

NONPROFIT FUNDRAISING SURVEY



Fundraising Impact of COVID-19

2020 Philanthropic Climate Survey – Edition III
September 9 – September 16, 2020

LETTER FROM OUR CHAIRMAN

CCS Fundraising is pleased to share the findings from our latest Philanthropic Climate Survey in this third-edition *Fundraising Impact of COVID-19* research report. This report reflects the responses of 1,373 individuals representing nonprofit organizations across all sectors. These responses were collected between September 9 and September 16, 2020. In addition to a set of new information, this report includes comparisons to data collected during the first edition of the survey that received 1,183 responses between April 20 and May 1, 2020 and the second edition that received 1,014 responses between May 21 and June 1, 2020.

As the COVID-19 pandemic endures, we believe that this data set illustrates the evolving impact of the crisis on nonprofit fundraising and the changes to fundraising approaches the crisis has precipitated thus far.

The following are among the most significant findings of this report:

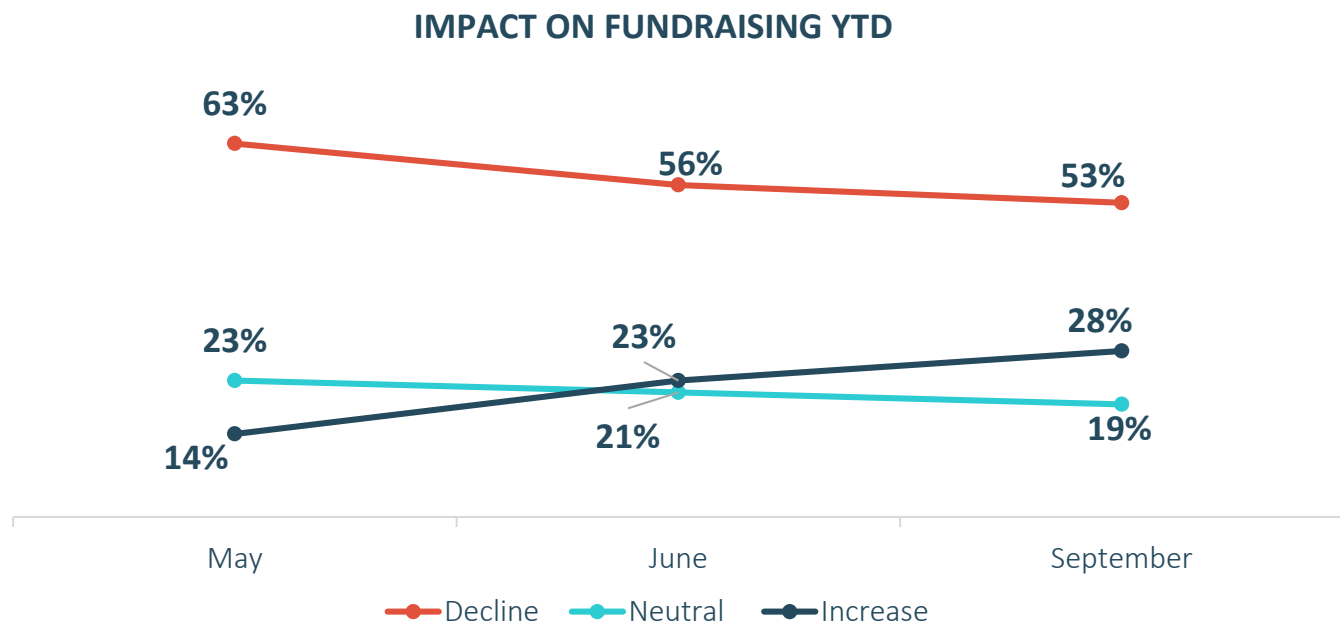
- Fundraising outcomes continue to improve over time. Although 53% of respondents reported a fundraising decline so far due to COVID-19, a smaller proportion of declines and a larger proportion of increases have been reported since our first and second surveys.
- Virtual methods of donor engagement, cultivation, and solicitation have become prominent in organizations' fundraising operations. Forty-three percent (43%) of respondents have conducted a virtual major gift solicitation amid the pandemic.
- Layoffs and furloughs of fundraising staff have grown more common since May. Our latest data indicates that 26% of respondents have made either modest or significant staff reductions.
- Organizations are largely continuing with existing campaign plans and some are launching new campaigns during the pandemic. Similar to results from previous surveys, only 1% of respondents reported cancelling a major capital or comprehensive campaign. Moreover, 6% of all survey participants reported kicking off a new campaign during the pandemic.

We hope that this report provides your organization with helpful contextual information as you navigate a changing philanthropic landscape.

