NONPROFITS: FUNDRAISING & DEVELOPMENT

Closing the Book on 2023 Fundraising

12.30.23 | Linda J. Rosenthal, JD

Well before the end of the day on GivingTuesday 2023, preliminary – and fairly accurate – results were already in.

That's important because the annual event begun in 2012 and held on the last Tuesday of November has become one of the most important fundraising days of the year. It's now widely viewed as the unofficial kickoff for most organizations for their end-of-year fundraising pushes. It is closely watched as a bellwether of charitable-giving trends for the year.

So, on November 28th, the information poured in and was monitored hour by hour, not unlike the frenzy on an election day when exit polls are dissected for predictions. A key source is the GivingTuesday Data Commons which gleans data from donor management software companies, donation platforms, payment processors and donor-advised funds.

GivingTuesday officials as well as various media announced the news by the next day. The mixed results mirrored worrying trends all year long: Total giving amounts had held up compared with 2022, but the number of individual donors dropped. Charitable organizations have had good reason to accelerate the scramble for each and every donation.

A Simple Idea

Giving Tuesday started out in 2012 as "…a simple idea – a day that encouraged people to do good." The event was, and is still, viewed by its organizers as "… all about celebrating each and every single act of generosity we have to offer…"

But in just over a decade it has grown into a global money-raising phenomenon. The staggering total in charitable giving attributable to Giving Tuesday in this period is now over $13 billion.

In a sense, it has become too successful. So many organizations now participate that donors are besieged by frantic pleas and solicitations that continue to and through this final weekend.

Results

Giving Tuesday officials made their announcement in *Millions Unite Around Generosity Across the Globe to Celebrate GivingTuesday 2023* (November 29, 2023) *givingtuesday.org.* They applaud "a wave of generosity as millions of people worldwide participated in acts of giving ...."

"However, [they were] concerned to see a decline in participation in line with giving trends from the past year. GivingTuesday's mission is to inspire generosity among as many people as possible, not just raise as many dollars as possible. Generosity has such important correlations with civic participation, community cohesion, and well-being."

See also *GivingTuesday donations were up slightly in 2023 at $3.1 billion, but in 'warning sign' 10% fewer people participated* (November 30, 2023), Thalia Beaty & The Associated Press, *Fortune Magazine.* The good news is that "...donors from the United States alone gave some $3.1 billion on GivingTuesday itself. That is about the same amount as last year, which 'marked a record high for the giving day.'

But the increase is small; it's up "'just slightly' at a mere $0.6 percent, which is considered a somewhat disappointing outcome. And these numbers are calculated before adjusting for inflation." Similarly, the U.S. data shows that "... some 34 million adults 'participated in GivingTuesday in some way,...." While that's "... a decent figure; however, it's a 10% *decrease* from 2022."

Also in this *Fortune* article are comments from GivingTuesday's chief data officer, Woodrow Rosenbaum: "On the one hand, this is fantastic, Tens of millions of people in the U.S. came together once again to have a huge impact for causes they care about, including donating an enormous amount of money in a 24 hour period."

"But the number of donors was down about 10% from 2022, which Rosenbaum called a worst case scenario for the sector." He explained: "We're seeing less dollars from the big donor that we've been relying upon and fewer grassroots donors who are so important to our resilience and long-term health of the sector."

Additional media sources report consistently about these less than fully hopeful results. See, for example: *GivingTuesday Results Are Flat; Nonprofits Raise $3.1 Billion* (November 29, 2023), *The Chronicle of Philanthropy.* There, Emily Haynes and Rasheeda Childress, suggest that "...[l]ower participation could be one reason the day failed to bring in significantly more donations than it did in 2022." GivingTuesday's Asha Curran agrees: "Donation trends are very volatile right now, and there's a lot that's going on that's very concerning, including a decrease in donor participation."

See as well: *Early #GivingTuesday Results Positive But Uneven* (November 29, 2023) Paul Clolery, Richard H. Levey & Eric Obernauer, *The NonProfit Times* ["It appears from early results that fewer donors are giving more, and donor-advised fund grantors are stepping up."]

Conclusion

Just before Christmas, the Fundraising Effectiveness Project, administered jointly by the Association of Fundraising Professionals and GivingTuesday, released a brand new report titled Quarterly Fundraising Report: Year-to-Date Nonprofit Sector Trends, Q3 2023 (JAN 1, 2023 – SEP 30, 2023).

It is "21 pages of data – and just two positive numbers and related to only a small percentage of donors and organizations," according to *The NonProfit Times's* Paul Clolery in *No Holiday Cheer — Donors Plummeted Yet Again* (December 22, 2023). The "new report covers the first quarters of 2023," but its "bleak data shows a continued steep decline in donor counts…."

In the next post, we'll pick up this discussion, and further consider the implications for fundraising in 2024.

– Linda J. Rosenthal, FPLG Information & Research Director