

2020 Online Giving Analysis and Strategic Considerations for 2021

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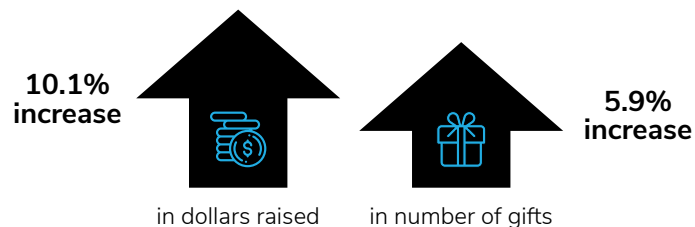


Each year, Anthology analyzes data from its advancement customers to identify the latest industry trends, uncover strategic insights and share success stories to help you refine online giving and engagement strategies.

The 2020 calendar year was unlike any other and giving to higher education was impacted by the pandemic. There continues to be uncertainty about charitable giving. To help inform giving strategies, Anthology analyzed online giving trends in 2020, as giving online continues to be a primary avenue of support of charities. Now in its sixth year of conducting this analysis, Anthology reviewed online giving data for 2019 and 2020 for a group of 220 higher education institutions.

Online Giving to Higher Education Institutions Increased by 10% in 2020

Each year of the analysis, higher education institutions have seen an increase in online giving, including in 2020—a year with much uncertainty about the level of support of higher education. Dollars raised grew by 10%, the same as in 2019—a 21% increase in dollars raised online compared to 2018.



Furthermore, online gifts also increased by 5.9% year-over-year, while the size of the average online gift grew to \$428, up from \$412 in 2019.

Public vs. Private Institution Online Giving Analysis

Institution Type	Number of Institutions	Change in Dollars Raised	Change in Number of Gifts	Average Gift Size	Change in Average Gift Size YOY
Four-year Public	88	11.1%	16.0%	\$377	-4.3%
Four-year Private	132	9.5%	-0.1%	\$464	9.7%

Four-year public institutions experienced a notable increase in the number of online donations compared to 2019 with a growth of 16%, while the number of donations among private institutions remained flat. In addition, public institutions outperformed their private counterparts in dollars raised online by nearly two percent. This continues a trend of public institutions seeing higher growth in support than private institutions, likely indicating that public institutions continue to grow advancement efforts. With

decreasing state support of higher education, fundraising continues to grow in importance, especially among public institutions.

However, private institutions continue to maintain a higher average gift size at \$464—increasing by nearly 10%, while the average online gift for four-year public institutions decreased by over four percent compared to 2019.

These data points can serve as benchmark data to compare your institution's online giving performance in 2020.

Giving During the Pandemic

The pandemic affected our lives in many ways, with personal circumstances changing for constituents across the country. Unlike natural disasters or similar events, all areas have been impacted by the pandemic. As students were leaving campus at the pandemic's onset, many institutions halted fundraising efforts, with a number pausing solicitation for several months.

Prior to the week of March 8, online giving was up by over \$3 million compared to 2019. However, between the week of March 8 and the week of May 3, online giving was down by over \$6.5 million compared to the same weeks in 2019. The week that GivingTuesday Now, a one-time concentrated global effort to bring additional relief and support during the pandemic, was held (the week of May 3), started a change in trend as online giving was \$2.5 million higher than the same week in 2019. Between the week of May 3 and the end of August 2020, online giving totals exceeded those from the prior year in all but two weeks, resulting in online donations that were over \$14.8 million higher than in 2019 between January 1 and August 30, leading to a total difference in online giving of over \$38 million in 2020.

Even with the economic uncertainty, there continues to be support for non-profits, as evidenced by the increase of online giving during the pandemic. With more people adjusting to giving online, online giving totals are likely to continue to grow, although perhaps not at the same level as during the pandemic.

To enable continued growth of online giving, institutions must continue to adjust and refine their engagement and fundraising strategies to meet constituent expectations. Below are important considerations that will help drive more support in 2021.

Providing Giving Options

Constituents expect to give to institutions in similar ways to how they shop online and more of those transactions are being completed using digital wallets, with estimates as high as 24% of all e-commerce spend¹ in the United States. Those same trends are apparent in donations to higher education as

¹www.globaltrademag.com/digital-wallet-usage-soars-in-a-post-pandemic-world-big-deals-in-venture-capital-ipos-and-ma-are-following-the-digits

Anthology customers saw more than 57,000 transactions completed with digital wallets, representing 5% of all online donations. In 2020, Anthology expanded digital wallet offerings to include ApplePay and GooglePay, in addition to PayPal and Venmo. Among organizations with digital wallets enabled, between 10% and 20% of transactions are made through digital wallets.

