



2024 PHILANTHROPY

PULSE



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INTRODUCTION

2023 Fundraising Trends

Initial estimates found that US charitable giving reached \$499.33 billion in 2022, setting the stage for fundraisers to continue innovating in their approach to reaching donors in 2023. Despite challenges such as economic fluctuations and post-pandemic readjustments, philanthropy remains resilient, as donors have shown time and again.

In a dynamic philanthropic landscape, this 3rd edition of the CCS Fundraising *Philanthropy Pulse* report serves as a guide for fundraisers, offering insights into the modern strategies nonprofits employ for development and highlighting avenues for fundraising success.

The *Philanthropy Pulse* provides a window into the fundraising practices of over 600 organizations, based on data collected via an online survey commissioned by CCS between October 9 and November 19, 2023. This sample reflects a wide array of nonprofit sectors, sizes, and geographic locations.



Executive Summary

Over half of surveyed organizations saw revenue increases. Larger fundraising budgets corresponded with better revenue performance.

Survey participants expect major gifts, mid-level gifts, and annual appeals to increase this year.

Most organizations saw an increase in new donors over the previous 12 months.

Only 48% of organizations retained over half of their new donors in the previous 12 months.

Personalized donor engagement has surpassed events as a top fundraising strategy.

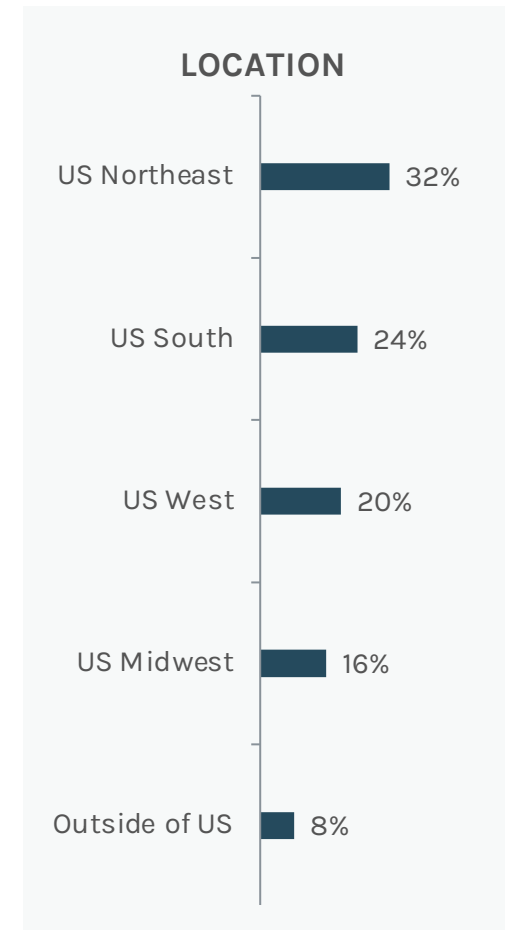
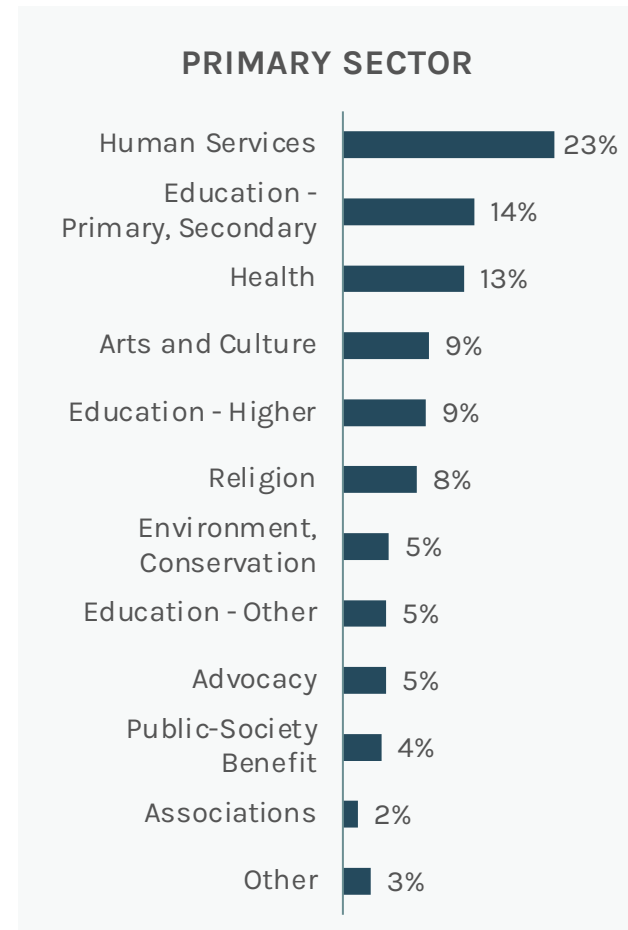
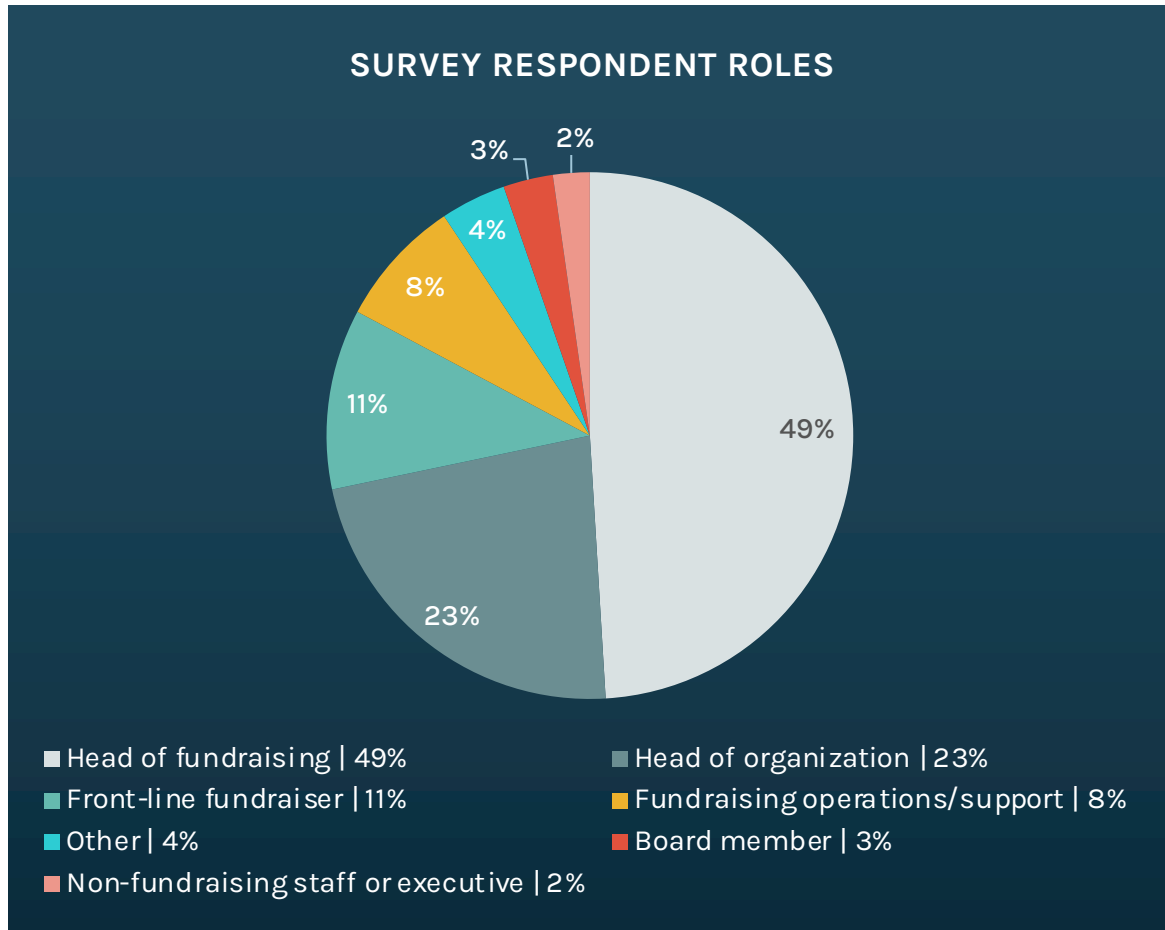
DEI continues to be a strategic focus in most organizations' fundraising efforts.

Organizations are prioritizing hiring and increasing staff pay to address gaps in competency and fundraiser demands.

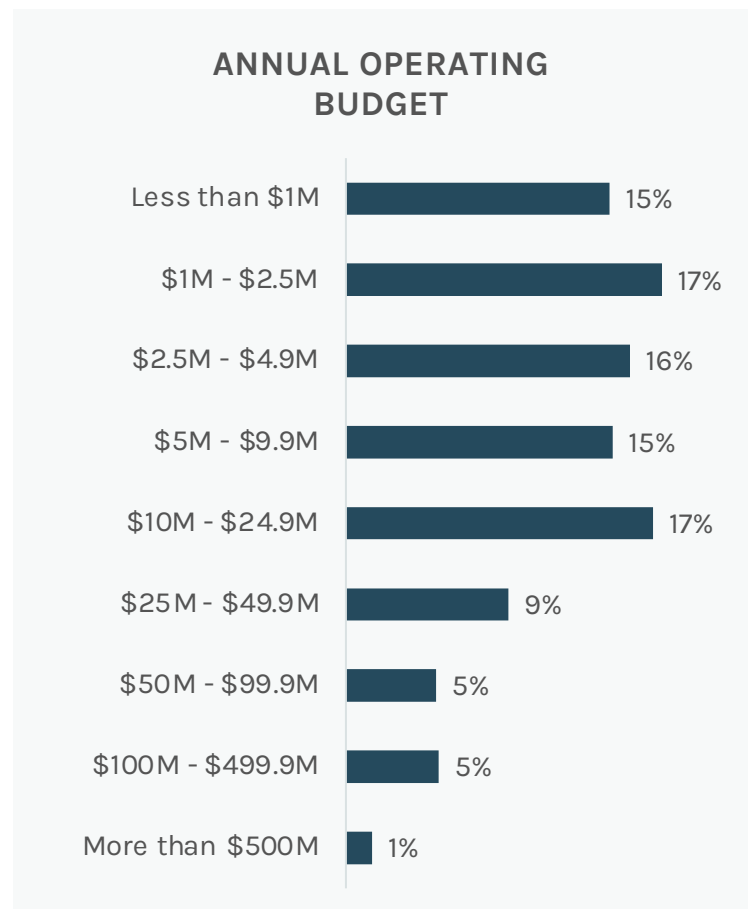
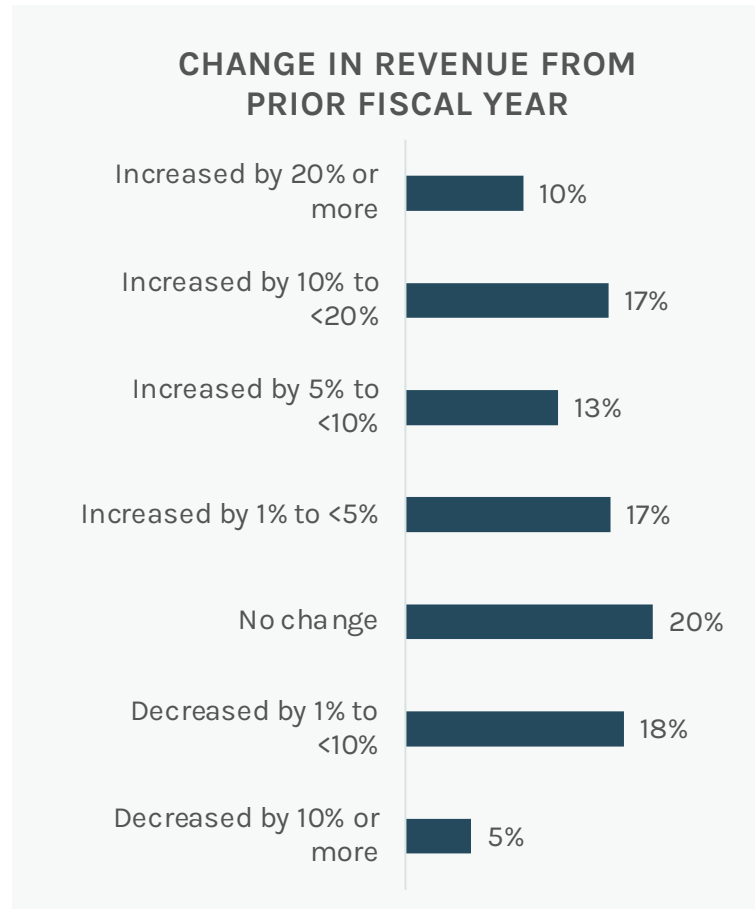
Organizations are increasingly comfortable with using data, but most have not started using AI technology.

