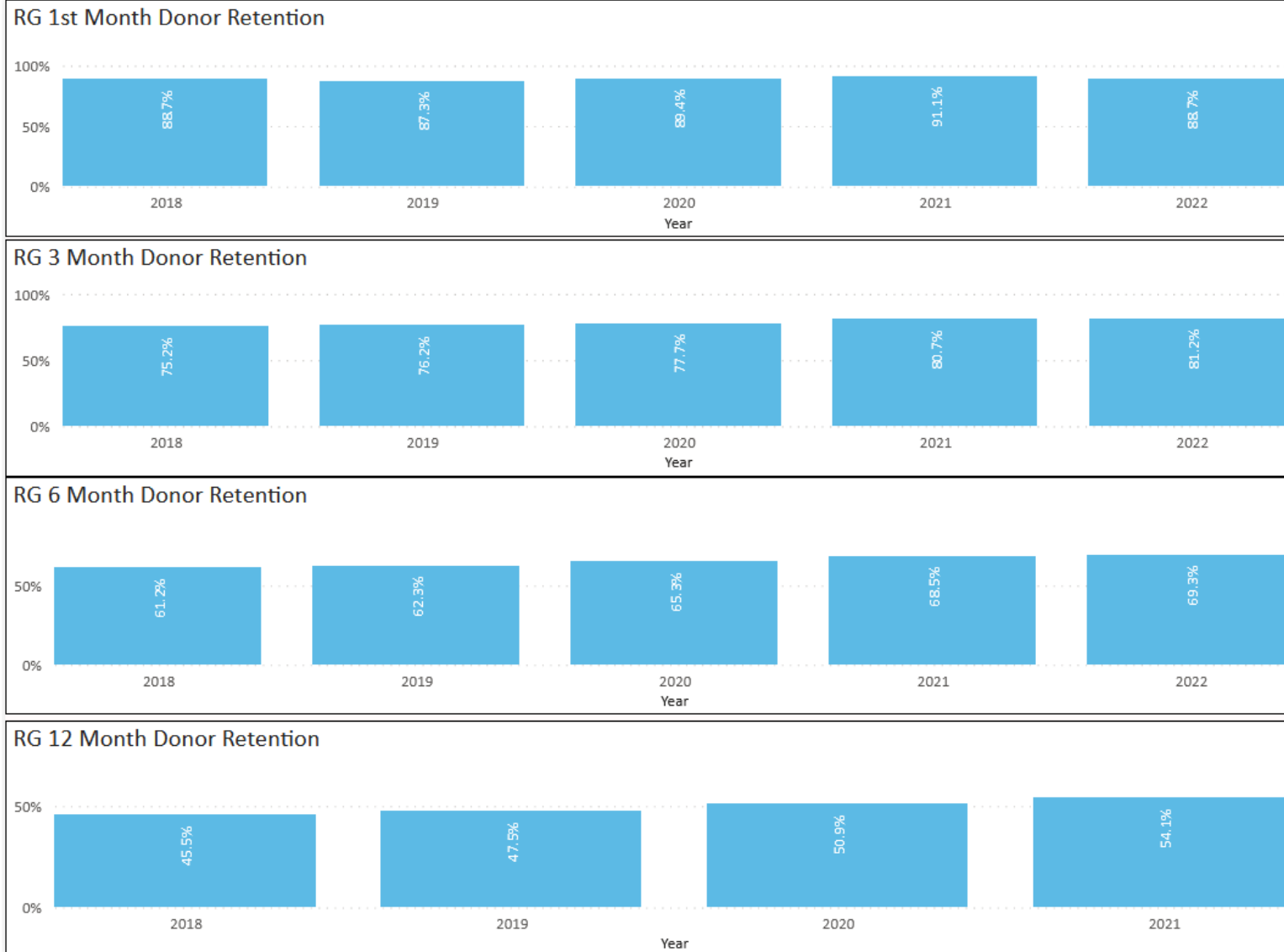
We've observed higher average gifts for those in the core earning population (ages 35 to 64), with lower averages from those likely to be on fixed incomes and students.

