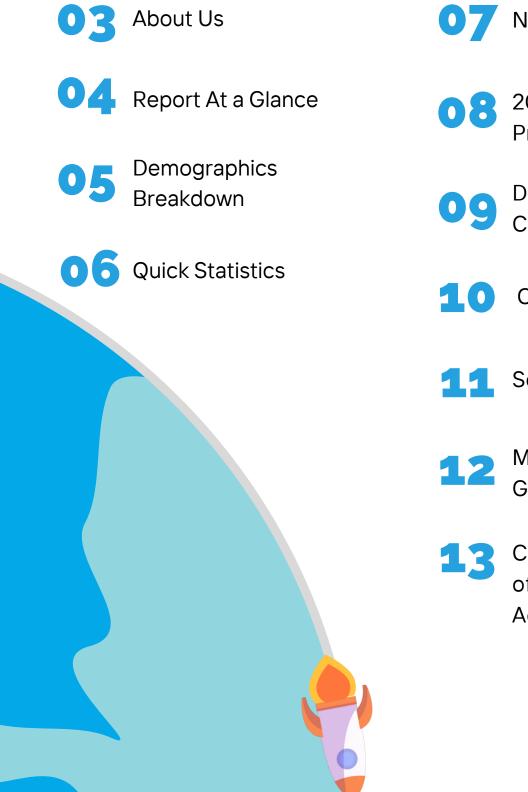
# 2022 THEFUTURE IS DIGITAL

THE NONPROFIT ACCELERATION REPORT



### **Table of Contents**



- 7 Nonprofit Trends
- **08** 2022 Revenue Growth Predictions
- Digital Fundraising Channels
- Online Revenue Data
- Social Media Trends
- Arketing Channel Growth
- **13** Conclusion: The Year of Growth and Acceleration





Community Boost is a digital marketing agency that works with nonprofits of all sizes and sectors to **accelerate** and **scale** online revenue and impact.

In an era when digital marketing is essential to spreading your message, many nonprofits lack the resources to enter the digital space and utilize the crucial tools needed to reach their audience. That's where we come in with:

- Google Ad Grant Management
  - Facebook + Instagram Ad Management
- **Conversion Design Optimization (Pop-ups)**
- Paid Google Ad Management
- **Analytics Tracking and Data-driven Strategies**
- Search Engine Optimization (SEO)

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### The 2022 Nonprofit Acceleration Report

THE FUTURE IS DIGITAL

### "WHEN THE DIGITAL TRANSFORMATION IS DONE RIGHT, IT'S LIKE A CATERPILLAR TURNING INTO A BUTTERFLY, BUT WHEN DONE WRONG, ALL YOU HAVE IS A REALLY FAST CATERPILLAR."

#### GEORGE WESTERMEN

It's no secret that the pandemic has caused a **major shift** for nonprofits: Over the last 2 years, we've seen a mass acceleration of digital adoption like never before.

And what we've seen is that nonprofits could survive and even thrive with an increasingly digital approach to engaging supporters and new audiences. But, there's a difference between adopting technology and using it effectively to scale impact.

So, we wanted to dive deep and learn exactly how nonprofits are **driving growth**: enter the **Nonprofit Acceleration Survey**.

<u>Community Boost</u>, a digital marketing agency that works with nonprofits, surveyed more than **439 nonprofit organizations** about their approach to digital marketing to get a pulse on where nonprofits are succeeding and growing into digital strategies.

In this report, we've pulled together the top insights from the survey to share the trends in digital marketing for nonprofits and predict the biggest growth drivers for organizations moving forward.

With the findings learned from the Nonprofit Acceleration report, your nonprofit can <u>get</u> <u>ahead of the trends</u> so you can scale impact this year.

