

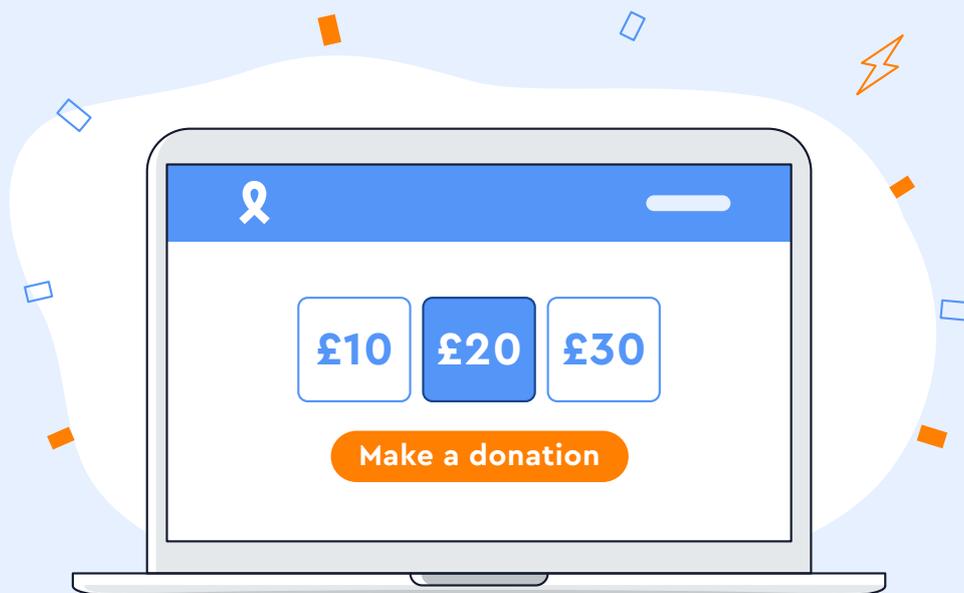
# Donor Pulse

Autumn 2020: Impact of Covid-19 on donor behaviour



# Contents

<b>Introduction</b>	<b>3</b>
<b>The impact of Covid on donors</b>	<b>4</b>
<b>What are donors looking for?</b>	<b>10</b>
<b>Give and forget</b>	<b>17</b>
<b>Conclusion: Hybrid hopes and donor dreams</b>	<b>21</b>
<b>About Enthuse</b>	<b>23</b>



# Introduction

**In any ordinary year, insights into donor and supporter behaviour are a critical element of planning for fundraisers. Macro and micro changes in public attitudes can have an important impact on the direction of campaigns and strategy. 2020 is no ordinary year, and charities have had to constantly shift focus, resources and approach to cope with the ever-changing dynamic of the pandemic.**

Public behaviour and attitudes are rapidly changing from quarter to quarter as people look to the old normal and the new normal for how they should behave. The pandemic has of course revealed the desire of the public to support those who have worked so hard in the frontline for everyone. But what other changes in sentiment have taken place?

Donor Pulse is an ongoing quarterly look at how donors and supporters are feeling about fundraising and giving. It examines how people have already behaved in terms of recent donation trends, but importantly it looks forward too – covering questions such as whether the public think they are going to donate more or less in the coming months.

How are the public attitudes to charities changing because of Covid? Are there winners and losers within the charity sector? What sort of activities have supporters taken part in, and what are they considering doing in the future? What are the important elements driving these decisions?

Finally, how are people giving at the moment? How rapidly has the shift to digital fundraising accelerated over the last few months? With so much going on in their lives, do donors remember who they are giving to when third party platforms are used or when they are sponsoring a friend's campaign? And how does this change with different demographics? What do charities need to consider if younger generations are less likely to remember their brand?

The Donor Pulse report will explore all of these questions and provide insights and answers to help guide charities with their fundraising strategy and campaigns. The data will be released on a quarterly basis to keep charities up to date with the latest views of the public towards fundraising and giving.

## Methodology

A nationally representative sample of 1,002 members of the UK public were surveyed about their attitudes to charity, willingness to donate and appetite to support good causes. Interviews were complete in June 2020. Additional data from Enthuse's platform from April to August 2020 is also included.

# The impact of Covid on donors



## The impact of Covid on donors

**The third sector has been pushed to the absolute limits by the pandemic with huge increases in demand for services, while at the same time having many of their normal fundraising avenues closed down. There is no doubt this has been immensely challenging and the threat of redundancies is weighing heavily across the sector.**

However, there are positives to be found in how the public is behaving and thinking about charities. As Figure 1 shows, during the initial period of lockdown (April-June), 59% of the public stated that they had donated to charity. Although this was boosted by donations to the NHS, even with that removed the figure is still 57%. In addition, just under a third of the public (32%) chose to donate to multiple charities during this period.

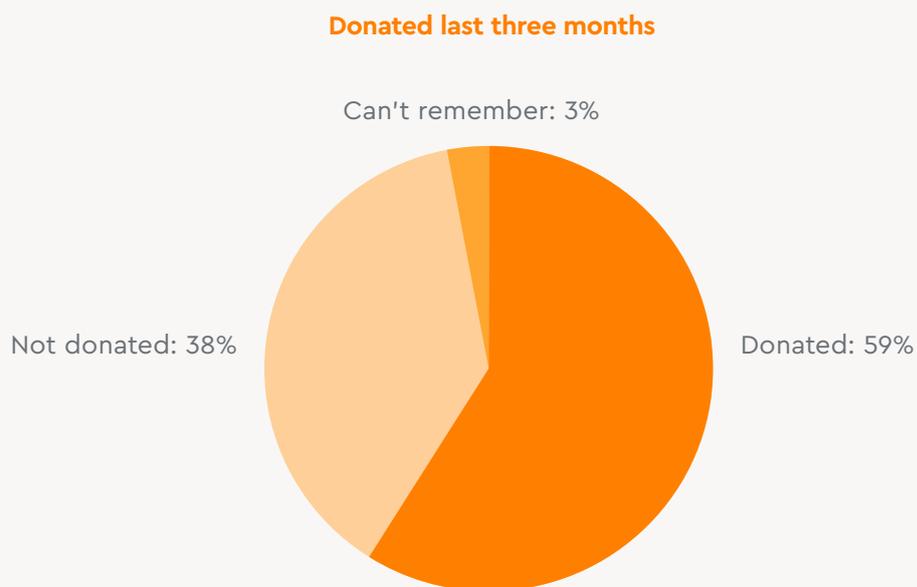


Figure 1: Percentage of the public who have donated to charity over the last three months

Looking in more detail at the demographics of who has donated in the last three months provides some interesting insights. Typically, older age groups tend to be the most generous, but over the period of lockdown it's actually the youngest cohort who were most likely to give. As Figure 2 shows 84% of 18-24 year olds have made a donation in the last three months. Even if donations to the NHS are removed because of the exceptional circumstances, the data shows that nearly three quarters (73%) of 18-24 year olds made donations. Less surprisingly, the second most generous group was 65-80 year olds with more than two thirds having made a donation.

