#FEPQ2

EXECUTIVE SUMMARY

The Fundraising Effectiveness Project's Q2 2025 report provides a comprehensive overview of the current state of philanthropic giving, highlighting both encouraging signs of stability and persistent structural challenges.

The latest quarter suggests a potential turning point from some volatility in early 2025 data: nonprofits engaged and retained donors at roughly the same rate as the previous year, once late-reporting adjustments and the margin of error are taken into account. This indicates a stabilizing trend, with the year-over-year decline in donor numbers decelerating, and possibly leveling off in Q2.

Organizations experienced a 2.9% increase in total dollars raised compared to Q2 2024, once late-arriving data were included. However, this growth continues to rely heavily on larger contributions, underscoring the sector's dependence on major donors. Year-to-date performance among supersize donors has been softer than in 2024, but they remain a significant driver of philanthropic outcomes at mid-year.

The mid-year data reveal both critical challenges and emerging opportunities for nonprofits. Innovative approaches are needed to deepen relationships across the donor spectrum, reduce reliance on large gifts, and build a more resilient and diversified fundraising base.

KEY FINDINGS

1. **Modest Increase in Overall Fundraising**:
   Despite the flat trend in donor engagement and retention, organizations experienced a 2.9% increase in the amount of dollars raised year-over-year (YOY).[1]

2. **Overrepresentation in Large Donor Participation**:
   Nonprofit fundraising continues to depend heavily on large donors. Though supersize donors remain a significant source of money raised, they appear to be down -7.7% compared to this point in 2024.

[1] This figure is after incorporating estimates of late-arriving data.

3. **Stabilizing Retention Rates**:
Nonprofits engaged and retained donors in Q2 2025 at roughly the same rate as the year prior.[2] The figures suggest a stabilizing trend, with YOY decline in donor numbers decelerating and possibly leveling off in Q2.

Strategic Insights to Strengthen Year-End Fundraising

The Q2 results show a continued widening gap between donor participation rates and fundraising volumes: fewer donors are giving more.

1. **The Donor Pipeline Crisis: Acquisition, Retention, and the Erosion of the Base**

   The steep declines in first-time donors (-10.7% YOY) and donors giving twice (-11.0% YOY) are the sharpest drops across all donation frequency segments. Combined with significant dollar declines from micro donors (-10.5% YOY) and new retained donors (-10.5% YOY), this reveals a critical weakness in donor acquisition and retention.

   Even though micro donors Micro donors contribute a small portion of all money raised (2%), they comprise half of all donors. They are currently being retained at a rate of only 16.5% year-to-date. Nonprofits neglecting this group risk significant long-term erosion of the donor base itself. Organizations appear to be "living paycheck to paycheck," prioritizing immediate budget needs through major donor cultivation, while underinvesting in prospecting and early-stage donor journey strategies.

   Recommendation: Nonprofits should consider increasing development budgets specifically for acquisition and retention capacity among new micro donors. Multi-year budgeting should balance short-term revenue goals with long-term sustainability. Openness to new acquisition approaches is essential. Examples of areas for exploration include: AI-enhanced modeling of acquisition lists, investment in paid media, and willingness to test new technologies and platforms.

2. **Q2 Itself Was Particularly Challenging Across Donor Levels, Requiring Adaptive Strategies**

   Since this report is cumulative through Q2, the decline in dollars raised from +3.6% at the end of Q1 to +2.9% through Q2 means the second quarter itself was significantly weaker—not a great quarter overall. While we see significant YoY declines in donor participation across key categories of donors, the most striking is the major donor category's deterioration from -1.1% through Q1 to -3.4% through Q2, suggesting this cohort performed particularly poorly in Q2 itself, likely down 5% or more during the quarter alone. Even supersize donors ($50K+) showed weaker performance at -7.7% YOY.

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[2] This figure is factoring in late-data adjustments and the margin of error.