Robert Kissane
Chairman
CCS Fundraising

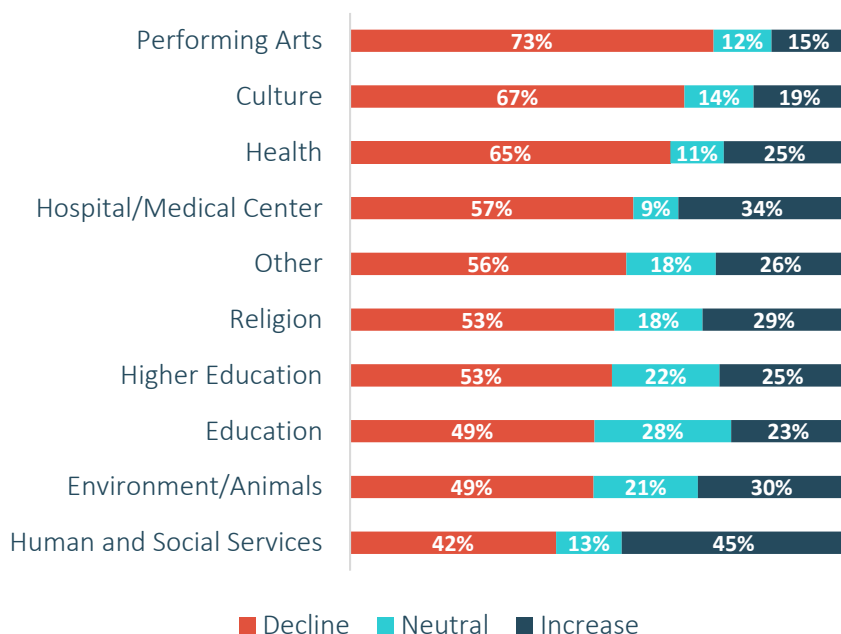
UNDERSTANDING THE IMPACT

Impact of COVID-19 on Fundraising Thus Far



As the pandemic continues, our survey results suggest that its negative impact on fundraising has reduced over time. Since our first survey, the proportion of respondents reporting either a modest or significant decline **went down by 10 percentage points**, while the proportion reporting an increase **went up by 14 percentage points**.

IMPACT ON FUNDRAISING YTD, BY SECTOR*



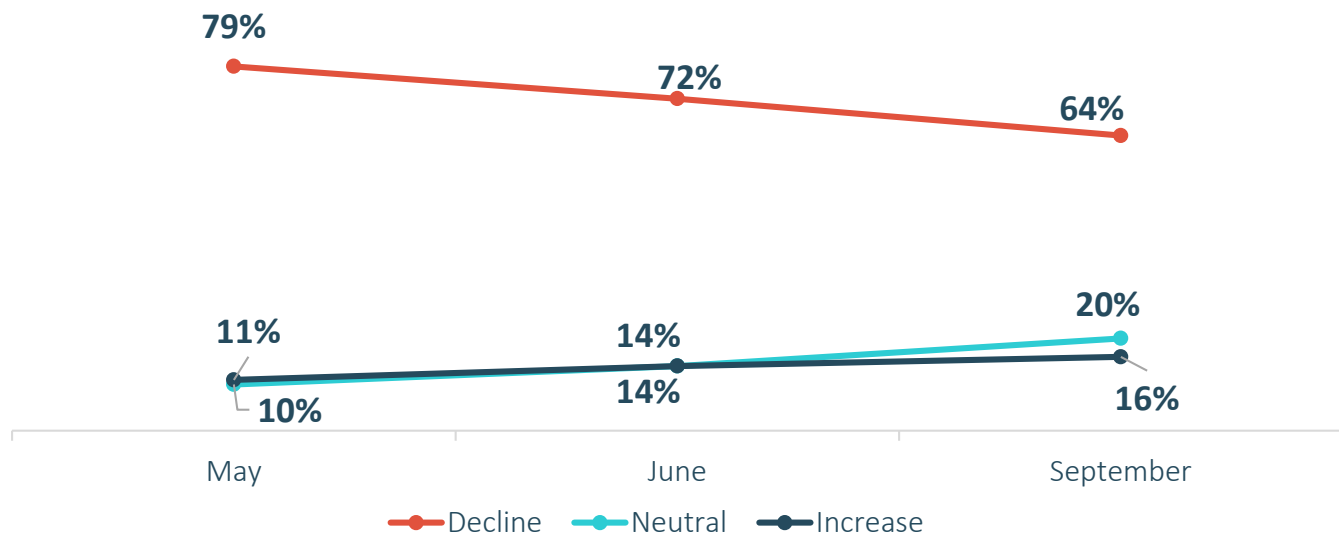
The impact has been uneven across sectors. Performing Arts, Culture, and Health respondents were the most likely to report declines. Human and Social Services, Hospital/Medical Center, and Environment/Animals respondents were most likely to report increases.

*More details on sector categories may be found on page 13.

UNDERSTANDING THE IMPACT

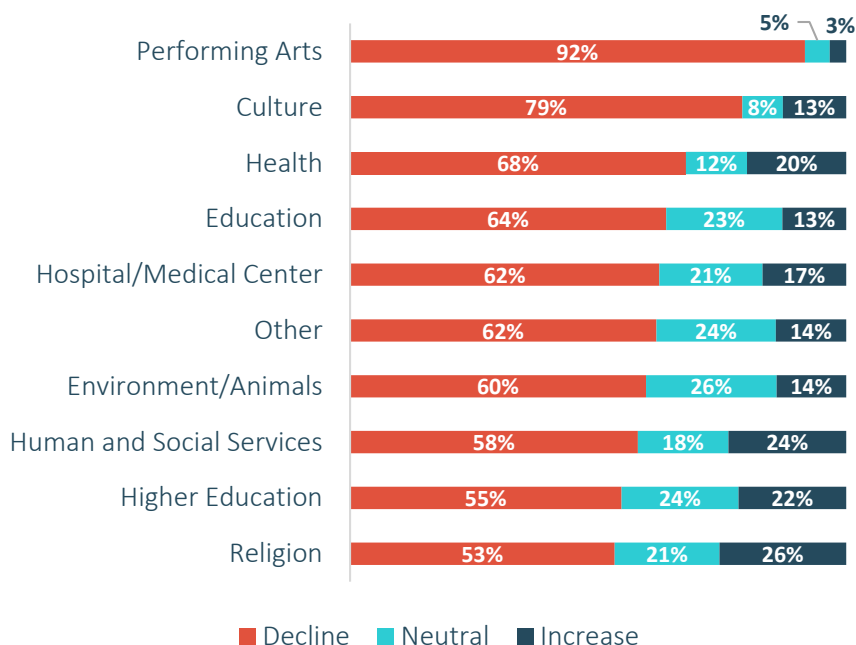
Projected COVID-19 Impact on Fundraising Through End of Year

PROJECTED IMPACT THROUGH 2020



Looking ahead to projections for COVID-19's effect on nonprofit fundraising through the end of calendar year 2020, expectations have improved over time among nonprofit professionals. Projected declines **dropped by 15 percentage points** and projected increases **rose by 5 percentage points** from May to September.

