THE GIVING ENVIRONMENT:
NEW MODELS TO ENGAGE DONORS

Survey Research on US Donor Participation
Indiana University Lilly Family School of Philanthropy
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Network for Good helps small nonprofits cultivate donor relationships and advance their missions with simple, smart fundraising software, personal coaching, and online resources. A mission-driven, Certified B Corporation, Network for Good has supported 400,000+ nonprofit leaders since 2001 and has pioneered the online fundraising space, disbursing $4+ billion in donations to date.

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Introduction

In recent years, philanthropy has seen a rise and influx in digital channels for fundraising and donor engagement [1]. There are more opportunities now to reach broader and more audiences across local communities and the nation. Burgeoning technology and a digital economy have contributed to this significant change in giving behavior and opportunities [2]. As subscription-based purchasing becomes more common, businesses like Netflix and Dollar Shave Club are shaping consumer expectations around curated content and ongoing multi-channel engagement. Network for Good, our partner for this study, advises nonprofit organizations on digital fundraising tools and offers fundraising coaching as well. They feel that nonprofit organizations can take advantage of this shift in consumer behavior by offering subscription-based giving opportunities to donors and prospects.

It all starts with the value of the donor relationship. The U.S. nonprofit sector currently averages a 44% donor retention rate [3]. Imagine the impact on nonprofit organizations, their missions, and the sector, if nonprofits increased their average retention rate from 44% to that of the for-profit Subscription as a Service “SaaS”-based averages of 70%, or the 90%+ retention rate of companies like Netflix [5].

Subscription-based giving explores this opportunity and is a type of recurring giving model that is different from traditional methods of recurring, automatic donations. Most nonprofit organizations understand the value of recurring revenue and want more of it. The problem is that nonprofits generally tend to treat recurring donors the same as one-time donors and overlook the fact that these donors are truly invested in the future of the organization. Even calling it “recurring giving” causes insufficient framing from the start because the “set it and forget it” mentality implies that there is little to no additional stewardship. Subscription GivingSM builds on the tenants of recurring giving but adds best practices from modern SaaS programs.

Nonprofit organizations fulfill their side of the subscription by building a deeper relationship with the donor. They can do this through a steady stream of personalized, multi-channel communications designed to provide regular updates on programs and services, and their impacts on beneficiaries. Subscription donors, as opposed to traditional recurring donors, can also receive additional curated content and engagement opportunities, to grow and cultivate the relationship further. Nonprofit organizations may highlight different donation amounts for the subscription gift, allowing the donor to choose the best gift amount suited to their subscription.

While engagement and education are already the norm at many nonprofit organizations, communication and engagement for subscribed donors is designed to keep them updated with shorter, personalized content (email, video, text, etc.) on a regular basis. It underscores a present and ongoing relationship between the donor and the nonprofit organization, different from a one-time gift, multiple gifts, membership programs, or regular, automatic donations where majority of the donors are treated the same.

Cultivating subscription-based recurring donors is an opportunity for nonprofits, especially, to consider the dynamics of charitable giving. Research shows that giving behavior is in fact strongly dynamic over time [4]. The majority (87%) of Americans donated at least once across eight years. However, over three-fifths (62%) of these American donors changed their giving over time—either donating in some years but not others, or changing their donations from one purpose to another. This suggests the importance of cultivating recurring donors, which is the focus of this report. The data and analysis from the survey research for this study aim to examine how nonprofits can better engage donors through the subscription giving model.
This report is the third in The Giving Environment series. The goal of the series is to better understand giving behavior and donor participation of diverse individuals and communities, especially in recent years, during which time the United States experienced several political, economic, and societal changes.

Today, donor retention remains a challenge and an opportunity for many nonprofit organizations. The onset of virtual interactions and engagement due to the COVID-19 pandemic supports the need for enticing digital content that effectively presents nonprofit organizations’ impact and their ongoing need for support [5]. The second report in this series, Focus Group Research on US Donor Participation, highlighted the growing donor demand for increased engagement and education, and the need to demonstrate impact clearly. Subscription-based giving presents an opportunity to retain donors through curated content and engagement. The model also helps nonprofit organizations develop best practices and a strong culture around more personalized donor relationships and engagement that complements the organization’s efforts and mission.