Donors under 35 have the highest attrition and shorter survival rate.

When you viewed alongside lower average gifts the push to expand to younger audiences needs to be balanced with the lower lifetime value returns they deliver.

Interestingly the under 35 regular givers have higher representation in the lower socio-economic deciles.

Retention rates over time



Overall retention rates for Regular Givers have improved over the last five years.

This recovery coincides with lower recruitment volumes over the past few years, and several large volume recruiters decreasing or ceasing acquisition at volume (likely the result of declining performance due to saturation).

A reduction in the volume of under 35 year-old donors has had a positive influence on these improving retention rates.

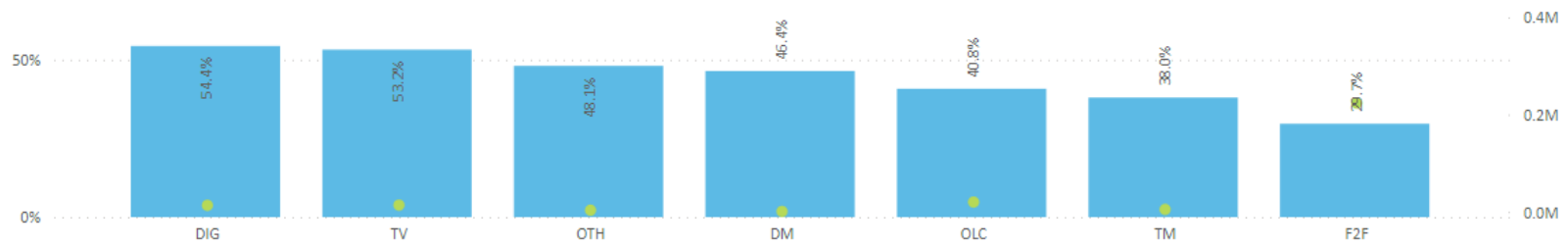
Instant debits have influenced early retention (at one and three months) positively but have not had a significant impact on long-term retention, though this is reasonably new tactic.

Critical for each charity will be assessing if there is a net gain, particularly if an instant debit costs more.

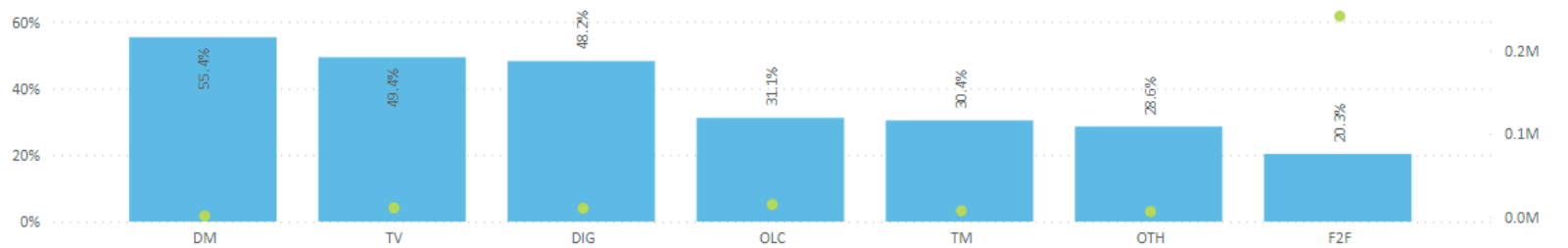
4-weekly debits deliver the same retention levels as monthly debits with the added value of a 13th payment and therefore a higher annual value than monthly.