## The impact of Covid on donors

A little over half of those aged 25–64 range donated, but perhaps concerns around the economy have made them more tentative about their giving. The generosity shown at either end of the demographic spectrum is well worth charities considering when they are building their fundraising plans for the run up to Christmas and beyond. Skewing campaigns to focus more on both younger and older age brackets could help to bolster appeals.

**84% of 18–24 year olds have given to charity in the past three months  
– 73% if NHS giving is excluded**

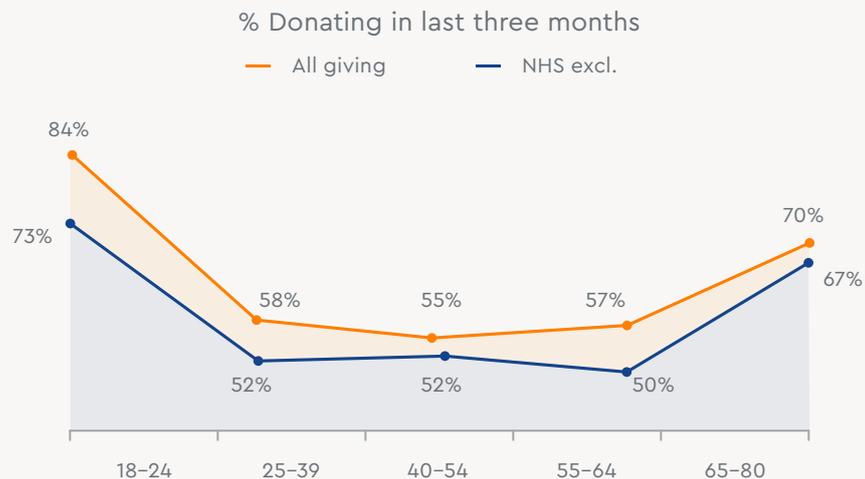


Figure 2: Age group splits of those who have donated to charity over the last three months

The generosity of Gen Z over the last few months is also reflected in the likelihood of them giving in the future, as outlined in Figure 3. While each age group is more likely to give to charity than before the pandemic, it is again the 18–24 year olds who have changed the most with 50% of them stating they are more likely to give. While the younger age group may have less disposable income, their inclination to help is again something that charities should be factoring into their plans.

Enthuse's own data also shows the passion of 18–24 year olds to give. Over the period of lockdown, our data showed an overall increase of 180% in new donors. By far the fastest growing group was 18–24 year olds with a growth of more than 700% in new donors from that bracket.

## The impact of Covid on donors

All of this also bodes well for the long term with a generation growing up through Covid being more willing to help others. However, charities need to be mindful of gaining insights into Gen Z for stewardship, as it's the age group they are likely to have least data on. Securing marketing opt-ins are an important route to understanding more about them. It's also worth noting that the general increase in likelihood to give is across all age groups, so charities should not just focus on 18–24 year olds.

50% of 18–24 year olds say they are now more likely to give to charity than they were three months ago, while only 13% have become disinclined

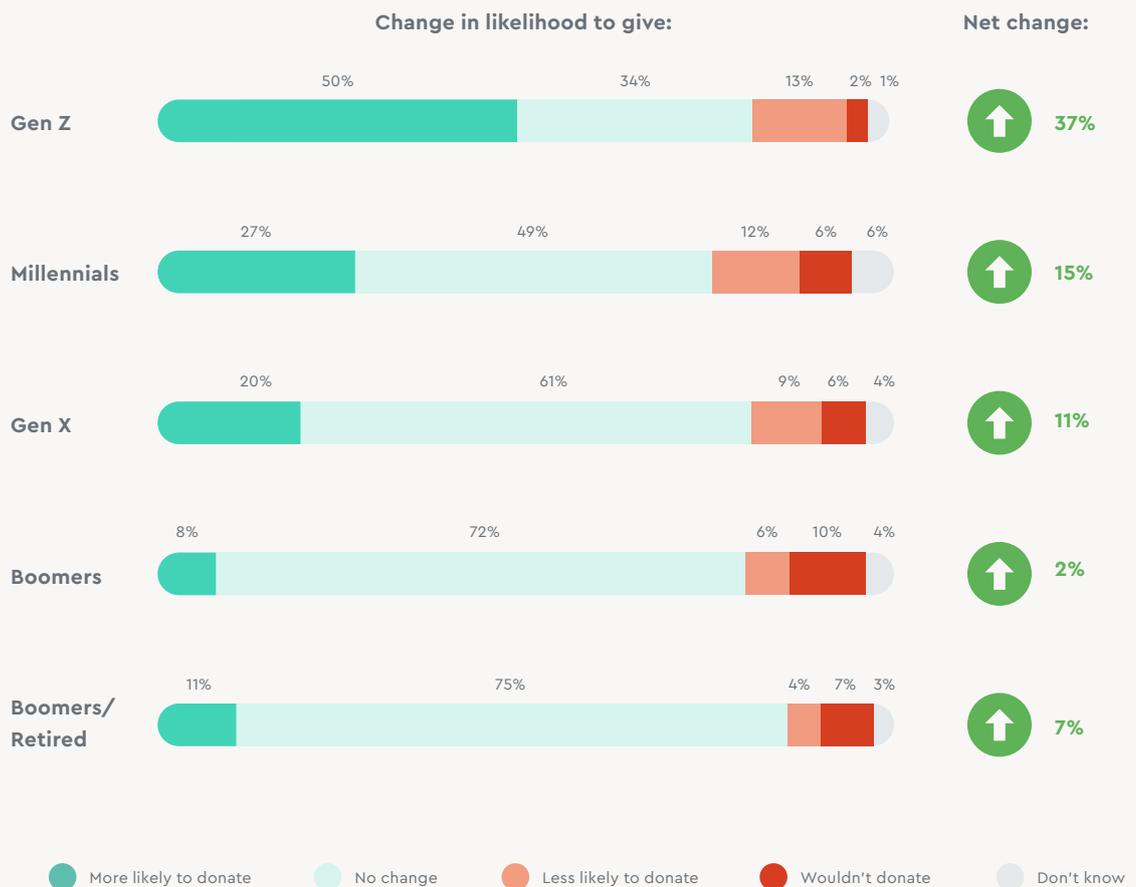


Figure 3: Age group splits of how likely the public is to give when compared to pre Covid

## The impact of Covid on donors

The likelihood to give has increased by 12% across all age groups in the last three months, as outlined in Figure 4. The likelihood to give in the next three months also provides a positive outlook for charities with 64% of the public stating they are either somewhat or very likely to donate. If followed through this would see an increase in the number of donors over the last three months, up from 59%.