Overview of Survey Research

Our goals and purpose for this research study focused on a novel and engaging way to retain donors and identify factors and donor preferences that influence their decision to support nonprofit organizations through recurring contributions. Additionally, this study also examines donor perspectives on various motivations and incentives for giving, such as unique and exclusive content, and how it affects their decision to subscribe to a nonprofit organization’s work and values. The study aims to answer two specific questions:

• Are there any differences in socio-demographics and giving preferences between donors who signed up for the subscription method and donors who did not?
• What influenced a donor’s decision to sign up for subscription giving?

The donor survey for this research was administered over a two-month period from November to December 2021. The survey was shared with donors of nonprofit organizations that are a part of Network for Good’s pilot study on Subscription GivingSM which is co-funded by the Bill & Melinda Gates Foundation. The participants of this survey have donated to at least one nonprofit organization that is part of a pilot group exploring the subscription giving model, and completed a single anonymous survey for this study. Their responses are reported in aggregate in this report and represent insights from 259 participants.

Fifteen participating organizations shared the donor survey with their network of donors, which include both subscription and non-subscription donors. The primary focus and program areas of the participating organizations are in the fields of education, health, and human services. These nonprofits were all small to medium sized, with at least one full-time staff member, and at least $25,000 raised from individual donors. Most of the organizations dedicate their funding and services to local causes and communities.
Key Findings

Our study surveyed current donors to 15 small-to-medium-sized nonprofit organizations that participate in Network for Good’s pilot study on the Subscription Giving™ model. The responses revealed similarities and differences between subscription donors and non-subscription donors as well as the important factors that affect decisions to become a subscription donor.

1. Although subscription donors and non-subscription donors in the survey shared similar demographics, subscription donors indicated higher adoption of new tools of giving, such as giving via social media or crowdfunding sites, and a stronger preference for communicating via social media.

2. Subscription donors demonstrated a higher level of general trust towards other people and were more likely to attend religious services. All donors indicated at least a fair amount of confidence in nonprofits to utilize donations in an impactful way.

3. Subscription giving is not exclusive to millennials or younger generations. Roughly three-fifths of subscription donors (62%) were aged 55 or above in our survey, compared to 57% of all non-subscription donors from this age group. This age distribution may not be representative of subscription donors in any way, but it shows that it is possible to engage donors of all generations through subscription-based giving.

4. Exclusive content that connects and shares stories and experiences from the beneficiaries is highly valued by all donors, especially subscription donors.

5. A nonprofit’s mission—the fundamental purpose of the organization—is the top factor that influenced donors to sign up for subscription giving in order to make a larger impact. Personal relationships also matter when donors decide to become a subscription donor.
**Methodology**

Nonprofit organizations that are a part of Network for Good’s subscription giving pilot study were invited to participate in the study from November to December 2021. Fifteen participating organizations shared the survey with their networks and received a $150 donation from Network for Good for their participation. The survey is not representative of a general donor population; instead, it sought to collect information from a subset of donors who are aware of, or currently participate in, subscription-based giving in different capacities. This allows us to better understand the characteristics and features of subscription donors, in combination with non-subscription donors at the same organization, and in similar settings.

Of the 259 total participants, less than half (45%) were subscription donors at their respective nonprofit organizations, and slightly over half (53%) were non-subscription donors. These two groups of participating donors shared a similar socio-demographic profile. The majority of all participants were female (72%) or highly educated (83% with a bachelor’s degree or above). Table 1 shows a summary of the socio-demographics of all participants.
Table 1: Summary statistics of survey participants