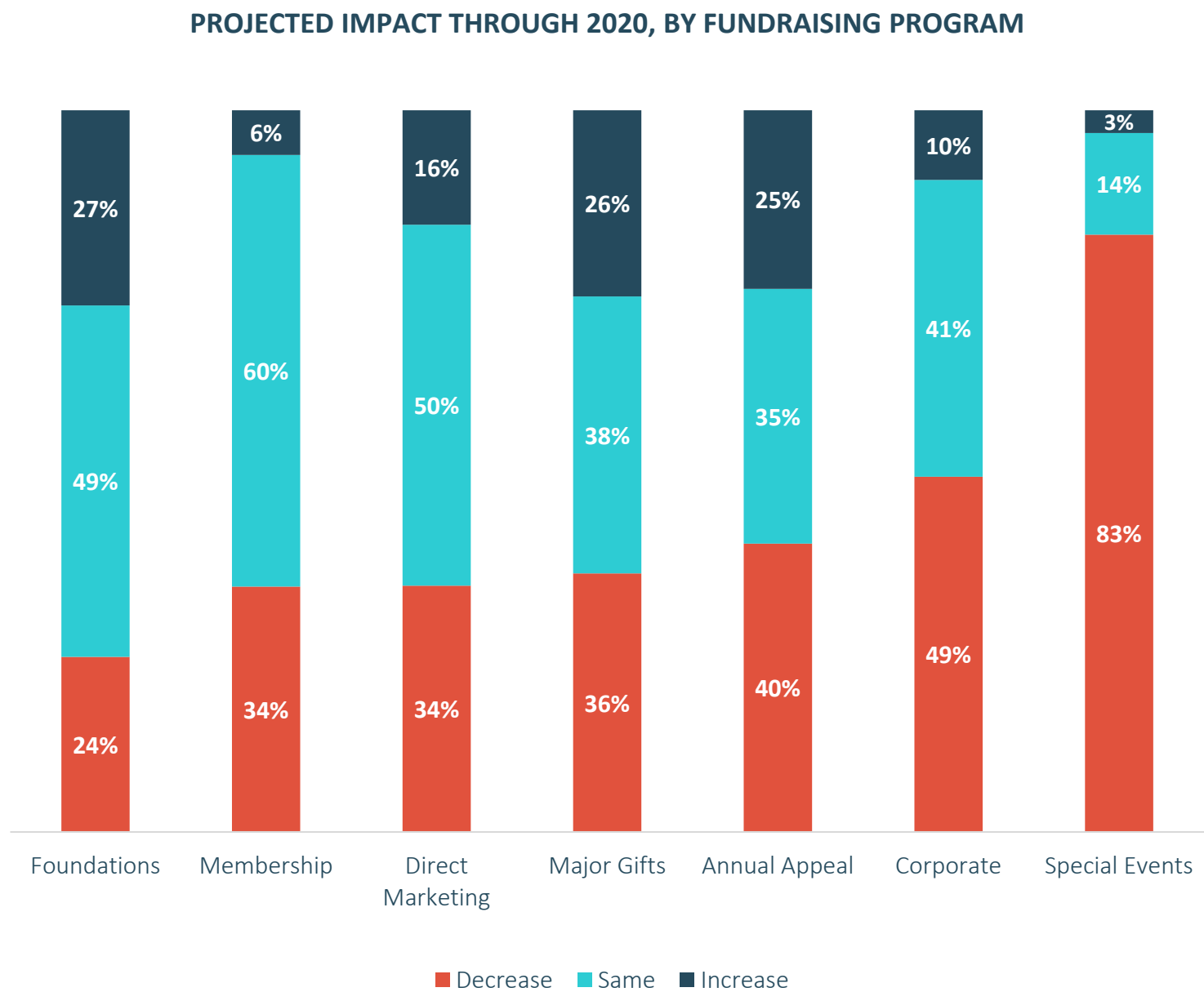
PROJECTED IMPACT THROUGH 2020, BY SECTOR



Similar to the data on fundraising impact so far, projected expectations vary widely from sector to sector. Sectors that experienced more declines in fundraising YTD report similarly tepid expectations for the remainder of 2020.

UNDERSTANDING THE IMPACT

Projected COVID-19 Impact Through End of Year, by Fundraising Program

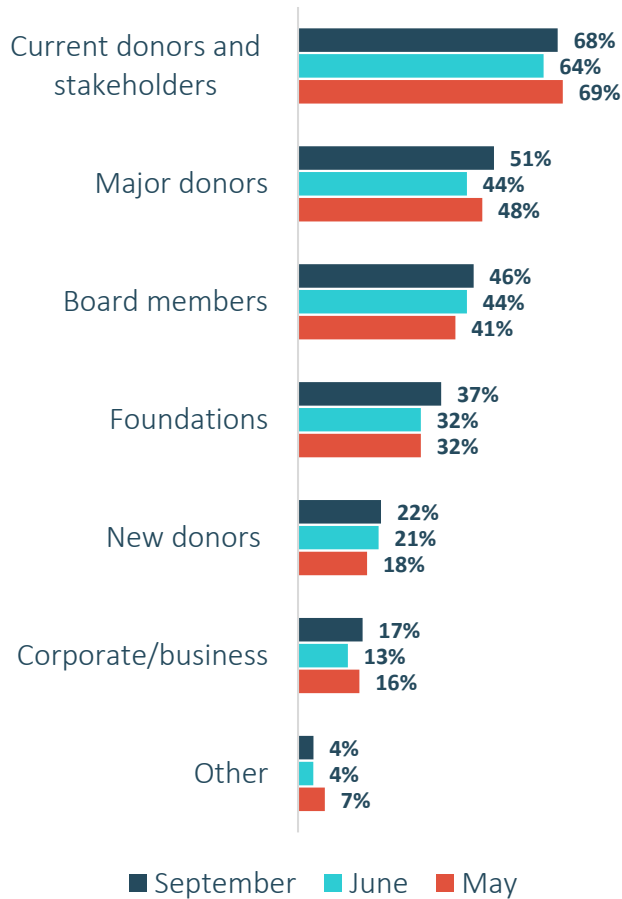


Respondents’ future expectations vary by fundraising program. Foundations, membership, and direct marketing programs garnered the highest levels of confidence, while respondents commonly expected decreases for special events, corporate, and annual appeal programs.