Personal interaction channels driving volume but lower retention

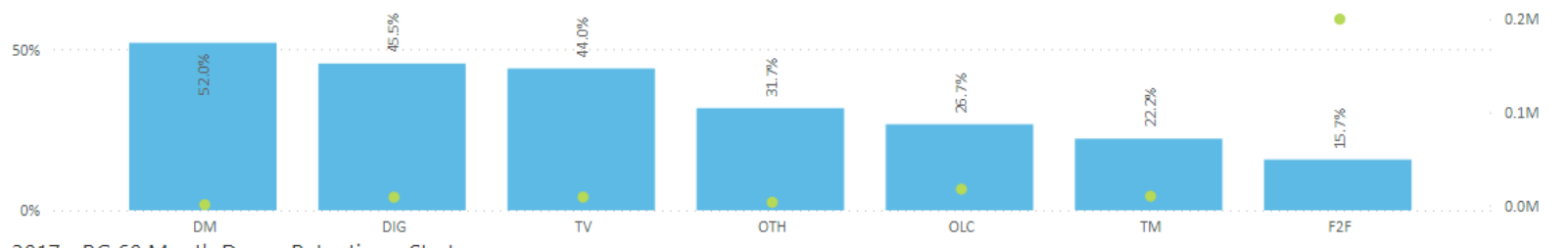
2020 - RG 24 Month Donor Retention - Starters



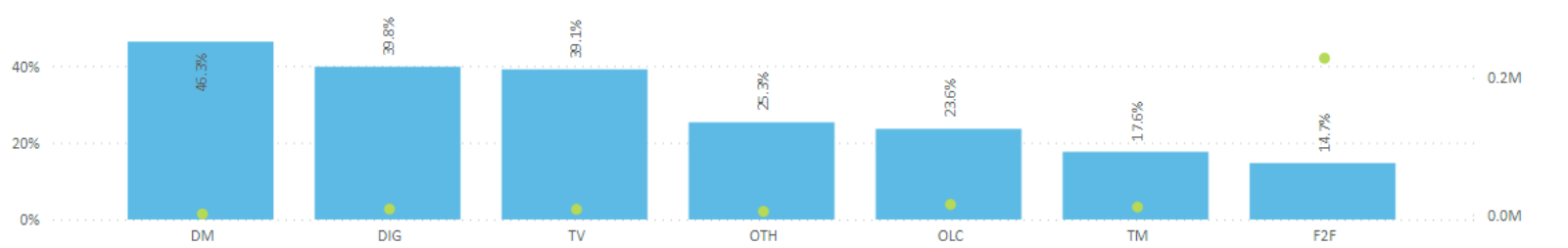
2019 - RG 36 Month Donor Retention - Starters



2018 - RG 48 Month Donor Retention - Starters



2017 - RG 60 Month Donor Retention - Starters



More recently we have seen some recovery with higher 24-month, 36-month and 60-month retention in 2022 than in recent years.

This recovery is occurred in a period of lower recruitment volumes over the past few years.

Several large volume recruiters decreased or ceased acquisition at volume (possibly as the result of declining performance due to saturation).

Face-to-Face, Telemarketing and Online Lead Conversion continue to have the lowest retention even when donors pass the critical first 12 months. This is potentially influenced by the broader demographic still giving.

Noting the channels using some form of personal solicitation are reaching a broader demographic, therefore more younger donors, and involve human interaction.

Donor choice is providing options and better outcomes

Payment options: Credit Card, Direct Debit & Other

- 2022 Regular Giving income: 63% from Credit Card, 28% from direct debit and 9% Other, weighting towards credit card has been slowly increasing away from direct debit with minimal change on other.
- 2022 Recruits: 71% signed up via Credit Card, 19% via Direct Debit, 10% via Other, weighting to credit card been slowly increasing away from direct debit with minimal change on other.
- Credit Card has higher one month retention, likely influenced by instant debits.
- By 12 months Direct Debit has slightly higher retention across all acquisition channels. Overall, 12-month retention for 2021 starters was 59% for direct debit vs 54% for credit card.
- By 36 months Direct Debit is significantly higher. Overall, 36-month retention for 2019 starters was 30% for direct debit and 22% for credit card.

