

# BrewerDirect

RELEASING GENEROSITY

## **Good News Ahead in 2020: *An election-year analysis for fundraisers***

If the uncertainty of the past few months hasn't been frustrating enough for nonprofits, there's also a presidential election unfolding. Conventional wisdom leads us to believe that donor support wanes as this monumental decision takes center stage.

Yet, while it's still too soon to know how the COVID-19 crisis and other recent events of ill-ease in our cities will impact donor behavior for the remainder of the year, a wealth of past election-season data is readily available to guide fundraising efforts and predict outcomes for fourth quarter (Q4) 2020.

Working with market research and data analytics partners Analytical Ones, Brewer Direct recently took an in-depth look at Q4 donor performance trends for 33 Rescue Mission clients serving communities nationwide.

*And for fundraisers... the news looks good!*

### **The Study**

**Focusing solely on Q4 results from the past 10 years, three categories were compared:**

- Off-election years (2011, 2013, 2015, 2017 & 2019)
- House-election years (2010, 2014 & 2018)
- Presidential-election years (2012 & 2016)

### **Donor Trends**

Overall, analysis shows little change in the number of active donors present in each group over the past decade. In fact, it may be surprising that the most significant swing was a 1.7% average increase during Presidential-election years.

New donor acquisition is getting more and more difficult. Presidential election years fare the worst of all categories, showing an overall 11.7% decrease.

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### Gift Trends

Gift counts for active donors have been relatively stable over the last 10 years. Once again, Presidential-election years showed the most significant move of the three categories, at a small but positive 1.7% increase.

Average gift size has grown consistently throughout the analysis period and across all three groups: House-election years earned the highest increase at a healthy 2.9%. Off-election years secured the second-best outcome at 2.7%. And last but not least, Presidential-election year results still came in strong with a positive 2.1%.

**THE TAKEAWAY:** Over the past decade, current donors haven't been less active during election years; in some cases, their partnership has been even more prevalent. But fewer new donors come on board during these election-year periods. Gift counts have consistently increased in election years, as does gift size – and that's surprising, given the prevailing belief about giving in election years. *Fundraisers, keep up the good work!*

### Revenue Trends

While there's plenty of good news for fundraisers in the Presidential-election year analysis, the results on overall revenue offer perhaps the most positive outlook.

Revenue from donors across all giving levels rose year-over-year throughout the 10-year span and in all three categories. Presidential-election years captured the greatest increase on average, at an impressive 6.9%.

The study also separated donors into two groups – those giving under \$10K in Q4, and those contributing \$10K and above – and the findings from this analysis were favorable as well.

For those in the <\$10K group, all categories tallied an increase, with Presidential-election years leading at 3.7%. The most exciting discovery was noted among those giving more than \$10K. For House-election years, overall revenue from donors with cumulative giving over \$10K rose an average of 2% over the previous year. Off-election years came in at 8%.

And... *drumroll, please...* Presidential-election years realized a whopping 22.8% increase!

**THE TAKEAWAY:** The data suggests that large donors play a significant role during Presidential-election years. Take steps to ensure your major donors continue to engage with your organization and know they are heroes in your service to your community.

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## So... what does this mean?

*The good news... when it comes to active donors, there's no bad news!* Based on the research, there is simply no evidence to suggest the Presidential election will trigger poor performance in Q4. If anything, outcomes could sway slightly toward the positive.

The wild card, of course, is COVID-19.

To date, there is too little data to predict how this unprecedented event – and its ongoing impact – will influence donor support, especially combined with the forces of a Presidential election. The only thing we *can* do is chart the course for the future based on learnings from the past.

And what history tells us – in this particular study, in fact! – is that in election years, more donors are active, more gifts are made, and more revenue is generated for nonprofits like Rescue Missions.

The potential for success is real but requires action. Standing still is not an option.

## Let's get moving!

Easier said than done, right? We're here to help. Here are two sound suggestions for optimizing donor support in Q4.

1. Recognize and cultivate your supporters' deep desire to champion your cause, especially during the season where presidential leadership may change. In addition, be laser-focused on presenting a particularly timely and compelling case in order to transcend the additional media and advertorial deluge.
2. The data suggests that large donors play a significant role during Presidential-election years. Take steps to ensure your major donors are engaged with your organization and know they are the heroes in your service to your community.

In these uncertain and trying times, Brewer Direct can help you develop these and other strategies, customized for your particular donors and community. Let's work together to meet Q4's unique challenges and ensure your ministry's fundraising success.