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BLOG POST

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Launching A Strong Year-End Fundraising Campaign Amid Economic Uncertainty

As nonprofits prepare for 2024, organizations are striving to serve their communities and address new areas of need. BDO's 2023 Nonprofit Standards benchmarking survey found that 56% of nonprofits have meaningfully expanded or shifted the scope of their mission in the past 12 months to meet the new needs of populations they serve.

Unfortunately, nonprofits may struggle to find the resources they need to sustain their missions. A [Giving USA report](#) found that in 2022 charitable giving fell 3.4%. A successful year-end giving campaign can provide nonprofits a much-needed funding boost and help improve resilience into 2024. Here's what nonprofits should keep in mind as they look to engage donors through the end of the year and beyond.

Communicate Impact and Importance

Inflation, along with fears of economic uncertainty, may be causing funders and donors to limit their giving. In fact, 56% of nonprofits saw their revenues decrease or stay the same in their most recent fiscal year, according to BDO's 2023 Nonprofit Standards benchmarking survey. However, the contributions that donors can make are critical to an organization's bottom line — and year-end fundraising campaigns should make this clear.

Beyond helping organizations stay afloat, donors want to know how the funds they offer will create a positive impact. In the past 12 months compared to the previous 12 months, 46% of nonprofits say donors and funders are asking for more program or service impact data, according to BDO's survey. A key to fundraising success may be to secure the technology and human resources needed to properly collect and report the impact of donor funds.

Nonprofits should also make it easier for funders to learn about their financial needs and the impact of their programs. Well-designed organization websites, which can direct potential donors to supporting documentation such as their Form 990 or annual impact reports, detail the organization's journey, mission, and impact. A quick read of the website should easily answer questions like, "Why is the mission especially critical at this moment in time?" "Is there increased constituent need?" "How can donors make a difference today?"

This context helps funders understand why they should urgently support an organization's work.

Reach Prospective Donors

Donor data plays a critical role in a successful fundraising campaign. While analyzing past donor behavior is helpful, assessing additional donor factors — such as age, income, and lifestyle — can also help determine whether someone is likely to donate.

Through predictive analytics, nonprofits can leverage such information to assign a donation probability to each potential donor as well as anticipated donation amounts. This not only helps with donor acquisition, but also campaign efficiency. Nonprofits can save time and resources by reaching out only to individuals who are likely to support the organization — or likely to donate a larger amount — instead of contacting a broader pool of people who may or may not be interested in engaging. For example, if a nonprofit identifies a select group of high-value donors with a 40% donation probability, targeting them may still be more valuable — resulting in more funds secured — than pursuing the same number of low-value donors who have a very high 60% likelihood of donating.

Publicly available data, such as data from social media platforms, can also help nonprofits target potential donors based on certain demographic characteristics such as age, education — and on some platforms — income. Additionally, social media can help nonprofits discover potential donors who have not yet heard of the organization but have interacted with others that have similar missions. For example, one social media site gives users the option to launch birthday fundraisers for organizations of their choosing.

Nonprofits can leverage this information to see what prospective donors on the platform care about. Since individuals are more likely to donate to causes that have personal meaning to them, this kind of background can indicate whether someone is likely to show their support.

Nurture Existing Donors

With 64% of nonprofits increasing spending slightly or significantly on fundraising and donor relations, according to BDO's 2023 Nonprofit Standards benchmarking survey, it is important for organizations to understand how they can deepen their relationships with their benefactors. This can involve helping funders understand how their dollars specifically impact the mission. Nonprofits with sophisticated Enterprise Resource Planning (ERP) systems may be able to individualize yearly impact reports to each donor, as well as provide progress updates throughout the year to keep them engaged.

Many organizations are aware that they need a fully modern ERP system to support tailored fundraising outreach. In fact, 57% of surveyed nonprofits plan to select and or implement a new ERP system in the next 12 months. To learn more about selecting the right ERP system for your organization, check out our guide: 11 Steps to Selecting the Right Nonprofit ERP System.

If it is difficult for people to make a donation, fundraisers are unlikely to reach their full potential no matter the strength of their messaging or targeting. Cumbersome processes that are not user friendly may result in losing donors midstream. Nonprofits should remove barriers to giving and update their donation channels to keep pace with consumer behavior. Looking for ways to improve ease of use on online and mobile giving platforms can help.

With the year-end giving season top of mind, organizations should consider ways to enhance donor targeting, communication, and ultimately giving, so they can continue to support their communities through their various missions.