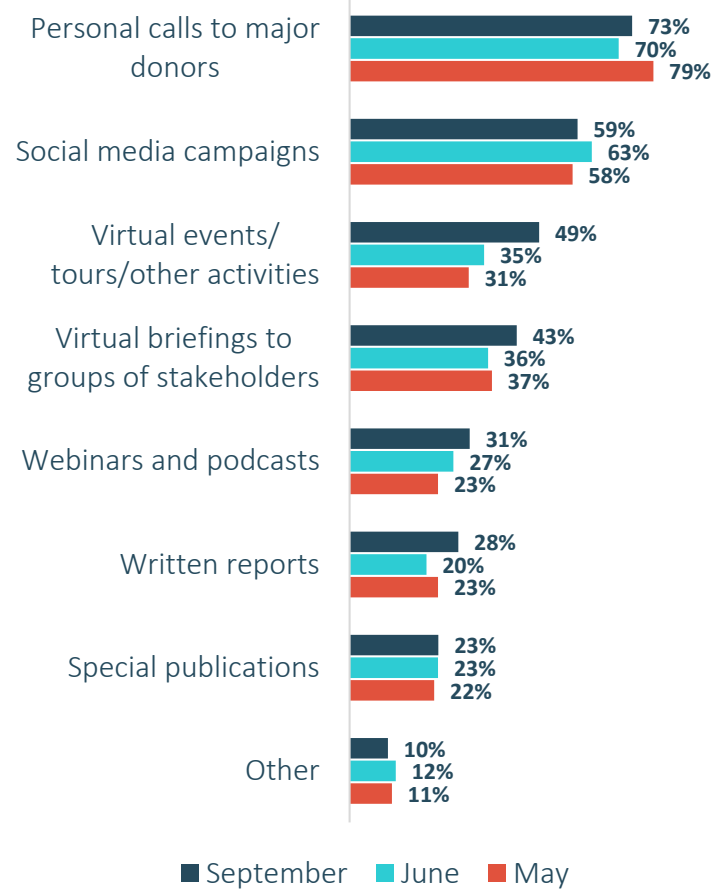
EMBRACING NEW TACTICS

Primary Sources of Support and Methods Since the COVID-19 Crisis

PRIMARY SOURCES OF SUPPORT



PRIMARY METHODS OF DONOR ENGAGEMENT AND CULTIVATION



In both survey questions above, most answer choices saw an increased percentage of respondents selecting it compared to previous surveys. These data points may suggest increasing comfort with and activity around new methods of engagement and their application across a broader array of funders as the pandemic continues.

Amid a landscape of overall increased reporting for primary methods of donor engagement and cultivation, virtual methods stand out as having disproportionately high increases. The proportion of respondents who cited virtual briefings as a primary engagement/cultivation method **jumped 7 percentage points** from June to September. The rise for virtual events, tours, and other activities was more dramatic, with a **14-percentage-point jump** from June to September. Additionally, written reports—not an explicitly virtual method—**increased in frequency by 8 percentage points** since June.

