

AN EVOLVING FUNDRAISING CLIMATE



CCS Philanthropic Climate Survey, Edition IV

January 13 – January 21, 2021

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INTRODUCTION

CCS is pleased to share the findings from our latest Philanthropic Climate Survey, conducted from January 13 through January 21, 2021. We thank the 1,040 participants from across all nonprofit sectors.

This report represents the fourth installment of a series that began in spring 2020. At the time of our first Philanthropic Climate Survey (April 20-May 1, 2020), it primarily served as a vehicle for providing timely information on the immediate impact of the COVID-19 crisis on nonprofit fundraising.

As months wore on and the pandemic endured, the focus of our survey broadened beyond merely assessing the impact of COVID-19. There are a multitude of factors affecting the nonprofit sector and fundraising today, and it's often difficult to separate the implications of one element from another. The questions in our fourth-edition survey speak both to COVID-19's impact on fundraising and to the broader array of current events influencing philanthropy.

Our key findings from this survey edition include:

- **The pandemic had mixed effects on fundraising in 2020.** Thirty-nine percent of survey respondents reported an increase in fundraising in 2020 due to the COVID-19 pandemic, while 44% reported a decline. Looking ahead to 2021, 43% said they expect a decline in fundraising, and 27% said they expect an increase.
- **Many survey participants said that their nonprofit changed some aspect of its operations in response to the renewed societal focus on racial equity and social justice that emerged this past spring and summer.** Fifty-one percent of survey respondents reported that they took “steps to make our workplace more diverse, equitable, and/or inclusive.”

- **Many respondents are finding success with virtual major gift solicitations.** Fifty-six percent of respondents have conducted a virtual major gift ask so far (via phone, video, or both methods). Of those who have conducted one, a combined 72% reported that their virtual solicitations were as successful (49%) or more successful (23%) than their typical success at securing gifts via in-person solicitation.
- **Virtual donor engagement methods may have staying power beyond the pandemic.** Forty-three percent of respondents reported that they want to include hybrid virtual/in-person event options even after social distancing requirements are lifted. Thirty-four percent reported that they will include hybrid virtual/in-person options for major gift solicitations post-pandemic.
- **Remote work for fundraisers may also be here to stay.** About 90% of respondents reported that at least some of their fundraising employees were working remotely at least part of the time in January. Eighty-three percent of respondents were contemplating remote work options for fundraising staff members post-pandemic.

As we begin 2021, we look ahead to the coming year both with optimism from the positive signs for philanthropy we have seen so far, and with recognition that this year will almost certainly bring many challenges for nonprofits as they navigate the “next normal.”

It is CCS's hope that this report provides nonprofit leaders and fundraisers with helpful contextual information to navigate the year ahead.

If you have any questions about this report or about CCS Fundraising in general, please reach out to marketing@ccsfundraising.com.

ABOUT THE SURVEY

This report was generated based upon data collected via an online questionnaire administered by CCS Fundraising between the dates of January 13 and January 21, 2021. All responses were submitted voluntarily by 1,040 individuals representing nonprofits, as described below. Though the makeup of our survey participants does not directly map to the demographics of the nonprofit sector overall, this sample provides a window into a wide array of nonprofit sectors, sizes, and geographic locations.

PARTICIPANTS BY ORGANIZATION SECTOR

Sector	Count	Percent
Education - Primary/Secondary	227	22%
Human and Social Services	179	17%
Other*	150	14%
Education - Higher	143	14%
Religion	68	7%
Culture	64	6%
Health - Other**	62	6%
Health - Hospital/Medical Center	59	6%
Performing Arts	48	5%
Environment/Animals	40	4%

PARTICIPANTS BY ROLE AT ORGANIZATION

Role	Count	Percent
Head of fundraising	475	46%
Head of organization (e.g., CEO, Executive Director, Head of School)	206	20%
Front-line fundraiser	203	20%
Fundraising operations/support	83	8%
Board member	46	4%
Non-fundraising executive	20	2%
Non-fundraising staff	7	1%

PARTICIPANTS BY ORGANIZATION ANNUAL OPERATING BUDGET SIZE

Budget	Count	Percent
Less than \$5M	397	38%
\$5M - \$9.9M	169	16%
\$10M - \$24.9M	193	19%
\$25M - \$49.9M	97	9%
\$50M - \$99.9M	58	6%
\$100M - \$499M	73	7%
More than \$500M	53	5%

PARTICIPANTS BY ORGANIZATION REGION

Region	Count	Percent
US - Northeast	401	39%
US - West	209	20%
US - Midwest	195	19%
US - South	189	18%
Outside of US	46	4%

Percentage Calculations

For questions where selecting only one answer choice was possible, percentages in this report are calculated as the share of respondents to that question, which may be less than the full respondent pool (1,040). The denominator for single-select question percentages is represented by “n=X” in graph titles.

For questions where selecting multiple answer choices was possible, percentages are calculated as the share of all survey respondents who selected a given answer. The denominator for multi-select question percentages is always 1,040 (the full respondent pool).

Please note that percentages have been rounded throughout the report, which in some cases leads to a total that does not equal 100%.

*“Other” includes Advocacy, Association, International Affairs, Public Society Benefit, and other organization types.

**“Health - Other” includes health-focused nonprofits that are not hospitals or medical centers.

THE IMPACT OF A CHANGING LANDSCAPE

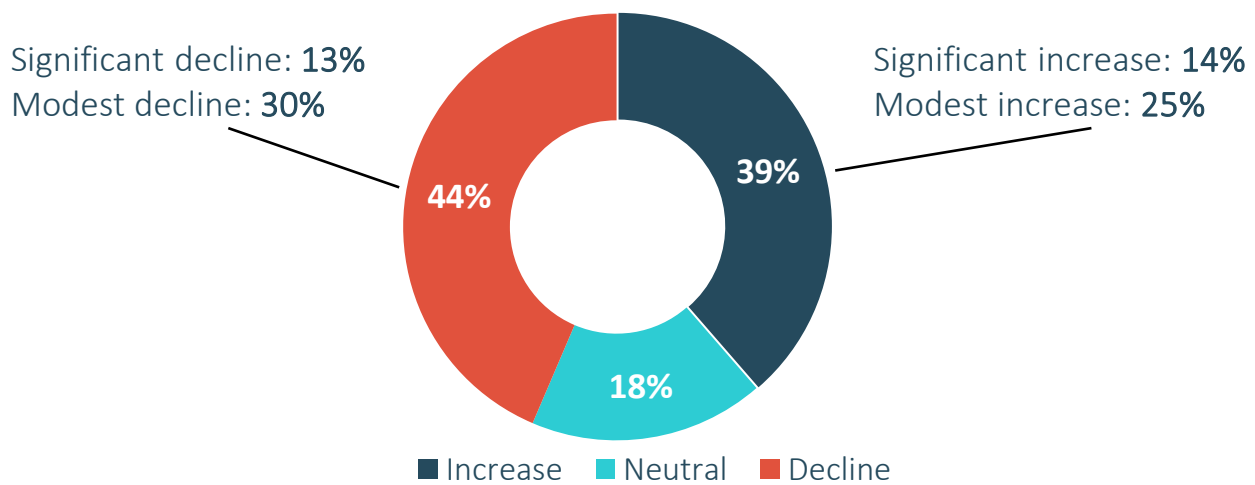


COVID-19’S EFFECT ON FUNDRAISING

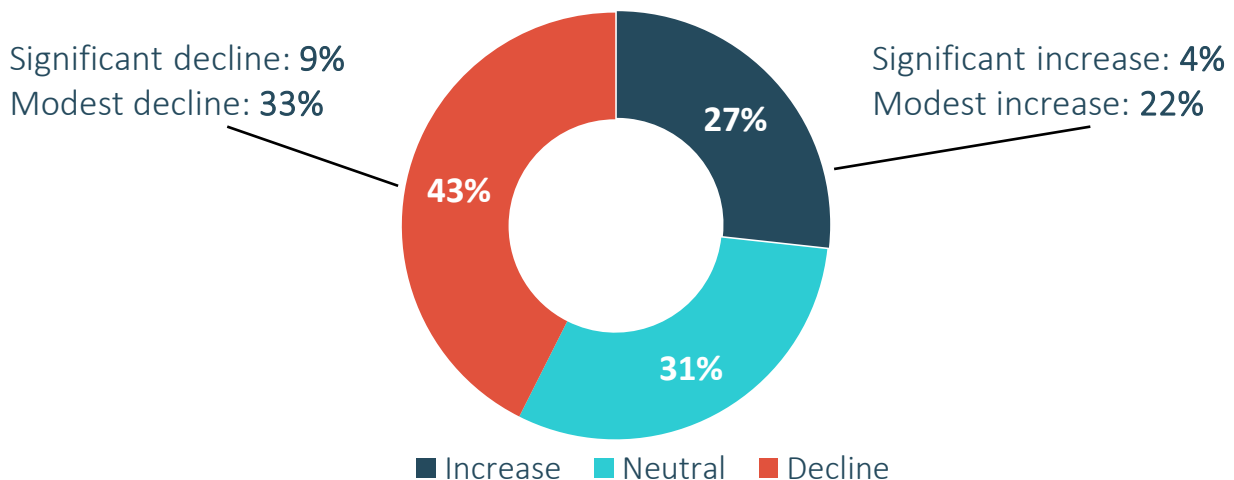
2020 Impact and 2021 Outlook

Our survey data shows that the impact of COVID-19 on nonprofit fundraising in 2020 was quite mixed. Relatively similar proportions of respondents reported a fundraising increase in 2020 (39%) as did a decline (44%). When looking ahead to the remainder of calendar year 2021, the respondent pool seems conservative with their projections. Forty-three percent said they expect a decline in fundraising for 2021 while only 27% said they expect an increase. Thirty-one percent reported that they expect no effect on fundraising in 2021.

