

# How Nonprofits Can Engage Donors During Giving Season

November 29th is GivingTuesday, a global generosity movement created in 2012 as “a day that encourages people to do good.”<sup>1</sup> Over the past 10 years, the movement has grown in year-over-year donation volume, reach and impact. In 2021, GivingTuesday in the United States alone totaled \$2.7 billion, representing a 9% increase compared to GivingTuesday 2020 and a 37% increase since 2019.<sup>2</sup> It has also become a popular time for individuals to make charitable contributions before the end of the year to achieve their charitable goals while helping to maximize their income tax savings.

Americans gave \$484.85 billion in 2021, a 4% increase from 2020,<sup>3</sup> with a significant percentage of that giving in November and December. The last two months of the year historically represent a surge in donations for nonprofits, starting with GivingTuesday and incorporating donations received through annual appeals. As more nonprofits are vying for a piece of the giving pie, the year-end not only seems an opportune time to review how your organization engages with donors but also emphasizes the importance of planning.

## What should your nonprofit consider?

- **Position your organization** properly with donors and constituents, which is especially important in the fourth quarter when there is more activity for year-end gifts. It’s the ideal time to “lead with impact,” says Susan Scauzzo, Managing Director at Schultz & Williams,<sup>4</sup> a nonprofit consultant, “to tell your story of how contributions made a difference last year.”
- **Share impact reports** or updates with your donors — before you send that email or letter asking for that year-end gift. No matter the type of nonprofit, you want to “put a face on the impact, literally or figuratively,” says Scauzzo.
- **Assess your staffing level.** A groundswell of donations can leave you with a staff bandwidth issue. Your staff has to process gifts, acknowledgment letters, tax forms and more. Further, nonprofit personnel should understand who the donors are to determine who may have capacity to give more. Donors may need to be engaged differently.
- **Customize your message** for each cohort of donor. Your annual appeal letter to existing donors may be different from the message you send to prospective donors. The same can be true for annual donors versus larger donors. The latter group would likely want to hear from someone in the benefiting organization as well as someone from your staff who manages that particular program.



<sup>1</sup> About Giving Tuesday, <https://www.givingtuesday.org/>.

<sup>2</sup> <https://www.givingtuesday.org/blog/millions-of-people-come-together-to-celebrate-generosity-share-kindness-and-drive-record-breaking-giving-on-givingtuesday-2021/>

<sup>3</sup> Charitable Giving Statistics. National Philanthropic Trust.

<sup>4</sup> Glenmede can help connect you to consulting firms to assist with your fundraising needs.



- **Reach out to noncash donors.** By donating their highly appreciated securities directly to a charity, many donors are able to avoid realizing the built-in capital gain and take a charitable deduction for the amount donated. Contact donors who made stock gifts in fourth-quarter 2021 to remind them of the benefits and the process, advises Rosemary Di Rita of Glenmede's Endowment & Foundation team. Similarly, it is important to contact donors who made a gift through a donor-advised fund (DAF) or qualified charitable distribution (QCD) from their IRA.
- **Review your online presence.** There are many ways for individuals and families to donate, and checkbook philanthropy is just one. Your website can be a fruitful source for donations. Online giving grew 9% in 2021, representing a three-year increase of 42%, according to the Blackbaud Institute 2021 Charitable Giving Report.<sup>5</sup> In fact, 28% of online contributions were made from a mobile device.
- **Review your educational materials available to donors.** Have information available on other gifting options, from highly appreciated securities, to QCDs from an IRA, to planned giving options. OneCause,<sup>6</sup> which provides fundraising solutions to nonprofits, recommends building a dedicated microsite or online page specifically for GivingTuesday content and other information. This page can house giving-related content throughout the year and be a place to share donor stories.
- **Use social media thoughtfully.** With the prevalence of social media, including paid social, it's relatively easy to craft a message and distribute it immediately — and repeatedly. This is a way for you to “build your follower base and reach your dedicated donors on the social channels that make sense” for your nonprofit.<sup>7</sup>
- **Be creative.** November and December represent what can be the most important months on the calendar for a nonprofit. Think about how you want to engage donors. Are you hosting a special holiday event or thank you party, for example?

## Conclusion

At this time of year, when every nonprofit is trying to maximize mission critical year-end gifts, being thoughtful and strategic about donor strategy is crucial. This planning doesn't start in the fourth quarter: Scauzzo emphasizes the importance of having a plan in place for the year and investing in fundraising programs at every level of giving. Don't neglect the smaller gift programs; every gift is important, no matter its size. And be mindful that the loyalty of annual donors is well documented. That annual donor who sends \$50 could very well be the same person who remembers your nonprofit in his or her will. It may sound cliché, but every gift counts.

*To learn more about how your nonprofit can engage donors, please contact your Glenmede Relationship Manager or email [PhilanthropicAdvisory@glenmede.com](mailto:PhilanthropicAdvisory@glenmede.com).*

<sup>5</sup> “Blackbaud Institute 2021 Charitable Giving Report Reveals Record Year for Generosity with 9% Growth in Giving.” February 15, 2022.

<sup>6</sup> The Ultimate Nonprofit's Guide to End-of-Year Giving.” OneCause.

<sup>7</sup> Ibid.

*This presentation is intended to provide a review of issues or topics of possible interest to Glenmede Trust Company clients and friends and is not intended as investment, tax or legal advice. It contains Glenmede's opinions, which may change after the date of publication. Information obtained from third-party sources is assumed reliable but is not verified. No outcome, including performance or tax consequences, is guaranteed, due to various risks and uncertainties.*