# Table of Contents

**Executive Summary**
- Overall Findings .............................................................................. 3
- Top Goals & Challenges .................................................................. 4
- Engagement/Retention .................................................................... 4
- Reporting ....................................................................................... 4
- Web/Mobile/Social .......................................................................... 5
- Technology .................................................................................... 5

**Methodology** .................................................................................. 6

**Demographics** ................................................................................ 7
- Regions ............................................................................................ 7
- Job Role .......................................................................................... 7
- Organisation Type ............................................................................ 8
- Organisation Size ............................................................................ 8

**Performance** ................................................................................... 9
- Donor Retention ............................................................................. 9
- Donor Engagement ......................................................................... 10
- In Their Own Words ....................................................................... 12
- Fundraising Channels .................................................................... 14

**Technology** .................................................................................... 15
- Donor Management Systems ............................................................. 15
- Integration ....................................................................................... 16

**Web/Mobile/Social** ......................................................................... 17
- Website .......................................................................................... 17
- Mobile Giving ................................................................................. 18
- Social Media .................................................................................. 19

**Goals** ............................................................................................... 20
- Most Important Goals .................................................................... 20
- Greatest Challenges ....................................................................... 20
- Looking Forward ............................................................................ 21

**Next Steps** ..................................................................................... 22
- Goals/Challenges .......................................................................... 22
- Measurement/Reporting ................................................................ 22
- Web/Mobile/Social ....................................................................... 22
- Technology .................................................................................... 23

**About ASI** ........................................................................................ 24
EXECUTIVE SUMMARY

ASI is proud to present our second annual Global Benchmark Report on Fundraising Performance, which explores the results, challenges, and goals of not-for-profits across North America, Europe/Middle East/India/Africa (EMEIA), and Asia-Pacific. The survey was conducted in mid-to-late 2015 and includes responses from 465 fundraising executives. In conducting our analysis of the data, we observed certain key trends/characteristics of some of the most successful organisations in terms of retention and growth; where relevant, we include these findings as well.

OVERALL FINDINGS

In ASI’s 2015 fundraising performance survey, it was clear that not-for-profits were beginning to understand the power of donor engagement. In 2016, engagement remains one of the respondents’ top goals and there are signs that this focus — as well as increasing mobile/online options, replacing outdated donor management systems (DMS), and updating the website — is having an impact on one of the most critical metrics for today’s not-for-profits: donor retention.

Nearly one-third of all respondents have a 76% or greater overall retention rate. 51% saw an increase in their donor base and 49% have seen increases in engagement.

51% of Respondents Saw Growth in Their Donor Base and 49% Have Seen Increases in Engagement.

While many organisations are taking the necessary actions to achieve their goals and overcome stated challenges, not everyone has gotten the memo. Inadequate integration of the donor database/website and an inability to measure donor engagement continue to plague too many not-for-profits.

The overall tone of this year’s survey was very hopeful: nearly a half of all respondents reported they are very optimistic about their future over the next 5 years.
EXECUTIVE SUMMARY

TOP GOALS & CHALLENGES
Before even increasing engagement and retention, not-for-profit executives are most concerned about acquiring new donors. One of the best ways to cost-effectively attract new donors is to integrate the database and website using a centralised donor management system. This can ensure that operations are aligned with the core business strategy and put the organisation on a path to long-term, continuous performance improvement.

**TOP GOALS:**
Acquiring new donors and increasing donor engagement and retention.

**TOP CHALLENGES:**
Inadequate integration between the database/website and an inability to measure donor engagement.

ENGAGEMENT/RETENTION
While retention is a top goal for not-for-profits, the fact that nearly a half (48%) have seen declining or stagnant retention rates in the past year seems to indicate that they have not yet found the optimal methods to support that objective.

Engagement is vital to retaining donors, but only one-third (32%) of respondents currently have a formal plan to measure it. A centralised donor management system that integrates data with the website could provide vital intelligence.