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Participants</th>
<th>Percentage of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>All participants</td>
<td>259</td>
<td></td>
</tr>
<tr>
<td>Non-subscription donors</td>
<td>137</td>
<td>53%</td>
</tr>
<tr>
<td>Subscription donors</td>
<td>117</td>
<td>45%</td>
</tr>
<tr>
<td>Did not donate in 2019-2021</td>
<td>5</td>
<td>2%</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>187</td>
<td>72%</td>
</tr>
<tr>
<td>Male</td>
<td>65</td>
<td>25%</td>
</tr>
<tr>
<td>Non-binary</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>Prefer not to answer</td>
<td>6</td>
<td>2%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 55</td>
<td>103</td>
<td>40%</td>
</tr>
<tr>
<td>55 or older</td>
<td>150</td>
<td>58%</td>
</tr>
<tr>
<td>Prefer not to answer</td>
<td>6</td>
<td>2%</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High school graduate or less</td>
<td>6</td>
<td>2%</td>
</tr>
<tr>
<td>Some college</td>
<td>28</td>
<td>11%</td>
</tr>
<tr>
<td>Bachelor’s degree or above</td>
<td>216</td>
<td>83%</td>
</tr>
<tr>
<td>Prefer not to answer</td>
<td>9</td>
<td>3%</td>
</tr>
<tr>
<td>Annual household income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than $100,000</td>
<td>74</td>
<td>29%</td>
</tr>
<tr>
<td>$100,000 to less than $200,000</td>
<td>81</td>
<td>31%</td>
</tr>
<tr>
<td>$200,000 or more</td>
<td>59</td>
<td>23%</td>
</tr>
<tr>
<td>Prefer not answer</td>
<td>45</td>
<td>17%</td>
</tr>
<tr>
<td>Religious attendance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Never attend</td>
<td>88</td>
<td>34%</td>
</tr>
<tr>
<td>Less than once a week</td>
<td>85</td>
<td>33%</td>
</tr>
<tr>
<td>Once a week or more</td>
<td>86</td>
<td>33%</td>
</tr>
</tbody>
</table>
The Giving Environment: Findings from Donor Survey Research

The findings in this report examines the preferences and characteristics of subscription donors at 15 nonprofit organizations that were part of a pilot study on Subscription Giving™ conducted by our partners, Network for Good. A total of 259 participants shared their insights to construct a landscape of the best practices of subscription giving, and its effect on donor engagement. A majority (95%) of the participants donated in all past three years (2019 – 2021). Within our overall sample, we see subscription and non-subscription donors engaging in various charitable activities in different capacities, as highlighted in Figure 1. Compared to general Americans, respondents in this survey had higher participation rates in charitable giving to nonprofit organizations, donating goods, and volunteering.

Figure 1: Percentage of donors that engaged in various prosocial activities in all last three years (2019–2021)

Donated money to a charitable and/or religious organization

Donated goods to basic needs organizations

Volunteered

Helped people in need who you know personally, other than giving money

Gave money to people in need who you know personally

Helped strangers in need in ways other than giving money

Gave money to strangers in need

Donated blood

95% 94%
71%
79%
73%
68%
63%
62%
73%
55%
44%
73%
48%
51%
56%
38%
42%
50%
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Our findings establish that survey participants engage with a range of giving and charitable experiences in different capacities. Seventy-four percent of subscription donors made multiple gifts to two or more nonprofit organizations in the same given year, in comparison to 58% of non-subscription donors. Similarly, 60% of non-subscription donors donated multiple times throughout the year, but not monthly. These patterns suggest the active engagement displayed by non-subscription donors. Subscription donors (55%) were also more likely than non-subscription donors (44%) to give money to people in need who they know personally. However, non-subscription donors were slightly more likely to help strangers in need, by giving money or in other ways. This distinction here primarily highlights how personal relationships and ongoing connections with individuals and organizations can possibly bolster engagement through the subscription giving method.

The survey further asked donors about motives for their overall charitable giving as displayed in Figure 2. Compared to non-subscription donors, donors who currently signed up for subscription giving were more likely to strongly agree that altruism, trust, and social reasons were motives for their giving. Specifically, a majority (78%) of subscription donors strongly agreed that they donated because they were concerned about others who were less fortunate. Nearly two-thirds (65%) of non-subscription donors strongly agreed with this as well. Less than half (48%) of subscription donors strongly agreed that their positive impression of the nonprofit was a motivating factor for their giving in general, suggesting their high level of trust in the nonprofit to achieve an impact. Another 23% cited a social factor—other people with whom they were close valued charitable giving—as a strong motive for giving. In addition, subscription donors were also more likely to agree that donating money did not provide too much of a financial strain on them (agreed or strongly agreed by 77% of subscription donors, as compared to 60% of non-subscription donors).
**Figure 2:** Donors’ motivations for charitable giving