HOW DID COVID-19 AFFECT YOUR FUNDRAISING RESULTS IN CALENDAR YEAR 2020?
(N=1,038)



WHAT LEVEL OF IMPACT DO YOU EXPECT THE COVID-19 PANDEMIC TO HAVE ON YOUR ORGANIZATION’S FUNDRAISING RESULTS FOR CALENDAR YEAR 2021?
(N=1,036)



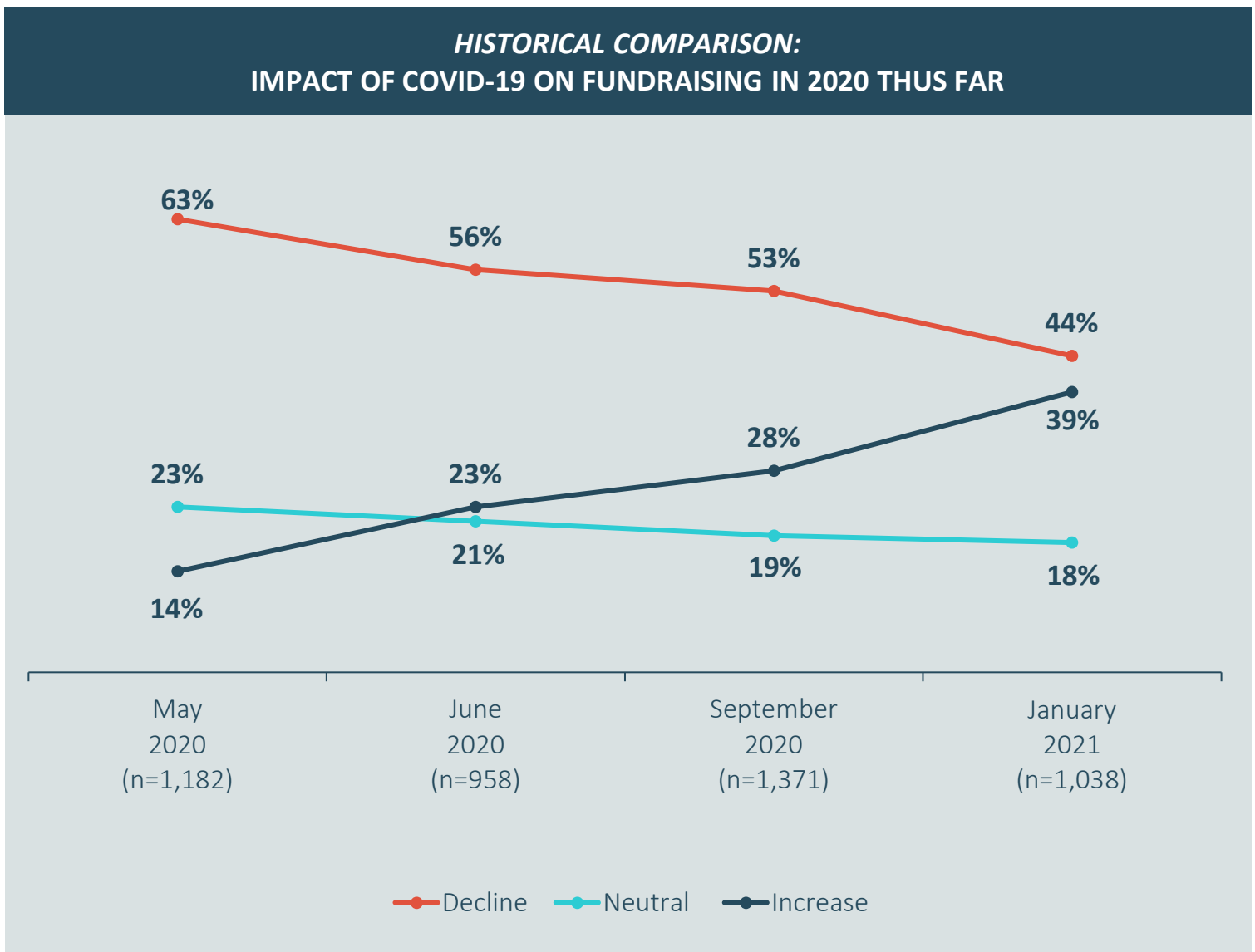
Please note: percentages have been rounded and may not total to 100%.

COVID-19'S EFFECT ON FUNDRAISING

Improved Outcomes Over Time

Encouragingly, our body of data from four Philanthropic Climate Surveys suggests that the COVID-19 pandemic is having less of a negative impact on fundraising as time goes on.

In our May 2020 survey, 63% of respondents reported a decline in fundraising due to COVID-19 and just 14% reported an increase. When asked to reflect on the full year of 2020 in our January 2021 survey, 44% reported a decline while 39% reported an increase.



Please note: percentages have been rounded and may not total to 100%.

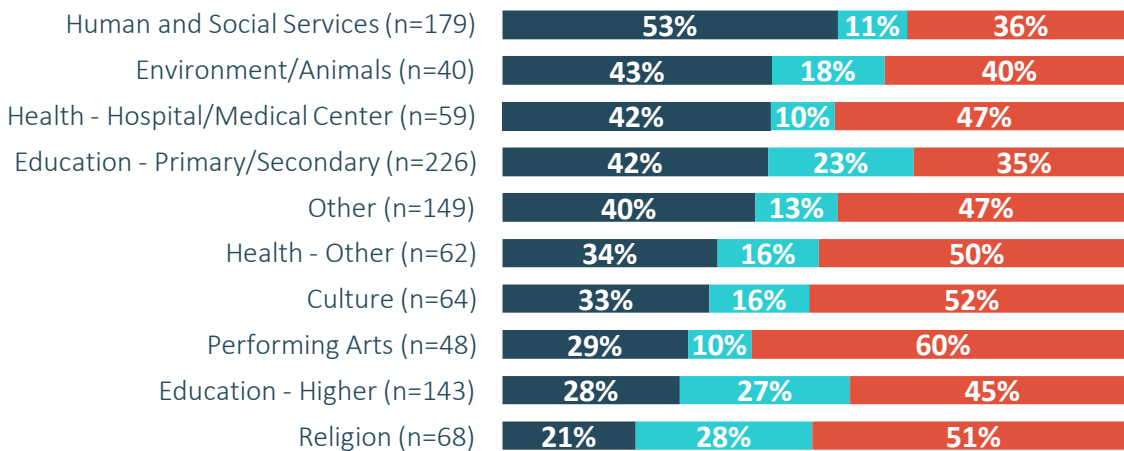
COVID-19'S EFFECT ON FUNDRAISING

2020 Impact, by Organization Type

Fundraising results varied in our response group by organization budget size, sector, and geographic location. Sector was the characteristic with the greatest variance in our analysis.

■ Decline ■ Neutral ■ Increase

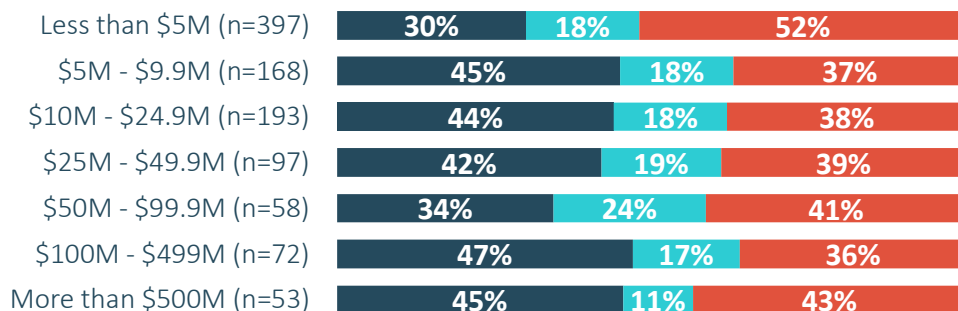
IMPACT ON 2020 FUNDRAISING, BY SECTOR



Gap between largest and smallest increase %
32 points

Gap between largest and smallest decline %
25 points

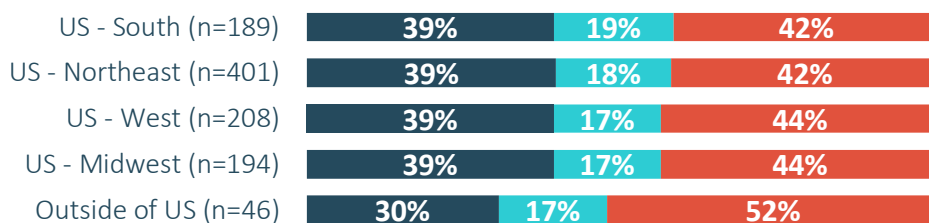
IMPACT ON 2020 FUNDRAISING, BY BUDGET



Gap between largest and smallest increase %
17 points

Gap between largest and smallest decline %
16 points

IMPACT ON 2020 FUNDRAISING, BY REGION



Gap between largest and smallest increase %
9 points
(0 points within US)

Gap between largest and smallest decline %
10 points
(2 points within US)