Of the most successful organisations with 76+% retention rates:
- 51% have increased overall engagement
- 58% upgraded their donor management system in the last 2 years
- 65% redesigned their website within the past 2 years
- 40% used Responsive Web Design (RWD)

REPORTING
Too many executives checked the “Don’t Know” box when it came to specific questions about engagement, retention, and online transactions. To enhance reporting capabilities, not-for-profits should explore the latest donor management systems on the market. New options are available that allow organisations to test systems in a real-world environment with their own data and processes to determine their specific needs before deciding to invest.
**EXECUTIVE SUMMARY**

**WEB/MOBILE/SOCIAL**

65% of the most successful organisations (those with 76+% retention) redesigned their website within the past 2 years and 40% used Responsive Web Design (RWD) — an exceptional cost- and time-saver.

There’s been a considerable increase in mobile/online transactions over the past year. Of the not-for-profits that processed more than a half of their new donations and renewals online, 66% grew their base and 57% increased overall engagement.

While Facebook, Twitter, LinkedIn, and YouTube are used pretty extensively, social media is not regarded as a highly effective channel for new donors or renewals.

**TECHNOLOGY**

The most successful not-for-profits ensure their business strategy drives their technology investments — they continuously learn about themselves from their operational activities. One of the best ways to do this is with a centralised management system that integrates donor data with the website. The 2016 survey shows that many not-for-profits already understand this: 58% of the most successful organisations (those with 76+% retention) revealed they have upgraded their donor management system within the past two years.

Of Those Not-for-Profits Processing More Than a Half of All New Donations/Renewals Online, 66% Saw Their Contributor Base Grow and 57% Increased Overall Engagement.

49% of Survey Participants are Very Confident/Optimistic About Their Future Growth and Sustainability in the Next 5 Years.
Advanced Solutions International launched its second annual global benchmark survey on fundraising performance in mid-to-late 2015. The company surveyed not-for-profit organisations to uncover the latest trends in operational performance and to determine any significant shifts from those reported in the previous year. Surveys were distributed via email to executives at not-for-profits of all sizes and sectors in the Asia-Pacific region, Canada, Europe/Middle East/India/Africa (EMEIA), the United States, and Rest of World (ROW).

The survey consisted of 23 questions spanning 5 primary interest areas:

- Demographics
- Performance
- Technology
- Website/Mobile/Social
- Goals

The following findings reflect 465 global responses to the survey questions. This report provides 2016 results as well as relevant comparisons to 2015 survey findings. Where relevant, the report also includes observations regarding key trends/characteristics of some of the most successful organisations in terms of retention and growth.

**ABOUT ASI**

Advanced Solutions International, the provider of the iMIS 20 Engagement Management System (EMS)™, is a recognised global, industry thought leader that focuses on helping associations and not-for-profits increase operational and financial performance through the use of best practices, proven solutions, and ongoing client advisement. Since 1991, ASI has served nearly 4,000 clients and millions of users worldwide, both directly and indirectly through a network of more than 100 partners, and currently maintains corporate offices in the USA, UK, Canada, and Australia.
Participants provided demographic information regarding their organisational size, functional roles, industry sectors, and location.

**REGIONS**

The 2016 Global Benchmark Report on Fundraising Performance is based on results from an online survey of not-for-profit executives from the Asia-Pacific region, Canada, EMEIA, the United States, and ROW. Just one-quarter (23%) of respondents were from the USA, reflecting a large increase from other regions this year, including almost a half (46%) from Asia-Pacific. The remainder included 20% from EMEIA, 10% from Canada, and 1% ROW.

**JOB ROLE**

This year, the survey included a greater mix of participants. More than half (56%) of all respondents serve in development or fundraising roles. This is followed by about one-quarter (26%) in executive positions, 7% in finance, 6% in marketing/communications, and the remainder in technology and other roles.
DEMOGRAPHICS

ORGANISATION TYPE

Once again, the largest group of respondents was from the Social Services sector (32%) followed by Advocacy with 18%. Faith-based organisations increased their participation this year with 11%, followed by Foundations and Arts/Cultural with 9% and 8% respectively. The remainder was composed of Civil/Social, Education, Public Broadcasting, and Other.

