

Fundraising Trends Paper:

Environmental and Animal Welfare Nonprofit Fundraising Trends

Alycia Corpiel

University of Central Florida

Abstract

The tracking of charitable giving trends for environmental and animal welfare nonprofit organizations started in 1987. Since then, the nonprofit subsector has been notorious for being the lowest funded when compared with its counterparts, making up just 3% of total contributions in 2017. Although this has been the trend for many years, environmental and animal welfare nonprofit organizations have seen steady growth in contributions for each reporting period. In fact, these organizations are souring when compared to their fellow subsectors in regards to reaching fundraising goals. Much of the reason for this is the subsector's success is online solicitation of contributions. These organizations have been especially fortunate when it comes to email solicitation. Since environmental and animal welfare organizations have seen so much growth in giving in recent years, certain contribution reporting organizations have begun to report giving trends among the organization types separately. It will be intriguing to see the difference between the two subsectors in the years to come.

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Introduction

Understanding fundraising trends is important to the success of fundraising professionals; however, understanding fundraising trends that focus on the subsector the professional serves is vital. Environmental and animal welfare organizations are broadly different in comparison to their counterparts when it comes to how they are affected by fundraising trends. As such, understanding fundraising trends that are specific to the environmental and animal welfare subsector can have a greater impact on how fundraisers solicit donations for these organizations, rather than following general trends that affect nonprofit organizations as a whole. This paper strives to explore three critical fundraising trends in regards to environmental and animal welfare organizations, including their low status in funding compared to their counterparts, continued growth in giving despite this, and the success of online giving among these organizations.

Possibly the most important trend to understand when it comes to environmental and animal welfare organizations is that this subsector continues to be the lowest funded year after year (Giving USA, 2018). In its latest annual report, Giving USA (2018) noted these organizations to have only made up 3% of total charitable giving among all subsectors in 2017. Despite this, giving to this subsector is on the rise. Giving USA (2018), Nonprofit Research Collaborative (2018) and Blackbaud Institute (2018) all reported a significant boost in contributions to this subsector in 2017. Much of this growth has to do with the success in online fundraising environmental and animal welfare organizations continue to see each year.

Trend #1: Environmental and Animal Welfare Organizations Continue To Be The Lowest Funded Nonprofit Subsector

Despite Giving USA's (2018) report that environmental and animal welfare organizations have been one of the subsectors to see the greatest growth in comparison to their counterparts for the past three five-year periods, these organizations continue to be the lowest funded nonprofit subsector. As a result of being such a low funded subsector, environmental and animal welfare organizations did not even have their giving tracked until 1987, nine years after the birth of charitable giving reporting (Giving USA, 2018). According to Giving USA's (2018) Annual Report on Philanthropy, animal and environmental welfare organizations earned only 3% of total contributions in 2017, totaling at only \$11.83 billion in comparison to the total giving amount of \$410.02 billion. Compared with their counterparts, this data confirms that environmental and animal welfare nonprofit organizations are the lowest funded of all nonprofit subsectors in the United States (Giving USA, 2018).

Animal welfare organizations, in particular, continue to get the short end of the stick when it comes to donations. Only one-quarter of donors in the United States donated to animal welfare causes between 2017 and 2018 (Faunalytics, 2018). Specifically, only 24.6% of all donors gave to animal welfare organizations that year (Faunalytics, 2018). Even bleaker, it is founded that the majority of those who donate to animal charities do not find those charities to be their highest priority when it comes to giving (Faunalytics, 2018). Only 24% of surveyed animal cause donors chose an animal charity when asked which organization is most important to them (Faunalytics, 2018). Further, the vast majority of those who chose an animal charity as most

important to them chose charities that specifically protect companion-animals, rather than those animals exploited for other reasons. (Faunalytics, 2018).