Digital Wallet Impact

Year	Customer Adoption	Total Transactions Through Digital Wallets	Dollars Processed
2019	66	37,500	\$8.3 million
2020	88	57,705	\$12.3 million
% change	33% increase	54% increase	48% increase

In the pandemic, there has likely been even more of a move to digital wallets as an alternative payment method, and for transactions across all levels of the economy. Therefore, it is increasingly important for constituents to have an easy way to make their gift from their mobile device, and digital wallets enable simple giving.

As it relates to online giving, while the average digital wallet gift of \$215 was lower than the average online gift of \$428, five donations of \$40,000 or more were made across the 88 customers using digital wallets. This highlights that digital wallets are also used for major gifts. On Days of Giving, the percentage of gifts made through digital wallets tends to be higher as more recent alumni and students donate—groups that are more likely to use digital wallets.

Email: Personalization and Relevancy

This continues to be a theme for building and deepening relationships with graduates and potential donors. Our inboxes are inundated with messaging; however, average email open rates for Encompass customers remain steady at around 20%. Therefore, constituents continue to engage via email, and institutions must focus on providing relevant, personalized content to their graduates. There is a link between email engagement and giving. In an alumni engagement study of more than 500,000 graduates, **individuals who engaged via email by opening an email or clicking on a link are three times as likely to make a gift** to the institution over three years.

However, institutions must do more to create and foster that email engagement. Personalized content makes the difference here—that is what brands deliver to consumers, and there is an expectation that one's alma mater provides a similar degree of personalization.

There seems to be a higher interest in information about supporting the institution and its students than before the pandemic when it comes to giving. In a national survey of more than 17,000 graduates conducted during the pandemic, information about supporting the institution was ranked fifth in interest compared to a survey of alumni in 2019, where that type of information was of the least interest. Individuals who expressed interest in giving to their alma mater during the pandemic were most interested in supporting student emergency funds, followed by supporting the annual fund. Institutions should continue to highlight the impact of annual fund support during the pandemic—perhaps making a stronger case for annual fund support than at other times. [See other findings here.](#)

Institutions have the opportunity to include information on when a donor last made a gift to encourage renewed support, for how many years in a row an individual has given, and much more. Imagine receiving an email providing information on how your support of a student scholarship made a difference through a current recipient's eyes. While featuring student scholarship recipients is prevalent, this can be taken to the next level by including the last gift amount and other personalization, such as including a student interested in the same career as the donor or from the same major or student organization.

Using Data

A key element for a more personalized communication and solicitation strategy is data—it's increasingly crucial that institutions track more and more data on graduates to increase the level of personalization. The next step is turning that data into action by identifying groups of individuals to focus on. One key way to use engagement metrics for solicitation is to review individuals who engage with the institution through email and other opportunities but are not regular donors. This type of data can help to identify new segments that can be targeted with different messaging based on their engagement, or affinity, with the institution. This allows institutions to spend more time on non-donors or long-lapsed donors who are more likely to give. The ability to track this type of information in the CRM is also important—as well as being able to see trends and move segments to the online engagement platform easily.

Engagement data on significant gift prospects can also clarify their affinity to the institution and what type of information is of interest to them. The prospect research team should review email data for major gift prospects to understand which emails and links they are engaging with, as that could provide additional context about their areas of interest.

Days of Giving and Gamification

Data is also helpful in preparing for the next Day of Giving. While much of the focus of Days of Giving is on broad-based support of the institution, in the current environment, institutions should consider

focusing more on individuals who are already engaging in some way with the institution. Given that the personal impact of the pandemic varies widely, and that engagement is an indicator of affinity, those who are engaging are more likely to support the institution and are less likely to unsubscribe from communications.

Rather than sending a series of emails to all graduates, this data can be used to limit broad communications to one, or at most two, during the Day of Giving. Additional segmented communications to more connected individuals can, instead, provide updates to smaller population segments throughout the day.

Days of Giving are an effective way to encourage support, and in 2020 Anthology customers continued to see great success with giving days, even amidst the pandemic. These initiatives encourage new donors to give to the institution while attracting repeat donors because of the focused attention on giving and the perceived more significant impact that their gift may have.