EMBRACING NEW TACTICS

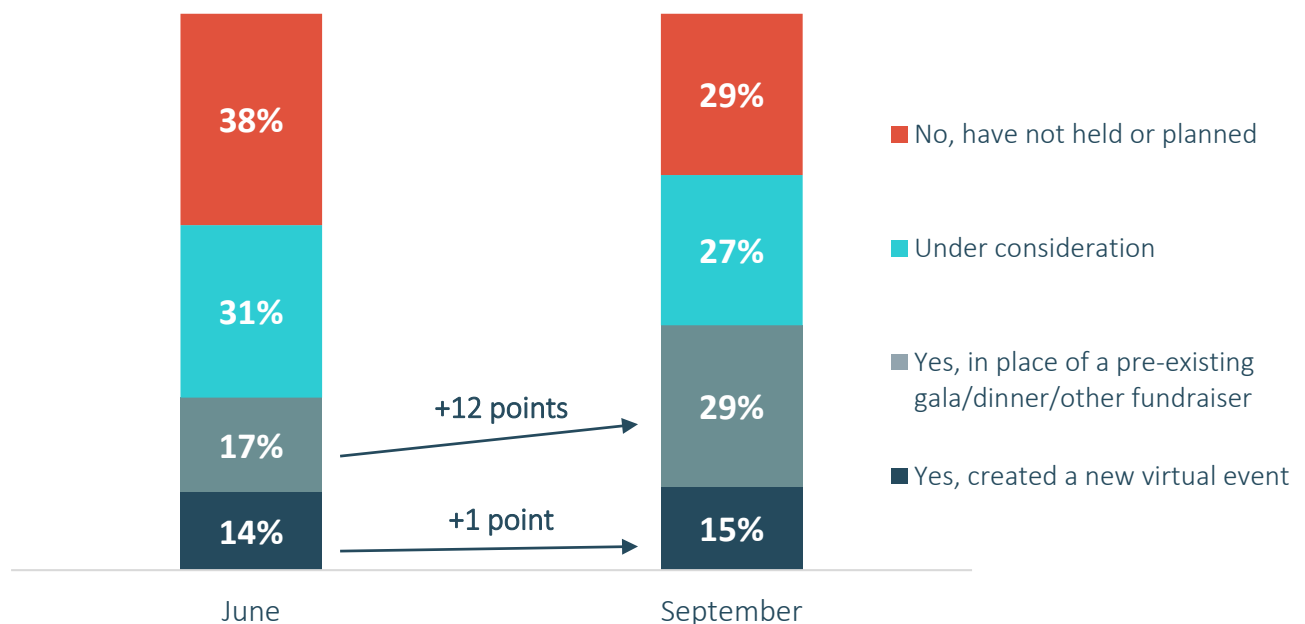
Online Fundraising Events

PERCENTAGE OF RESPONDENTS HOLDING AN ONLINE FUNDRAISING EVENT



Between June and September, the proportion of respondents whose organization held an online fundraising event **increased by 13 percentage points**.

ONLINE FUNDRAISING EVENTS (DETAILED)



This increase in online fundraising events was largely driven by more survey respondents converting pre-existing events into a new virtual format. This data suggests that as time goes on, nonprofits are more and more focused on transitioning their previous plans to new formats in an increasingly virtual world.

EMBRACING NEW TACTICS

Virtual Major Gift Solicitations

MAJOR GIFT SOLICITATIONS CONDUCTED VIRTUALLY



14%

Conducted via
video only



15%

Conducted via
phone only



14%

Conducted via both
phone and video



29%

Currently under
consideration

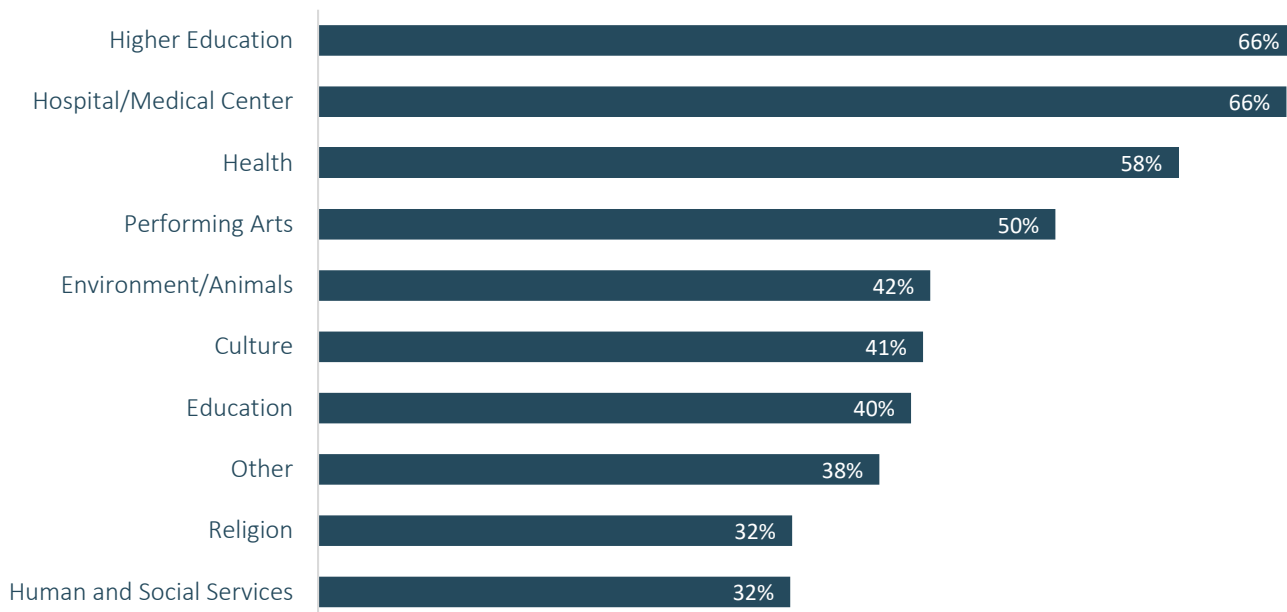


28%

No current plans for
major gift solicitation
virtually

A combined **43%** of respondents have conducted a major gift solicitation via phone, video, or both methods to date.

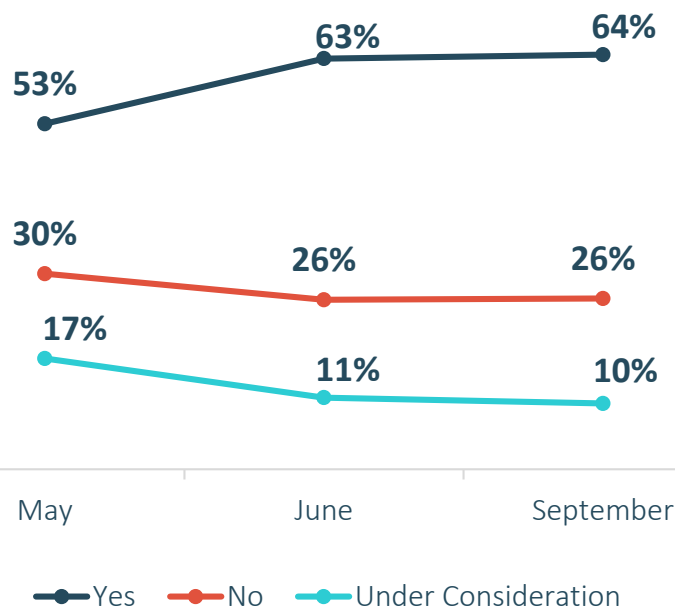
PERCENTAGE OF RESPONDENTS REPORTING A VIRTUAL MAJOR GIFT SOLICITATION (PHONE AND/OR VIDEO), BY SECTOR