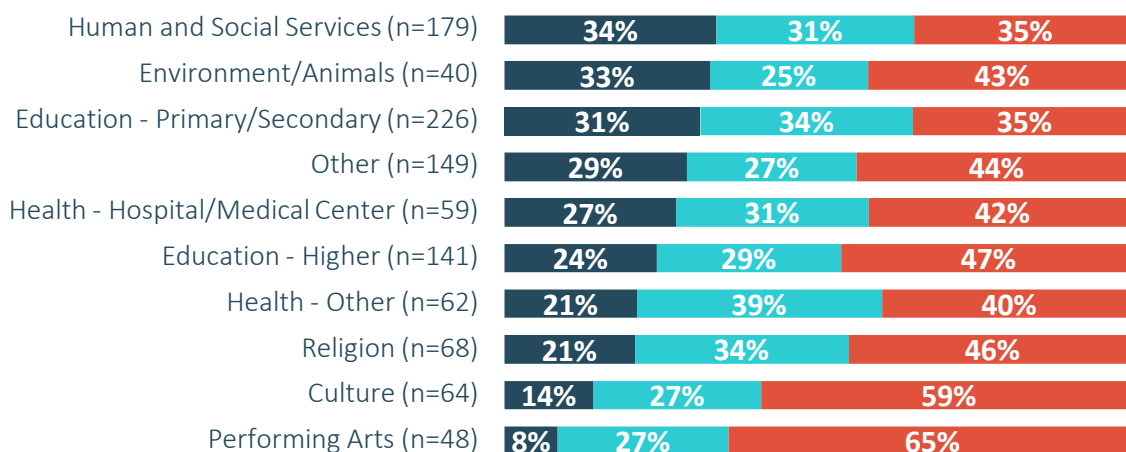
COVID-19'S EFFECT ON FUNDRAISING

2021 Outlook, by Organization Type

Similar to 2020 fundraising results, nonprofits' expectations for 2021 fundraising vary widely across sector, budget, and region. Again, sector appears to have the greatest influence on a respondent's fundraising projections for the coming calendar year.

■ Decline ■ Neutral ■ Increase

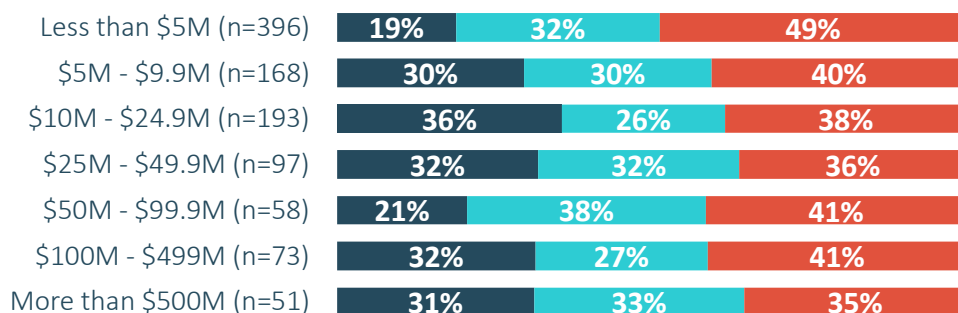
2021 FUNDRAISING EXPECTATIONS, BY SECTOR



Gap between largest and smallest increase %
26 points

Gap between largest and smallest decline %
30 points

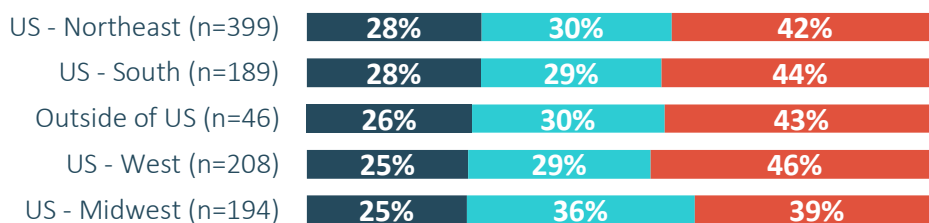
2021 FUNDRAISING EXPECTATIONS, BY BUDGET



Gap between largest and smallest increase %
17 points

Gap between largest and smallest decline %
14 points

2021 FUNDRAISING EXPECTATIONS, BY REGION



Gap between largest and smallest increase %
3 points

Gap between largest and smallest decline %
7 points

THE IMPACT OF CALLS FOR RACIAL JUSTICE

2020 shone a light on the role that nonprofit organizations can play in the fight for racial equity and social justice. Many respondents reported that their organization took new action in response to society’s renewed focus on these issues. For other organizations, however, evaluating their fundraising and general operations through the lens of equity and justice is nothing new, as exemplified by the response quotation below.

“Our mission has been focused on this area since our founding - no real change in how we are messaging other than to amplify what we already ...have been doing to try and be impactful”
 - Survey Participant

HOW HAS THE RENEWED SOCIETAL FOCUS ON RACIAL EQUITY AND SOCIAL JUSTICE AFFECTED YOUR ORGANIZATION AND FUNDRAISING OPERATIONS THUS FAR? (N=1,040)

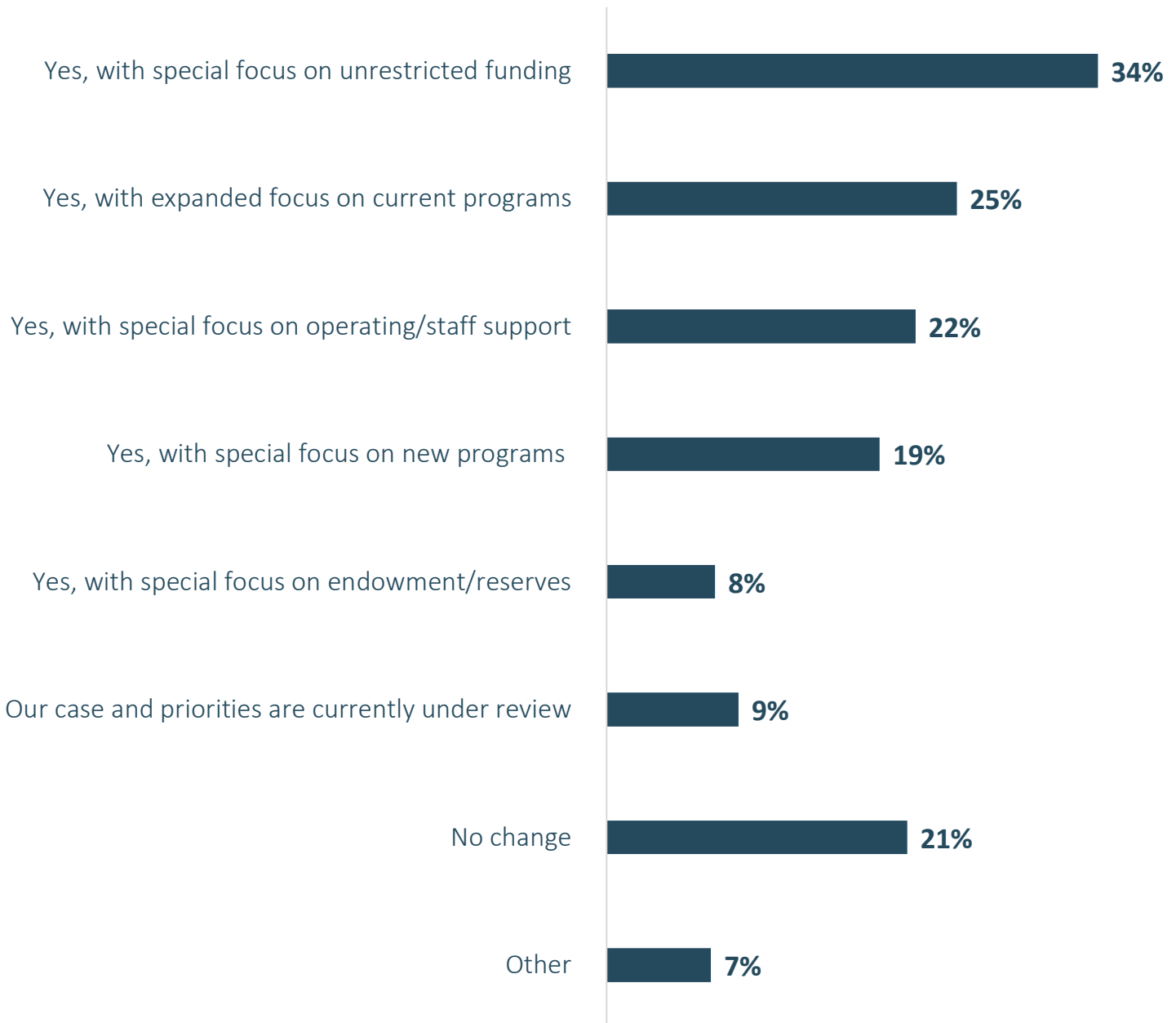


Please note: respondents were able to choose multiple answers on this question.

CHANGES TO CASE FOR SUPPORT SINCE EARLY 2020

Amid a tumultuous year, many respondents made changes to their case for support between early 2020 and January 2021. Only about one-fifth of respondents reported no changes to their case for support since early last year. The most frequently cited change was emphasizing unrestricted funding—just over one-third of respondents made this change.

HAS YOUR CASE FOR SUPPORT CHANGED SINCE EARLY 2020?
(N=1,040)



Please note: respondents were able to choose multiple answers on this question.