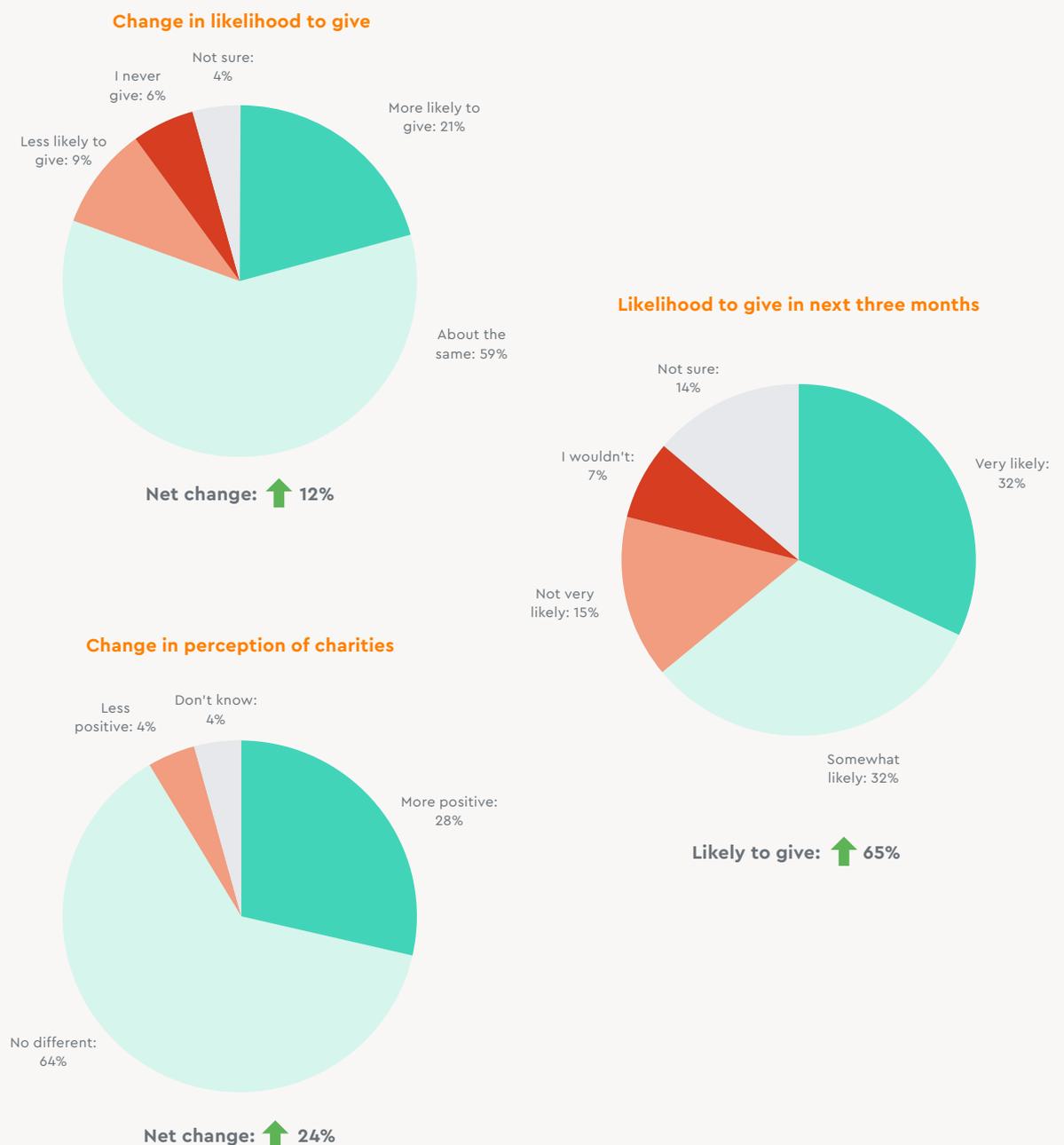


Figure 4: Likelihood to give, likelihood to give in next 3 months and perception of charities

## The impact of Covid on donors

One of the reasons behind this increase is likely to be the positive change in the perception of charities. The last few years have seen some challenging periods for the sector with high profile national debates around direct mail and cost to fundraising ratios. However, the net change of 24% of the public seeing charities more positively over the last three months is a significant and important shift. Unsurprisingly, those who have donated recently are three times as likely to have improved perceptions of charities compared with those who have not donated.

The reasons behind this upswing in perception are outlined in Figure 5, showing the top three reasons for increased and decreased giving. The most important headlines here are that the public are fully aware there is more suffering and need at present. And that despite the sector support being provided by the government, two fifths of the public want to donate to support charities that they think are not getting enough government help.