<table>
<thead>
<tr>
<th>Motivation</th>
<th>Subscription donors: Strongly agree</th>
<th>Subscription donors: Moderately agree</th>
<th>Non-subscription donors: Strongly agree</th>
<th>Non-subscription donors: Moderately agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I give because I am concerned about those less fortunate than myself</td>
<td>78%</td>
<td>18%</td>
<td>65%</td>
<td>27%</td>
</tr>
<tr>
<td>My image of charitable organizations is positive</td>
<td>48%</td>
<td>37%</td>
<td>39%</td>
<td>48%</td>
</tr>
<tr>
<td>Donating money to charities does not provide too much of a financial strain on me</td>
<td>44%</td>
<td>33%</td>
<td>40%</td>
<td>20%</td>
</tr>
<tr>
<td>Others with whom I am close place a high value on donating to charities</td>
<td>23%</td>
<td>26%</td>
<td>15%</td>
<td>30%</td>
</tr>
<tr>
<td>Giving money to charities enables me to reduce my income taxes</td>
<td>6%</td>
<td>32%</td>
<td>5%</td>
<td>32%</td>
</tr>
<tr>
<td>Contributing money to charities enables me to obtain recognition</td>
<td>0%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Below, we examine the differences and similarities between subscription and non-subscription donors as we aim to analyze what factors influence a donor’s decision to participate in subscription-based giving.

1. Although subscription donors and non-subscription donors in the survey shared similar demographics, subscription donors indicated higher adoption of new tools of giving, such as giving via social media or crowdfunding sites, and a stronger preference for communicating via social media.

Overall, most subscription and non-subscription donors made charitable contributions through the organization’s website, and/or through a cash/check/wire transfer. However, subscription donors were more likely to donate via digital channels such as social media, crowdfunding sites or tools, or text messages. Moreover, their preference for digital channels and methods was evident as 40% of subscription donors preferred social media the most as a communication method, in comparison to 32% of non-subscription donors. In-person interaction remains a preferred choice of communication for donors, but with recent events such as the ongoing global pandemic, physical engagement remains challenging and uncertain. Personalized mail and emails were popular preferred communication methods for all donors, but non-subscription donors had a higher preference for direct mail. Overall, subscription donors preferred different forms of digital giving and communication more than non-subscription donors.

Figure 3 paints a complete picture of various tools that our participants used to make donations to nonprofit organizations. While not representative of all subscription donors, this finding does suggest that digital channels may be a successful way to persuade donors to adopt subscription-based giving, especially if they already engage online with your organization.
2. Subscription donors demonstrated a higher level of general trust towards other people and were more likely to attend religious services. All donors indicated at least a fair amount of confidence in nonprofits to utilize donations in an impactful way.

Subscription donors demonstrated a higher level of generalized trust in people. As shown in Figure 4, about two-fifths (41%) of subscription donors agreed that most people can be trusted, compared to one-third (32%) of non-subscription donors who agreed so. Additionally, it was evident that subscription donors were more likely to attend religious services, with 48% attending once a week or more, compared to 22% of non-subscription donors who did so.
Both groups of donors expressed at least a fair amount of confidence in nonprofit organizations. Specifically, 44 percent of subscription donors stated they had a great deal of confidence in nonprofit organizations, and 43% stated they had a fair amount of confidence in nonprofit organizations to utilize donations in an impactful way. On the other hand, only 37% of non-subscription donors stated they had a great deal of confidence in nonprofit organizations, while 50% stated a fair amount of trust in nonprofit organizations.

These findings align with insights from our second report in this series which also examined donors’ overall trust in nonprofit organizations and the philanthropic sector in general. Active or engaged donors still have a fair amount of trust in nonprofit organizations, which is important to consider due to many organizations being challenged by the global pandemic and economic uncertainty. Given that participants in both studies are not representative of the general donor population, and consists of mostly active or engaged donors, trust in nonprofit organizations amongst the general population needs to be studied more carefully over time.
3. **Subscription giving is not exclusive to millennials or younger generations.**

Roughly three-fifths of subscription donors (62%) were aged 55 or above in our survey, compared to 57% of all non-subscription donors from this age group. This age distribution may not be representative of subscription donors in any way, but it shows that it is possible to engage donors of all generations through subscription-based giving.

A majority (72%) of non-subscription donors preferred to make charitable gifts according to their household or personal giving plan, whereas 51% of subscription donors preferred to give based on their personal giving plans. Only 12% of non-subscription donors in our survey indicated a preference for making a gift following an appeal. As donors become more familiar with technological changes and adapt to a digital economy, their giving plans and outlets will become increasingly independent and based on personal circumstances.

4. **Exclusive content that connects and shares stories and experiences from the beneficiaries is highly valued by all donors, especially subscription donors.**

Both subscription and non-subscription donors highly value exclusive content, especially stories and experiences shared by the beneficiaries of their gifts. Fifty-two percent of subscription donors stated that communication and demonstrated impact in the form of stories and experiences from beneficiaries would be one of the preferred types of content they would like to receive. For non-subscription donors, 34% indicated that personal stories and experiences from beneficiaries would be most likely to persuade them to sign onto subscription-based giving, from a one-time gift or multiple donations.