ORGANISATION SIZE

Annual budgets in 2016 remained pretty constant with 2015 levels, ranging from less than US$1 million to more than $100 million. Nearly a half (48%) were mid-sized with budgets between $2.5 million and $25 million. One-third (35%) were smaller not-for-profits with budgets at or below $2.4 million. There was a slight uptick in the number of very large organisations with more than $25 million (17%).
This section of the survey was expanded in 2016 to include additional questions about how organisations improved their donor retention, acquisitions, and engagement.

The first question asked about changes participants had seen in their overall number of donors over the past year; results declined from 2015 rates. Slightly more than half (51%) reported that their donor base had increased, down from 60% last year. One-quarter (24%) responded that their base had actually decreased (up from 19% in 2015). Those with stagnant bases increased from 16% to 19% in 2016. And, the number of those who couldn’t answer the question went from 5% in 2015 to 6% in 2016. Overall, there is a somewhat downward trend but not a serious one.

DONOR RETENTION

The change in donor retention rates also saw a decline in 2016. Nearly a half of all respondents (48%) reported that retention was either stagnant (32%) or had decreased (16%) in the past year. Nearly one-third (31%) saw an increase (down from 35% in 2015) and 21% still don’t know the answer (up from 20% in 2015). This may point to a lack of adequate reporting tools or measurement capabilities that aren’t being optimised. With the cost of acquiring new donors continuing to rise, it’s important that organisations closely monitor retention trends so they can keep the donors they’ve worked so hard to attract.

51% Saw Growth in the Donor Base.
As the conversation turned to measuring their overall retention rate, the news was still troubling. Nearly one-third (31%) did not know their retention rate — a slight uptick from 2015. Retention rates are critical indicators of an organisation’s future viability and must be factored into key business decisions. Only one-third were able to hold on to 76% or more of their base; another third had retention rates ranging from 11% to 75%. And 6% of all respondents retained fewer than 10% of their donors.

**DONOR ENGAGEMENT**

There’s an obvious correlation between donor engagement and retention rates — could a lack of visibility into engagement levels spell trouble for fundraising organisations?

2016 donor engagement rates increased for nearly half of all respondents (49%), which is up from 47% in 2015. But the rate remained stagnant for nearly one-quarter of respondents (22%). A small group (5%) saw it decrease, which is down slightly from 7% last year. Yet, the number of those who couldn’t answer the question remained constant at 24%. Without a way to reliably measure engagement, not-for-profits could face lower retention rates, resulting in decreased revenue. It’s an area executives need to study before it’s too late to save those donors who are on the fringes.
And, there may be more room for concern. In 2015, the survey asked if respondents had an engagement plan and 83% reported they did. In 2016, the survey posed a slightly different question: ‘Do you have a formal plan to measure donor engagement?’ and the number of “Yes” responses dropped to just 32%. It’s not enough to have a plan; it’s vital to also track how well it’s working. Any way you slice it, all not-for-profits need to implement a measurable engagement plan as soon as possible.

Those with an engagement plan reported on how they feel it’s helped their organisation. 76% say it’s increased donation levels, 58% see that it’s improved retention rates, 56% believe it’s helped with attendance at events, and nearly the same number (54%) note that it has boosted social media participation.

76% of Those With an Engagement Plan Say it’s Increased Their Donation Levels.
IN THEIR OWN WORDS

Here’s what respondents from around the world had to say in their own words when asked to describe their engagement plan. As you can see, some plans are simple and straightforward, while others are more complex:

“Change to integrated fundraising. Fundraising team is more aware of a donor with multiple connections with the organisation (i.e., an event donor can also be a monthly donor or legacy giving donor, etc.) Lead staff have been assigned to each donor with the knowledge that they connect with the organisation in multiple ways. This leads us to integrated cultivation, solicitation and stewardship. Our engagement plan also includes specific tactics to increase engagement of major gift, monthly donors, and legacy donors through audience specific strategic plan sessions to further engage these diverse donors appropriately.”

