

The Blackbaud Institute Releases New Research on Donor Demographics and Expectations

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Report Provides Insight on How Nonprofits Can Prepare for the Changing Fundraising Environment

CHARLESTON, S.C., Nov. 2, 2021 /PRNewswire/ -- The Blackbaud Institute, a research division of Blackbaud (NASDAQ: BLKB), the world's leading cloud software company powering social good, today released a new report, Tipping Point: Aligning with Supporters in a Changing World. The Blackbaud Institute worked with Edge Research to conduct the survey of more than 1,160 nonprofit professionals and more than 1,000 donors between June 28 and July 23, 2021. The results of the survey reveal a disconnect between organizations' evaluation of their performance and donors' experience.

"In a time where complexity demands new thinking, this new research can help decision-makers in the social good sector understand what supporters value most," said Ashley Thompson, managing director of the Blackbaud Institute. "Our hope is that this report will help leaders identify performance gaps and shift their focus to high-return areas so they can adapt to today's changing landscape more effectively."

Highlights from the report include:

Changes in Donor Behavior and Demographics:

- More Donors and Increased Donations: The research shows that nearly half of nonprofit professionals reported
 increases in the number of new donors—possibly signaling a departure from the decade-long trend of diminishing numbers
 of donor households.
- New Donors and More Diversity: Among new donors and donors who gave more since March of 2020, young people and donors of color showed up more prominently than older generations and white donors.
- Unique Donor Retention Opportunity: Historically, "crisis" and so-called "episodic" donors are difficult to retain. However, the study reveals that one-third of donors who gave to a new nonprofit also said they are very likely to continue giving.

Rapid Evolutions of Donor Engagement Preferences:

- Personalization and Donor Affinity: Donors who received personalized content from their favorite organizations said they were more likely to give those charities high scores on various attributes, including the extent to which the charity "pulls on their heartstrings," creates engagement opportunities and makes them feel appreciated.
- **Technology Adoption:** Donors who rated their favorite organization as an early technology adopter also gave those organizations higher marks for keeping donors informed, making them feel appreciated, and offering more engagement opportunities. By comparison, organizations that were considered late adopters received lower scores on these attributes.
- New Expectations for Engagement: Nonprofit professionals reported trying or expanding their use of a wide range of online engagement tactics, such as virtual fundraising events. Donors said they want a hybrid approach even as in-person events return, with at least as many opportunities to engage virtually as they had during the pandemic.

"We must engage people in the work of improving the world and invite them to participate as partners," said Mark Rovner, founder and principal at Sea Change Strategies who worked with the Blackbaud Institute to write the report. "While many of the fundamentals of donor engagement remain the same, the execution needs a rethink. Nonprofits that acknowledge and adapt to cultural shifts will thrive just like those who did so during the pandemic."

The full report can be accessed on the Blackbaud Institute site at www.blackbaudinstitute.com/tippingpoint. All Blackbaud Institute resources are offered for free, as part of Blackbaud's give-back philosophy.

About The Blackbaud Institute

The Blackbaud Institute drives research and insight to accelerate the impact of the social good community. It convenes expert partners from across the philanthropic sector to foster diverse perspectives, collective thinking, and collaborative solutions to the world's greatest challenges. Using the most comprehensive data set in the social good community, the Blackbaud Institute and its partners conduct research, uncover strategic insight, and share results broadly to drive effective philanthropy at every stage, from fundraising to outcomes. Knowledge is powering the future of social good, and the Blackbaud Institute is an engine of that progress. Learn more, sign up for our newsletter, explore our knowledge base of social good best practices and trends, see the latest quarterly statistics on giving, and check out our most recent resources at www.blackbaudinstitute.com.

About Blackbaud

Blackbaud (NASDAQ: BLKB) is the world's leading cloud software company powering social good. Serving the entire social good community—nonprofits, higher education institutions, K–12 schools, healthcare organizations, faith communities, arts and cultural organizations, foundations, companies and individual change agents—Blackbaud connects and empowers organizations to increase their impact through cloud software, services, expertise and data intelligence. The Blackbaud portfolio is tailored to the unique needs of vertical markets, with solutions for fundraising and CRM, marketing, advocacy, peer-to-peer fundraising, corporate social responsibility, school management, ticketing, grantmaking, financial management, payment processing and analytics. Serving the industry for four decades, Blackbaud is headquartered in Charleston, South Carolina, and has operations in the United States, Australia, Canada, Costa Rica and the United Kingdom. For more information, visit www.blackbaud.com or follow us on Twitter, LinkedIn, Instagram and Eacebook.

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Forward-looking Statements

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