Several factors may be contributing to dampened participation across the spectrum, including high-level donors. These declines suggest that connections between organizations and donors at all levels may not be strong enough. Development teams need to help micro and small donors feel valued, while also ensuring major donors understand their ongoing relevance to the mission.

Recommendation: Organizations should strengthen coordination between annual giving teams and major gift officers. When major gift outreach is unsuccessful, quickly moving major donors back into an enhanced annual giving stream can be effective, particularly if that was the initial nature of the donor's relationship.

Demonstrating an organization's mission to first time donors in the years following their first donation requires fostering ongoing relationships, regardless of subsequent gift sizes.

3. **The Complete Donor Journey Challenge: From One-Time Gifts to Sustained Support**

The data reveal critical weaknesses across the entire donor development spectrum. **One-time donors represent 68.4% of the donor base and account for over two-thirds of the total donor decline**, experiencing a -7.9% YOY drop (unadjusted). Meanwhile, donors in the middle of their giving journey—those giving 2 times (-1.5 p.p. retention decline) and 3-6 times (-1.4 p.p. retention decline) annually—showed the steepest drops in retention rates.

In contrast, **repeat retained donors account for over 60% of all dollars fundraised and experienced the smallest decline in dollars (-4.2% YOY), making them the backbone of nonprofit revenue.** This heavy reliance on established donors while the pipeline weakens creates significant concentration risk. The pattern suggests an under-explored opportunity: cultivating mid-stage donors who fall between first-time givers and established supporters. Despite substantial evidence that retention is improved by integrating outreach across all channels—all digital platforms along with traditional direct mail—many organizations continue to struggle with coordination.

Recommendation: Organizations need a dual focus:

(1) Dedicate specific attention and resources to engaging mid-stage donors (those giving 2-6 times) through integrated cross-channel strategies;

(2) Place special emphasis on true cross-channel integration as a strategic imperative, ensuring consistent messaging across all platforms to move donors from one-time giving through mid-stage engagement, to the repeat retained category that sustains organizational revenue.

However, integration alone is insufficient; the message itself must resonate. Organizations should emphasize the relevance of their mission and help donors understand that their contributions add real value—especially during times of economic pressure, when informal giving and volunteering may compete for their attention and resources. This requires cohesive donor journeys that nurture engagement beyond the first gift.

4. A Silver Lining: Long-Term Donor Loyalty Shows Resilience

While much of Q2 showed weakness, donors making 7+ donations demonstrated notable improvement from Q1 levels, with retention increasing +0.8 p.p. YOY to maintain a strong 86.2% retention rate year-to-date. **More remarkably, this segment was down -15.7% through Q1 but recovered to -9.5% through Q2, indicating a particularly strong second quarter that pulled cumulative results up significantly.** This suggests that donors with established giving habits remain remarkably loyal, even amid economic uncertainty, and that this cohort had one of the few genuinely positive performances in Q2 specifically.

Opportunity: This resilience among highly engaged donors reinforces the long-term value of investment in strategies that move supporters from occasional giving to habitual philanthropy—making an even more compelling case for sustained acquisition and retention efforts, particularly given the challenges in building that pipeline reflected elsewhere in the data.

5. Understanding the Data and Its Application

Important Context for Report Users: This report draws from the Growth in Giving database, focusing on organizations with at least three years of data and $5K to$25M in annual contributions. Organizations raising over $25M are excluded from this analysis—which means certain sectors, including approximately 90% of higher education institutions, are not represented in these findings.

As noted in the methodology, topline metrics (donors, dollars, and retention) incorporate adjustments for late-arriving data based on historical patterns, with margins of error provided to express uncertainty in these estimates. More granular breakdowns by donor size, life cycle, and other segments reflect unadjusted data and therefore may show variations from the adjusted topline trends. Understanding these methodological considerations—particularly the exclusion of large organizations—helps organizations apply the findings appropriately to their own contexts and benchmarking efforts.