“Depending on the point of entry, we tailor our donor engagement, providing a range of activities and opportunities throughout the year. We involve different stakeholders in the acknowledgement of gifts, dependent on level and nature.”

“Annual survey, regular updates, in-depth PCAs, annual supporter conference and focus groups.”

“Based on database stats, regular quarterly newsletter, use of Facebook.”

“Dedicated account managers, project visits, regular reports and updates, personal touch, CEO and Board engagement/access.”
“Increase the yield of the existing individual donor base by 10%, increase the Regular Giving pool by 20%, increase the engagement of third-party events and participation in peer-2-peer initiatives, develop a new major event/campaign to attract new base of donors to circumvent aging donor base.”

“We use affinity groups to engage and track active participation.”

“Donor Stewardship strategy has been developed with multiple touchpoints from specialised events to surveys to reporting back in the annual program. Second gift rates closely monitored.”

“Measuring number of donors attending events; donor retention; increase or decrease in donation, etc.”

“We measure engagement with Nielsen data on listening trends, as well as stats for online streaming, web traffic, app downloads, event attendance, and email open rates.”

“Top 100 donors have a structured plan. Remainder have a broad strategy of mailings, impact statements and invitations to events and donor tours.”

“Not yet formalised but have in mind measuring social media interactivity by donors with the charity, responses to our E-newsletter and annual published Impact Report and Newsletter. Decrease in complaints, increase in giving — money or gifts/services in kind.”
FUNDRAISING CHANNELS

Another new question in 2016 asked about the effectiveness of certain fundraising channels to attract new donors. Respondents ranked the channels on a scale of 1 to 5, with 5 being the highest. Not surprisingly, Word-of-Mouth was the most effective. Peer-to-Peer Fundraising was second followed by Direct Mail and the Website. Telemarketing was considered less effective than even Advertising.

Then, the same sort of question was posed regarding donor renewals. Direct Mail was ranked the most effective channel followed by Word-of-Mouth. Email and Peer-to-Peer Fundraising were nearly tied for third place. In this case, Telemarketing ranked higher than Advertising, but only by a small margin.
For not-for-profits to reach their full potential, technology investment needs to align with the business strategy. But, this is often not the case. When it’s out of alignment and doesn’t meet core objectives, it can make life difficult for everyone. When it does align, technology can make the entire organisation work better.

**DONOR MANAGEMENT SYSTEMS**

Three-quarters of survey participants (74%) reveal they use multiple systems to manage their donor data and websites. The remaining one-quarter (26%) have integrated this into a single, centralised system for greater efficiency — up from just 22% in 2015. While this is only a slight improvement, it is a positive sign. Multiple, disparate systems can be very difficult to manage and very expensive to maintain, particularly if they have been extensively customised.

Technology changes very rapidly and it’s important that fundraising organisations keep up. The average donor management system (DMS) will be used for 7 to 10 years — so regular updates are critical. While one-third (33%) reported their last major upgrade was conducted within the last year, just one-quarter (25%) say it has been between 1 and 2 years. 42% admit it’s been at least 3 — and perhaps as many as 5 years — since their last major upgrade. This rate is virtually unchanged from 2015.
INTEGRATION

Integration between donor data and the organisation’s website(s) is critical to creating and maintaining a vibrant web experience that’s personalised to donors’ interests. If donors don’t feel they are a vital part of the organisation’s mission, they could direct their contributions elsewhere. This integration is also critical to maximising staff efficiency (by eliminating manual tasks), improving donor communication and self-service options, and even improving cash flow.

When executives were asked to rank satisfaction with the integration between their donor management software system and website(s), there was a significant increase from 2015 rates. Only 17% were very/extremely dissatisfied (down from 45%), about one-quarter of respondents were satisfied, and the largest group (55%) were very/extremely satisfied.

Integrating Your Data With the Website is Critical to Creating a Vibrant, Personalised Web Experience for Donors.
WEBSITE

A not-for-profit’s website is a powerful and cost-effective source of revenue, donor engagement, and communications. But, it can also be time-consuming to keep it interesting, engaging, and personalised. And, mobile sites have added another level of complexity that can increase the burden on staff.