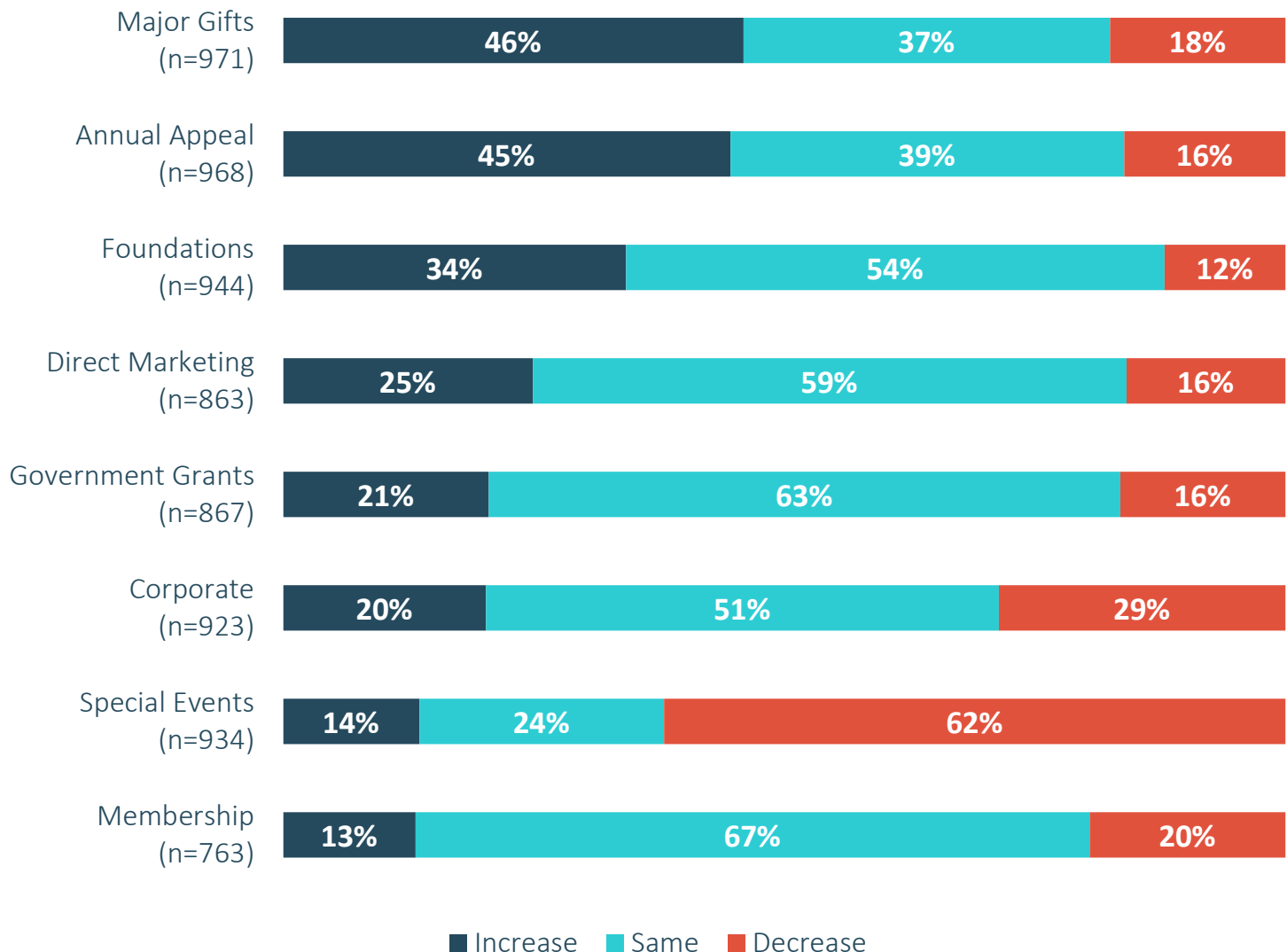
FUNDRAISING SOURCES & METHODS



EXPECTATIONS FOR 2021 FUNDRAISING RESULTS, BY PROGRAM

When looking ahead to 2021, respondents communicated different expectations for different fundraising programs. The participant pool, as a whole, expressed the most confidence in major gifts—46% said they expect an increase in fundraising via major gifts in 2021. Unsurprisingly, special events garnered the lowest levels of confidence from survey participants, with 62% expecting a decrease. Respondents were most likely to expect no changes in funding from membership, government grants, and direct marketing.

DO YOU ANTICIPATE A CHANGE IN RESULTS FOR EACH OF THE FOLLOWING FUNDRAISING PROGRAMS THROUGH THE REMAINDER OF CALENDAR YEAR 2021 COMPARED WITH 2020?

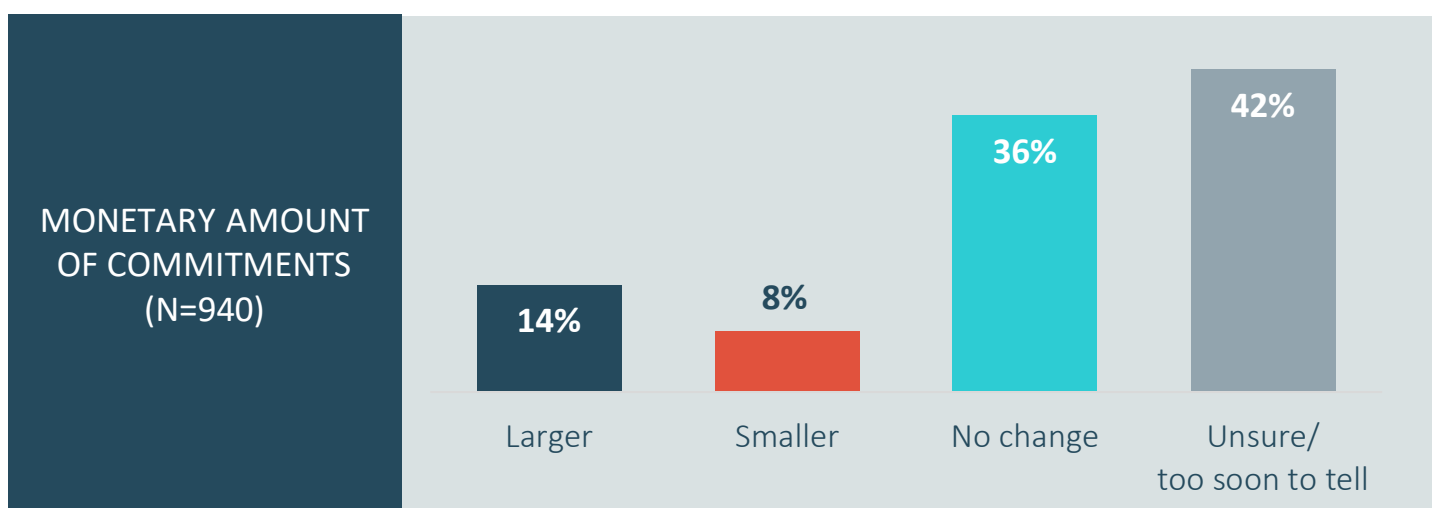
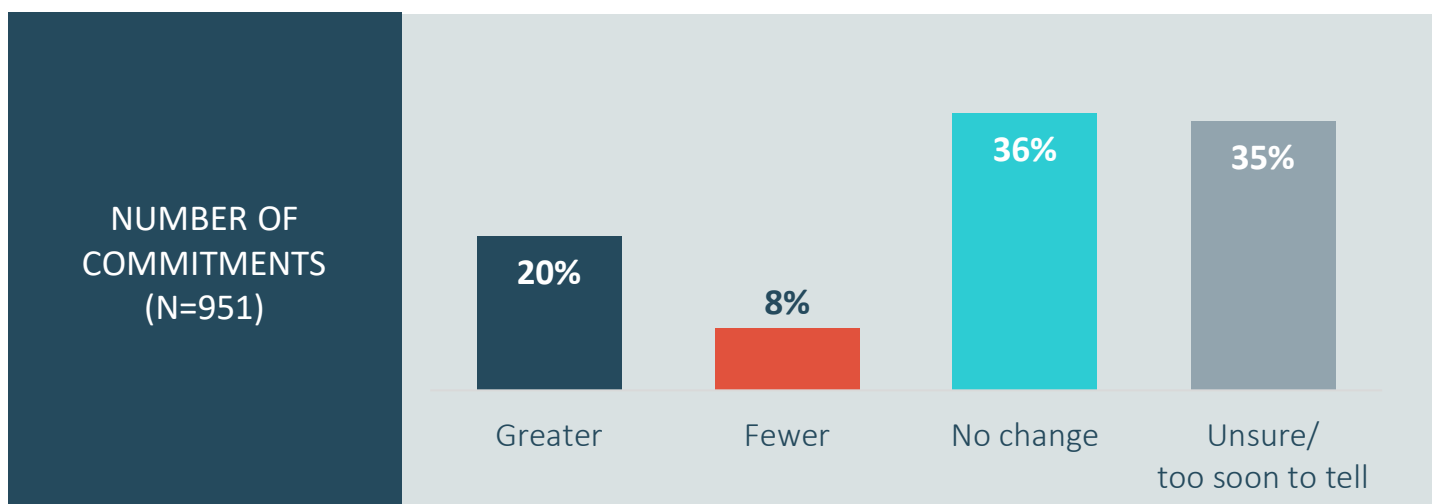


Please note: percentages have been rounded and may not total to 100%.