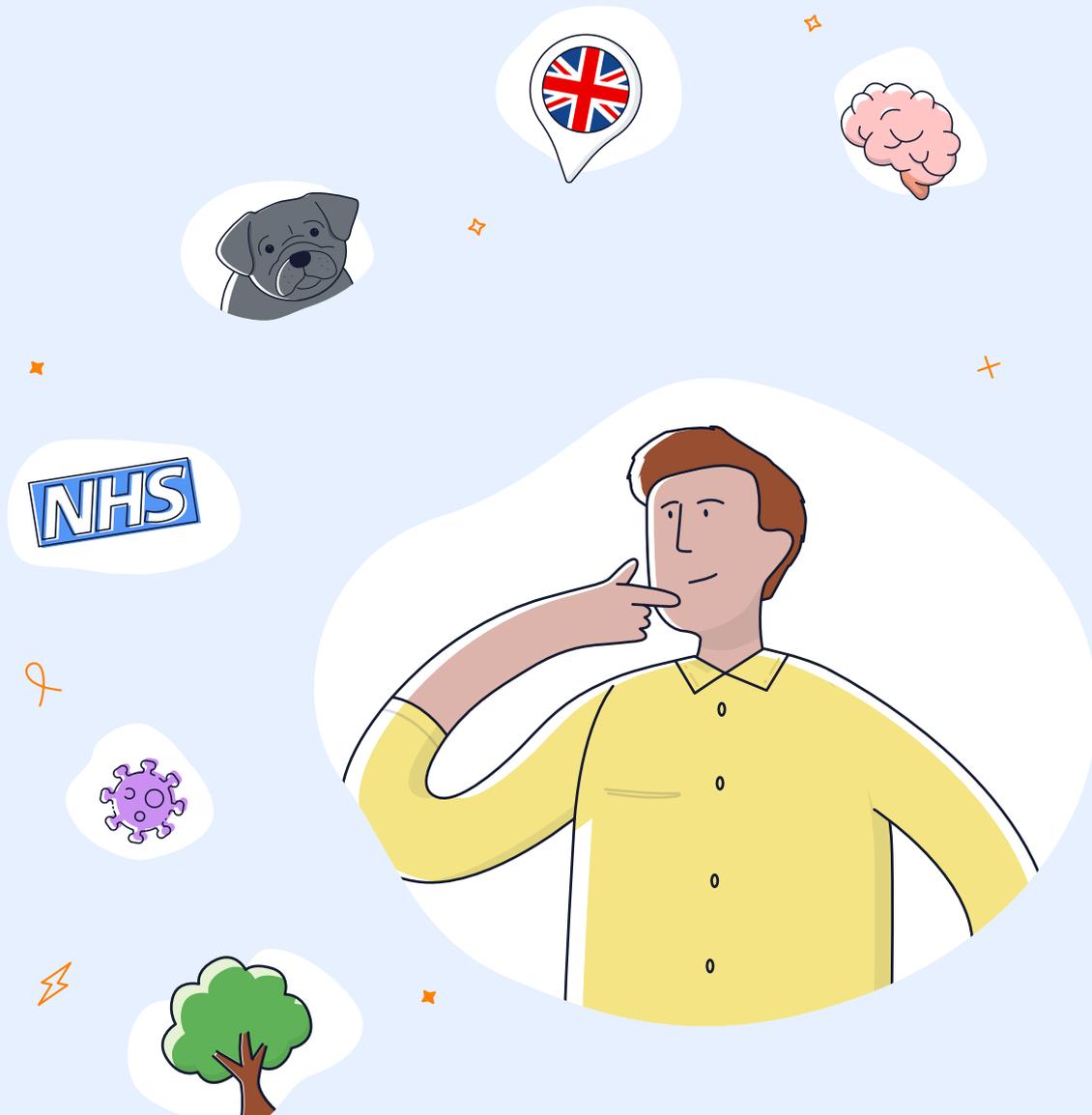
Understandably, by far the most common reason for reduced giving was two thirds of people feeling that they did not have the spare money to give at present. It is also worth considering that nearly 1 in 5 (18%) think that the government should be giving more support to charities rather than relying on the public to provide that help.

Drivers for increased giving	%	Drivers for reduced giving	%
More people / animals / charities suffering right now	45%	I don't have the spare money	67%
Want to support charities that aren't being supported by the government during the crisis	40%	I think the government should be giving more support	18%
Key workers need my help now	36%	Charities are getting enough support from government now	12%

Figure 5: Top three reasons for increased and reduced giving

While the likelihood to give has increased, together with the perceptions of charities, Enthuse's own data shows that the average donation value dropped 12% year on year from April-August. This drop has improved slightly over the last couple of months, having been at 14% from April-June. Concerns about jobs and the economy will have had an influence on this, but it is also worth noting that with donors giving to multiple charities, it's likely that while the average donation value has decreased, the total amount each individual is giving has stayed broadly the same.

# What are donors looking for?



## What are donors looking for?

Top of the list of charitable interests was of course NHS charities. While this is unsurprising in some ways, it's worth bearing in mind that before 2020, NHS Charities Together had an annual income of under £500,000 a year. But the public has understood the critical importance of supporting key workers and has been amazing in its generosity. 1 in 3 who have donated, have given that money to NHS charities, with more than £100 million raised overall.

Figure 6 shows that for the most part areas of giving, outside of the NHS, have stayed broadly similar to what you would expect, with charities focused around diseases, children and animals all featuring prominently. Foodbanks and homelessness charities received 1 in 5 donations over the last three months. No doubt Marcus Rashford's high profile campaign and work with FareShare has helped these charities increase their fundraising.

Local community causes also register higher than you might normally expect, with the pandemic seemingly driving people to look much closer to home when they are thinking about giving.

	% of those who made a donation
NHS / Public health	35%
Animal	29%
Support/ research into disease	27%
Children	21%
Poverty eg foodbanks, homelessness	19%
Mental Health	15%
Local/community causes	14%
Environment	12%
Older people	10%
Overseas aid	10%
Faith	6%
Education	6%
Arts and Culture	4%
Other (includes: Armed forces/veterans, Ambulance, Black Lives Matter)	4%

Figure 6: Types of charities donated to in the last three months

## What are donors looking for?

Looking forward, Figure 7 outlines the changes in people's willingness to give since Covid. While it is expected that people are more willing to give to charities specifically related to Covid, the significant increase in the desire to give to local community causes is more surprising.

This net gain of 16% provides an opportunity for locally focused charities. For larger national organisations, it means they should be thinking about how to clearly demonstrate their impact at a local level.

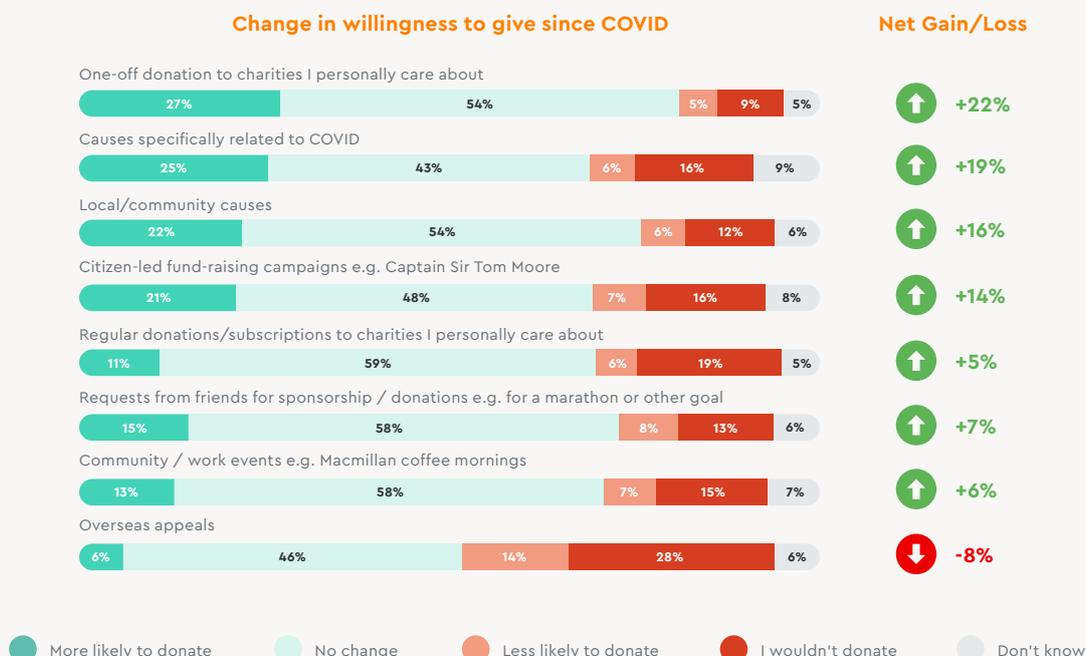


Figure 7: Change in willingness to donate since Covid (NB: Net Gain/Loss calculated by subtracting 'less likely to donate' from 'more likely to donate')