The good news is that more organisations have updated their websites. 44% reported they last redesigned their site within the past year, up from 36% in 2015. One-quarter (26%) updated their site in the past 1 to 2 years. But, for nearly another one-third (30%), it’s been at least 3 years (and more than 5 years for some) since they last made a significant modification. With today’s rapidly changing technology, 3 years without an update can leave a stale taste in the mouths of donors and other constituents. Without the benefits of a dynamic website, including self-service options, personalised content, and other useful communication tools, organisations could see a lag in donor loyalty, retention, and lifetime value.

For Highly Successful Organisations With 76+% Retention Rates, 65% Redesigned Their Website Within the Past 2 Years and 40% Used Responsive Web Design (RWD).

Good News: 44% Redesigned Their Websites in the Past Year.
MOBILE GIVING

Websites created using Responsive Web Design (RWD) can be easily viewed on any device (PC, smartphone, or tablet) without excessive scrolling and resizing. It’s an ideal solution for organisations that want to create content once and populate it across their various websites and avoid maintaining a separate mobile website.

In a rephrased question from 2015, the 2016 survey asked participants if their last website update used RWD. 39% responded “Yes” while 26% said “No.” More than one-third (35%) didn’t know. RWD is gaining in popularity and executives need to look at this very cost-effective and highly efficient option for their next website redesign.

As a follow up, executives were asked about the percentage of donations that are currently made online through their website or via a mobile device. More organisations are processing a greater percentage of their donations online — and with good reason. The data shows that, as organisations increase the percentage of donations online, they tend to see an increase in engagement and donor base growth.

For Highly Successful Organisations That Received More Than Half of all New Donations/Renewals Online, 66% Grew Their Donor Base and 57% Increased Overall Engagement.
**SOCIAL MEDIA**

Remarkably, nearly all survey respondents reported they use Facebook (98%). The vast majority also use Twitter (79%) and more than a half use YouTube and LinkedIn. Overall, though, not-for-profits don’t appear to be terribly impressed with the impact social media has on their organisations. Social media was ranked 6th on a list of the 8 most effective channels for new donor acquisitions and donor renewals. (See fundraising channel charts on page 14.)

98% of All Survey Respondents Reported They Use Facebook.
**MOST IMPORTANT GOALS**

This year’s participants were asked to rate their goals on a scale of 1 to 5, with 5 being highest. Not surprisingly, attracting more new donors was top-ranked (averaging 4.54), followed very closely by increasing donor retention (averaging 4.49) and engagement (4.44). Decreasing expenses was rated last — perhaps a sign that the outlook is improving for not-for-profits.

![Diagram showing goals]

**GREATEST CHALLENGES**

To reach their goals, not-for-profit professionals need to overcome various obstacles. ‘Inadequate integration between the DMS/website’ and ‘Inability to measure donor engagement’ tied for the top challenge (averaging 3.27 out of 5). ‘Inadequate integration between the DMS/social media’ nearly made it a three-way tie (averaging 3.25). A centralised database that integrates data and the websites is one of the best ways to address these issues.

![Diagram showing challenges]
LOOKING FORWARD

The 2016 survey ended with a new question and an eye to the future. Participants were asked how they feel about their growth and sustainability over the next 5 years and the response was pretty dramatic: A half (49%) were very confident or extremely optimistic, 41% were cautiously optimistic, and only 10% were cautious/concerned (none were extremely concerned). Let’s hope this is an accurate predictor of future success.

49% of Survey Participants are Very Confident/Optimistic About Their Future Growth and Sustainability in the Next 5 Years.
There are some valuable lessons executives can learn from this report:

**GOALS/CHALLENGES**
- To no one’s surprise, increasing new donors is the top goal of not-for-profits in 2016, followed very closely by increasing donor retention and engagement. These three are inextricably linked; boosting engagement will undoubtedly impact retention and attract new donors.
- To reach their goals, fundraising professionals need to overcome inadequate integration between their donor management system and their website. A centralised database with dashboards and other real-time reporting tools will help you make more informed business decisions.
- Participants generally have a very positive view of their organisations over the next 5 years; half of all respondents indicated they were very confident/optimistic and just 10% were cautious/concerned.