4-weekly debits

- 20% of charities now offer 4-weekly debit, some exclusively, others as an option alongside monthly.
- 16% of gifts in 2022 were debited 4-weekly, with the volume growing each year as more organisations offer this option.
- Little variation in retention is observed between the two options (2021 recruits, 12-month retention was 56% for monthly vs 55% for weekly).
- Four weekly as a slightly lower average gift (for Face-to-Face in 2022 4-weekly was \$34 and monthly was \$36) but the annual value is higher for 4-weekly (for Face-to-Face in 2022 4-weekly was \$442 and monthly was \$432).

Instant Debits

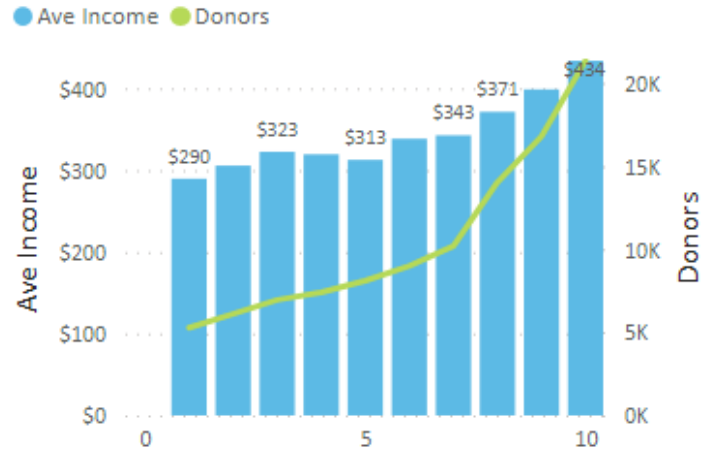
- 3% of new Regular Givers in 2022's first gift was made via instant debit, a new tactic that's gained traction over the past five years often implemented on websites and through Face-to-Face and Telemarketing.
- 2% of Regular Giving income in 2022 was generated via instant debit.
- Instant debits increase first month retention but have lower retention at months three and six for monthly (as opposed to 4-weekly).
- By 12 months there is no discernable difference.

Making giving as easy as possible should be a key concern for all fundraisers. Several payment options have become available in recent years giving donors choices.

- Direct debits as a payment option are delivering higher long-term retention
- 4-weekly debits are delivery high donor value
- Instant debits increase gift 1 realisation, but care needs to be taken with monitoring subsequent retention as its possible an instant debit for a monthly (vs a 4-weekly debit) being outside of the usual monthly date could have a negative impact on retention.

Broadening demographics at acquisition are affecting retention and donor value over time

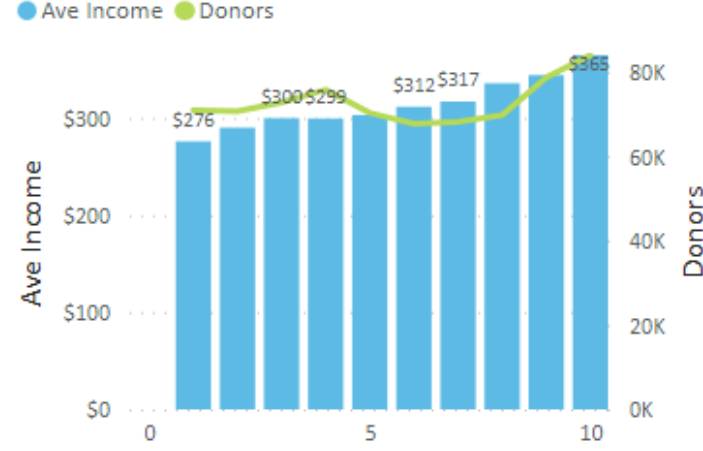
Digital: Ave. income by IRSAD



Digital Recruits

Age at recruitment: 46
 Average age overall: 53
 Average first gift: \$31
 Average gift overall: \$34