While recurring donations are a key part of any fundraising strategy, there has been only a small net shift of 5% in the public's willingness to give regularly, even when it is for a cause they personally care about.

There has been a far larger net change of 22% in the willingness to make one off donations to causes that people care about. This is something that charities need to consider in the structure of their fundraising campaigns. Specifically, charities should aim for a one off donation first, and then plan to move people to giving regularly as donors understand more about the charity. Marketing consent and the ability to customise this consent are key to this upgrading strategy. It's also worth focusing on your consent statement to make sure it's personalised and has a strong reason to give permission (e.g. hearing about impact of donations and future campaigns). Finally make sure it's highly visible in the donation process.

## What are donors looking for?

The area that has the most challenges is overseas appeals. While in the past three months, 10% made a donation to an overseas appeal, Covid has negatively impacted the willingness to give with a negative net position of -8%, as people focus closer to home. Part of this could be down to there having been relatively little significant overseas campaigns to donate to, but for charities in this area, they should be considering how they can focus even more on showing the value of their work. The tragedy in Beirut and the rise of Covid in developing countries may also see this change in the coming quarter.

## Virtual Realities

Figure 8 shows that virtual event participation got a boost during the period of national lockdown. While participation was only 12% of the public overall, when looking at the demographics breakdown this rose to nearly a third of 18–24 years olds, and 1 in 5 of the 25–39 year olds segment. This participation may also have grown the number of donors from the younger age group, as they share their fundraising pages across their networks of friends.

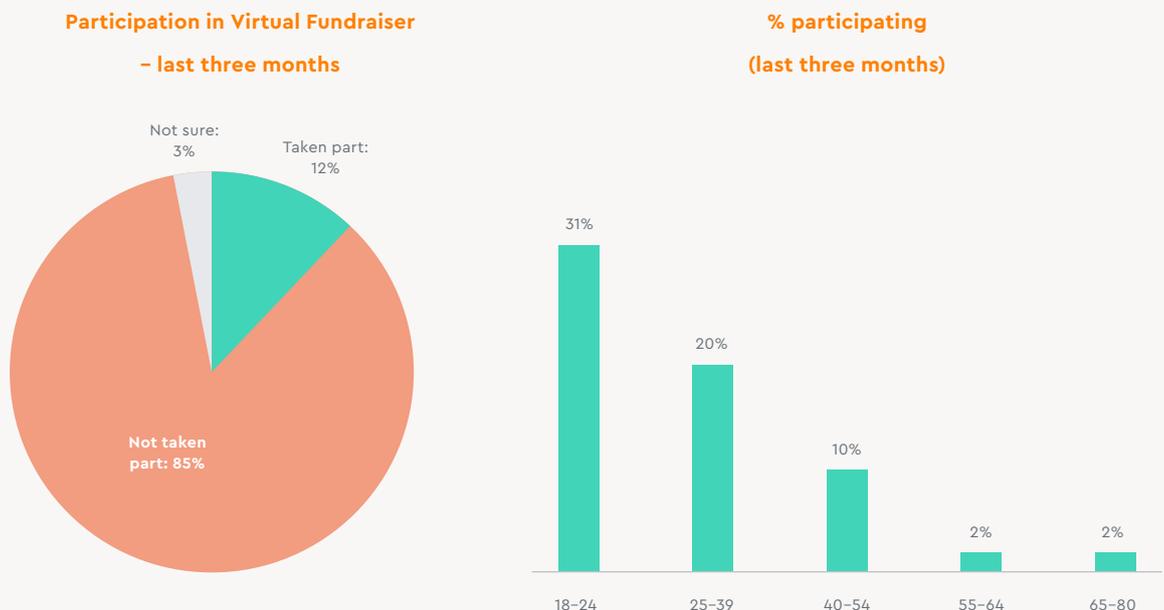


Figure 8: Virtual event participation in the last three months

## What are donors looking for?

As Figure 9 shows, nearly half (47%) of the UK public would consider participating in virtual events to raise money for charity. This is a marked increase from the amount of people who have taken part so far, meaning there is a great opportunity for charities to galvanise their supporters with virtual activities.

Some of the most popular reasons for taking part include connecting with people who they can't see right now and having more time, due to working from home. Even though lockdown has eased considerably, it is worth charities thinking about these motivations when they are coming up with virtual event campaigns, as it will help to get more supporters on board.