Trend #2: Donations to Environmental and Animal Welfare Nonprofits Are On The Rise

According to Giving USA's (2018) key findings, giving to environmental and animal welfare organizations rose by 7.2% between 2016 and 2017. This is a 3.2% increase in growth when compared to the previous year (Giving USA, 2018). In fact, environmental and animal welfare organizations were one of the top subsectors to see the highest boost in contributions in 2017 (Nonprofit Source, 2018). These subsectors were also reported to have "totaled the highest inflation-adjusted value recorded to date" in 2017 (Giving USA, p. 355, 2018). Also, that year, when compared to their counterparts, environmental and animal welfare organizations were reported to be one of the subsectors who were more likely to reach their fundraising goals (Nonprofit Research Collaborative, 2018). Specifically, 81% of these organizations reached their fundraising goals in 2017 (Nonprofit Research Collaborative, 2018). Further, 15 environmental and animal welfare organizations were reported to have made the Philanthropy 400 in 2017, an annual list by the Chronicle of Philanthropy of the top 400 charities and foundations in regards to donations received (Giving USA, 2018).

In 2018, the Blackbaud Index split the environmental and animal welfare subsectors to report data separately for the first time (Blackbaud Institute, 2019). Though the reason for this is not entirely clear, the change could be due to continued growth among the subsectors or the data reported that year of the broad difference in giving trends between the two organization types (Blackbaud Institute, 2019). In fact, animal welfare organizations saw one of the highest

amounts of growth when compared to other subsectors between 2017 and 2018 (Blackbaud Institute, 2019). However, while animal welfare organizations saw a 5.1% growth in 2018, environmental organizations experienced a 2.9% decline in total giving (Blackbaud Institute, 2019). After analyzing this data compared with Giving USA's 2018 annual report, this drop in giving in 2018 could very well be due to the drop that comes after the rapid increase of giving that was reported in 2017. This increase was allegedly due to political headlines that year, which reported the Trump Administration's threats to dismantle the Environmental Protection Act and discredit climate change (Giving USA, 2018). After the hype of these news headlines dissipated, it is predicted that contributions to these organizations went back to a normal standard. Though, with a lack of data on the subject, this hypothesis is difficult to confirm.

Trend #3: Use of Online Giving in the Environmental and Animal Welfare Subsectors

In 2017, there was higher growth in online giving compared to traditional methods in environmental and animal welfare organizations (Giving USA, 2018). Between 2016 and 2017, the Blackbaud Index saw a 17.6% boost in online giving for the subsector (Blackbaud Institute, 2018). This increase in online giving came at a close second to the highest boost in online giving by faith-based organizations (Blackbaud Institute, 2018). Splitting the subsector, the Blackbaud Index reported a 12.4% boost in online giving for surveyed animal welfare organizations and a 21.1% boost in online giving for surveyed environmental and wildlife conservation organizations (Giving USA, 2018). Conclusively, Blackbaud Institute (2018) reported that environmental and animal welfare organizations received 8.2% of all online giving for that year when compared with all other subsectors.

In 2017, it was reported that online giving grew by 12.1% in total among all subsectors (Nonprofit Source, 2018). With stories and photos to pull at the target's heartstrings, it is unsurprising that charitable giving to environmental and animal welfare organizations found the most success in soliciting donations via email that year (Nonprofit Source, 2018). While email solicitation produced 28% of online revenue to the total of all nonprofit subsectors, wildlife and animal welfare organizations earned 57% of their online revenue via email (Nonprofit Source, 2018). Environmental organizations also made the most out of email solicitation, as they "sent an average of 89 emails per subscriber, the most out of any sector" (Nonprofit Source, 2018).

Conclusion

While giving to environmental and animal welfare organizations continues to lie at the bottom of the fundraising totem poll, there is hope for continued growth. This is especially true if online giving continues to rise each year for these organizations. The extended use of solicitation of contributions via email has the potential to bring a considerable amount of giving to the subsector in the years to come. It will be compelling to see just how far this subsector grows, especially with the Blackbaud Index beginning to report environmental and animal welfare organizations separately from here on out.

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