GIFT PLANNING IN A PANDEMIC YEAR

Our survey respondents indicated some increases in gift planning activity amid the pandemic, with 20% reporting a higher number of planned gift commitments in 2020 compared to previous years. In terms of the monetary value of planned gift indications, 14% of respondents reported larger commitments. The majority of respondents reported that they saw no changes or were unsure of changes in both the number of commitments (71%) and the size of commitments (78%).

DID YOU SEE A CHANGE IN PLANNED GIFT COMMITMENTS/INDICATIONS/PLEDGES (E.G., IMMEDIATE-USE NON-CASH ASSETS, DEFERRED/LEGACY/EXPECTANCY GIFTS) IN 2020 COMPARED TO PREVIOUS YEARS?*

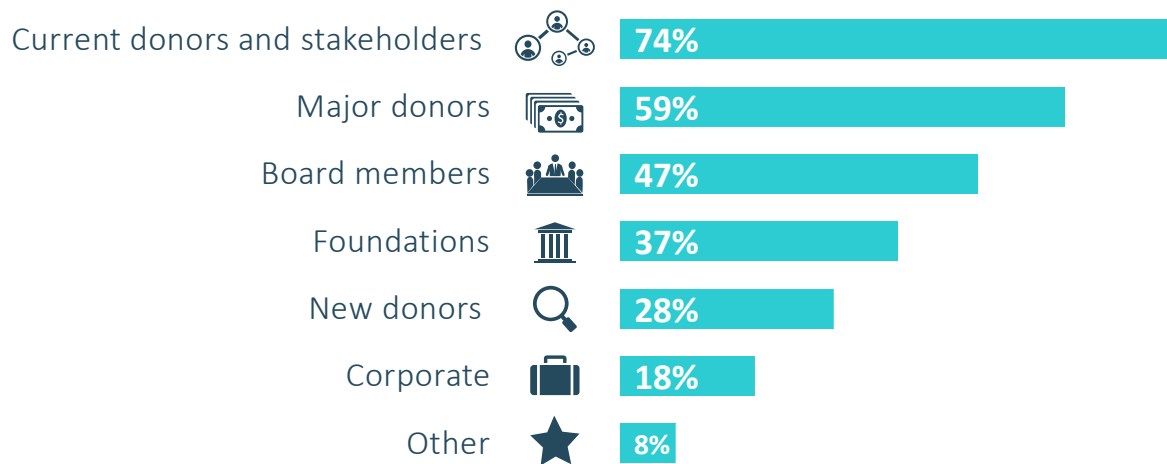


*Please note: this data does not refer to realized revenue from planned gifts. Percentages have been rounded and may not total to 100%.

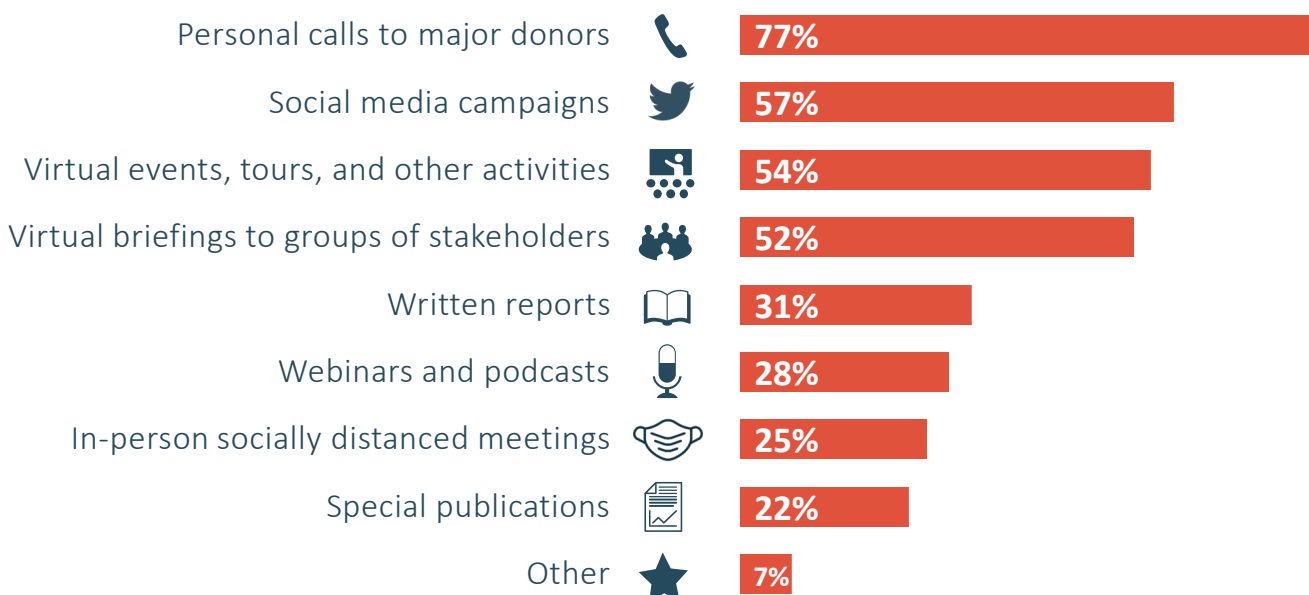
PRIMARY SOURCES OF SUPPORT AND METHODS OF DONOR ENGAGEMENT

Survey participants were most likely to cite those closest to the organization—current donors and stakeholders, major donors, and board members—as their primary sources of support amid the COVID-19 pandemic. Personal calls along with digital engagement methods like social media campaigns, virtual events/tours, and virtual briefings topped the list of primary methods of engaging and cultivating donors during the pandemic.

WHO HAVE BEEN YOUR PRIMARY SOURCES OF SUPPORT SINCE THE COVID-19 PANDEMIC BEGAN? (N=1,040)



WHAT ARE THE PRIMARY METHODS THAT HAVE BEEN EMPLOYED TO ENGAGE AND CULTIVATE DONORS DURING THE COVID-19 PANDEMIC? (N=1,040)

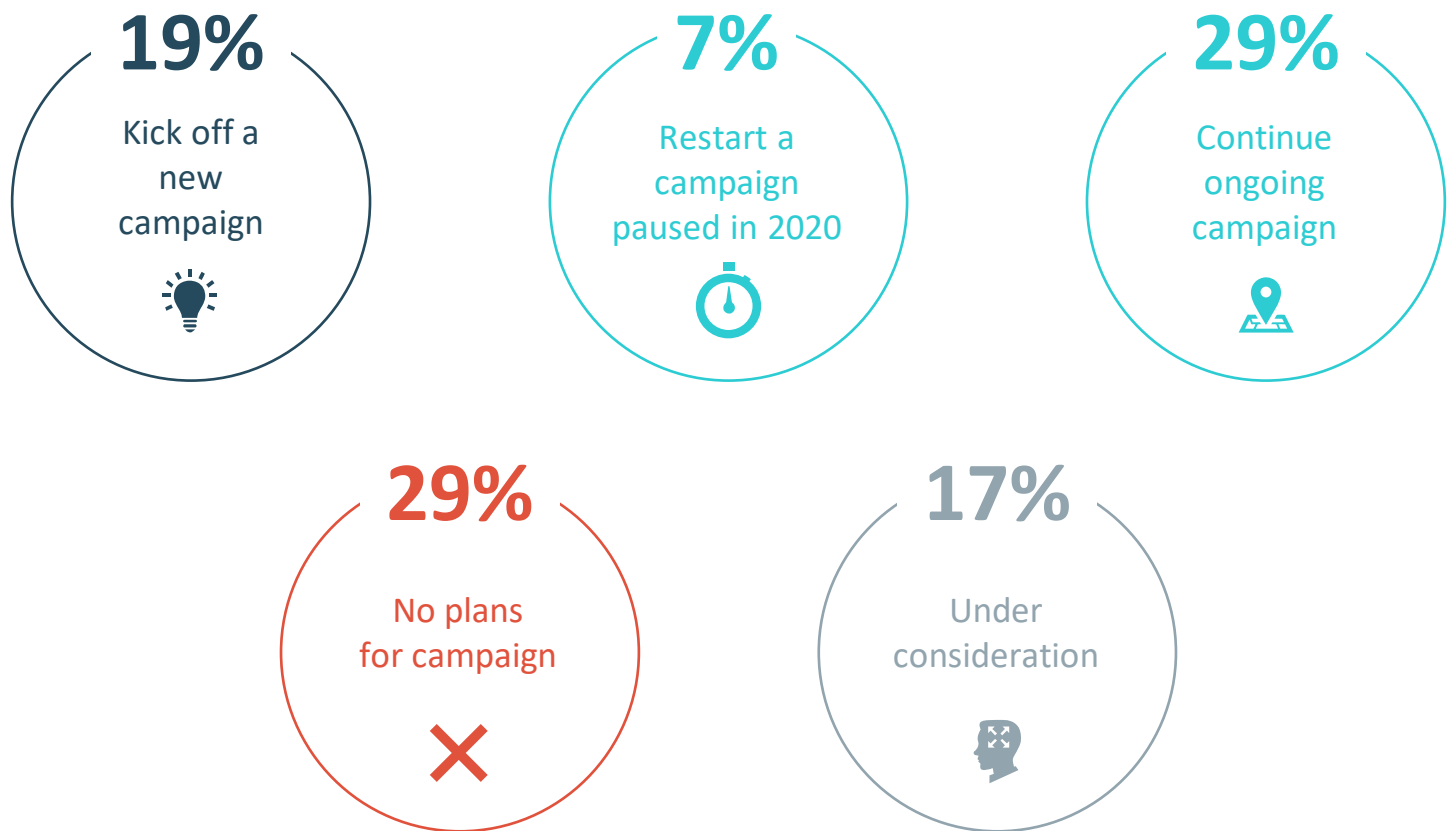


Please note: respondents were able to choose multiple answers on this question.