On #GivingTuesday 2020, a record-breaking \$2.47 billion was raised in one day from 34.8 million donors. This was an increase of 29% in donors compared to 2019. Anthology customers using the Encompass platform also broke records, raising in excess of \$10.5 million, a 37% increase from the previous year. Plus, the number of donations grew by 48% to nearly 47,000 gifts made through Encompass on GivingTuesday. More than 23 million emails were sent through the platform during the 24 hours, highlighting the importance of email communications in solicitation efforts for GivingTuesday.

While Days of Giving using gamification to encourage support have become the norm in higher education, there are also ways that institutions can successfully incorporate gamification into campaigns year-round to create excitement and encourage participation.

Success Stories

SPELMAN COLLEGE

Spelman College utilized gamification for the end-of-fiscal-year campaign, The Road to June 30th. As the final campaign for FY20, the team challenged each of their main alumnae regions (Northeast; South Central & Southeast; Western & Far West; and the Great Lakes) to compete based on participation rates. Leaderboards, maps and an honor roll were included to create excitement and encourage competition. As a result, dollars and donors increased—with a 260% increase in gifts and a 287% growth in dollars to nearly \$550,000 at the end of the fiscal year.

This campaign, which was primarily email focused—with some emails including videos from students and alumnae and others that focused on rallying alumnae, helped bring in additional donors and funds raised. With the inclusion of gamification, the year-end campaign helped Spelman College reach 33% alumnae participation, exceeding the goal.

KNOX COLLEGE

Knox's day of giving, Knox Proud Day was initially scheduled for early April but was moved to the middle of June given the pandemic. The Knox team knew that they needed to adjust messaging and communication strategies and focused on a theme of why the world needs liberal arts graduates. The team also added many new segments to better target communications—emails were sent from individuals across campus to create more touchpoints. Overall, this led to a more personalized donor experience and reduced potential unsubscribes. Knox surpassed the donor goal by exceeding 800 donors with more than 2,600 individuals supporting the College on Knox Proud Day, raising in excess of \$1.4 million. Plus, more than 300 alumni attended a virtual event, and upwards of 50 people were volunteers or challenge donors.

2021 Trends

As we look ahead to this year and consider the implications of the COVID-19 pandemic, advancement teams and higher education must continue to remain agile.

What can we expect in 2021?

» **Continued growth in online giving**

Constituents have become increasingly used to giving online across all demographic groups, and while the pandemic probably encouraged more people to give online rather than via mail, the trend is likely to continue.

» **Increased focus on using data to adjust communications and strategy**

Advancement offices need to do more with less, while constituent expectations are for increasingly personalized touchpoints. Data and engagement analytics can help to identify groups on which to invest more time and resources and other groups of graduates with which there may be less opportunity.

» **Further growth in digital wallet usage**

The expectation of mobile payment availability will continue to grow as constituents continue to move toward mobile giving.

» **Days of Giving returning to pre-pandemic levels**

Institutions that paused Days of Giving in 2020 due to the pandemic are likely to reintroduce these opportunities to foster support in 2021. While leaderboards and similar competitions may not play as large a part in these, other gamification elements should be used to build excitement.

For more information about giving and engagement solutions with Anthology, please [contact our team](#). Current Anthology customers should reach out to their Customer Experience Manager for more information about maximizing your efforts with Anthology's Advancement Solutions.

About the Analysis

Anthology compared educational fundraising activity of customers between calendar years 2019 and 2020. Institutions included in the analysis used the Encompass platform for online giving transactions throughout the 2019 and 2020 calendar years. This data set included 220 four-year, public and private higher education institutions across the United States.

About the Author

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Mirko Widenhorn, Ed.D., joined the Anthology team in July of 2013, bringing more than 11 years of higher education experience and currently serves as Senior Director of Engagement Strategy. At Anthology, he works closely with customers on engagement scoring and related opportunities. Prior to joining the company, he served as the Director of Alumni Relations and Annual Giving at Wilkes University. Mirko is a Drew University graduate and recently completed his Ed.D. in higher education administration at Wilkes University, focusing on whether giving differs based on participation in different types of alumni programming.

About Anthology

Campus Labs, Campus Management and iModules have joined together to form Anthology. We exist to help higher education advance and thrive. Through a connected data experience that offers a holistic view, creates efficiencies, and provides intelligence, Anthology inspires constituents to reach their full potential using technology insights in admission and enrollment management; student success and retention; institutional and learning effectiveness; alumni and advancement; and enterprise applications and infrastructure. Anthology partners with more than 2,100 colleges and institutions in over 30 countries to address the needs of all constituents in higher education. Visit us at www.anthology.com.