DAFs are currently a leading source of gifts or pledges, surpassing family foundations.

The majority of survey participants, spanning a variety of sectors and global locations, serve in a fundraising role.

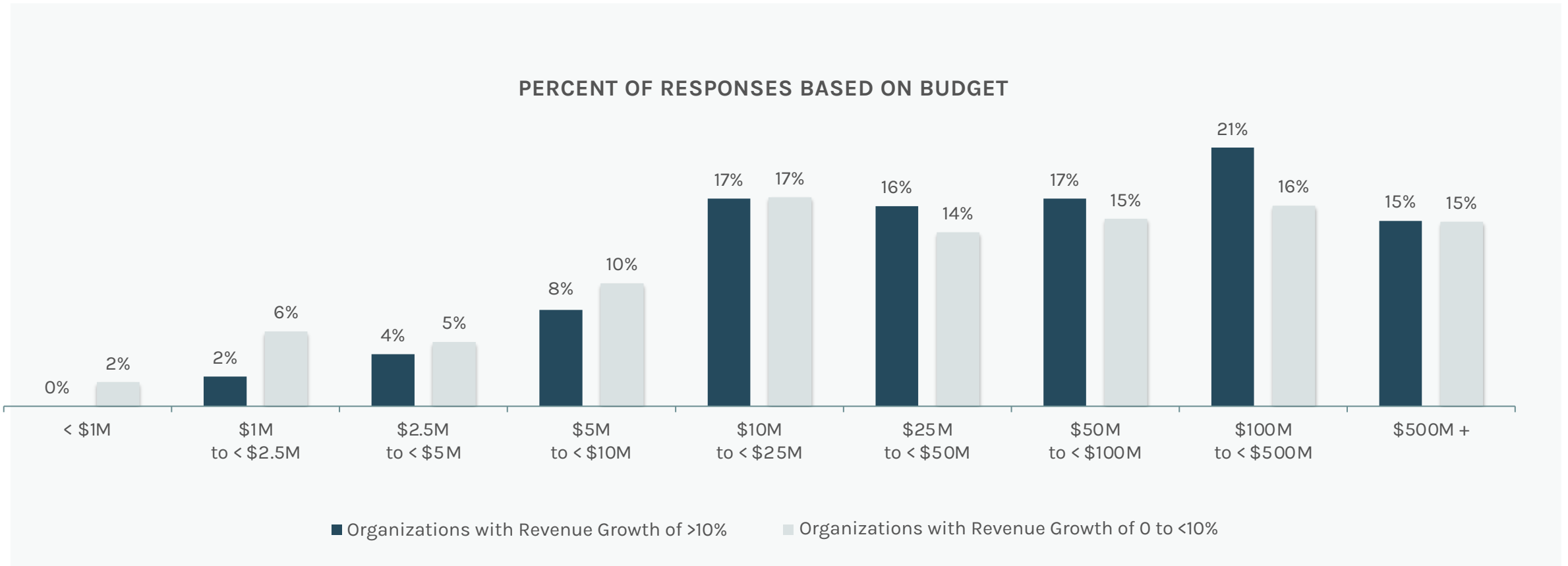


Survey participants represented organizations of all budgets, size, and type, and 57% reported revenue increases compared to their prior fiscal year.



Nearly half (49%) of all surveyed organizations are currently engaged in or planning for a campaign.

While fundraising revenue grew across the board, organizations with larger fundraising budgets saw better revenue performance* than their peers.



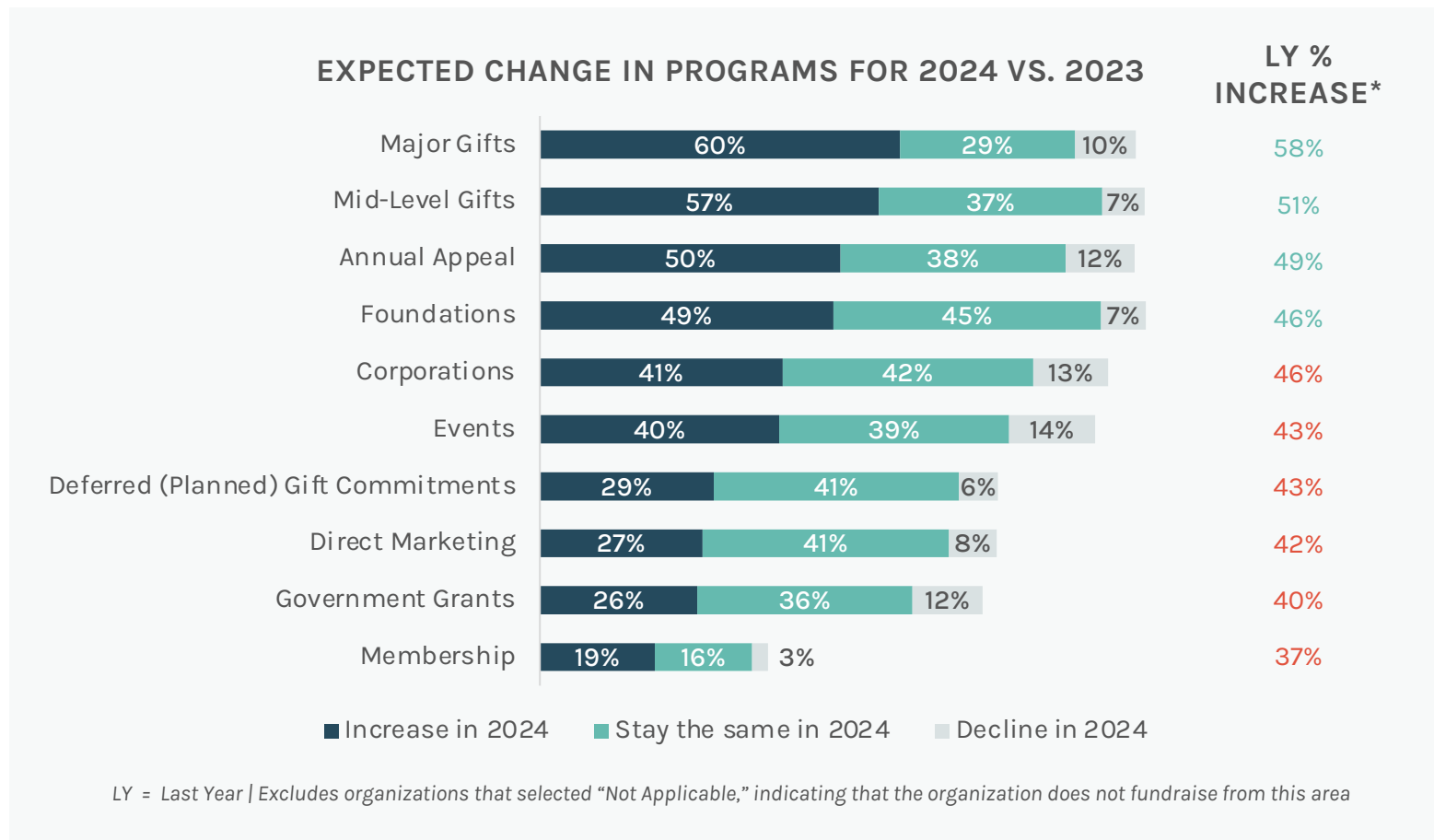
*Performance = revenue growth of more than 10%

An aerial photograph of a crowd of people at a fundraising event, overlaid with a teal color. A white line graphic starts from the left edge, goes down, then up to a white circle, and then continues horizontally to the right. The text 'FUNDRAISING OPERATIONS' is positioned to the right of the white circle.

FUNDRAISING OPERATIONS

WHAT WILL FUNDRAISING PROGRAMS LOOK LIKE IN 2024?

At least one-half of participants expect major and mid-level gifts, as well as annual appeals, to increase in 2024.



KEY DATA HIGHLIGHTS

While more organizations expect their fundraising programs to increase, 6 out of 10 gift categories show **less expected growth** than last year.