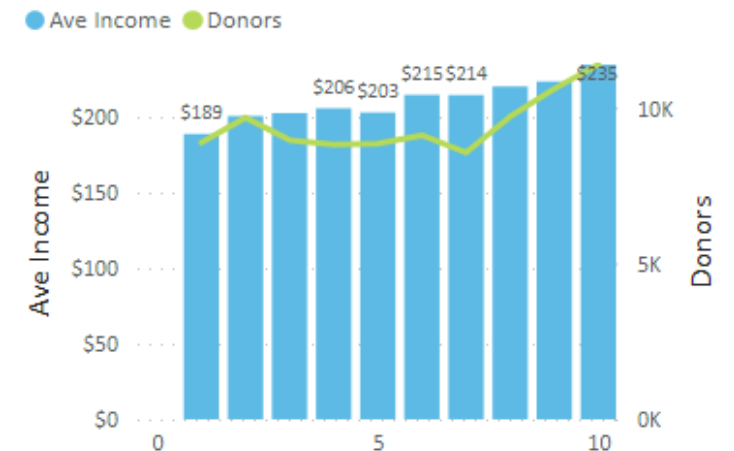
F2F: Ave. income by IRSAD



F2F Recruits

Age at recruitment: 43
 Average age overall: 48
 Average first gift: \$32
 Average gift overall: \$34
 1Year ROI: 0.7
 3 Year ROI: 1.2

OLC: Ave. income by IRSAD



OLC Recruits

Age at recruitment: 42
 Average age overall: 48
 Average first gift: \$21
 Average gift overall: \$22
 1Year ROI: 0.4
 3 Year ROI: 0.8

The Australian Bureau of Statistics (ABS) IRSAD index measures the overall socio-economic advantage or disadvantage of an area based on a range of variables related to income, education, occupation, and other factors. It ranks areas from most advantaged (10) to most disadvantaged (1).

Digital acquisition is most likely to recruit higher decile donors which is then reflected in higher income per donor, retention and returns over time.

Face-to-Face and Online Lead Conversion are reaching a broader demographic for acquisition with the lower decile segments the most likely to attrite leaving the higher decile demographics surviving over time.

Regular Giving key takeaways

Key Takeaway 1

Breakeven timing is getting longer as costs increase, and average gifts are not growing alongside.

Taking a long-term view of your returns from Regular Giving is critical.

Do you forecast out over one, three and five years at least?

Key Takeaway 2

Retention is key to sustaining income.

Solicitation channel, donor age, payment type, giving frequency and upgrades are all contributing factors to early retention.

Do you have onboarding, upgrade, declines management and donor save programs in place and being monitored to maximise your early retention?