**MEASUREMENT/REPORTING**
- While improving new donor acquisition, retention, and engagement may be the top priorities, many organisations don’t know where they really stand with these metrics. 31% don’t know their overall retention rate in the past year and 24% can’t say how their engagement rate changed. It’s concerning that the ability to monitor these important numbers hasn’t improved from 2015 to 2016, either. The fact that so many executives still don’t have this data at their disposal is a problem that needs to be resolved.
- To make the best business decisions, fundraising executives should evaluate new systems that can manage their data and website, mobile, social, and more in one system to provide the real-time, accurate donor intelligence they need. New options are on the market that allow you to test systems in a real-world environment using your own data and processes before you invest. This should be a priority.

**WEB/MOBILE/SOCIAL**
- Redesigning your website with RWD can save time and money, reduce the burden on staff, and increase the lifetime value of your donors. 65% of the most successful organisations (those with 76+% retention) redesigned their website within the past 2 years.
- Using responsive web design to create your website is cost-effective and a time-saver. 40% of the organisations with exceptional retention...
rates (76+%) use RWD and some ASI clients have reported they’ve saved $50,000 or more with RWD by eliminating the need to create custom mobile applications. More not-for-profits need to explore this option.

• Online/mobile options are beginning to rise among not-for-profits — a positive development. Providing online/mobile options could keep your donors more active/engaged while they’re on the go — and help build additional revenue streams. 66% of highly successful organisations (those that received more than half of all new donations/renewals online) grew their donor base in the past year and 57% increased overall engagement rates.

TECHNOLOGY

• Technology investment needs to align with the organisation’s business strategy. But for many not-for-profits this is not the case and it’s causing inefficiency, cost overruns, and staff burnout.

• 74% revealed they use multiple systems to manage donor data and websites. Multiple, disparate systems are difficult to manage, are expensive to maintain, can decrease staff efficiency, and can make accurate reporting a nightmare. This is an area that not-for-profit executives need to closely examine.

• 58% of the most successful organisations (those with 76+% retention) revealed they’ve upgraded their donor management system within the last two years. A modern, efficient system can reduce costs, improve staff efficiency, increase engagement, and boost retention.

To address any of these issues within your own organisation, please contact ASI. We can help you align your strategy and operations, develop a technology roadmap, and put your organisation on the path to continuous performance improvement.

With the iMIS 20 Engagement Management System (EMS)™, you can manage donor data, online fundraising, email marketing, your website, and more in one seamless system. You can provide your donors with a highly personalised web experience and make it easy for them — and your staff — to connect, communicate, and collaborate with your organisation anytime, anywhere, from any device. Our innovative Success Partnership Program (SPP) offers a no-risk method to preview iMIS in a real-world environment, using your own data and processes. This helps you determine exactly what you need from a new system before investing.
Advanced Solutions International (ASI) is a recognised global, industry thought leader that focuses on helping associations and not-for-profits increase operational and financial performance through the use of best practices, proven solutions, and ongoing client advisement.

LOCATIONS

USA
901 N. Pitt Street
Suite 200
Alexandria, VA 22314
1-800-727-8682

Canada
251 Consumers Road
Suite 1404
Toronto, ON Canada
M2J 4R3
1-800-727-8682

Europe
2 Station Court
Imperial Wharf,
London SW6 2PY
0-203-267-0067

Asia-Pacific
Level 22
459 Collins Street
Melbourne VIC 3000
+61 3 9869 7500

We are the provider of iMIS 20, an Engagement Management System (EMS)™ that enables organisations to engage members, donors, and other constituents anytime, anywhere, from any device. We also have a global network of nearly 100 partners to provide you with a full range of services to implement and support your iMIS system.

CONNECT WITH US

North America: 800-727-8682
Europe: 0-203-267-0067
Asia-Pacific: +61 3 9869 7500

/advsol
@advsol
advanced-solutions-international-inc.
www.advsol.com