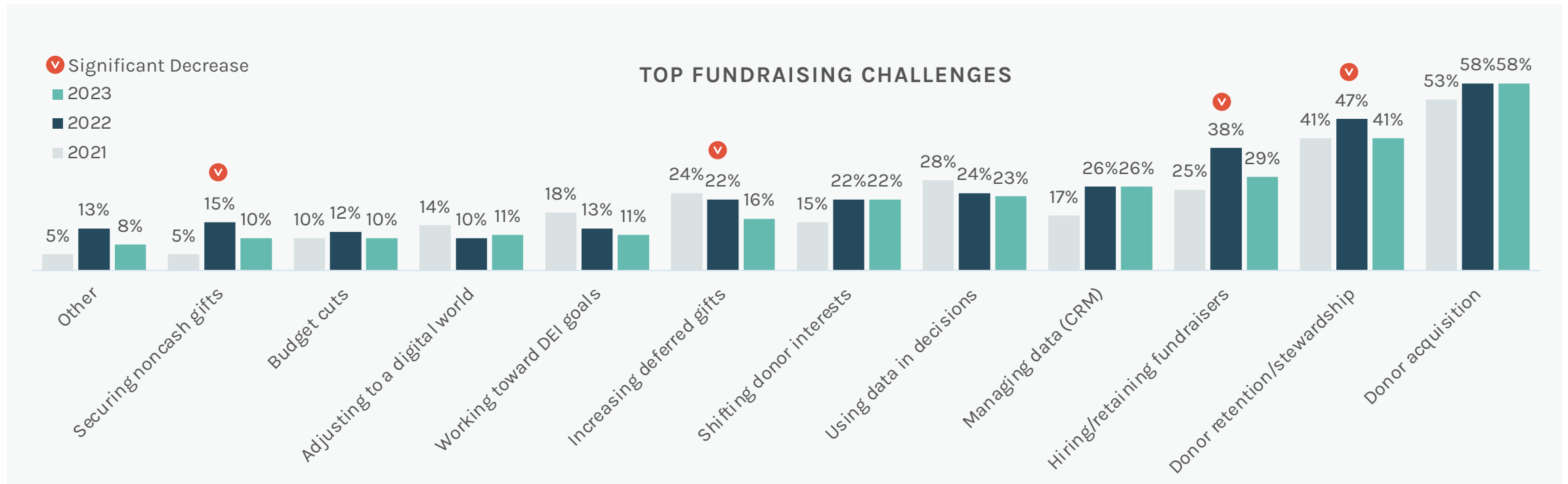
More organizations are relying on major and mid-level gifts vs. annual appeals, a top 2 fundraising program for the past several years. **Membership programs** dropped significantly, from 42% anticipating an increase in 2023 to 19% anticipating an increase in 2024.

Despite high proficiency in event planning by fundraising staff, events are dropping as a source of fundraising dollars for surveyed participants, falling two spots on this list.

WHAT ARE THE CHALLENGES FACED BY FUNDRAISERS?

Donor acquisition and donor retention remain top challenges; however, they are less of a concern heading into 2024 than in years past.

While donor retention/stewardship is still a top challenge, it has dropped by 6% compared to 2022, returning to its 2021 value. Additionally, as organizations prioritize investing in their fundraising staff, hiring and retaining them became less of a challenge, with a nearly 10% drop. [Read our tips for retaining fundraising staff.](#)



Fundraising challenges remain consistent, with both internal and external factors affecting organization performance.



INSUFFICIENT STAFFING

- Decreased budgets with increased performance expectations
- Retraining staff toward more direct fundraising competency
- Trying to achieve more with the same/fewer staff



ATTRACTING NEW DONORS/ AGING DONOR BASE

- Capturing increased philanthropy from Millennials
- Diversifying funding
- Lack of philanthropy culture



BOARD ENGAGEMENT

- Absence of strategic priorities
- Dissatisfaction with organizational data usage
- Leadership transitions



ECONOMIC UNCERTAINTY

- Economic context, loss of purchasing power for members
- Inflation, market volatility

ARE NONPROFITS ATTRACTING NEW DONORS?

Almost 6 of 10 organizations (57%) indicated that their new donors have increased in the past 12 months, despite donor acquisition being a top fundraising challenge.

However, compared to the prior year, fewer organizations increased their new donors (57% vs 62%).

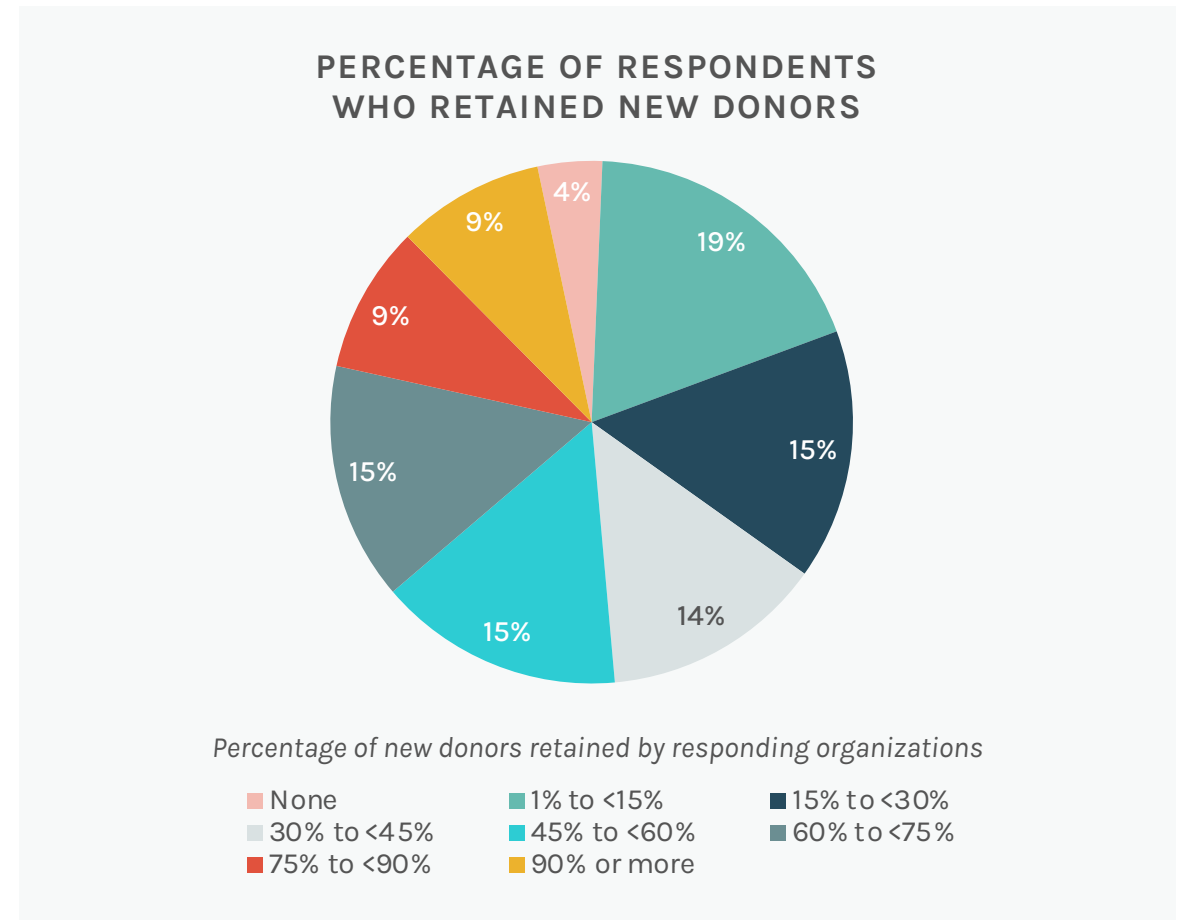
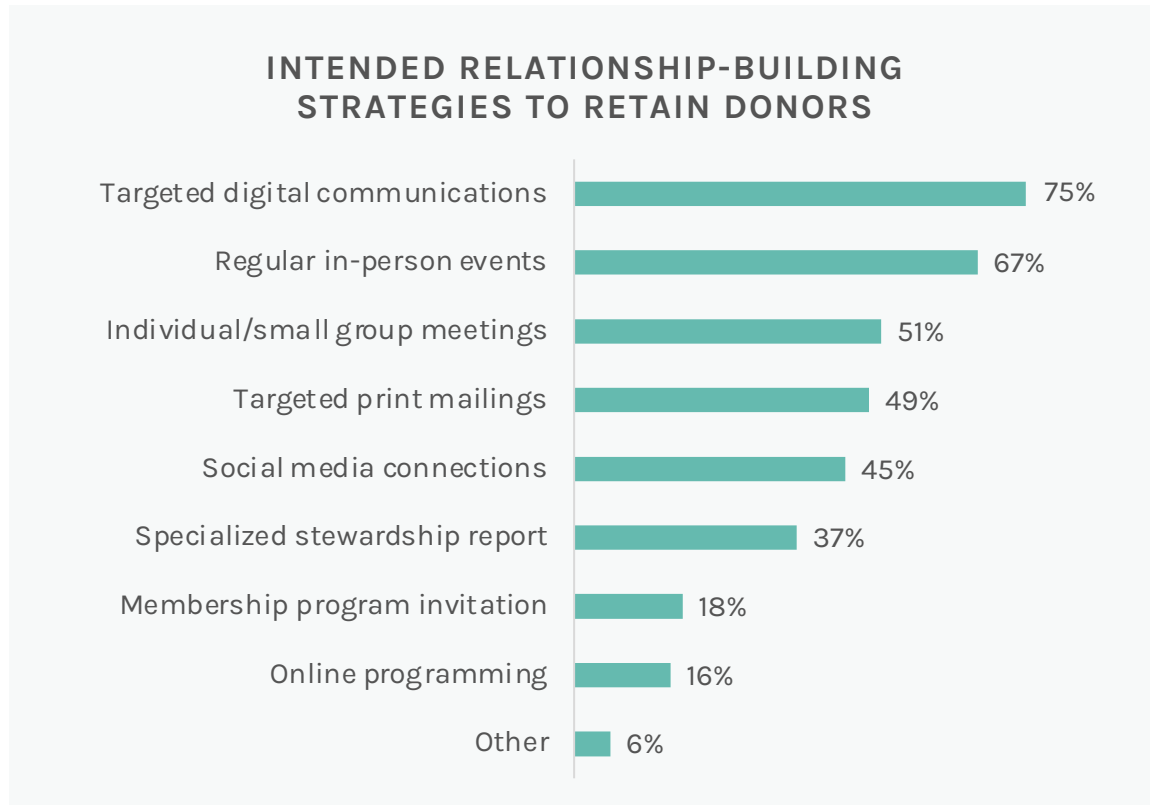
Learn more about how your organization can leverage AI automation for communication with donors, including outreach to prospects, from CCS Data Analytics.



HOW DO ORGANIZATIONS PLAN TO RETAIN NEW DONORS?

With donor retention a top challenge, only 48% of organizations reported retaining over half of their new donors in the previous 12 months.