These takeaways emphasize both the challenges revealed in the Q2 data and the strategic opportunities available to organizations willing to adapt their approaches to acquisition, retention, and donor engagement.

PURPOSE

The quarterly Fundraising Effectiveness Project (FEP) report serves a vital role in our mission to provide trusted data insights that enable fundraisers to improve their outcomes. By delivering a comprehensive overview of the current trends and metrics in the nonprofit sector, the report equips fundraisers with actionable data to guide their strategic decisions.

This aligns with our vision of a sector where data-driven insights foster increased generosity. The Q2 report not only reflects the reality of philanthropic trends but also embodies our commitment to transparency and continuous improvement, reinforcing the trust and credibility that fundraisers place in our resources.

By highlighting both challenges and opportunities within the sector, the report supports fundraisers in navigating the complexities of donor engagement and retention, ultimately contributing to the growth and effectiveness of their fundraising efforts.

Depending on the role you play in our sector, this report may have a different meaning for your work. Here are some basic takeaways depending on the work you do.

Here's our Ambassador's Spokesperson Policy

Role	Takeaway
Nonprofit Leader	Use the insights from this report to empower your strategic and tactical adjustments, ensuring that your organization can adapt to the changing landscape and maximize fundraising efforts.
Data Provider (Initiative)	The insights from the Q2 2025 FEP report provide immense value to your clients by offering actionable data to enhance their fundraising strategies and drive better outcomes.
Data Provider (Not in Initiative)	New providers joining the initiative signals the growing momentum for industry benchmarking, showcasing the importance of being part of this collaborative effort to provide valuable insights.
Nonprofit Consultant	The Q2 2025 FEP report delivers crucial insights that help you advise your clients more effectively, offering data-driven strategies to overcome challenges and seize opportunities.

Researcher	This report offers a wealth of data that can fuel your studies and provide a solid foundation for understanding trends in philanthropy, aiding in the development of more effective theories.
Policy and Government Relations	The Q2 2025 FEP report highlights the critical need for support of nonprofits, regardless of political views, emphasizing that now more than ever, nonprofits in the US need our assistance.

PROMOTION

We will provide early access copies of the report to the press and researchers before the public release. Contact **Kelsey Kramer** at Kelsey@givingtuesday.org to request an early access copy. The report's public release will be on **10/30/2025**.

Following the public release, users can also access the visual assets of the Q2 report (including graphs and charts) through our **Visualization Library**!

For quick and easy presentation material, users can access a template slide deck with the key metrics **here!**

The Government Relations Subcommittee, in partnerships with AFP, has drafted the following memo illustrating the implications of the Q2 data on social sector advocacy. Users can read the memo **here**.

Below are some examples of what to share on various social media platforms. You can use these as is, or adjust to fit your brand voice, but we ask that you tag our respective profile in each post as well as use the hashtag, #FEPQ2.

FACEBOOK EXAMPLE

- Our Q2 2025 Fundraising Effectiveness Project (FEP) report is out! Discover how the nonprofit sector is navigating challenges and finding opportunities to grow generosity. We see modest increases in dollars being raised, but, more worryingly, real declines in donor numbers.. Dive into the insights and leverage trusted data to enhance your fundraising strategies. Read the full report now! Download the report at **https://publications.fepreports.org/**

LINKEDIN EXAMPLE

- The latest Q2 2025 Fundraising Effectiveness Project (FEP) report is here, offering critical insights into the nonprofit sector's performance. We've seen a 1.9% decrease in donor numbers, coupled with a 2.9% increase in dollars raised. This report provides actionable data to help fundraisers navigate current challenges and seize new opportunities. Stay informed and empowered with trusted data insights that can enhance your fundraising outcomes. Read the full report today at **https://publications.fepreports.org/**

X/TWEET EXAMPLE

- The Q2 2025 Fundraising Effectiveness Project (FEP) report is out! 📊 Despite a slight decrease in donors, there's a 2.9% increase in dollars raised. Get the latest insights to navigate challenges and grow generosity. Read now! **https://publications.fepreports.org/**
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INSTAGRAM EXAMPLE

- 🌟 Exciting news! Our Q2 2025 Fundraising Effectiveness Project (FEP) report is now available. Despite a decrease in donor numbers, we've seen fundraising stabilize with a 2.9% increase in dollars raised. 📈 Dive into the latest trends and data insights to boost your fundraising efforts. Link in bio!