CAMPAIGNS IN UNCERTAIN TIMES

Our survey respondents conveyed a considerable level of confidence in major capital and comprehensive campaigns for 2021. A combined 55% of respondents noted they were kicking off, restarting, or continuing a campaign in the coming year. An additional 17% reported that their plans were still under consideration. In aggregate, more than 7 out of 10 respondents said they were either planning or considering a campaign in 2021.

WHAT IS YOUR ORGANIZATION'S STRATEGY FOR 2021 REGARDING MAJOR CAPITAL OR COMPREHENSIVE CAMPAIGNS? (N=978)



VIRTUAL ENGAGEMENT

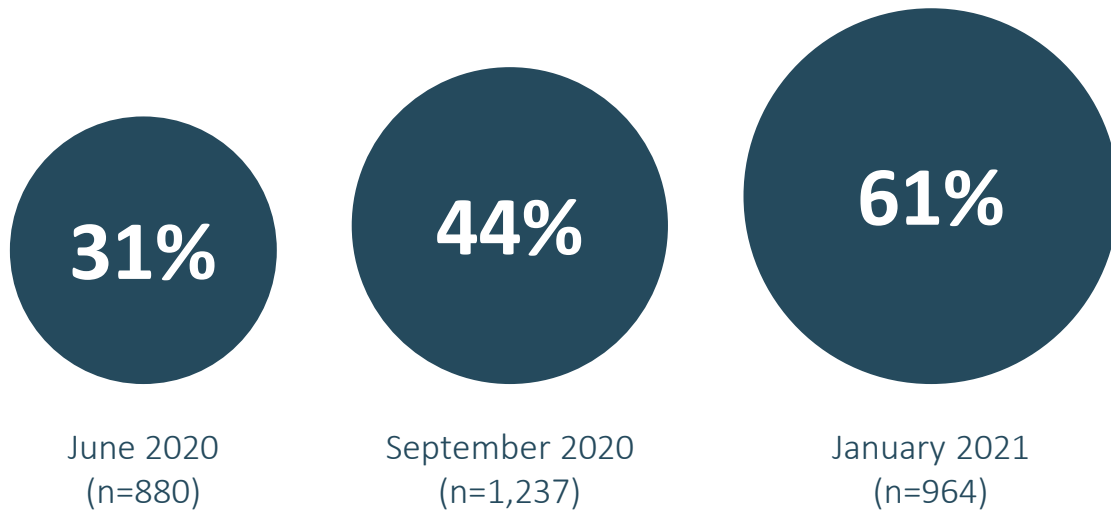


ONLINE FUNDRAISING EVENTS

Adoption Rates

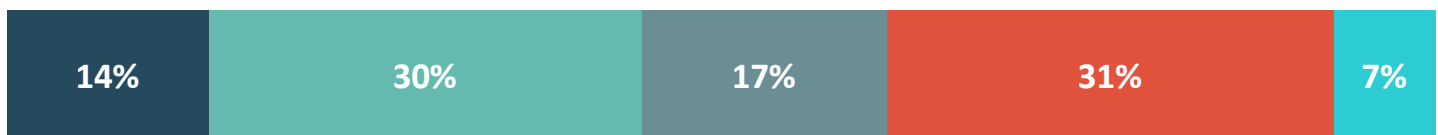
The majority (61%) of respondents to our survey said they held some sort of online fundraising event since the COVID-19 pandemic began. Unsurprisingly, as the COVID-19 pandemic continues to require social distancing measures across much of the world, the percentage of respondents holding an online fundraising event nearly doubled since our June 2020 survey.

HISTORICAL COMPARISON: PERCENTAGE OF RESPONDENTS WHO HELD AN ONLINE FUNDRAISING EVENT



Of those respondents who reported that their organization held an online fundraising event, most held at least one event in place of a pre-existing gala, dinner, or other fundraiser.

HAS YOUR ORGANIZATION HOSTED AN ONLINE FUNDRAISING EVENT DURING THE COVID-19 PANDEMIC? (N=964)



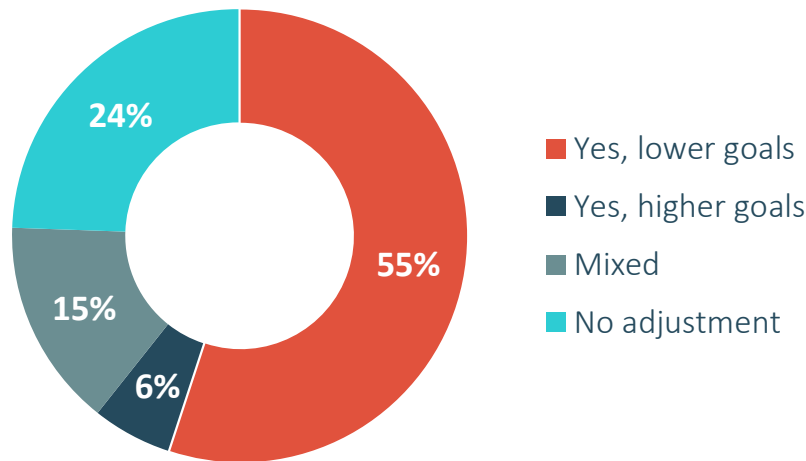
- Yes, created a new virtual event
- Yes, in place of a pre-existing gala/dinner/other fundraiser
- Yes, a mix of new and pre-existing events
- No
- Under consideration

ONLINE FUNDRAISING EVENTS

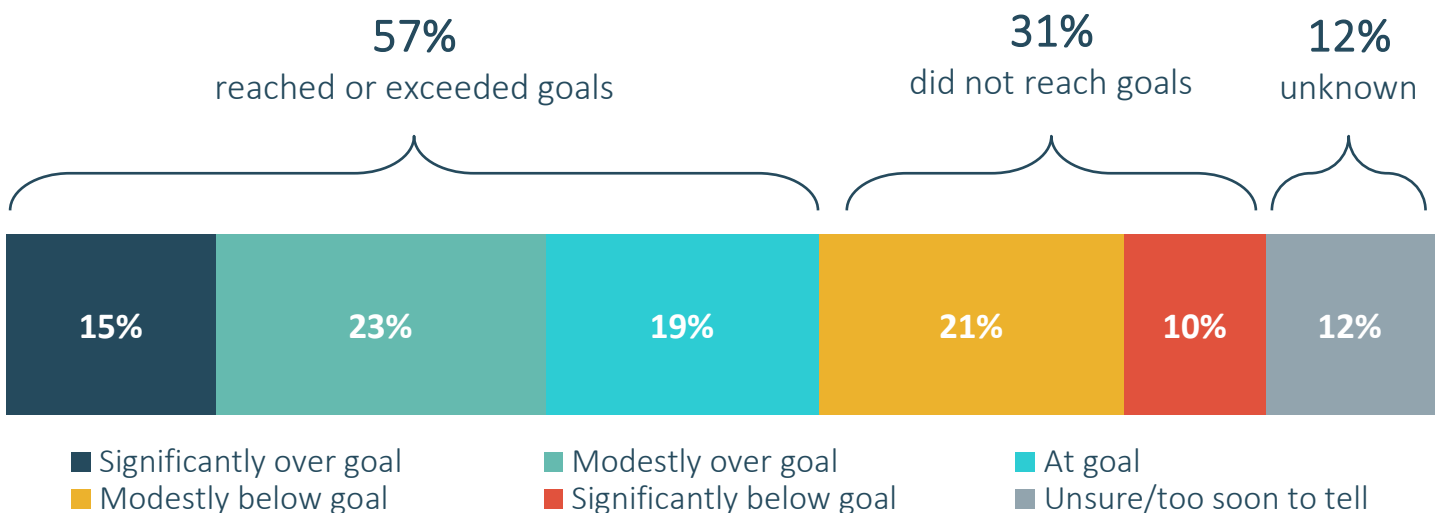
Levels of Success

Those respondents who held an online fundraising event seemed to mostly have success. Only about 31% of respondents reported that they did not reach their gross financial goals. It is, however, important to remember that more than half of respondents who held an online fundraising event lowered their goals for virtual events compared to typical in-person events.