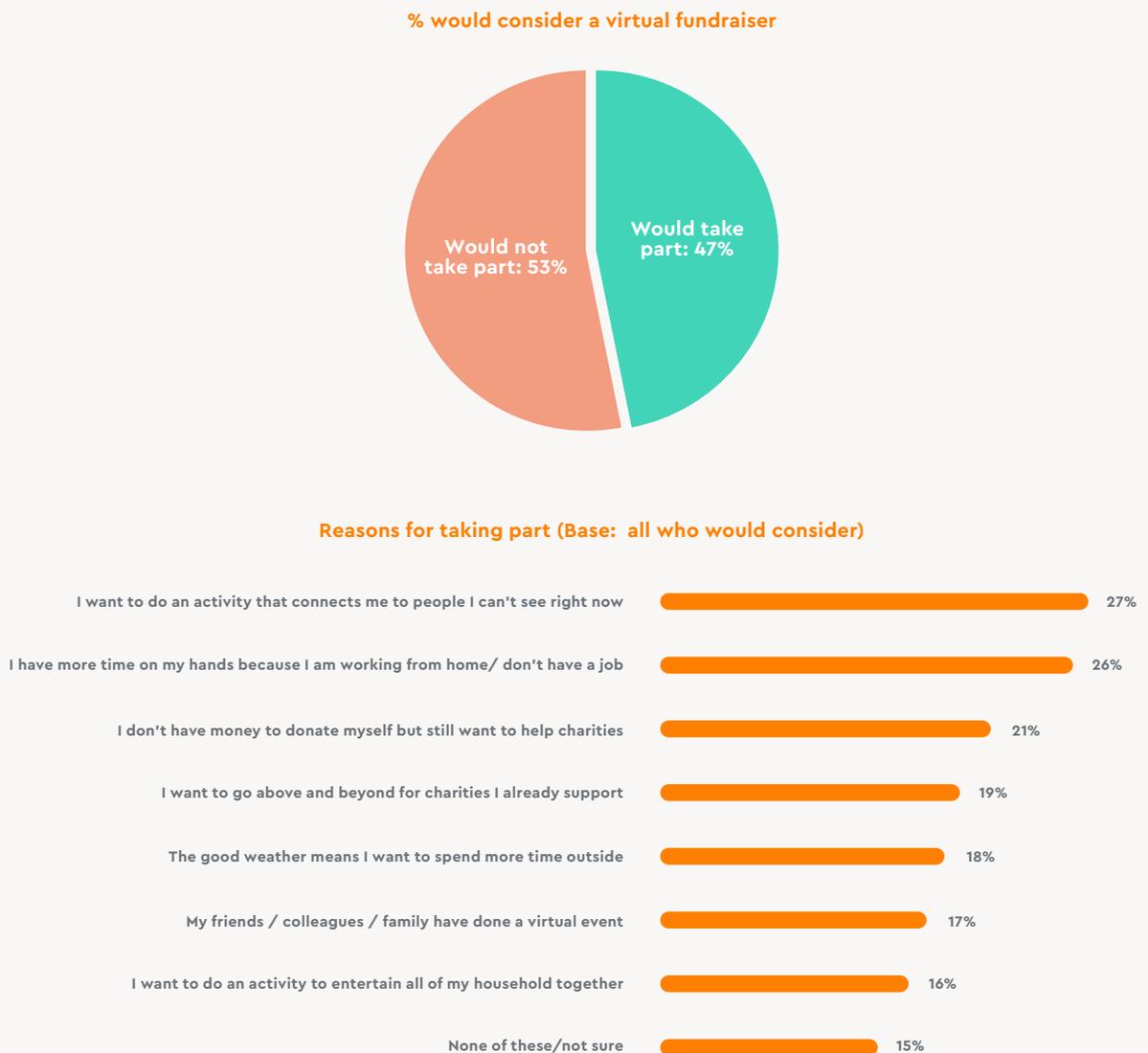


Figure 9: Would consider a virtual event and why

## What are donors looking for?

The types of virtual events that people are interested in getting involved in vary widely, covering physical, social, wellbeing and creative. Figure 10 shows the events that people want to take part in and highlights Gen Z (18-24 year olds) figures. The virtual quiz stands out as very popular across the board with 1 in 5 happy to consider taking part to raise funds, doubling to 41% for 18-24 year olds. 5K runs also strike a chord with 18-24 year olds with a third interested in taking part.

Charities should consider the wide range of virtual events that have appeal though, and consider how they can build fundraising campaigns around activities that fit well with their brand. The clear desire of the younger age group to get involved should also be factored into planning.

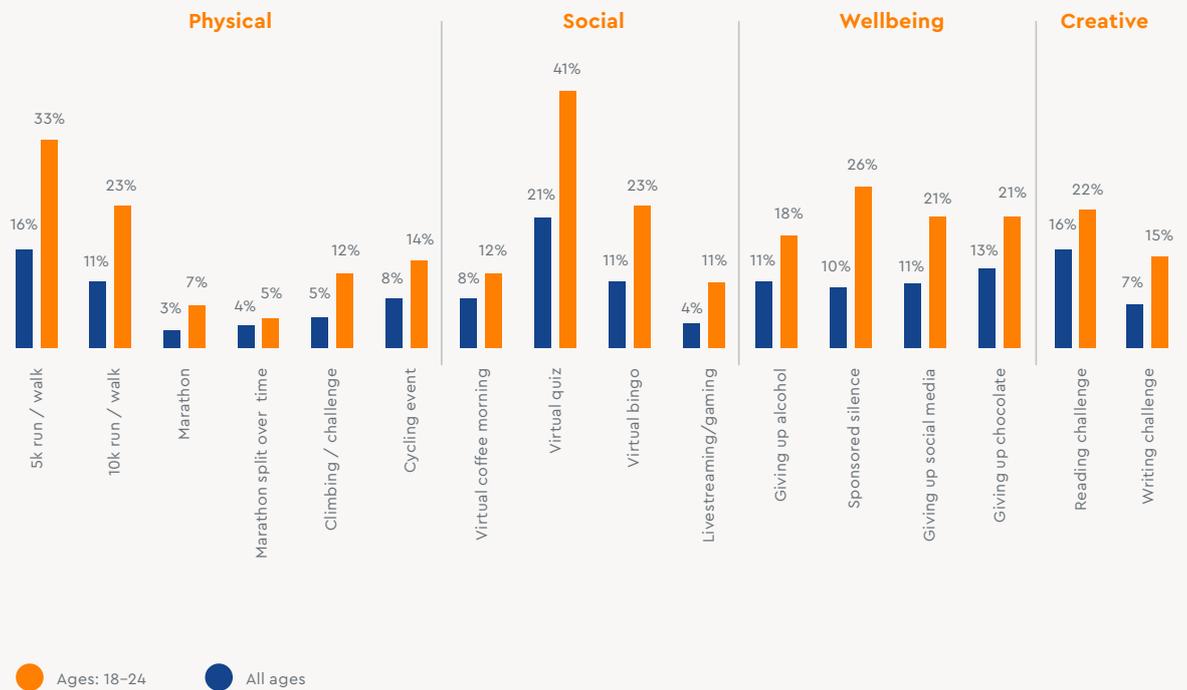


Figure 10: Virtual events the public would consider participating in, highlighting Gen Z (Green), everyone (red)

## What are donors looking for?

Finally, when looking more closely at the public's interest in virtual running events, there was strong interest in milestone-based challenges. With the cancellation of the mass participation element of the London Marathon, an example of this could be a virtual event where participants run the distance of the marathon with a fitness tracker marking major milestones. Overall, as outlined in Figure 11, 30% showed an interest in events structured in this way, with higher interest for younger age brackets – Gen Z at 66% and millennials at 49%.

The takeaway for charities is rather than just planning a virtual running event, think about how this could be made more exciting for participants by running a distance such as the coast of the UK, or a famous course.