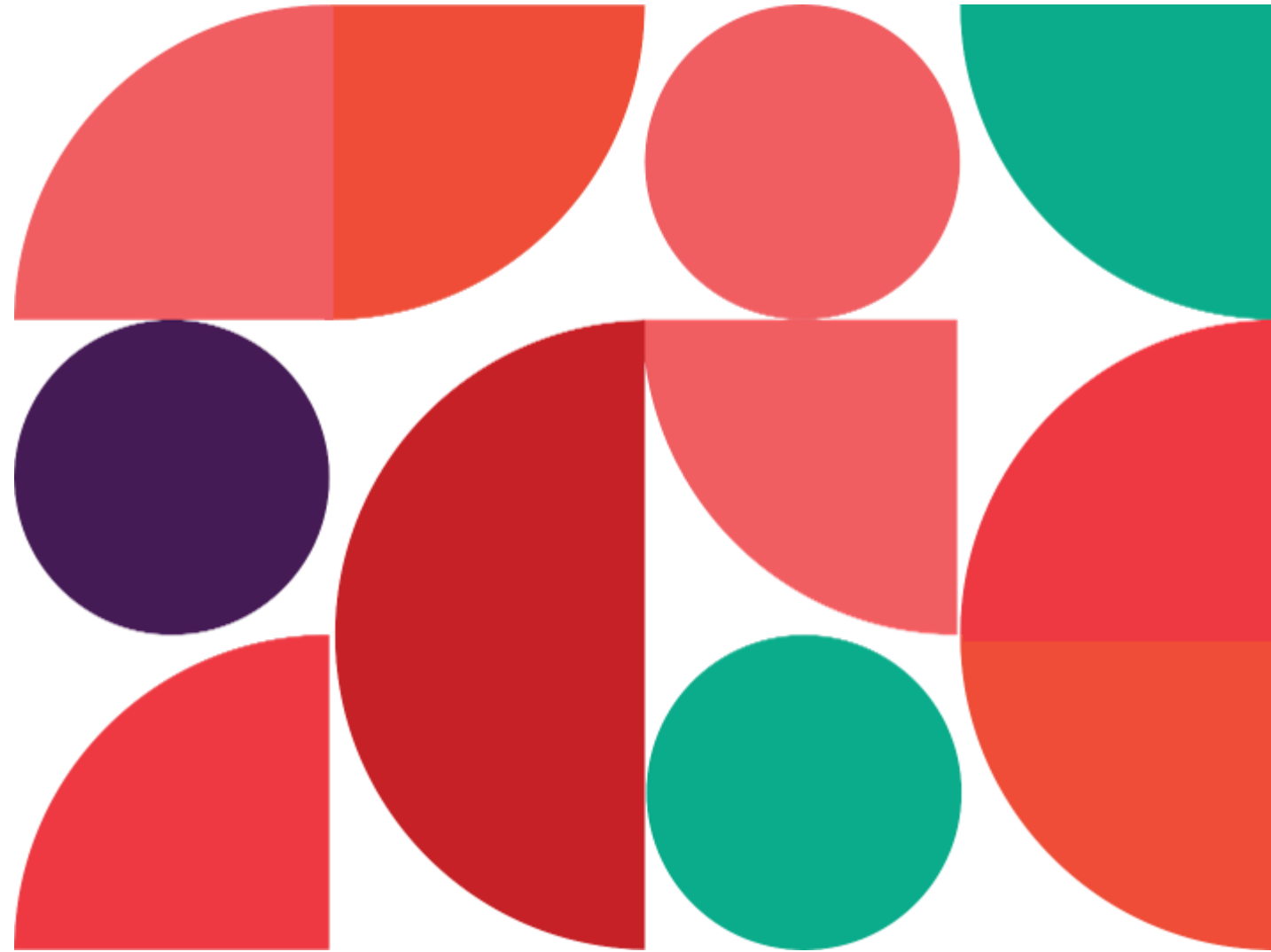
Key Takeaway 3

The profile of new Regular Givers versus long-term Regular Givers is different. By the time Regular Givers reach retention stability (around four years) their profile and behaviours are similar and channel of solicitation is less important than contactability of the donors.

Are you building your donor experience taking this into account?

Appendix One – Macro environment

Paul Tavatgis



Macro Environment

The Global Situation

- The global situation continues to be highly volatile. The Pandemic, the Russian war on Ukraine and the impacts of global heating have continued to cause economic disruption, which includes higher costs for energy and basic goods.