37%

of respondents were in the revenue range **<\$500,000** 



of respondents were in the revenue range **\$500,000 - \$3m** 



of respondents were in the revenue range **\$3m - \$25m** 

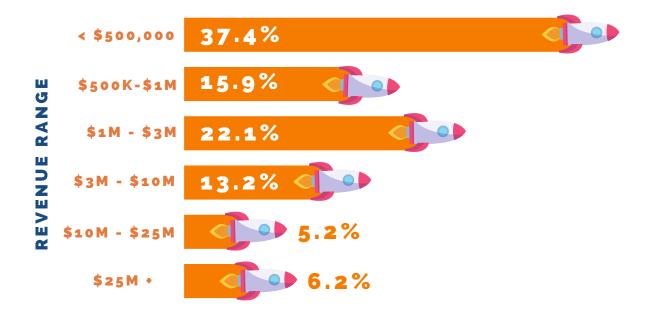


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## Demographics Breakdown

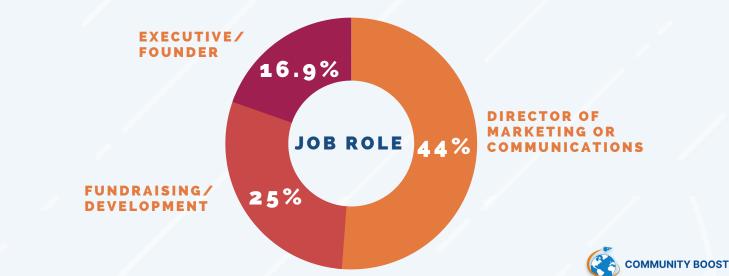
With 439 nonprofit professionals completing the survey primarily based in the U.S. and Canada, we were able to get a large sample size - ranging from small nonprofits run by a team of one to some of the largest nonprofits in the world.

We collected data from nonprofits of various revenue ranges so we could draw both highlevel conclusions on trends in the sector and giving us the opportunity to drill down into the relevant findings for organizations of various sizes:



In general, our survey respondents are the ones on the ground **doing the work**, **crafting the marketing messages**, **studying the analytics**, and **following trends** in the digital marketing industry. They see what works and what doesn't and they were at the front lines of decision making when nonprofits needed to adjust their strategies at the start of the pandemic.

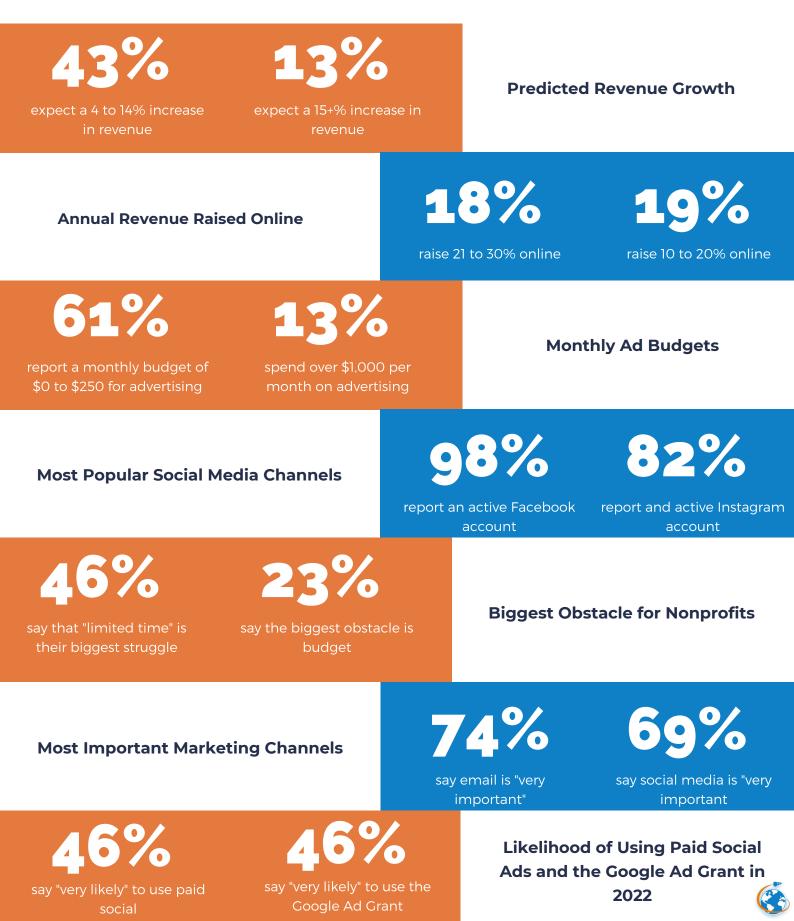
And in terms of the executive respondents, they are able to **see the big-picture** of trends and **growth opportunities** best of all because they tend to be around the longest and have lived through the fits and starts of running a nonprofit.



We should also note that the survey might be slightly skewed toward nonprofit personnel who are more likely 5 to be adopters of digital strategies given that they chose to attend our summit and may have been targeted through our advertising outreach on Facebook and Instagram where they already have a presence.