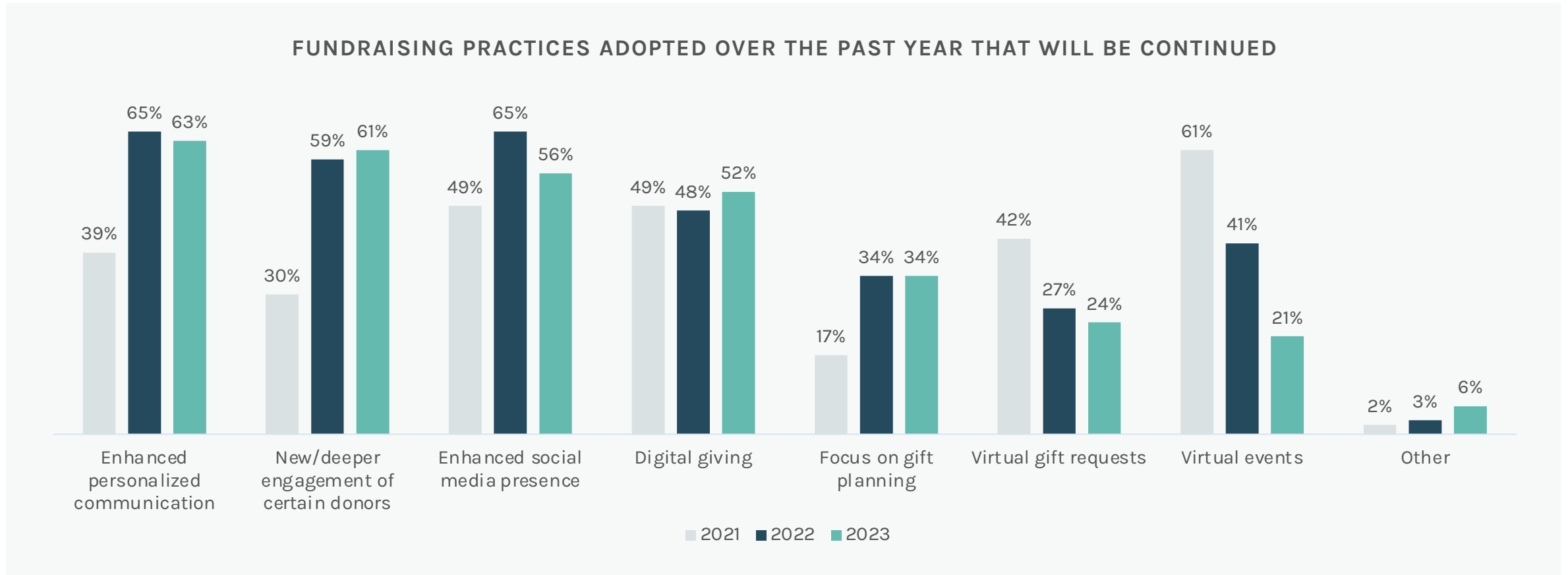
Sending targeted digital communications and inviting current donors to regular events are the top two intended plans for retaining donors in 2024.



HOW HAVE FUNDRAISING PRACTICES SHIFTED OVER THE PAST THREE YEARS?

Personalized engagement methods are up. Virtual events are down.

Virtual events dropped from 41% to 21% over the past year as a donor engagement practice, signifying a major shift in traditional fundraising that could be the result of post-pandemic readjustments.

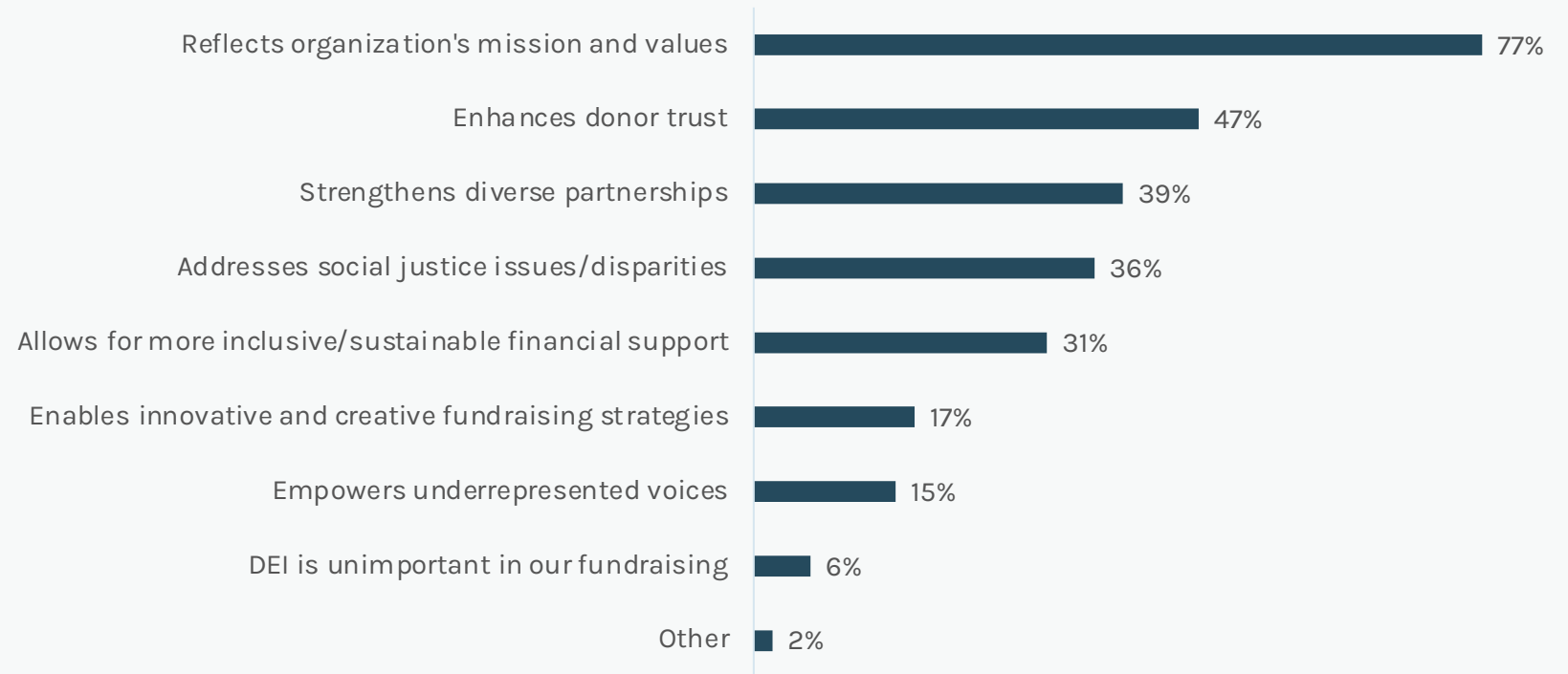


DOES DEI HAVE AN IMPACT ON PERFORMANCE?

The majority of organizations agree that diversity, equity, and inclusion (DEI) is important to their fundraising efforts.

CCS is committed to fostering an inclusive environment that celebrates our diversity and promotes equality for all. Learn more about our [commitment to DEI](#).

IMPORTANCE OF DEI IN FUNDRAISING



HOW DO ORGANIZATIONS PLAN TO MEET THEIR STRATEGIC DEI GOALS?

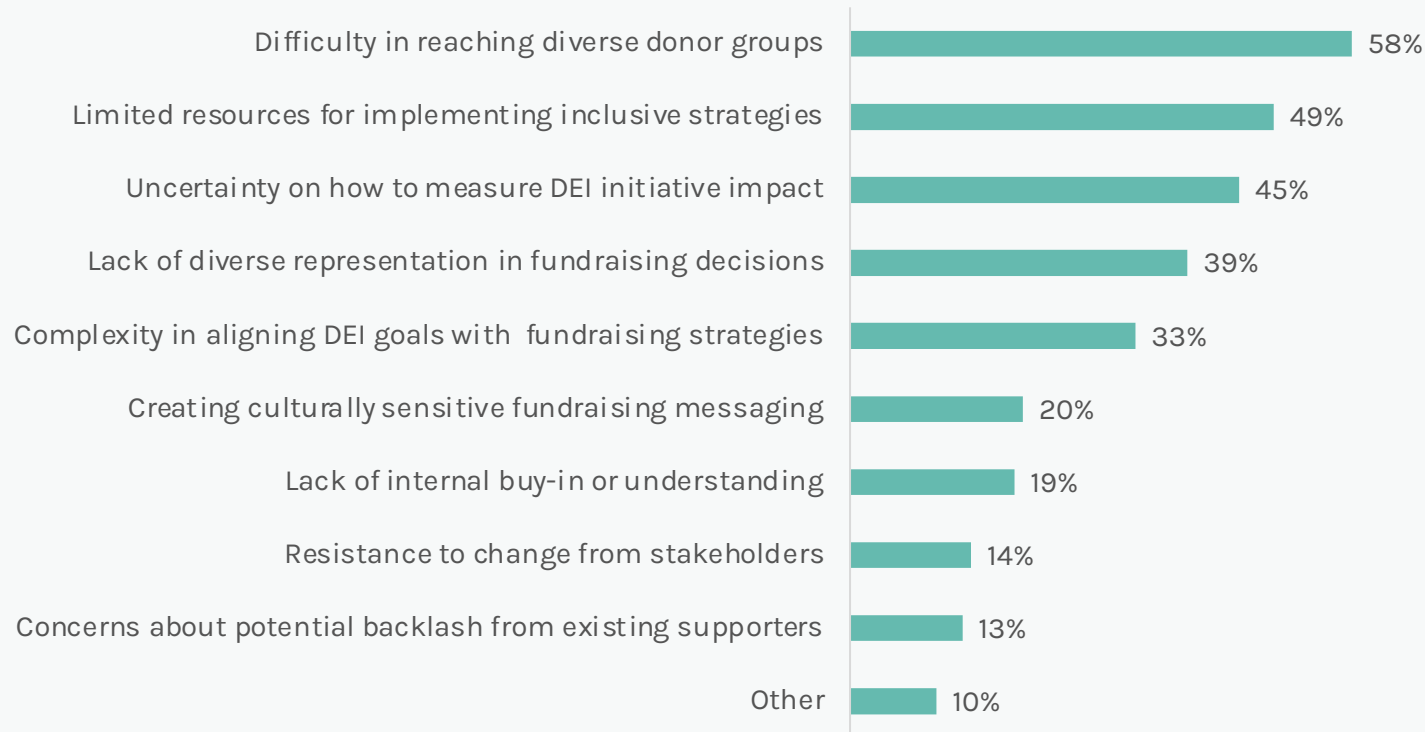
Emphasizing DEI in messaging became a top priority for survey participants.



WHAT BARRIERS TO SUCCESS ARE ORGANIZATIONS FACING WHEN INCORPORATING DEI IN FUNDRAISING?

Despite DEI's importance in messaging, communications strategies for donor outreach is the top challenge in DEI fundraising.

TOP CHALLENGES TO INCORPORATE DEI



58%

of respondents have difficulty reaching diverse donor groups.

CCS recommends that you employ your organization's digital and print platforms, including your website, annual reports, newsletters, and stakeholder dialogues, to represent your DEI commitment.