DID YOU ADJUST YOUR FUNDRAISING GOALS FOR VIRTUAL EVENTS COMPARED TO YOUR GOALS FOR TYPICAL IN-PERSON EVENTS?
(N=585)



OVERALL, HOW SUCCESSFUL WERE YOUR VIRTUAL FUNDRAISING EVENTS IN TERMS OF REACHING GROSS FINANCIAL GOALS?
(N=585)

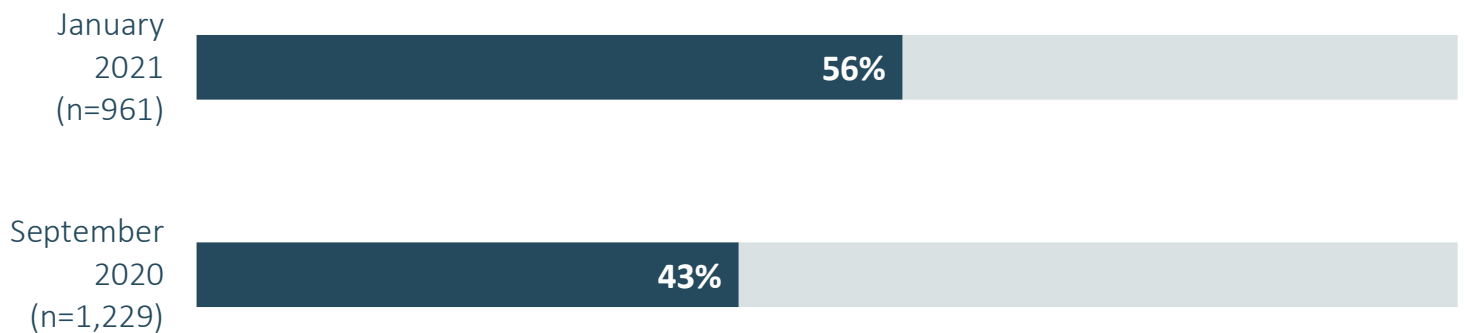


VIRTUAL MAJOR GIFT SOLICITATIONS

Adoption Rates

Compared to our September 2020 survey results, a greater proportion of our January 2021 respondents conducted virtual major gift solicitations. A combined 56% of respondents said they conducted a virtual major gift solicitation during the COVID-19 pandemic. This data suggests that the adoption rate for these one-on-one donation requests is slightly lower than the adoption rate for more broad-based fundraising events (which, as described on page 18, is 61% in this survey).

HISTORICAL COMPARISON: PERCENTAGE OF RESPONDENTS WHO HELD A VIRTUAL MAJOR GIFT SOLICITATION



Those who held a virtual major gift ask did so through varied means. Most often, survey participants reported that they held solicitations via both phone and video conference.

HAS YOUR ORGANIZATION CONDUCTED A VIRTUAL MAJOR GIFT SOLICITATION DURING THE COVID-19 PANDEMIC? (N=961)



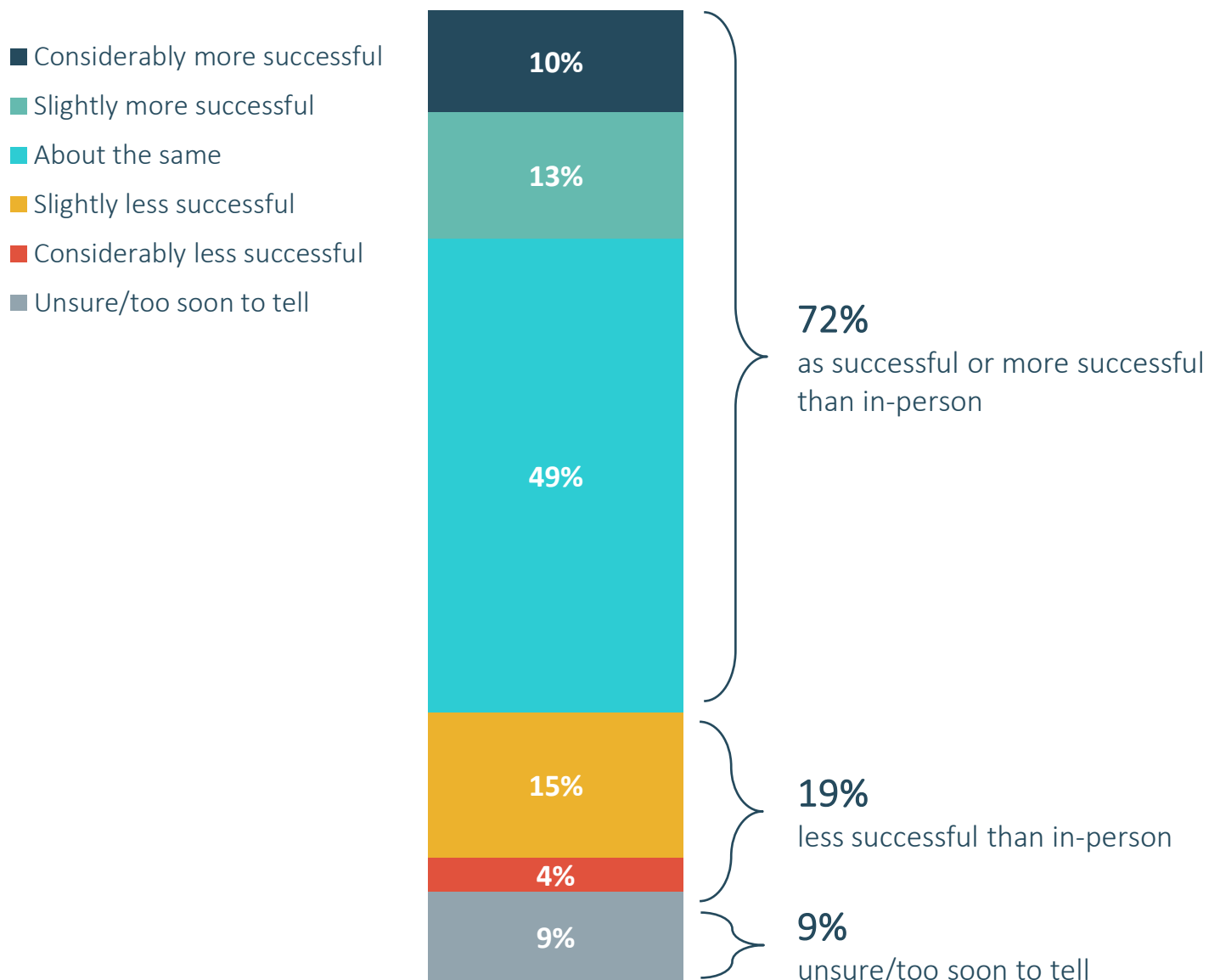
- Yes, via video conference
- Yes, via phone
- Yes, via both phone and video conference
- No
- Under consideration

VIRTUAL MAJOR GIFT SOLICITATIONS

Levels of Success

Encouragingly, nearly three-quarters of respondents who held a virtual major gift solicitation said that they were as successful or more successful than typical in-person solicitations. This 72% success rate reported by our participants is higher than the success rate they reported for virtual fundraising events (57%, as described on page 19).

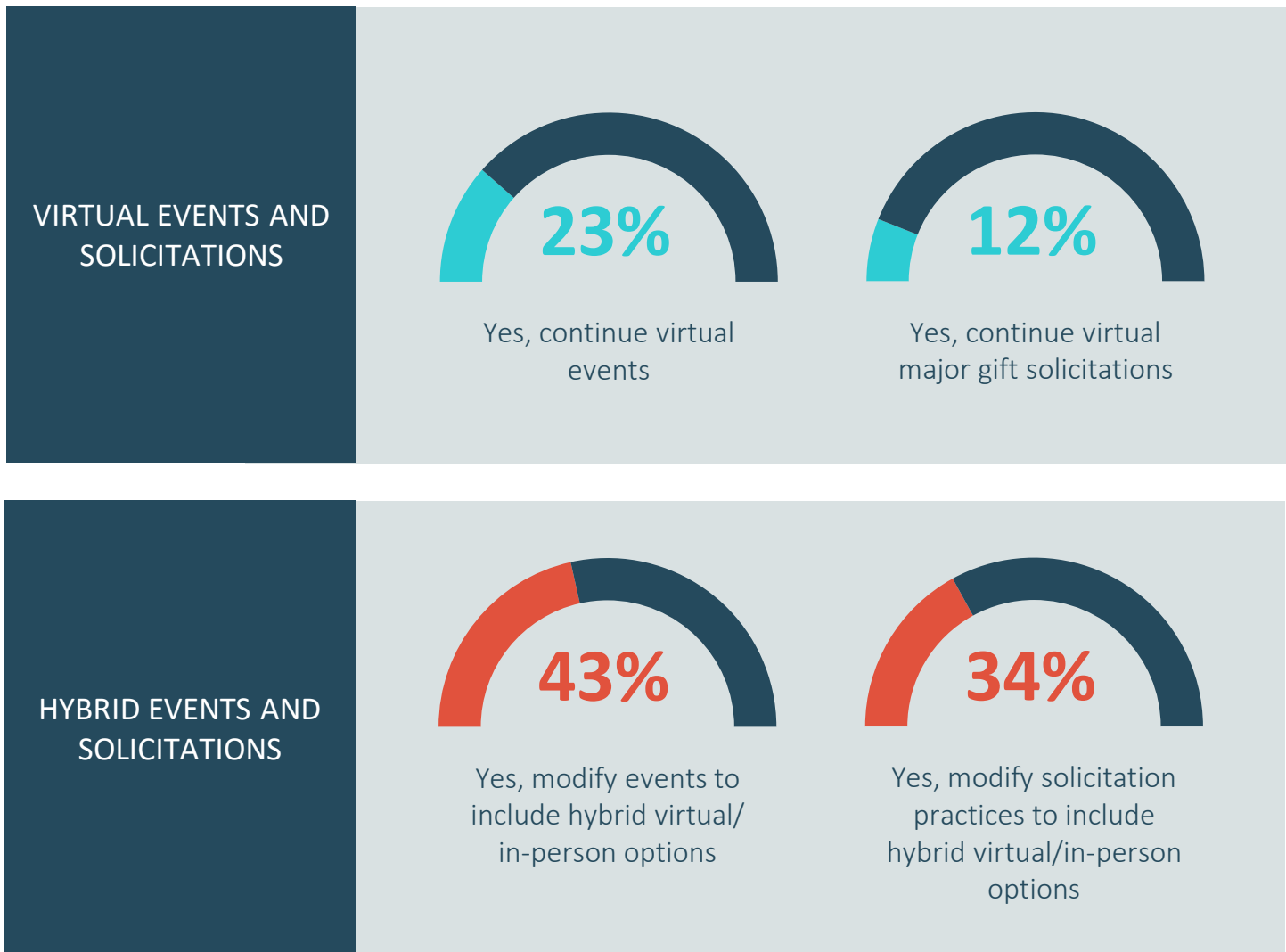
OVERALL, HOW SUCCESSFUL ARE YOUR VIRTUAL MAJOR GIFT SOLICITATIONS, WHEN YOU COMPARE THEM TO YOUR TYPICAL SUCCESS AT SECURING GIFTS REQUESTED DURING IN-PERSON SOLICITATIONS?
(N=537)