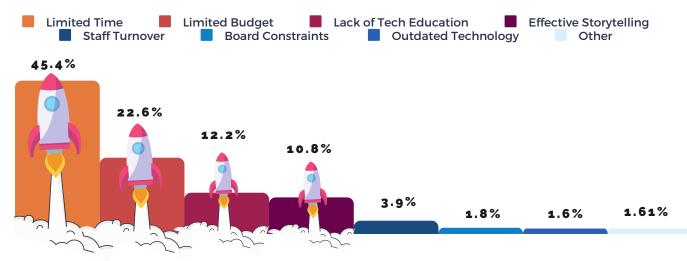
### **Quick Statistics**

Here are some high-level summaries of the report findings. You can find more information about each category further down in the report.



### Nonprofit Trends From The Acceleration Report 6

#### LIMITED TIME IS THE BIGGEST HINDERANCE TO NONPROFIT GROWTH



We all know that nonprofit professionals wear many hats and put out small fires everyday so their stress levels can get in the way of strategic work. Expanding teams and/or hiring our consultants could be a solution to their needs, and adopting productivity tools to save time/adopting more automation could alleviate some pressure.

#### INTERESTINGLY, 36.2% OF SMALL NONPROFITS (<\$500,000 IN REVENUE) SAID TIME WAS THEIR BIGGEST CONSTRAINT. WHILE 48.5% OF MEDIUM NONPROFITS (\$500,000-\$1M IN REVENUE) SAID THE SAME.





12%

Said budget continues to be the biggest limiting factor, which isn't surprising when you consider that nonprofits are cautious about spending precious resources on untested strategies.

61%

Of nonprofits have \$0-\$250 for digital advertising, which is quite small and an obvious area for consideration for upping the ad budget.

What this also means is that the bulk of nonprofits are testing unpaid digital strategies like organic social posts, birthday fundraisers, and email strategies much more than paid targeted advertising on specific audiences on platforms like Facebook and Instagram. This is a huge area for potential growth with nonprofits getting more comfortable with paid ads after seeing the returns of unpaid outreach.



Practice and experimentation are the remedy for much of the "problems" being reported as an investment of time in digital tactics will likely yield the results you want and make you better equipped to do **more digital marketing** in **less time** as you become an expert. Devoting the time and resources, including additional staffing, could greatly help maximize returns.

It's important to get buy-in from your executive team for experimentation in these new growth areas as you cite growth trends in the field in digital marketing. **You're the expert marketer** and a good pitch about keeping up with the competition is likely to yield you the time and resources you need to **test these theories.** 

### Nonprofits Are Expecting 2022 To Be A Year Of Massive Growth

#### INVESTMENTS IN DIGITAL ADVERTISING ARE PAVING THE WAY

Talk about setting the bar high! At least 43% of respondents are expecting a large increase in revenue in 2022 (4-14% growth), which is huge for a nonprofit growth prediction. That is really great news: just two years ago when the pandemic unfolded, the future of nonprofits looked grim. There's a number of reasons why they're feeling optimistic:

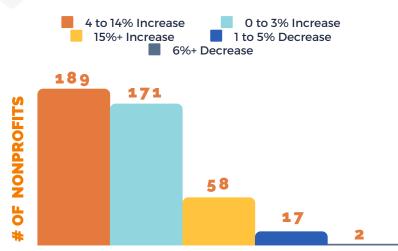
48%

45

21%

18%

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7

of the nonprofits expecting large revenue growth are **"very likely"** to use the <u>Google Ad Grant.</u> This is **free money** to experiment and respondents clearly believe it will pay off for their bottom line.

of the nonprofits expecting large revenue growth are **"very likely"** to try **social advertising for fundraising** now that they've become adept at using organic social media strategies to raise money. Why not pay a little to more effectively **reach your target audiences** with your messages?

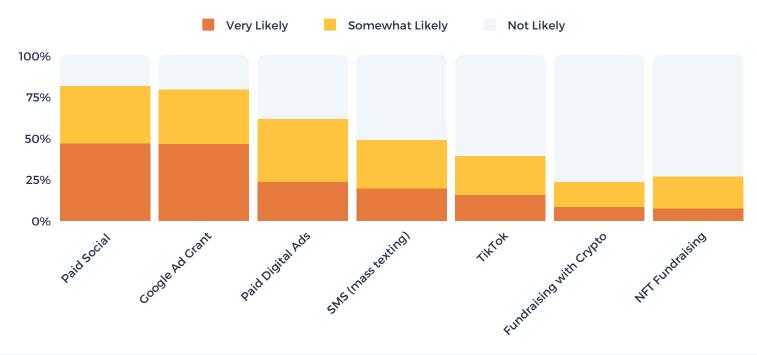
of the nonprofits expecting large revenue growth are **"very likely"** to try **<u>paid digital ads for fundraising</u> like Google, YouTube and Bing** because they are ready to take their digital savvy to the next level.

of the nonprofits expecting large revenue growth are **"very likely"** to try **TikTok advertising for fundraising**. <u>TikTok is exploding</u> in popularity and this is the new frontier for advertising. **Smart communicators** want to get **ahead of the curve** in marketing on this newer platform.