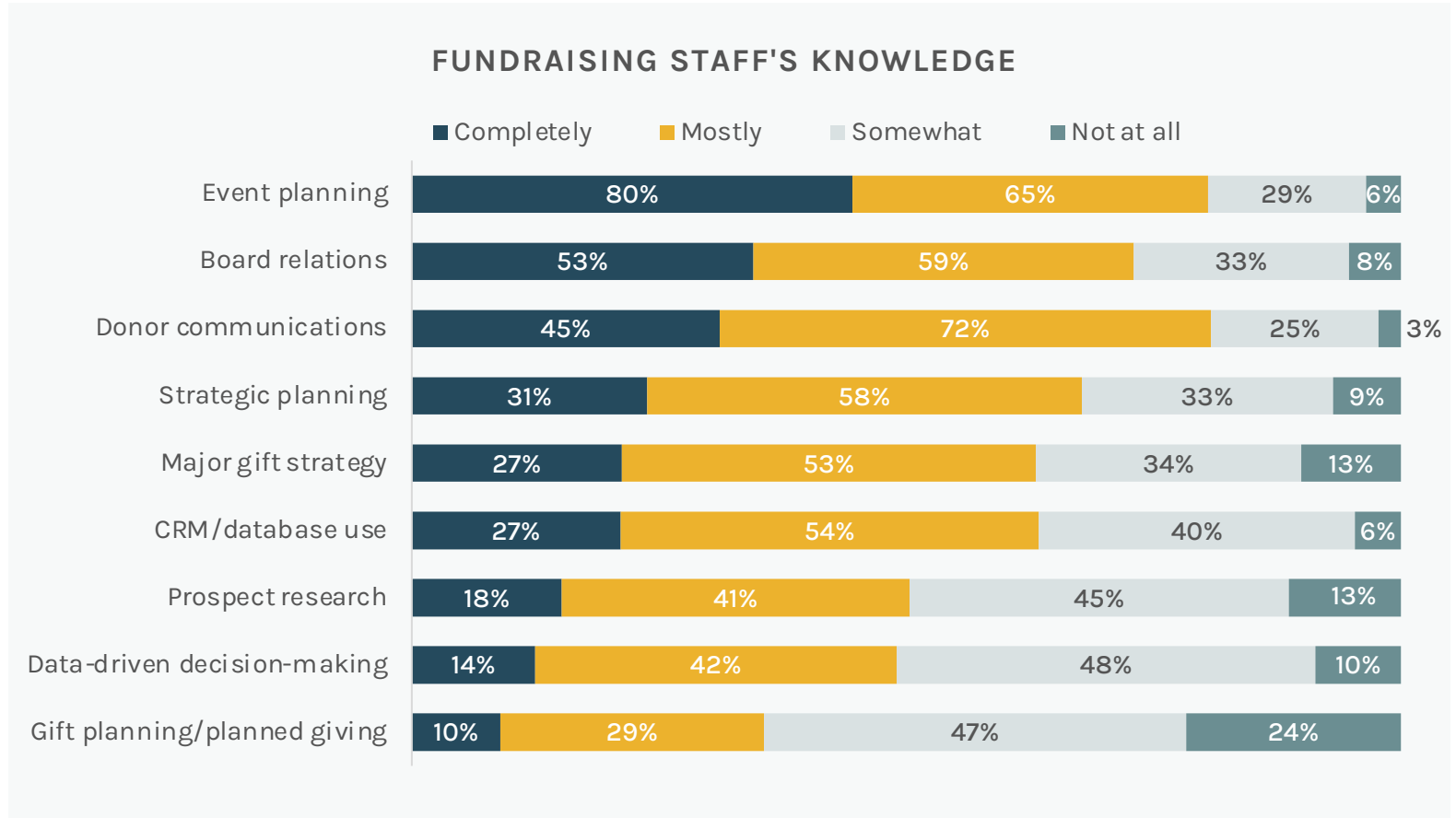
Communicate inclusive initiatives, policies, and practices supported by relevant data to demonstrate a transparent, proactive approach to shaping a positive organizational culture. This strategy accentuates philanthropy's role as a catalyst for authentic, lasting transformation within the communities we serve.

An aerial photograph of a yellow tiled floor with a white line graphic. The line starts from the bottom left, goes up to a white circle, then goes right, then down to a second white circle, and finally goes right. The text 'STAFFING & RESOURCING' is centered between the two white circles. There are several small, colorful figures of people scattered across the floor.

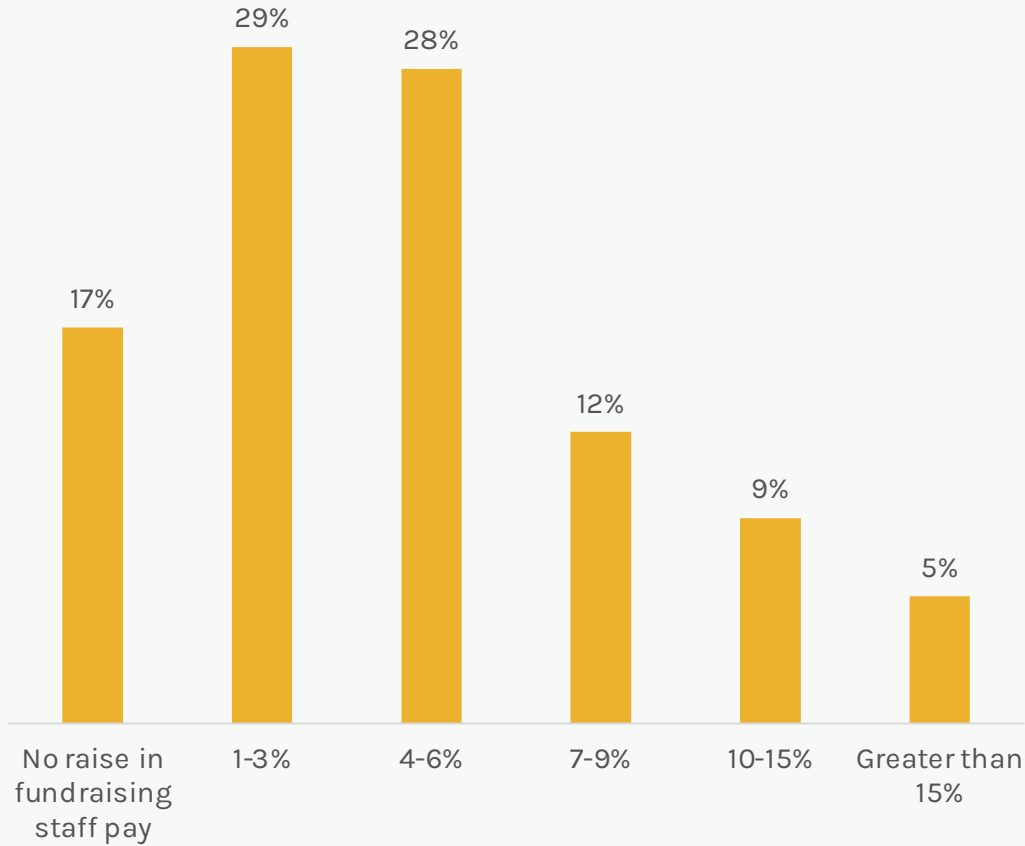
STAFFING & RESOURCING

While organizations prioritize direct fundraising competency, fundraisers feel most competent in event planning.

73%
of respondents are focused on fundraising hires.



AVERAGE PERCENTAGE INCREASES IN FUNDRAISING STAFF PAY OVER PAST 3 YEARS

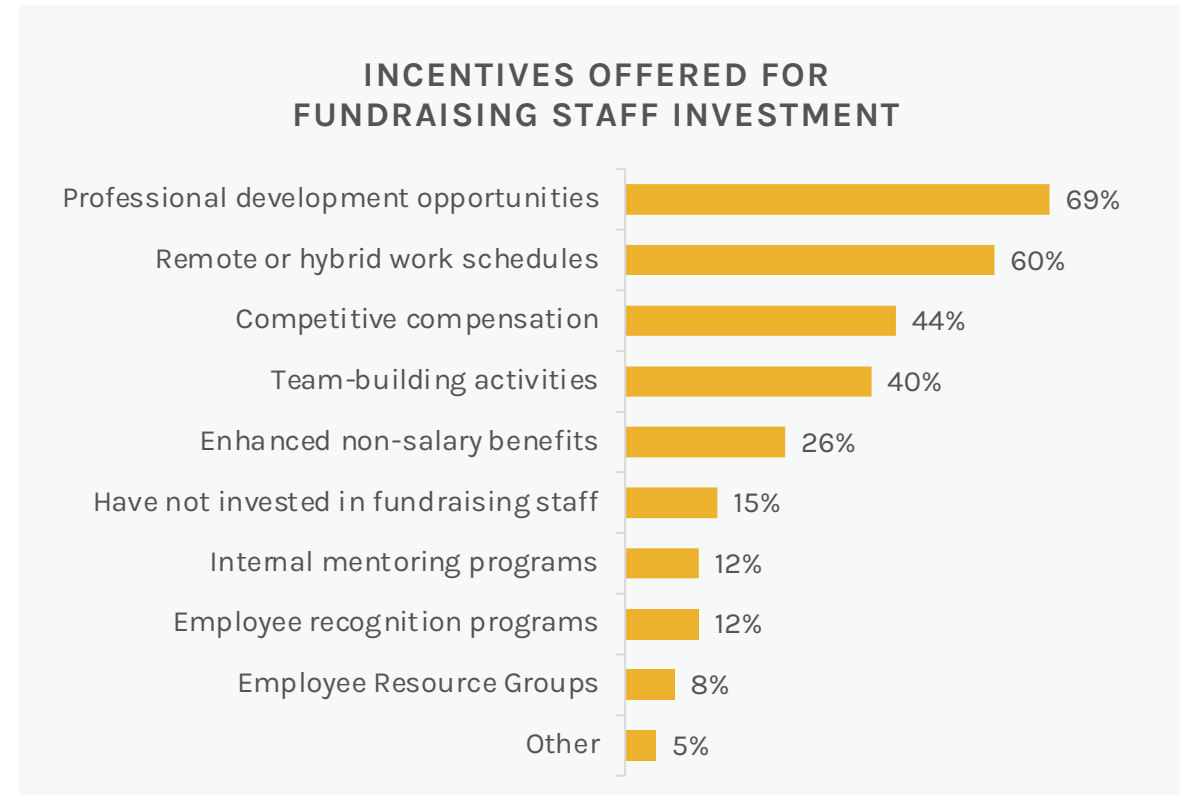
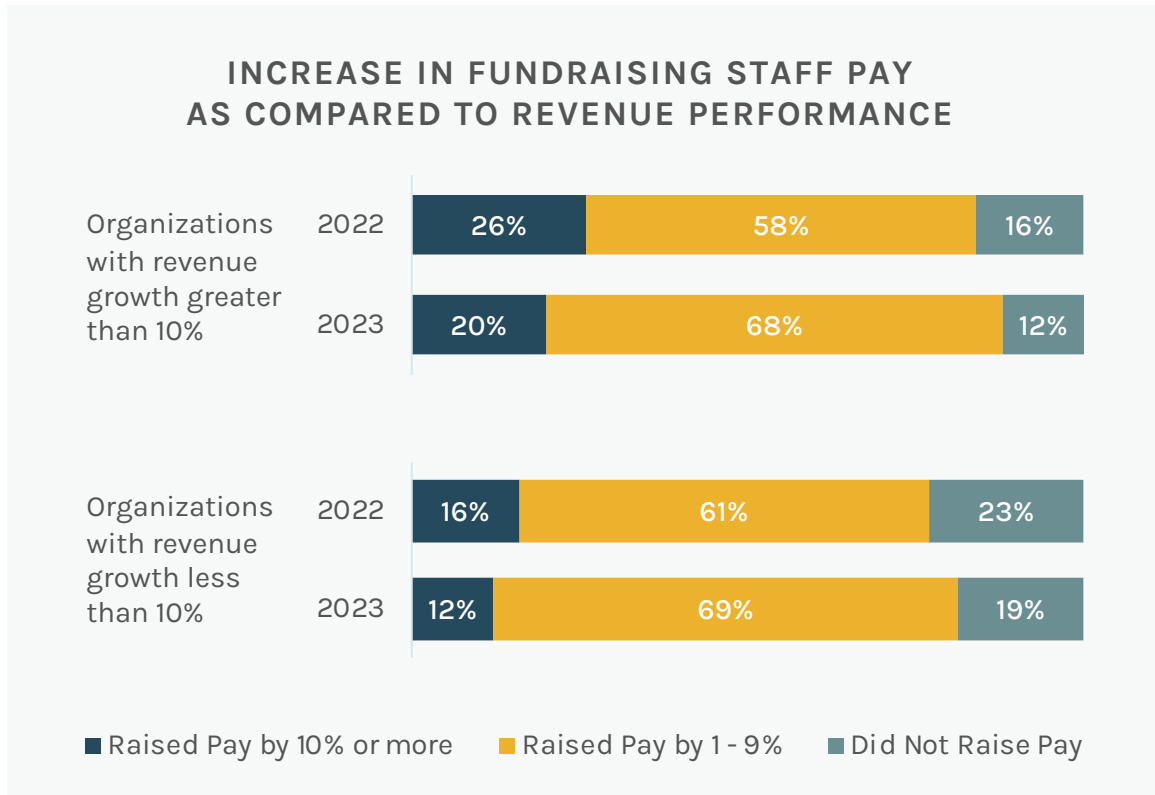