EMBRACING NEW TACTICS

COVID-19 Response Appeals and Unrestricted Funding Changes

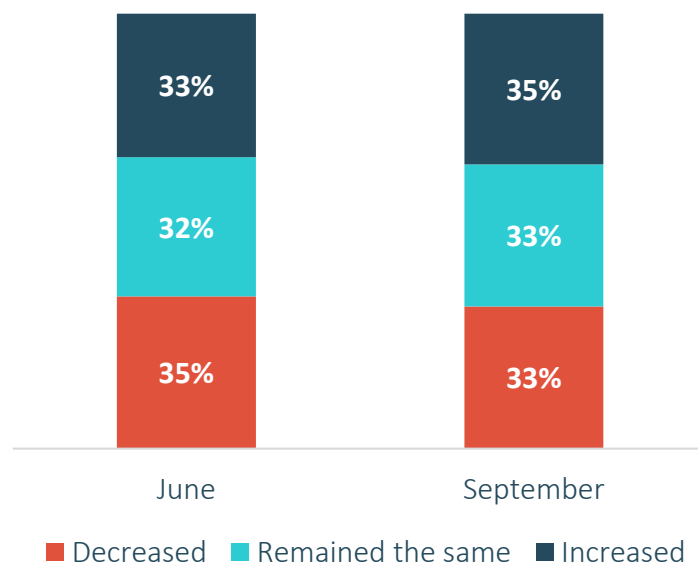
LAUNCHED AN EMERGENCY OR SPECIAL APPEAL RESPONDING TO COVID-19



September results indicate that as we move away from a time of immediate crisis, nonprofits are tending not to launch new COVID-19-related appeals. Between June and September, almost the same proportion of survey respondents said that they had launched an emergency or COVID-19 response appeal, compared to a 10-percentage-point increase from May to June.

CHANGES IN UNRESTRICTED FUNDING AMID COVID-19

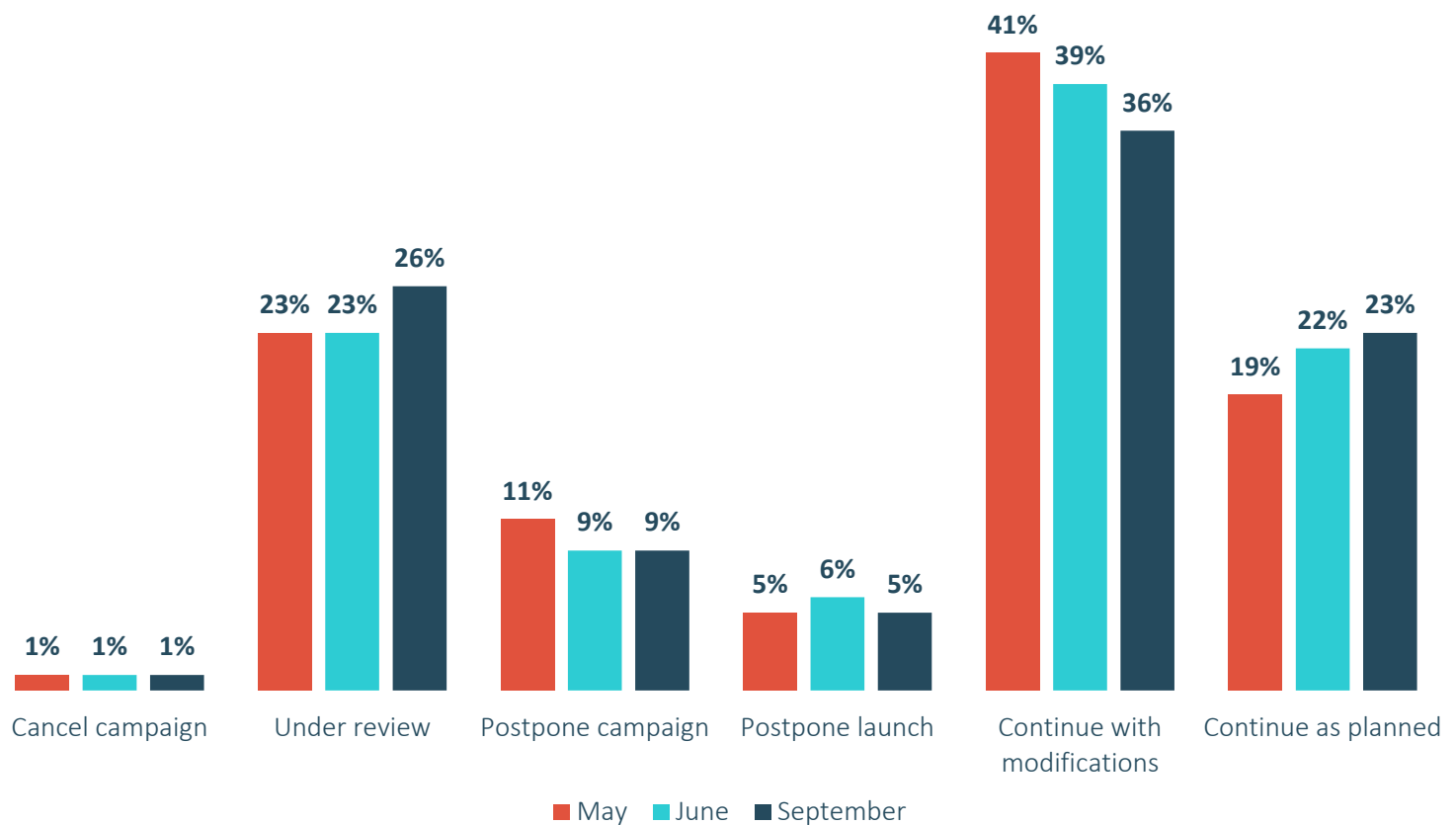
September respondents were nearly evenly divided between those who had seen unrestricted funding levels increase, decrease, and remain the same as before the pandemic.