Another 13.13% of respondents are predicting a **"large increase"** in revenue of **15% or higher**, which is very ambitious and speaks volumes about their increasing comfort and faith in digital strategies. They've likely seen what their digital shift did for them in the early part of the pandemic and are expecting even **more growth** now that they're getting better at it.



#### HOW LIKELY ARE YOU TO USE THESE CHANNELS AND FUNDRAISING OPTIONS FOR YOUR NONPROFIT IN 2022?



### **CONSIDER: THE SHIFT TO DIGITAL FUNDRAISING IS DRIVING GROWTH**

It's clear that the trends are shifting away from traditional in-person fundraising to digital strategies, a trend that was starting before the pandemic and accelerated during it with 20% of nonprofits bringing in 50% or more of their revenue online. And, these numbers are now likely to leap exponentially in the coming years.

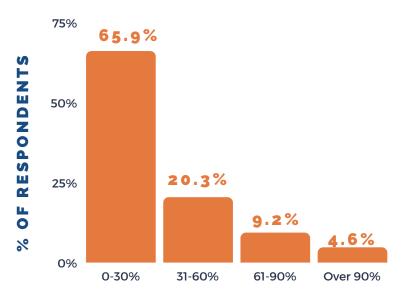
Digital fundraising has allowed marketers to try a number of tactics that have worked for brand awareness and bottom lines and there's really no limit to what you can try to break through the cluttered marketplace.

Digital by its very nature is a place to experiment and if you need proof of it, look no further than TikTok's reputation as a place where challenges or contests can take off in a matter of hours. Giving Tuesday and similar campaigns focused on specific events have been wildly successful for nonprofits, as have birthday fundraisers where you ask your supporters to create a campaign for their birthdays with fundraising goals often exceeded by their networks.



8

### What Percent of Revenue Is Driven Online?



**REVENUE DRIVEN ONLINE** 

20% of respondents already raise 50% or more of their annual revenue online, and we can expect to see more nonprofits follow suit in the coming years with rapid adoption of online strategies.

9

There's still room for improvement, however, with nearly 29% saying they raise less than 10% online.

The organizations expecting the largest growth in revenue are investing in advertising, with high rates of investments into the <u>Google ad grants</u> <u>program, paid social media, and paid ads</u>.

It's so hard to pull the trigger on paid advertising on social media or Google but it works! The reason you're seeing such high confidence from some of the survey respondents who are expecting high growth in revenues is likely because they have already started trying these strategies and are able to drive predictable results. Better get in there before the market gets too crowded and ads get too expensive for you.

**PAID SOCIAL MEDIA AND PAID ADVERTISING** are smart investments because they ensure you stand out with your target audience in an increasingly crowded marketplace. <u>Paid social media</u> allows you to drill down on specific characteristics of your target audience and test effectiveness of relevant ads that you can then increase your spending on because you see that they're working.

**PAID ADVERTISING** also allows you to test different messaging with different audiences and see what works. It will help you <u>maximize your content strategy</u> for different audiences and bring in extra revenue from new supporters who were moved by your ad.

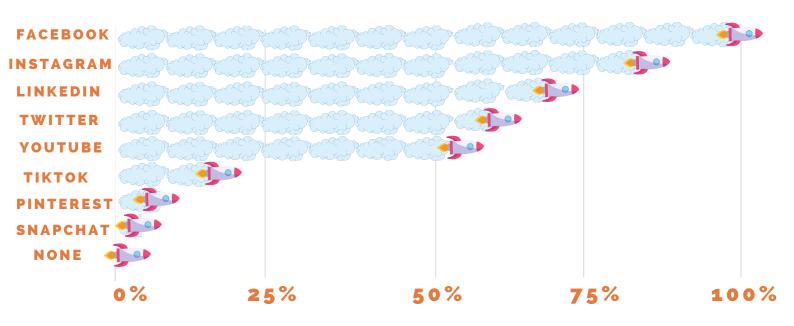


Additionally, social media companies are getting **SMARTER** and **BETTER** about how they can offer options for ads, allowing companies like yours to test various ad strategies. They make selling on their platforms relatively easy so that you have a good experience and will come back. This **story** has some good tips for important considerations in building your paid social strategy.