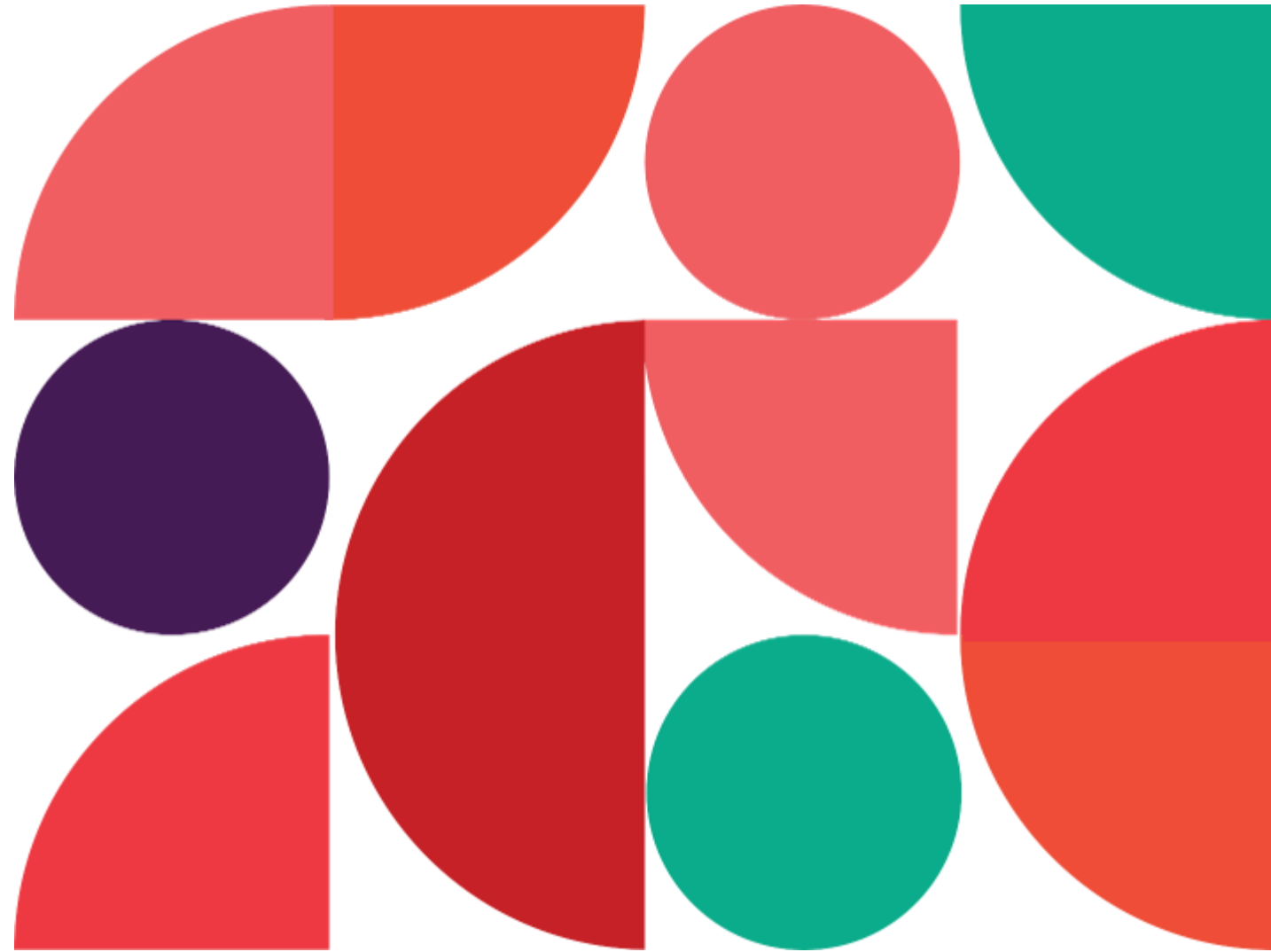
Australian Politics

- Andrew Leigh the new ALP Charities Minister aims to double philanthropic giving in Australia by 2030.
- He has launched a Productivity Commission review to identify ways this may be achieved.
- The review of the Privacy Act continues, with indications that more stringent rules around personal data may be introduced.
- These changes are being considered against a backdrop of a number of high profile data breaches, some of which have impacted charity donor data.
- These two processes have led to increased regulatory and media scrutiny on the fundraising sector, and it should be expected that this will continue to increase during 2023.
- The Federal Government has also put a timeframe on the end of cheque use within Government of 2030. Discussions are continuing between the FIA and Treasury as to the likely phase out of personal cheques for everyday banking in Australia.

