



2023 Trends

What Development Professionals Need to Know

Hiring and retention challenges continue

The latest data estimates that 12.3 million people are employed by nonprofits, making the sector the third largest private employer in the United States.¹ Even so, **86% of nonprofits** report challenges with employee retention.² Annual **turnover rate has increased 10%** over 2020 numbers, suggesting that the higher rates of resignations will continue into 2023.³

The key to hiring and retention among nonprofits is igniting passion. **55% of fundraisers** say they took their current job because of their belief in the mission.⁴ “Fundraisers really need to feel like they’re connected to the cause,” says Adrian Sargeant, co-director of the Institute for Sustainable Philanthropy.

Keep your team inspired

Empower your team so they can spend less time researching donors and more time doing what they love. **Nexis® for Development Professionals** enables efficient, comprehensive prospect and donor research, so staff can craft more effective outreach. Plus, it’s versatile enough to support hybrid workplaces.



Get ready for the changing of the guard

Gen-Z's impact on fundraising and volunteering is only growing. Along with Millennials, they currently outnumber Boomers and other traditional donors.

Compared to traditional donors, next-gen donors are:

2.4x	as likely to increase donations year-over-year
4x	as likely to learn about causes from influencers and celebrities
1.7x	as likely to become aware of causes through the media
1.6x	as likely to be motivated to donate following a sudden news event or crisis
3x	as likely to advocate on an organization's behalf
2.7x	as likely to host an individual fundraising page for an organization they support
1.5x	as likely to become aware of causes through their coworkers ⁵

How to attract traditional and next-gen donors

Adapt your donor engagement efforts to attract both traditional donors and next generation donors. With a tool like **Nexis® for Development Professionals**, you can identify prospective donors that work within the same company as your current donors. Leverage those existing relationships to spread the word, expand your donor base, and take advantage of corporate matching initiatives in the process.

Changing donor demographics cause nonprofits to rethink development strategies

Demographic shifts will influence how you communicate with prospects and donors in 2023.



EMAIL IS STILL A POWERFUL TOOL

Email marketing is responsible for one-third of online fundraising revenue.⁶ Organizations are **6X more likely** to get a click-through from an email than from Twitter.⁷ In fact, while social media is essential for building awareness for your cause, the organic reach of for social posts is only 4-6%.⁸



POPULAR SOCIAL MEDIA CHANNELS HAVE SHIFTED

Currently, 31% of nonprofits post on Facebook daily and 48% post there several times a week, but Facebook use among next-gen donors continues to decline.⁹ Conversely, TikTok's rise has been meteoric. While Facebook and Instagram still lead with daily active users, TikTok is already the **third largest social media app** despite its relative age.¹⁰ Since it's a video-led platform, it comes as no surprise that 93% of TikTok users say YouTube is their most used social network. Looking to the future, nonprofits will have to create more video content if they want to reach the younger demographic.¹¹

Keep up with donor demographic trends

The comprehensive news content in **Nexis® for Development Professionals** allows you to keep current with the latest information on different generations. For example, you could create an alert targeting news articles about Gen-Z in conjunction with activism, spending behaviors, or other topics that provide fundraising insights.

Economic and geo-political volatility creates fundraising uncertainty

Inflation reached record highs in 2022, layoffs permeated the tech sector, and talk of a recession in 2023 mushroomed.¹² Smaller donors may feel financial pressure sooner and for longer during times of economic volatility. As such, offer donation flexibility, especially for recurring donors, and consider opportunities to engage donors in new ways.

Stay up to date with economic trends

With **Nexis® for Development Professionals**, stay informed about your donors or corporate partners to maximize opportunities during economic downturns and recovery periods. It's also a great way to keep abreast of news in the communities you serve, allowing you to find natural openings for fundraising appeals or other donor engagement activities.



GENERATIONS REACT TO THE ECONOMY DIFFERENTLY

Traditional donors are more likely to be pessimistic about the economy and cancel a recurring donation in the face of financial stress, while next-gen donors, who are currently giving less, are more likely to increase their donation from the year before and make sacrifices to donate.¹³



FLEXIBLE GIVING IS ESSENTIAL IN THE AGE OF UNCERTAINTY

It's important to give donors and prospective donors options for how to donate, whether that be by using a digital wallet, a credit card, or automatic bank withdrawals (ACH). Studies have found that recurring gifts made through **ACH are 55% larger** than those made using a credit card, and recurring donors who give through ACH are **retained for 20% longer**, on average, than donors who give via debit or credit card.¹⁴ In addition, 64% of people who make regular donations to a charity said they would welcome the flexibility to change the amount they donated and when.¹⁵

Awareness of Diversity, Equity and Inclusion (DEI) initiatives has grown, creating new opportunities

In 2020, nonprofits focused on DEI initiatives has seen major leaps in fundraising. Case in point: The United Negro College Fund have raised **\$450 million** in the past two years, compared to \$100 million annually prior to 2020.¹⁶ Now the focus should be on sustaining the momentum.

Monitor ESG information

Keep up with information about a company's environmental, social and governance (ESG) commitments using **Nexis® for Development Professionals**. This helps you find potential corporate donors that align with your own organization's mission. For example, you could track mentions of social justice or individuals that have publicly committed to your cause.



In-person events are back, but don't neglect virtual options

Virtual events provide various benefits, such as overcoming geographical limitations, increasing reach through ease of access, and limiting costs on travel or other expenditures.¹⁷ Though a result of the pandemic, virtual events are still popular with attendees. 96% of virtual attendees rated their satisfaction with the event as good or excellent, and studies show that 91% of fundraising event attendees will take further action after a positive experience.¹⁸

LOOKING AHEAD, THE TOP EVENT TYPES ARE:

Event Type	Virtual Attendee Preference	In-Person Attendee Preference
Endurance events	32%	43%
Performances	31%	38%
Auctions	31%	36%
Galas	26%	36%
Competitions	24%	29%

Source: Classy 2022 Event Experience Report

Monitor the fundraising landscape

Nexis for Development Professionals helps you stay abreast of what's happening across the fundraising landscape. With industry and company information, wealth indicators and more, you can track trends that impact fundraising and continuously update your donor database with relevant details. This allows you to plan events that donors and prospects are more likely to attend.

Gaming for Good expands to Streaming for Good

Streaming for Good is a great way to diversify fundraising streams to meet and engage younger donors. It may have started with gaming, but these days, streaming fundraising events include live music, cooking demonstrations and more. Streamers on Twitch raised \$83 million for charity in 2020 and \$110 million in 2021 using Tiltify.¹⁹

Follow fundraising innovations

With **Nexis for Development Professionals**, you can follow news about this up-and-coming trend, including which gamers or performers are garnering the most followers. Finding an influencer who is aligned with your mission could help generate a new revenue stream.

Are you ready to make the most of 2023's trends?

Learn More about **Nexis for Development Professionals**

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Risk and Insurance (1)
Nonprofit HR (2, 3)
Chronicle of Philanthropy (4, 12, 16)
Why America Gives 2022 (5)
Charity Digital (6, 7, 8, 13, 15, 17)
2022 Nonprofit Communications Trend Report (9)
Finances Online (10, 11)
Classy.com (14)
Classy 2022 Event Experience Report (18)
NPTechForGood (19)



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