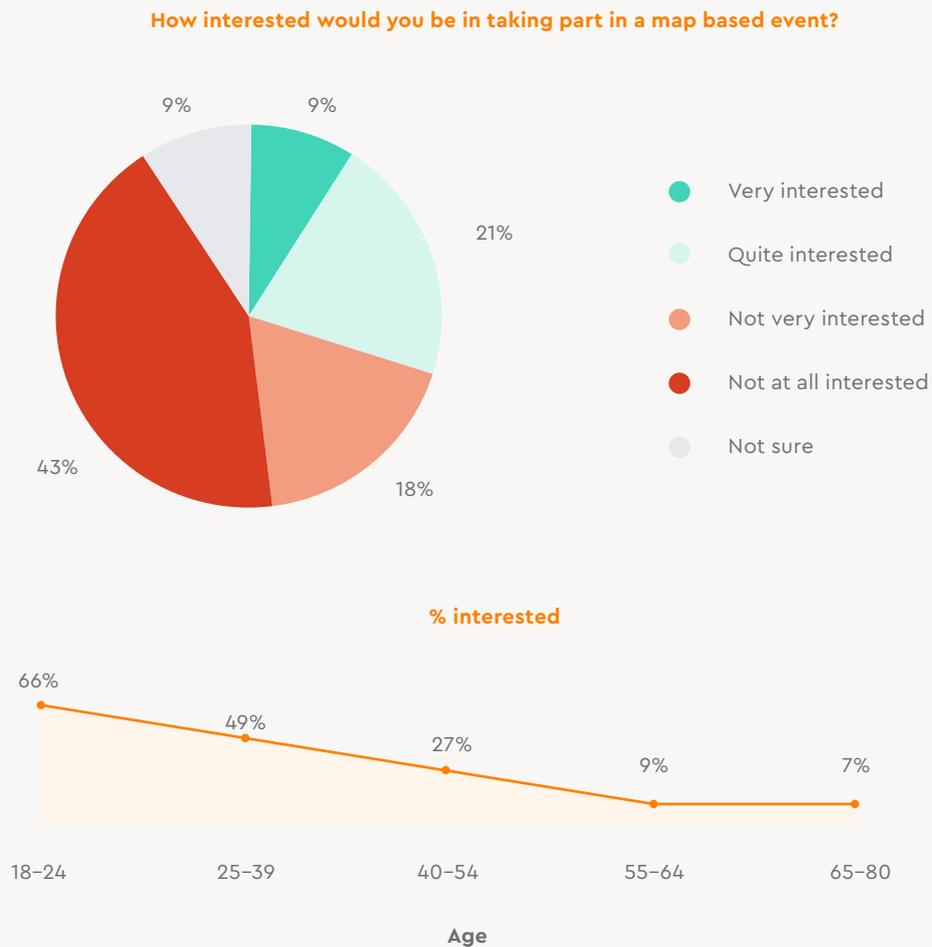


Figure 11: Interest in map based challenges

# Give and forget



## Give and forget

There is no doubt that Covid has rapidly accelerated the need for charities to transform their digital fundraising. As we have already seen more than half of the public have donated over the last three months – when we look at how they have made those donations, Figure 12 shows that 59% of them donated online, and 36% through other routes. This means that 37% of UK citizens have made donations online in the last 3 months.

**% donated online in last three months** (All who donated in last three months)

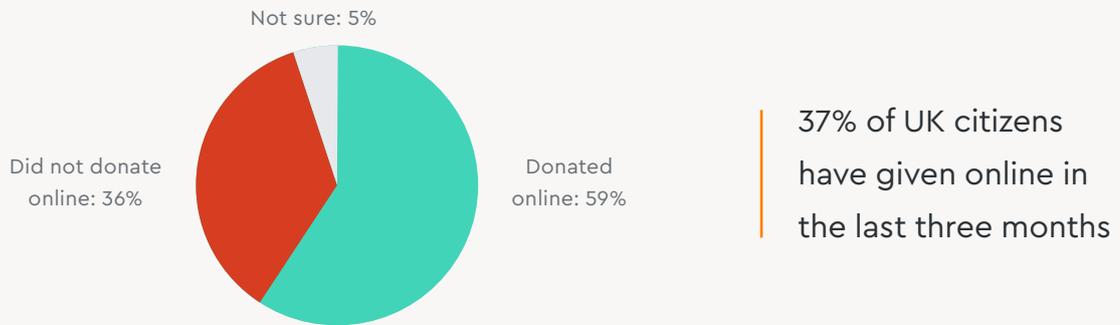


Figure 12: Percentage who have donated online in the last three months

When we look a little closer at the age group splits of online donating in Figure 13, we see a trend we would anticipate with Gen Z and millennials leading the way in comparison to the older segments. As a whole 66% of the 18–24 year old bracket made donations online, and when looking just at those who donated in the last three months, this figure rises to 79%. Even for the 65–80 age bracket, online donations were 44% of those made in the last three months.

This underlines how critical it is for charities to have digital fundraising capabilities – it is not just something that younger age groups focus on, it has become a necessity for all age groups. The last three months will have started to instil behaviour change amongst donors and supporters, making digital a first port of call rather than a secondary route for older demographics.

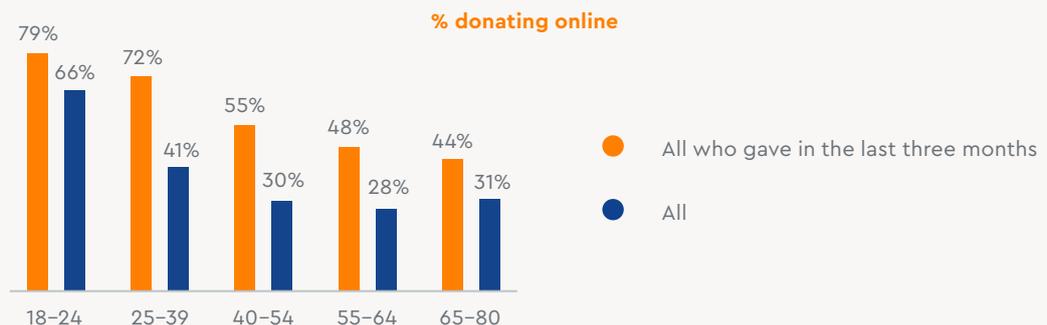


Figure 13: Percentage who have donated online in the last three months

## Give and forget

With digital donations having become so critical over the last few months, it's concerning to see in Figure 14 that a third of donors can't remember the name of the charity that they donated to. In part at least this seems to be down to the use of online giving platforms which put their brand ahead of the charities, with about half of digital donations going via these third parties.