WRITING A BLOG

We encourage you to share this report with your audiences, and a great way to do that is by writing a blog post around the report's findings.

- If you do write a blog, please ensure that you are directly linking to the report's landing page *at least once.*
  - URL: **https://publications.fepreports.org/**
- Our data provider partners have a number of other articles and downloadable assets that make for good supplements to the report, please feel free to link to them within your blog post.
  - BetterUnite: 4 Ways to Boost Donor Retention for Smart Nonprofits
  - Bloomerang : A Guide To Donor Retention
  - Bonterra: 15 online fundraiser ideas for nonprofits and effective tips to raise money virtually
  - Classy: Donor Retention Strategies - Get Donors To Give Again
  - DonorDock: Unlocking Sustainability: How Recurring Donations Can Transform Your Nonprofit
  - DonorDock: One-Time vs Recurring Donors - Why Donor Retention Matters
  - DonorPerfect: Your Donor Retention Toolkit
  - Givebutter: Calculate your donor retention rate and get 3 ways to improve it
  - GiveSmart: How to Avoid Being Ghosted by a Donor
  - FundraiseUp: Spring fundraising ideas: 18 fresh ways to grow engagement and support
  - Keela: Driving Donor Loyalty - How to Calculate Donor Retention Rate
  - Neon One: Donor Retention Checklist
  - QGiv: The Importance of Retaining First-Time Donors (and How to Do It!)
- We ask that you keep external links to 2-3 per article, however, this is not a requirement

NEWSLETTER INSERT

Letting your audience know about the report through a newsletter insert is a great way to spread the word. We have provided sample copy below:

- **Unlock Key Insights with the Q2 2025 FEP Report**: Discover the latest trends in the nonprofit sector with our Q2 2025 Fundraising Effectiveness Project report. Despite a decline in donor numbers, fundraising dollars have held steady with a 2.9% increase. Equip yourself with actionable data to enhance your fundraising strategies and drive greater generosity.

- **Navigate Nonprofit Challenges with Data-Driven Insights**: Our Q2 2025 Fundraising Effectiveness Project report reveals that fundraising dollars have held steady with a 2.9% increase in dollars raised, even as donor numbers decrease. Learn how to leverage these insights to optimize your fundraising efforts and strengthen donor engagement.

- **Empower Your Fundraising with the Latest Data**: The Q2 2025 FEP report is here, providing essential insights into the current state of nonprofit fundraising. With fundraising dollars holding steady with a 2.9% increase in funds raised, this report highlights both challenges and opportunities for fundraisers. Stay informed and enhance your strategies with our comprehensive analysis.

THANK YOU

We extend our heartfelt gratitude for your unwavering support and dedication to the Fundraising Effectiveness Project (FEP). Your commitment has been instrumental in enabling us to release the Q2 2025 report, which provides critical insights into the nonprofit sector's performance. The FEP reports continue to be made possible by the generous support of existing collaborating data providers, including BetterUnite, Bloomerang, Bonterra, DonorDock, DonorPerfect, FundraiseUp, Givebutter, Givesmart, GoFundMe Pro, Neon One, and Qgiv.

Despite the challenges of declining donor numbers, the report highlights a 2.9% increase in dollars raised. This achievement underscores the importance of the work we do together in providing trusted data insights that empower fundraisers to improve their outcomes and drive greater generosity.

Thank you for being an essential part of our mission. Your ongoing support and advocacy help us continue to make a significant impact in the nonprofit community.

With sincere appreciation,

Fundraising Effectiveness Project Team