HOW HAVE ORGANIZATIONS RESPONDED TO THE CHALLENGE OF HIRING AND RETAINING FUNDRAISING STAFF?

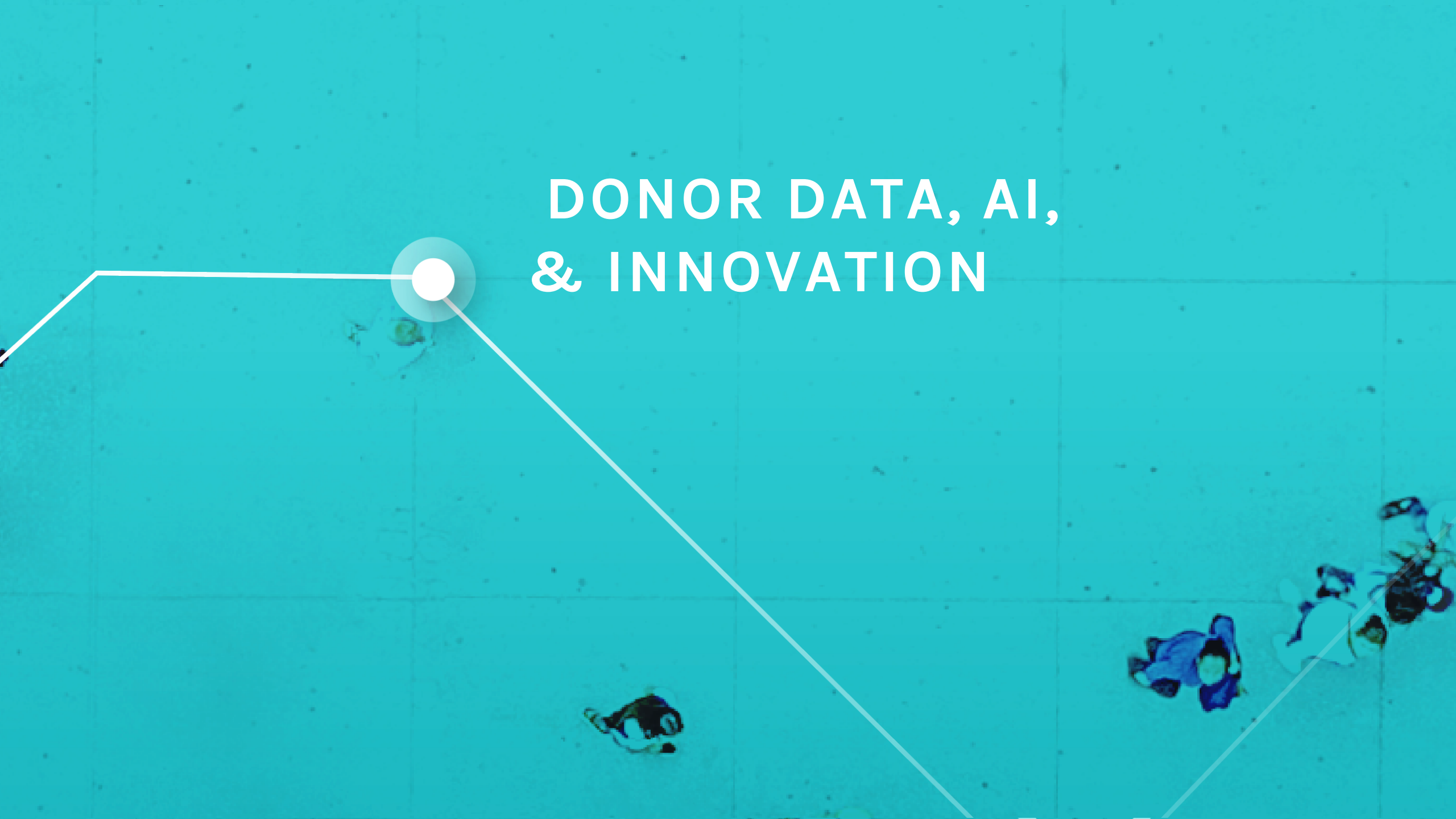
Only 33% of organizations increased their fundraising staff last year; however, the majority (68%) have increased staff pay by up to 10% over the past three years.



There is a clear correlation between staff investment and revenue, as organizations that invested more in hiring and retaining top fundraising talent exhibited more revenue growth than those that did not.



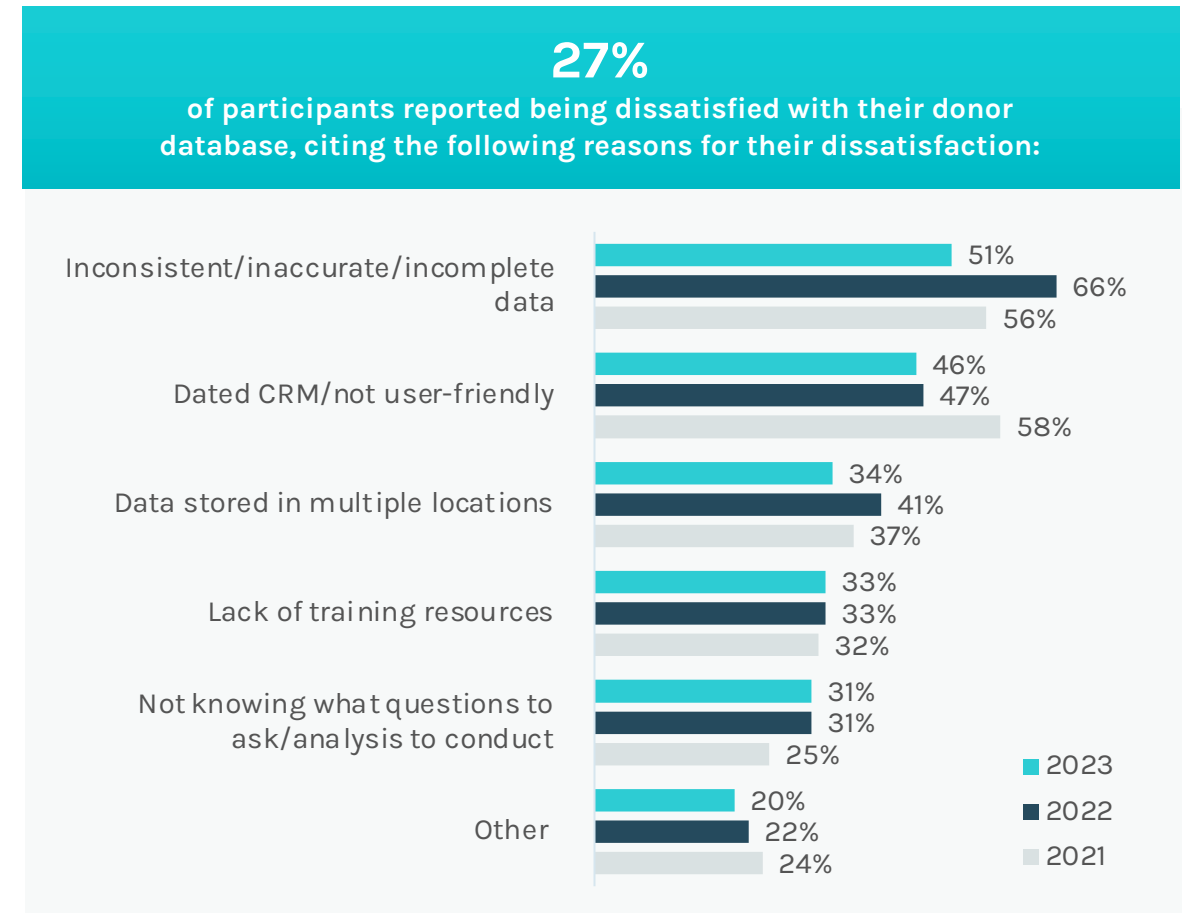
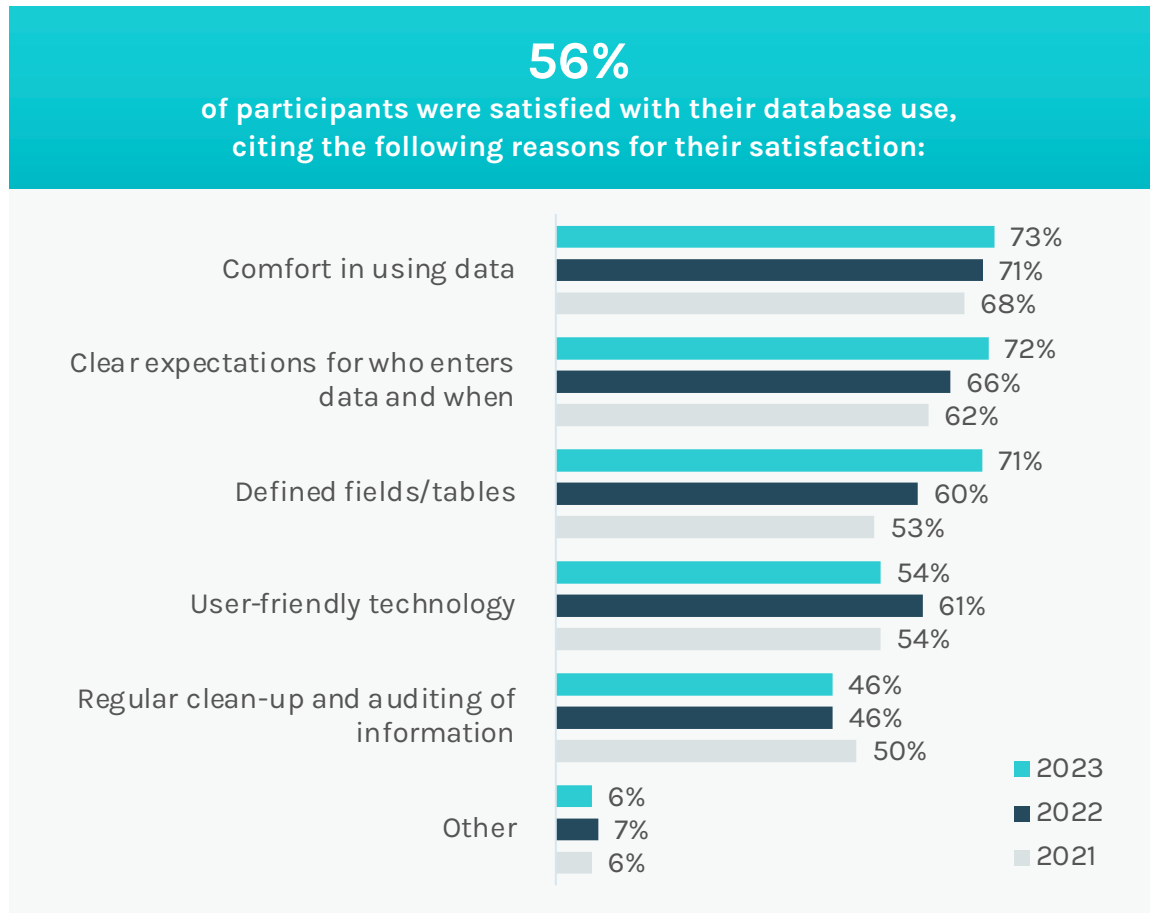
DONOR DATA, AI, & INNOVATION