THE FUTURE OF VIRTUAL FUNDRAISING EVENTS AND MAJOR GIFT SOLICITATIONS

Virtual fundraising tactics may have some level of staying power after the COVID-19 pandemic has ended. While few respondents reported that they planned to continue completely virtual events and major gift solicitations, greater proportions indicated that they wanted to offer hybrid virtual/in-person options for events and solicitations.

**DO YOU INTEND TO HOLD VIRTUAL EVENTS AND/OR VIRTUAL MAJOR GIFT SOLICITATIONS AFTER PANDEMIC-RELATED SOCIAL DISTANCING REQUIREMENTS ARE NO LONGER IN PLACE?
(N=1,040)**



Additionally, 9% reported that they do not intend to employ any of the above methods and 22% reported that their intentions were “under consideration” at this time.

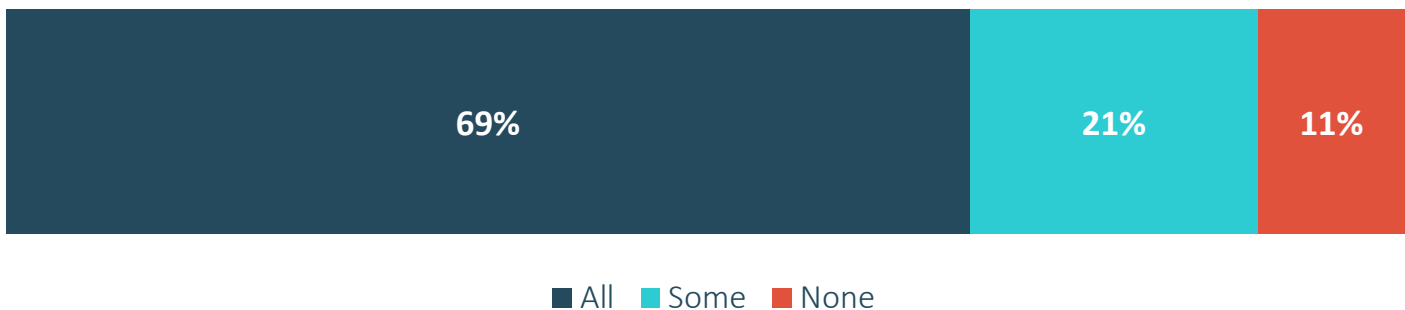
FUNDRAISING STAFF



REMOTE WORK FOR FUNDRAISING STAFF

Remote work was widespread among our survey participants as of January 2021, and our data indicates that remote work setups may be here to stay over the long term. About 90% of respondents have either all or some fundraising staff members working remotely at least part of the time. Looking ahead to a post-pandemic world, a combined 83% of respondents said they were either planning to offer remote work options or were considering doing so.

HOW MANY OF YOUR FUNDRAISING STAFF MEMBERS ARE CURRENTLY WORKING REMOTELY AT LEAST PART OF THE TIME?
(N=959)



DO YOU PLAN TO CONTINUE SOME LEVEL OF REMOTE WORK OPTIONS FOR FUNDRAISING STAFF AFTER THE COVID-19 PANDEMIC HAS ENDED?
(N=958)

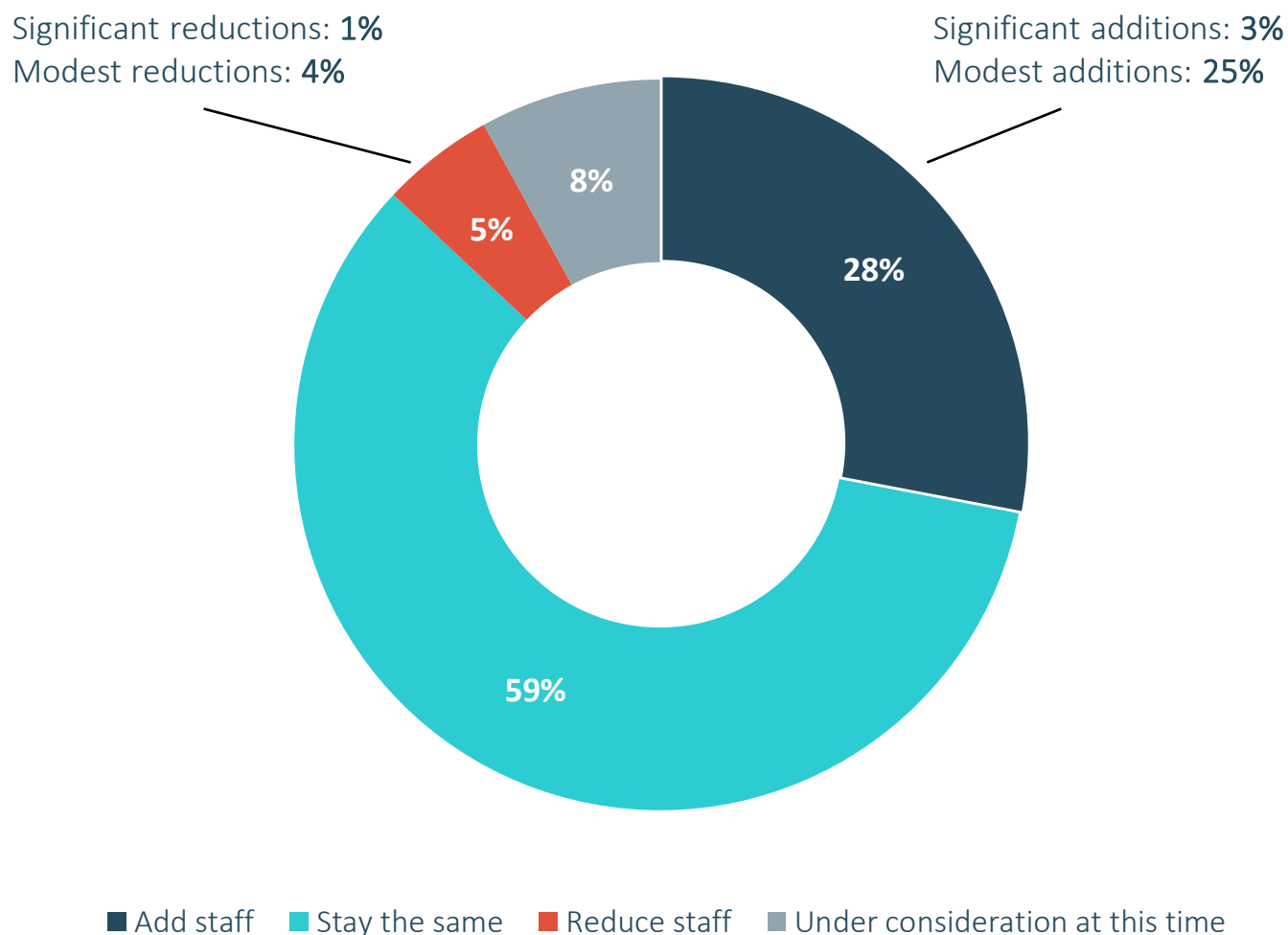


Please note: percentages have been rounded and may not total to 100%.

FUNDRAISING STAFF CHANGES

Only about 5% of survey respondents reported that they intend to reduce their fundraising staff numbers in 2021. Most respondents (59%) said they would keep their fundraising staff numbers the same while more than one-quarter said they anticipated adding staff.

WHAT CHANGES, IF ANY, DO YOU ANTICIPATE FOR YOUR FUNDRAISING STAFF NUMBERS IN 2021?
(N=957)



These sentiments on hiring represent encouraging news for fundraising professionals. It is important to keep in mind, however, that some organizations laid off or furloughed fundraising staff during 2020. In our [third-edition Philanthropic Climate Survey](#) in September 2020, 26% of respondents reported some level of fundraising staff reductions at their organization. Thus, some of the respondents who reported maintaining or increasing their staff numbers for 2021 may be starting from an already-reduced fundraising team.

ABOUT CCS FUNDRAISING

CCS Fundraising is a strategic consulting firm that partners with nonprofits for transformational change, providing a wide range of services that support and strengthen their fundraising programs. Founded in 1947, CCS operates in more than a dozen offices in countries around the world. The firm's experts—skilled in campaign and development strategy—work closely with organizations of all sizes across nonprofit sectors.

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