Across all donors, consistent updates on organization’s programs and services, and demonstrated impact of the donation were highlighted as crucial for engagement. However, a small proportion of donors indicated they would prefer to proactively follow the organization and discover the necessary information that would influence their donation decisions, as opposed to being informed or educated. A few subscription donors also highlighted that they would prefer their donations to be spent less on merchandising and marketing costs as they conduct personal research based on their interest. They also highlighted that they would prefer to receive fewer and more curated promotional materials, rather than general promotions or merchandise, as it would only increase the chances of these materials ending up in the landfill.

For non-subscription donors, education and perceived awareness of needs were valued at a higher level. However, some non-subscription donors indicated they would prefer periodic, not frequent, updates on programs and services of the nonprofit organization they support. This was an overlying theme with subscription donors as well, suggesting that appeals and requests for support might have inundated some donors as this survey was conducted during the giving season (November to December).
In Figure 6, “other” as stated by 37% of non-subscription donors highlight various additional types of communication and content that are possible motivations for adopting subscription giving. Most notably, donors noted a membership-based system that would be operated through subscription-based payments that would allow them free or special access to certain nonprofit events, resources, etc. This is most pertinent to membership-based organizations and associations.

However, within the “other” category, many highlighted that they would prefer not to be a subscription donor, and that no communication and content would change their decision. One donor cited that they would largely prefer to give through a donor-advised fund (DAF) over a subscription giving model, while others cited a lack of interest and automatic withdrawals as key deterrents of subscription-based giving. Some also noted that their personal finances and beliefs do not align with a subscription-based model of giving.
Figure 6: Types of communication and content that would persuade non-subscription donors to switch to a subscription donor

- Stories and experiences shared by the people my gifts have helped: 34%
- Emails with my donation’s impact and heartfelt thank you(s): 27%
- Frequent updates about organization’s programs and services: 26%
- Invitations to special events just for subscription donors: 24%
- Educational and interactive webinar series related to the organization’s mission and impact areas: 18%
- Free gifts from the organization: 12%
- Publicly acknowledging my support online, such as on the organization’s social media and website: 4%
- Other: 37%
It is important to note that roughly 40% of subscription and non-subscription donors indicated that they were likely to increase their donation amounts if nonprofit organizations reached out to them, frequently or periodically, in a more personal, customized manner with unique content such as personalized emails, mail, or videos from staff and beneficiaries. Similarly, about one-third (34%) of non-subscription donors indicated they were likely to increase their giving instance in any given year if nonprofit organizations reached out to them with more personal and engaging content such as personalized emails and videos.

5. A nonprofit’s mission—the fundamental purpose of the organization—is the top factor that influenced donors to sign up for subscription giving in order to make a larger impact. Personal relationships also matter when donors decide to become a subscription donor.

All donors indicated that the nonprofit organization’s mission was the most important factor in their decision to sign up for subscription giving. For subscription donors, almost half (47%) shared that the opportunity to have a greater impact on the nonprofit’s mission was a top motivating factor, as shown in Figure 7.

Some participants also highlighted the convenience of the subscription model; 38% of subscription donors adopted subscription giving due to the ease of subscription giving. Thirty-seven percent of subscription donors also stated that being asked by nonprofit organizations to switch over to subscription giving was a successful motivator.

Some other notable factors that were determinants for donors to sign onto subscription giving were their personal relationship or connection with the nonprofit organization, or with a person(s) at the organization. Some subscription donors also stated that they switched to subscription giving to make budgeting easier for the nonprofit organization they support, as the annual commitment would remain consistent. Others also suggested that the automatic, recurring nature of donations helped space out and achieve their giving goals consistently over the year, rather than creating a financial strain at a certain time of the year, with an annual gift or multiple gifts. Overall, personal preferences and circumstances also affected a donor’s decision to become a subscription donor, as one donor highlighted that they “happened to be in the mood at the time” when adopting their own subscription giving but explained that they would probably give more when a nonprofit organization reached out with a special appeal.
Among non-subscription donors, 78% indicated that the nonprofit organization’s mission and efforts would be crucial in determining if they would become a subscription donor. The relationship a donor has with the organization’s staff is another significant factor that would influence decisions regarding subscription giving. Half (50%) of non-subscription donors indicated that their relationship to or connection with the organization’s staff or team would positively influence their decision to become a subscription donor.