WHAT ARE THE CHALLENGES ORGANIZATIONS ARE EXPERIENCING WITH THEIR DONOR DATA?

Over the past 3 years, fundraiser comfort in using data has increased.

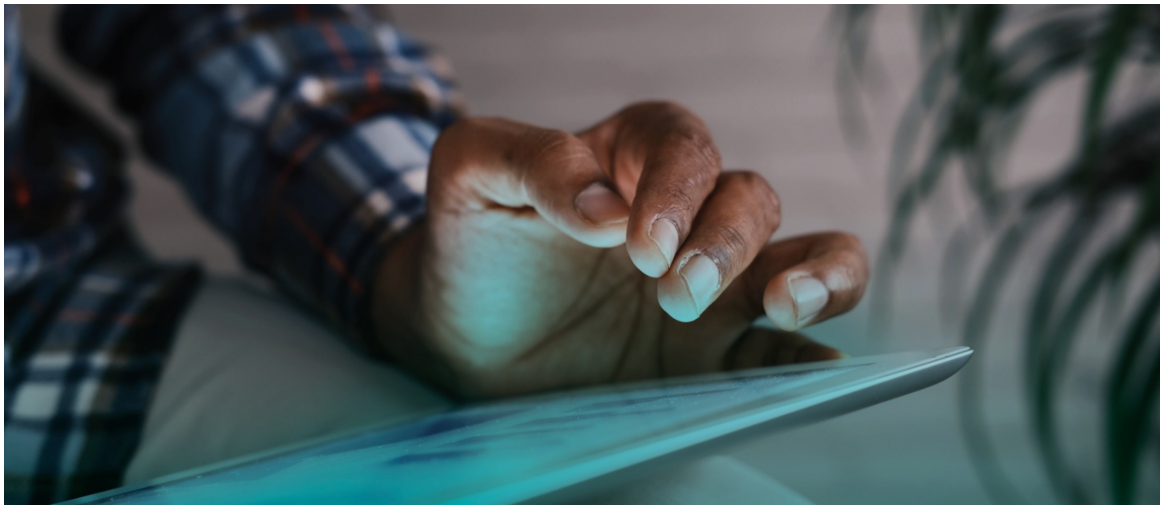
Learn how human-backed processes and systems help your nonprofit strengthen its institutional donor knowledge while empowering fundraisers to use data.



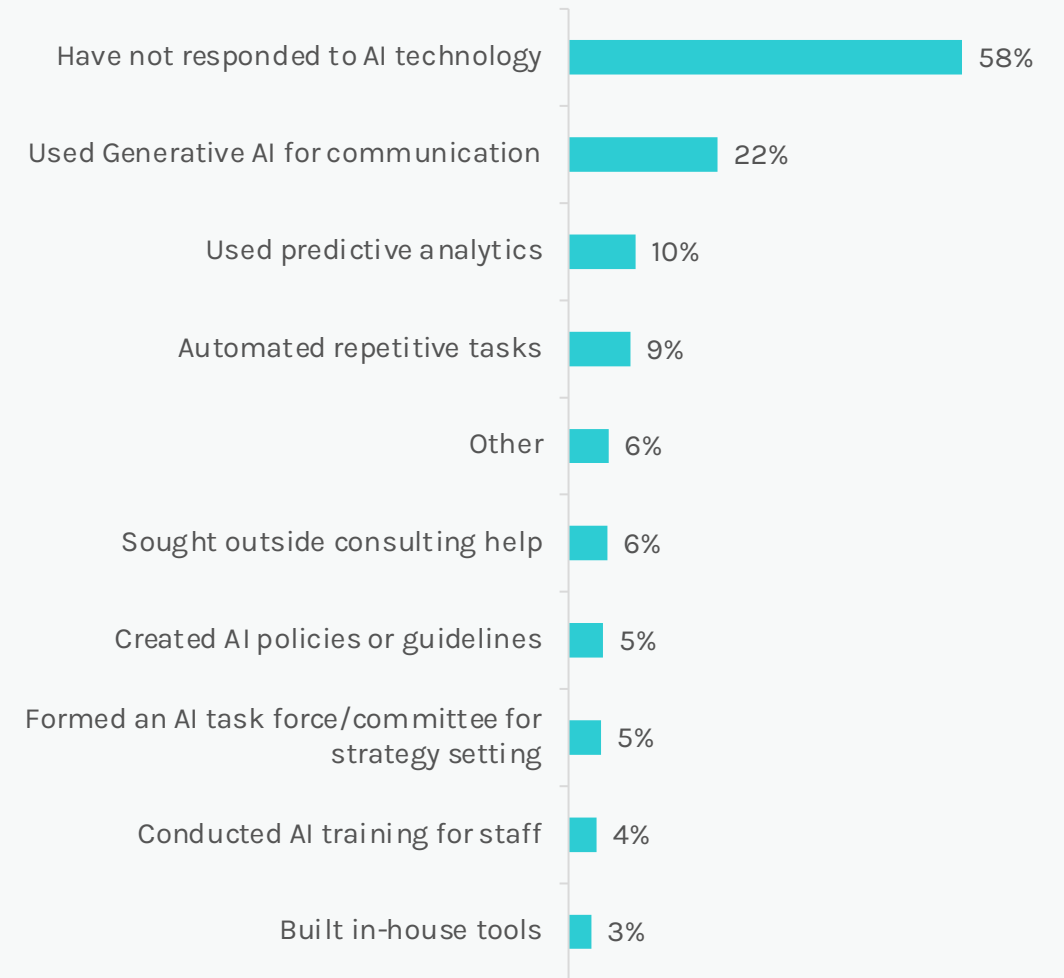
HOW DO ORGANIZATIONS INCORPORATE AI TECHNOLOGY IN THEIR FUNDRAISING EFFORTS?

58% of participants describe their comfortability with reporting and analyzing their organization's data at a leading level or higher. Still, most organizations (58%) are not yet using AI technology.

Leading level or higher means they could use more resources but get adequate support.



RESPONSE TO AI TECHNOLOGY





The convergence of process automation, machine learning (ML), and artificial intelligence (AI) for content generation is revolutionizing fundraising possibilities. Harnessing these technologies allows nonprofits to streamline their operations, making repetitive tasks more efficient and cost-effective while propelling philanthropy toward greater scalability, effectiveness, and inclusivity.

-The CCS Fundraising [2023 Philanthropic Landscape](#)

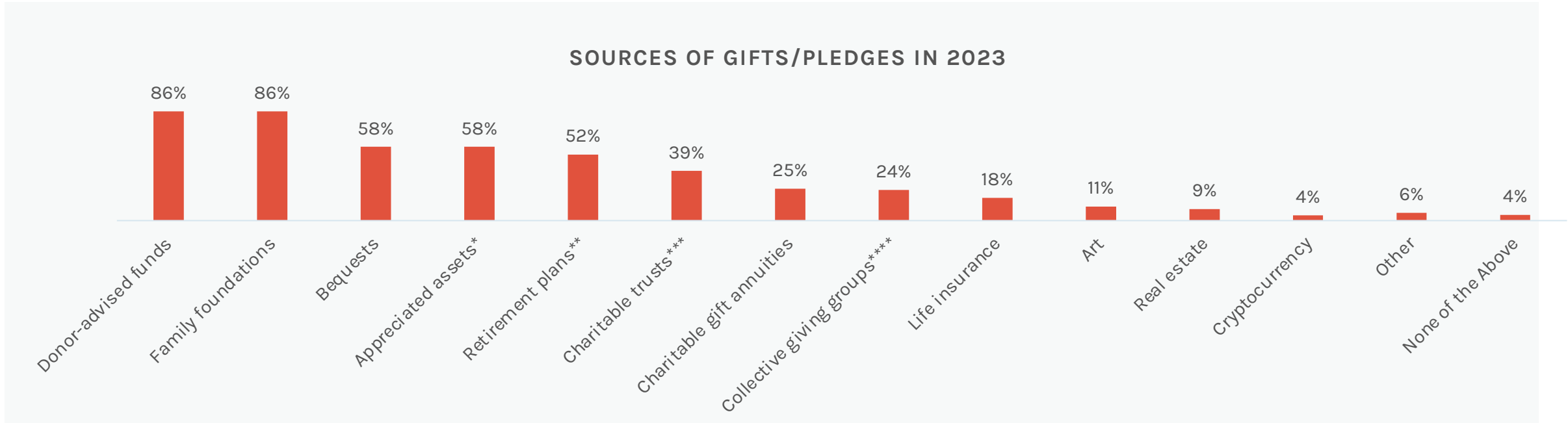
Read more about what AI means for nonprofits in our articles "[6 Ways AI is Transforming the Nonprofit Sector](#)" and "[5 Nonprofit Sector AI Examples](#)."