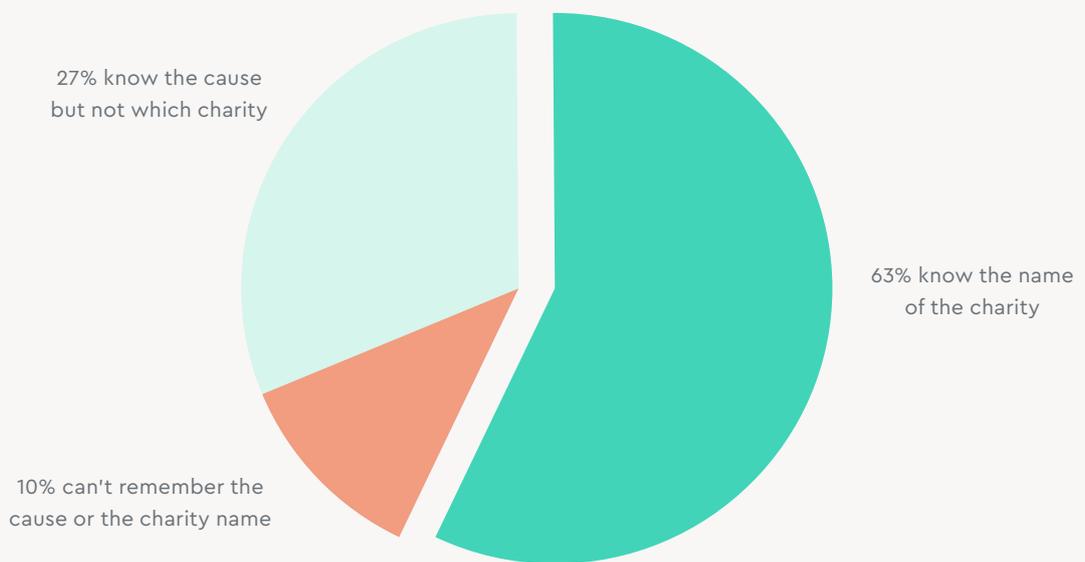


Figure 14: Do you remember the charity you donated to online?

## Give and forget

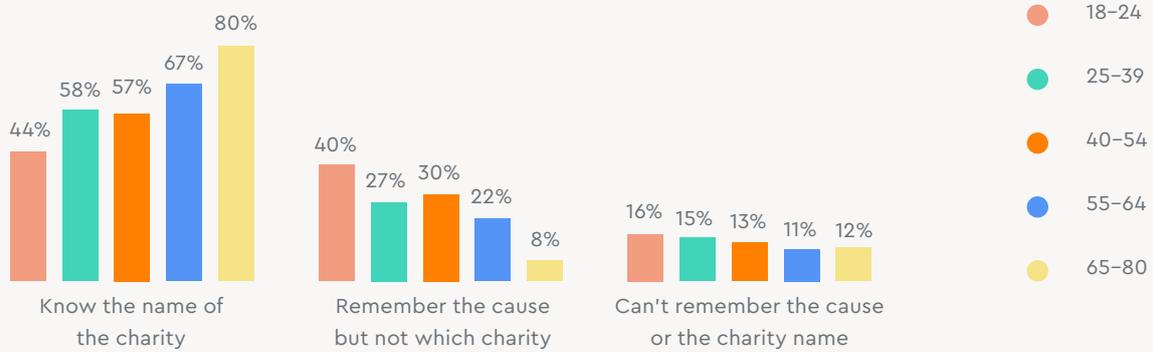


Figure 15: Do you remember the charity you donated to online (age splits)?

Looking more closely at the demographics (Figure 15), the inability to recall a charities name is highly correlated to the age group donating. 56% of 18-24 year olds can't remember the name of the charity they have donated to online in the last three months – that's a stark figure considering the hard work and resource put into charities' brands. 25-54 year olds do not fare much better, with more than 40% unable to remember the charity they have donated to. It is only the older age brackets of 55-64 and particularly 65-80 who have strong recall.

As we have already seen, with donations increasingly shifting online, charities need to factor this into their fundraising planning. This is a shift that is going to stay, even with lockdown restrictions easing, and charities need to be set up for this fundamental change. While third parties can certainly perform a role within this mix, the risk for organisations is that their brand and messaging just do not cut through to the audience. From a long term point of view this means that they are unlikely to convert one off donors to recurring and long time supporters. This is a major risk and even in the current circumstances, means charities have to look at how they put their brand front and centre of fundraising.

# Conclusion: Hybrid hopes and donor dreams



## Conclusion: Hybrid hopes and donor dreams

The Covid situation is a fluid one, subject to changes at very short notice, as has been seen with local lockdowns announced with only a few hours to plan for. Major events which take extensive planning have also had to be postponed on a regular basis or cancelled altogether, for example the London Marathon, which is the single biggest fundraiser for the charity sector. This means that charities need to be flexible in their approaches to fundraising, and plan their campaigns to work on multiple levels, but importantly they have to ensure they work digitally. Here are five key takeaways from this research:

- 1 Gen Z giving:** 18–24 year olds have donated more often, and are planning to donate more often in the next three months. Charities need to think about how they can factor this into their planning to ensure this audience is engaged
- 2 One off vs recurring:** Capitalise on the increased popularity of one-off donations by aiming for these first, and then move donors to regular giving through a structure approach to securing marketing consent
- 3 Think local:** Local community causes have strong appeal to the public. This is an opportunity for smaller local charities, and national charities need to consider how they communicate their local outcomes. Local lockdowns also need to be given consideration within campaigns – hybrid events could help here
- 4 Hybrid events:** Virtual events are a must have, with so many people willing to get involved and such a variety of options to offer. Whether this is a hybrid of a physical and virtual event or a straight virtual event, charities need to think about activities that connect people
- 5 The importance of brand:** Charities must put their brands front and centre as in the digital world, it is easy for them to get lost and for donors to forget who they have donated to. This is a long term risk that needs to be countered, especially in the current circumstance

This is the first in an ongoing series for quarterly research projects from the Enthuse Intelligence team, looking at how the public's opinions on supporting charities and donating are changing over time.

## About Enthuse



Enthuse is a fundraising, donations and events registration platform that has helped more than 4,000 charities, including 1 in 5 of the top 100, raise over £70 million. Enthuse's solutions are customised under a cause's own brand and put the organisation in control of the data. This allows charities to build and nurture a loyal supporter base, raise more and ultimately have more impact.

Founded in 2012 and headquartered in London, Enthuse is backed by socially responsible investors and was named "Most Committed Company to the Sector" at the National Fundraising Awards.



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