### Social Media Trends Upwards For Nonprofits

### SOCIAL MEDIA CHANNELS USED BY NONPROFITS



Nonprofits are certainly not apprehensive about social media with **60%** of them reporting that they have active accounts on **four or more social media channels**. It's clear that nonprofits are more engaged than ever before across multiple channels and know <u>how to use social media to their advantage</u>. Now it's time to lean in strategically to drive higher engagement and results.

#### FACEBOOK (97.93%) • INSTAGRAM (82.49%) ARE THE MOST USED SOCIAL MEDIA CHANNELS FOR NONPROFITS AND THEY TEND TO CONVERT THE MOST POTENTIAL CUSTOMERS WITH ADS, SO THESE ARE THE BEST PLACES TO BE ACTIVE.

Organic social media will continue to be **VERY IMPORTANT** to 69.82% of nonprofits in 2022 and 84% of the organizations expecting "very large" increases in revenue said the same.

### AGAIN, THIS CONFIRMS THAT THEY ARE SEEING GOOD RETURNS ON THEIR INVESTMENTS AND ARE EXPECTING EVEN BETTER RETURNS THIS YEAR.

Numbers are also going up for paid social media advertising:



of nonprofits saying paid social advertising was "moderately important" to their marketing strategy in 2022. and 18.43% said it was "very important."



of nonprofits are "very likely" to use paid social advertising in 2022.



10

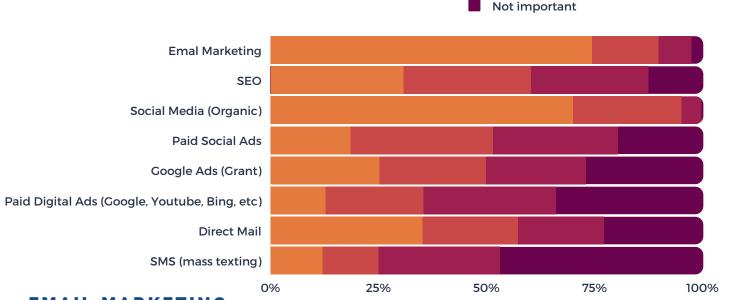
### A Wide Selection of Marketing Channels Are Driving Growth

Very important

Moderately important

11

Slightly important



### EMAIL MARKETING

is still the <u>most important marketing channe</u> for our respondents. We all know that there's a consistent stream of information and organizational updates that demand more than a social post and email will likely remain in this number one position for years to come.

### SOCIAL MEDIA

is a close second in importance and has risen steadily through the years.

### GOOGLE AD GRANT, SEO, PAID ADS

are around 31% each, with <u>Paid Digital Ads</u> at 20.69%, demonstrating that nonprofits are paying more attention to <u>driving site traffic</u> as part of their digital strategy.

### DIRECT MAIL

is still considered to be "very important" to many nonprofits with more than 60% of respondents saying it is very or moderately important. We thought many would eschew this old-school way of marketing but it stays a reliable tool in the toolbox for marketers.

### MASS TEXTING

<u>Mass texting</u> doesn't seem to be key for most organizations, probably because it's still seen as a bit too intrusive for your supporters. But, as more organizations continue to try this out and consumers get used to it, it's likely to become more commonplace. A good way to try it is to allow supporters to "opt in" for key updates about events or other news and slowly ease their way into textpectations from your nonprofit.

As you can see from the numbers above, digital strategies are gaining momentum compared to more traditional approaches. But, the industry is not quite ready to take the full plunge into digital. Perhaps they are just feeling optimistic that if they did okay or pretty good during the pandemic, things will only get better as life returns to a new normal.

### 2022 Brings A Year Of Accelerated Nonprofit Growth:

### TAKE ADVANTAGE OF THE DIGITAL TRENDS NOW TO SCALE YOUR IMPACT

As you can see, **the future of thriving nonprofits leans digital** and it's time to start investing in new digital strategies that help you save time and **maximize impact of your efforts**. It can be hard to justify hiring another marketing team member when things like programs or facilities need so much help. But, money spent on digital strategies is an **investment in your company** and its bottom line.

#### WE CAN HELP YOU TAKE ADVANTAGE OF OPPORTUNITIES THAT ACCELERATE YOUR NONPROFIT'S RESULTS ONLINE:

### **Talk To Experts**



**Connect To Others:** Invite them to engage in the Facebook group to learn from other organizations: Digital Marketing For Nonprofits https://www.facebook.com/groups/1955753434744189





Enroll In The Accelerator Program: https://www.communityboostaccelerator.org/home