Australian Economics

- Australian inflation has remained persistently high, and the Reserve Bank has significantly increased interest rates in response.
- These measures have created both actual and perceived pressures on the cost of living.
- Real wages in Australia have been falling in Australia since 2021, reducing the capacity to give of “everyday” donors.
- The state of both the global and local environment both create significant increased demand for the services of Australian charities.

Appendix Two - Glossary



Glossary: report terminology – gift types

Group	Group code	Gift Type	Gift Type Code	Description
Community and Events	CE	Community	CF	Community fundraising income
		Doorknock	DK	Doorknock collection
		Event	EV	Golf days / gala balls etc.
		Peer to peer	PP	Mass participation event
Child Sponsorship	CS	Child spons	CS	Child sponsorship
Corporate, Trusts and Foundations	CTF	Corporate	CP	Corporate philanthropy
		Grants/Trusts	CTF	Gifts from trusts and foundations
		WPG	WPG	Workplace giving
Emergency	EM	Emergency	EM	Single gift in response to emergency appeal
		Disaster	DS	Single gift in response to a natural disaster
GIW	GIW	GIW	GIW	Bequest / gift in will
IC	IC	In lieu	IC	Gift in lieu of a celebration
IM	IM	In mem	IM	Gift in memoriam
Lottery	LOT	Lottery	LOT	Lottery / art union / raffle etc.
Other	OTH	CSOther	OTH	Other sponsorship
		Membership	MEM	Membership
		Merchandise	MER	Merchandise
		Other	OTH	Gifts that fall outside of the gift types identified
Regular Gift	RG	Regular gift	RG	Regular gift
Single Gift	SG	Giving day	GD	Match giving single day fundraising / telethon
		Single gift	SG	Single gift (appeals / general donations)
		Virtual gift	VG	Gift catalogues

Glossary: report terminology – channels

Channel group	Channel group label	Channel label	Description
Above the line	ATL	Press	Press advertising
		Radio	Radio advertising
Digital	DIG	eDM	Electronic Direct Mail
		DIG Acq	Digital acquisition
		Social	Social media
		SMS	SMS appeals
		Web	Website donations
Direct mail	DM	DM Acq	Direct mail acquisition
		DM Warm	Direct mail to previous donors
		Unaddressed	Unaddressed Direct Mail
Face to face	F2F	F2F	Face to face
		D2D	Door to door
		Retail	Face to face in shopping centres etc.
Lapsed	Lapsed	Lapsed	Gifts from lapsed donors
Online lead conversion	OLC	OLC	Online lead conversion
Other	OTH	Other	Gifts that fall outside of the channels identified
		Fax	Gifts via fax
		Unsolicited	Unsolicited gifts
Telemarketing	TM	TM	Telemarketing
		TM Acq	Telemarketing acquisition
		TM Conversion	Telemarketing conversion from one gift type to another
		TM React	Telemarketing reactivation
		TM Upgrade	Telemarketing upgrade
Television	TV	TV	Television appeals

Glossary: report terminology – gift value ranges

Value range group	Value label	Program Value	Program Value 2
Major (Major Giving)	A\$1M+	MD	Major
	B\$500-999K	MD	Major
	C\$250-499K	MD	Major
	D\$100-249K	MD	Major
	E\$25-99.99K	MD	Major
	F\$10-24.99K	MD	Major
Mid (Mid-value)	G\$5-9.99K	MV	Mid
Std (Standard value)	H\$1-4.99K	SV	Std
	I\$500-999.99	SV	Std
	J\$250-499.99	SV	Std
	K\$100-249.99	SV	Std
	L\$50-99.99	SV	Std
	M\$0-49.99	SV	Micro



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