Reflecting the greater challenges and uncertainties that nonprofits have faced in the past two years, over two-fifths (42%) of non-subscription donors highlighted the nonprofit’s ability to grow and adapt in a changing environment. This finding is particularly relevant as it suggests that nonprofit organizations should expect to adjust to new and shifting expectations in how donors engage with organizations, and how they are becoming more proactive to support nonprofit organizations of their choice.
Figure 8: Factors that would influence non-subscription donors’ decision to participate in Subscription Giving™

- The organization’s mission: 78%
- Relationship with the organization’s staff: 50%
- Ability of the organization to grow and adapt in a changing environment: 42%
- Ease of joining the subscription program: 24%
- Exclusive updates about organization’s programs and services: 24%
- Loyalty benefits for subscription giving: 19%
- Monthly or quarterly subscription contribution amount: 19%
- Someone you know is a subscription donor: 11%
Implications

Implementing a subscription-based giving program will allow nonprofits the opportunity to better get to know and cultivate more loyal donors. Messaging will need to be tailored to respond to questions and donor interactions with the organization.

1. Subscription donors are motivated by the organization’s mission. Messaging in all communication vehicles (direct mail, email, text, video, social media, events, etc.) will need to demonstrate ways in which the organization’s mission is being fulfilled, highlighting altruism and trust.

2. To craft individualized messaging, interactions with donors and their preferences will need to be thoroughly tracked in a fundraising database.

3. Subscription donors are also motivated by relationships with the organization’s staff. This provides an opportunity for the organization to establish a donor cultivation plan for each staff member (and perhaps key volunteers or board members) to highlight their dedication to and experience with the mission. Communication plans can be developed for individual donors as well as groups of donors that share the same interactions and communication frequency preferences, monthly, quarterly, etc.

4. Having a mix of ways donors can interact with the organization will be key, in-person/virtual events, videos, short surveys, emails, direct mail, phone calls, hand-written notes, etc.

5. Survey respondents indicated they give to one or two organizations multiple times a year. Subscription-based programs may provide a way to streamline their giving.

6. In addition to personalized communication vehicles, subscription donors indicated a preference for social media. Social media can be used to make sure the organization “stays on the radar” of the donor.

7. When possible, test messages prior to sending. The test can be as simple as asking a few volunteers to review and comment on potential messages. Ask the volunteers to look for themes of altruism, trust, and social benefit.

8. Proceed with caution when offering premiums for gifts. Subscription-based donors want reassurance their contributions are helping the organization fulfill its mission. A short survey asking donors if they would like to receive a coffee mug, t-shirt or some other item could provide helpful insight.
Limitations and Directions for Future Research

Our survey research was not representative of a general donor population, and did not engage with non-donors or lapsed donors. This study is among the initial efforts to explore how to increase donor engagement through subscription-based giving. The general donor population is more familiar and aware of subscription-based purchases in commercial markets. It is still new for nonprofits to adapt what we have learned from subscription purchasing behavior to charitable giving. More research with larger samples of donors that have varying levels of engagement is needed in order to understand how subscription-based giving opportunities can better retain engaged donors and attract non-donors and lapsed donors, especially individuals in these categories that currently engage in subscription-based commercial services or purchases.

Subscription-based giving also offers convenience and personalized engagement previously not present in traditional methods of recurring giving. However, this presents possible and novel challenges to nonprofit organizations employing subscription giving opportunities. The ability of a nonprofit organization to deliver a steady stream of curated content as well as increased levels of personalized communication and service is dependent on the organization’s resources and capacity. As the tools and trends of the digital economy permeate philanthropy and fundraising, more nonprofit organizations may gravitate more towards digital, multi-channel engagement and communication. However, this requires an increased staff commitment and digital proficiency to provide high-quality content and services for donors.

Ultimately, subscription giving is expected to maintain and increase donor retention. As prior research reveals, only 13 percent of Americans never donated across eight years [4]. However, 62 percent of those who donated at least once in the eight years were “switchers”—not donating every year or not donating to the same charitable cause every year. Subscription giving provides a new opportunity for nonprofits to engage these occasional donors through constant stewardship. It also calls for future experimental research to evaluate various techniques and content of messages used in subscription giving in order to harness the full potential of this new giving method.
## References