ADAPTING TO DISRUPTION

Major Capital or Comprehensive Campaigns

CHANGES TO CURRENT OR PLANNED MAJOR CAPITAL OR COMPREHENSIVE CAMPAIGNS



As in previous surveys, most respondents with plans for a major capital or comprehensive campaign are continuing either as previously planned or with modifications. As of our September survey, a **combined 59%** reported some level of continuation, while **only 1%** reported cancelling.

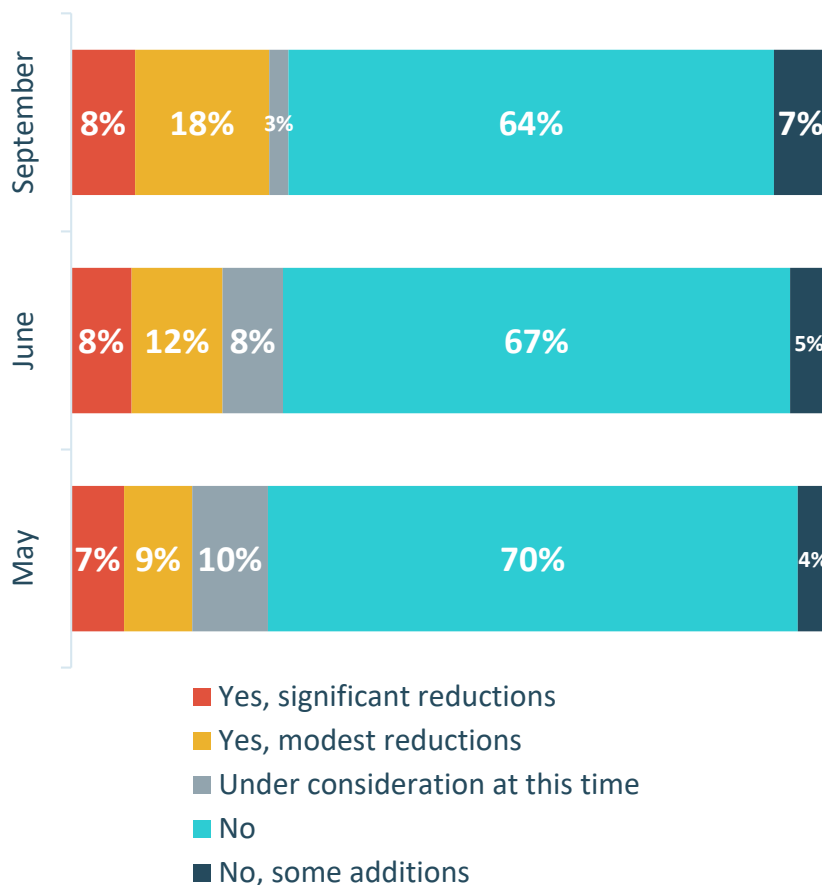


In addition to the responses on existing campaign plans represented above, **89 respondents** in September reported kicking off a new campaign, representing 6% of all survey participants.

ADAPTING TO DISRUPTION

Resourcing Adjustments

FUNDRAISING STAFF LAYOFFS AND FURLOUGHS

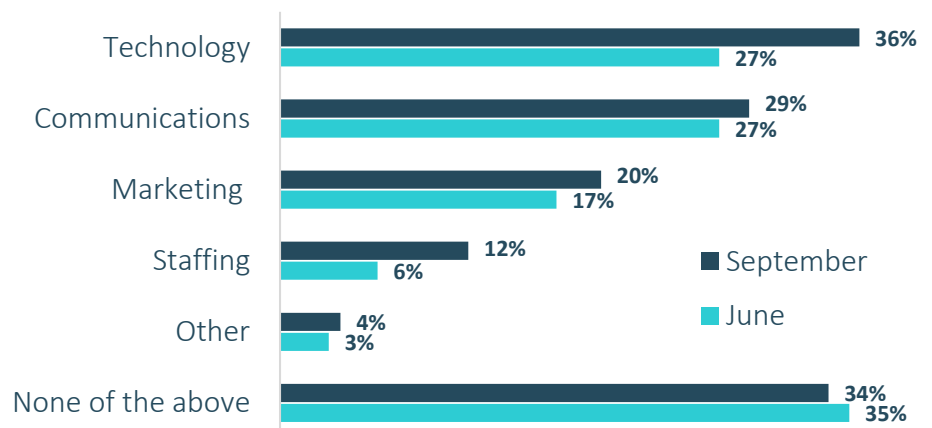


As of September 16, a **combined 26% of respondents** reported either significant or modest fundraising staff reductions at their organization.

Reports of layoffs/furloughs and reports of new hiring have simultaneously increased since our first survey that closed May 1. Unfortunately, staff reductions grew in frequency at a higher rate than staff additions: between May and September, reports of layoffs/furloughs **increased by 10 percentage points** whereas reports of staff additions **increased by 3 percentage points**.