An aerial photograph of a city street with a grid pattern, overlaid with a semi-transparent red filter. A white geometric graphic, consisting of a horizontal line on the left, a diagonal line rising to a peak, a diagonal line descending to a horizontal line on the right, and another diagonal line extending from the end of that horizontal line, is centered on the page. At the peak of this graphic is a white circle with a grey gradient. The text 'GIFT PLANNING' is written in white, bold, uppercase letters to the right of this circle. In the background, several people are visible walking on the street.

GIFT PLANNING

WHAT TYPES OF GIFT SOURCES OR VEHICLES ARE ORGANIZATIONS RECEIVING?

Donor-Advised Funds rose in popularity above family foundations, and bequests rose over appreciated assets in 2023.



The percentage of participants receiving gifts and/or pledges from the sources indicated are consistent to last year.

- More than 8 out of 10 participants receive gifts from donor-advised funds and family foundations.
- Cryptocurrency fell slightly, which was expected given the downturn in the cryptocurrency markets.

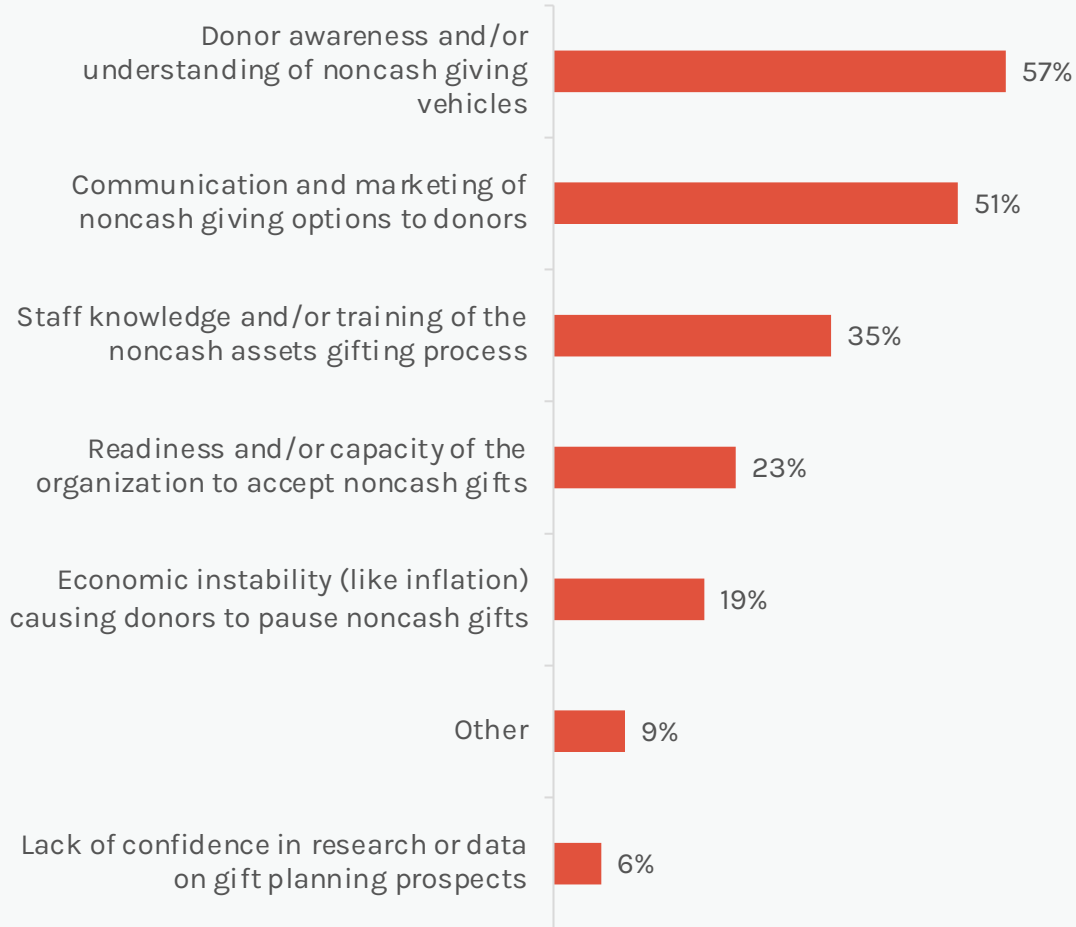
* E.g., stocks, securities

** Qualified retirement plan beneficiary designations and/or IRA-qualified charitable distribution

*** E.g., charitable remainder trust, charitable remainder unitrust, charitable annuity lead trust, charitable unitrust lead trust, and/or pooled income funds

**** E.g., giving circles, pooled funds

GREATEST OBSTACLES TO RECEIVING NONCASH CONTRIBUTIONS



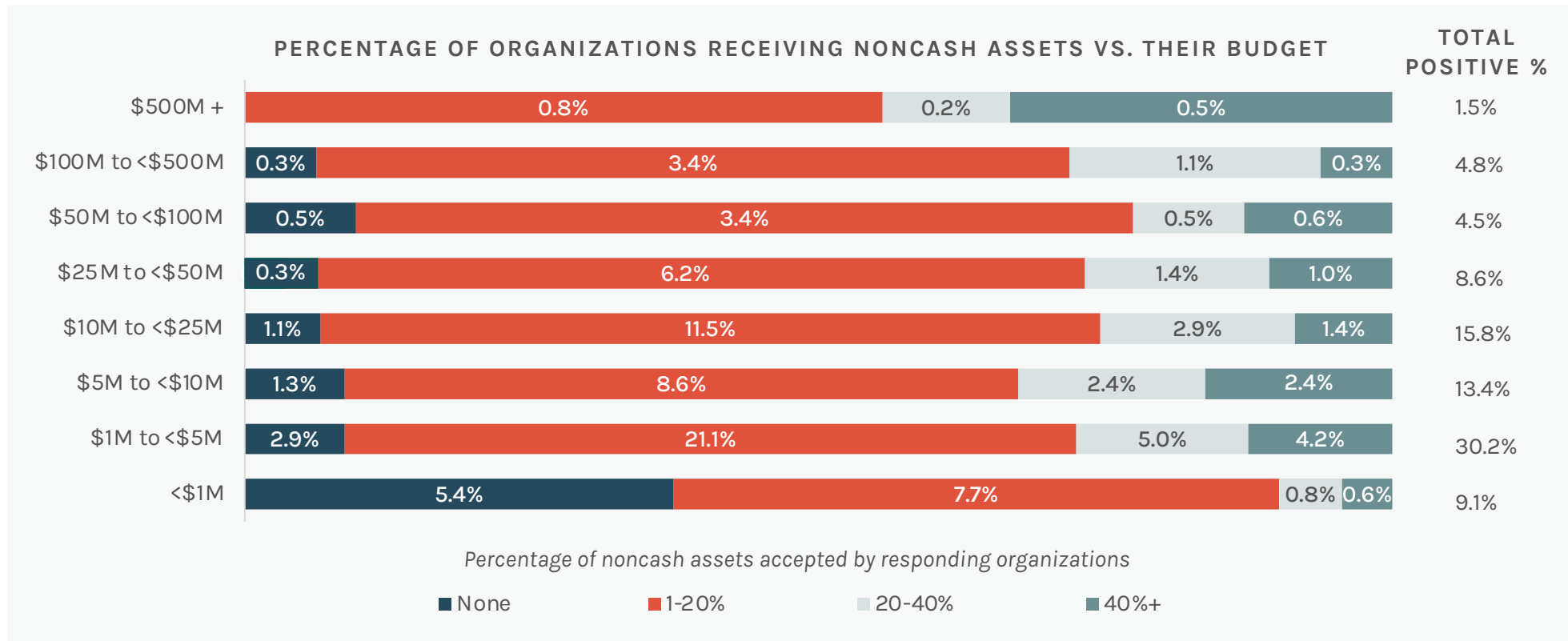
WHAT BARRIERS ARE ORGANIZATIONS FACING IN ACCEPTING MORE NONCASH CONTRIBUTIONS?

Most organizations get 20% or less of their gifts in noncash assets and report a lack of dedicated planned giving staff.

The greatest obstacles to receiving more noncash contributions are donor awareness, communication related to noncash options, or both. According to CCS's *The State of Planned Giving in Fundraising: Legacy Gifts as the Future Cash Opportunity* report, organizations with at least 1 dedicated planned giving staff person raised 300% more than those with part-time or no dedicated staff.



Consistent with prior years, organizations with larger budgets capture more contributions from noncash assets. However, the percentage of organizations with smaller budgets receiving noncash assets is increasing.



GIFT PLANNING TAKEAWAYS:

1. The future of wealth is in noncash assets.
2. Fundraisers should aim to secure as many of these gifts (for immediate and deferred use) as possible.
3. Dedicated staff is necessary for increasing revenue from noncash assets.



**ABOUT
CCS FUNDRAISING**

Strategic Fundraising Consulting

WE PARTNER WITH NONPROFITS FOR TRANSFORMATIONAL CHANGE.

For more than 75 years, CCS Fundraising has empowered many of the world's greatest organizations to advance some of the most important causes in history. From local food banks to global charities, we are proud to partner with over 700 organizations annually in more than 250 cities around the world. As leading consultants in data-driven campaign and development strategy, we plan and implement fundraising initiatives so that nonprofits can make a bigger impact—locally, nationally, and globally.

OUR EXPERTISE

Our fundraising consultants have expertise in strategic planning, research, development, planned giving, and on-site campaign support. While results of our work are immediate, the impact of the strategies and tools we develop with clients endures to create lasting change.

SERVICES INCLUDE

Audits & Assessments
Data Analytics
Fundraising Campaigns
Gift Planning
Interim Development Management
Specialized Development Projects
Strategic Planning
Systems & Change Management
Training & Leadership Development

SECTORS SPAN

Advocacy
Arts & Culture
Associations
Education (Primary, Secondary, Higher)
Environment and Conservation
Health
Human Services
Public-Society Benefit
Religion



www.ccsfundraising.com

info@ccsfundraising.com