AREAS OF ADDING FUNDRAISING RESOURCES

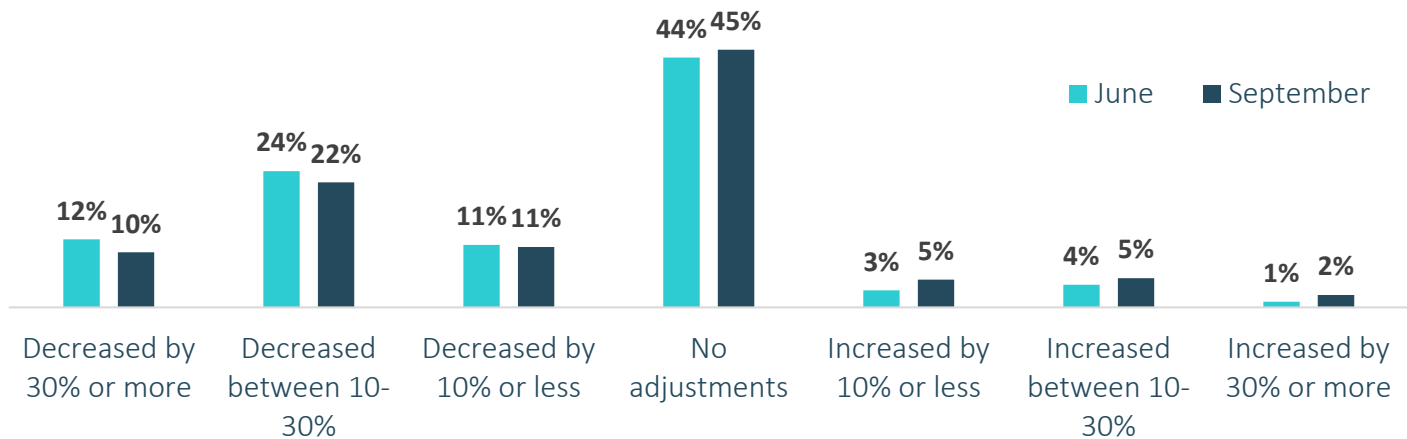
Respondents who are adding fundraising resources most frequently reported investing in technology and communications. All resource categories received a greater proportion of responses in September than in June.



ADAPTING TO DISRUPTION

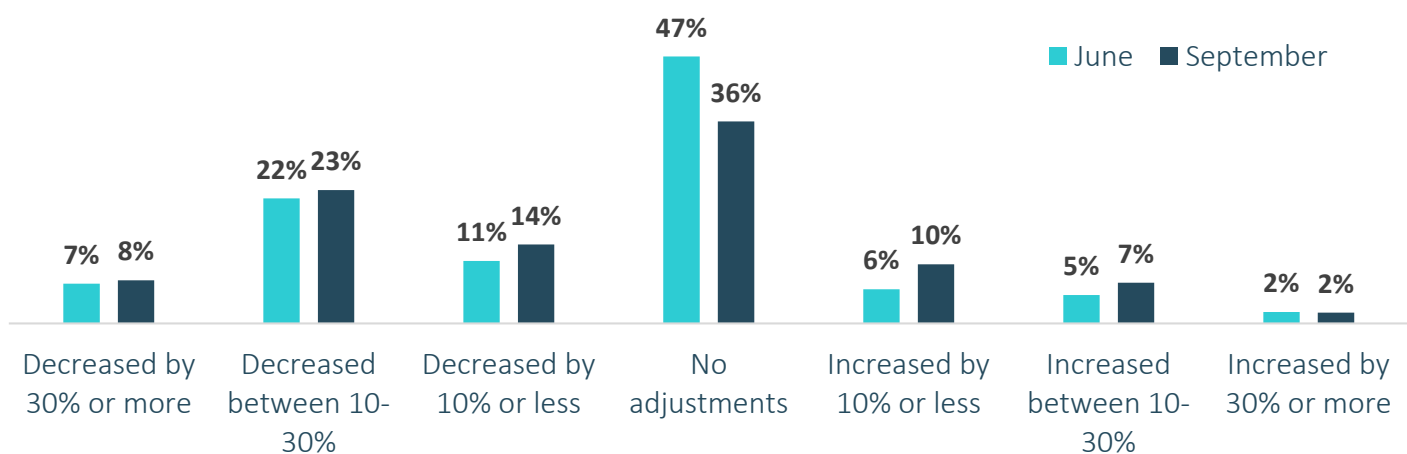
Fiscal Year Fundraising Goals

ADJUSTMENTS TO FUNDRAISING GOALS: FY 2020



As we near the end of calendar year 2020 and many organizations have already closed their fiscal year, there was little change in reported adjustments to fiscal year 2020 goals between June and September.

ADJUSTMENTS TO FUNDRAISING GOALS: FY 2021



Respondents more frequently reported changing their fiscal year 2021 goals in our September survey than in our June survey. Only 36% of respondents to our most recent survey reported no adjustments. This represents an **11-percentage-point decrease** from June. Most respondents who adjusted their goals did so downwards, while almost one-fifth of respondents increased their goals.

About CCS

CCS Fundraising is a strategic consulting firm that partners with nonprofits, providing a wide range of services that support and strengthen their fundraising programs. Founded in 1947, CCS operates in more than a dozen offices in countries around the world.

The firm's experts—skilled in campaign and development strategy—work closely with organizations of all sizes across nonprofit sectors. For more information, visit ccsfundraising.com.

CCS Fundraising is an active corporate member and strategic partner of many prominent philanthropic membership organizations including:

- Founding member and major support partner of the Giving Institute and Giving USA
- Association of Healthcare Professionals
- Association of Fundraising Professionals
- Council for Advancement and Support of Education (CASE)
- International Catholic Stewardship Council

About This Report

This report was generated based upon data collected via an online questionnaire administered by CCS Fundraising between the dates of September 9 and September 16, 2020.

All responses were submitted voluntarily and represent reflections from 1,373 professionals at nonprofits both within and outside of the United States. Their sector representation is outlined in the list on the right.

Percentages have been rounded throughout the report, which, in some cases, leads to a total that does not equal 100.

Sector	Responses
Advocacy*	25
Association*	15
Cultural	86
Education	428
Environment/Animals	57
Health	65
Higher Education	106
Hospital/Medical Center	77
Human and Social Services	219
International Affairs*	6
Other*	114
Performing Arts	60
Public Society Benefit*	25
Religion	90
Total	1,373

**Categories combined as "Other" in sector summary charts (Total: 185)*

