

2023 Philanthropic Landscape CCS Fundraising

<https://www.ccsfundraising.com/insights/philanthropiclandscape/>

2023 Philanthropic Landscape

For the past 12 years, CCS's *Philanthropic Landscape* reports have **compiled and analyzed data** from Giving USA and other leading industry sources to reveal an **accurate, laser-focused look at the current state of philanthropy in the US.**



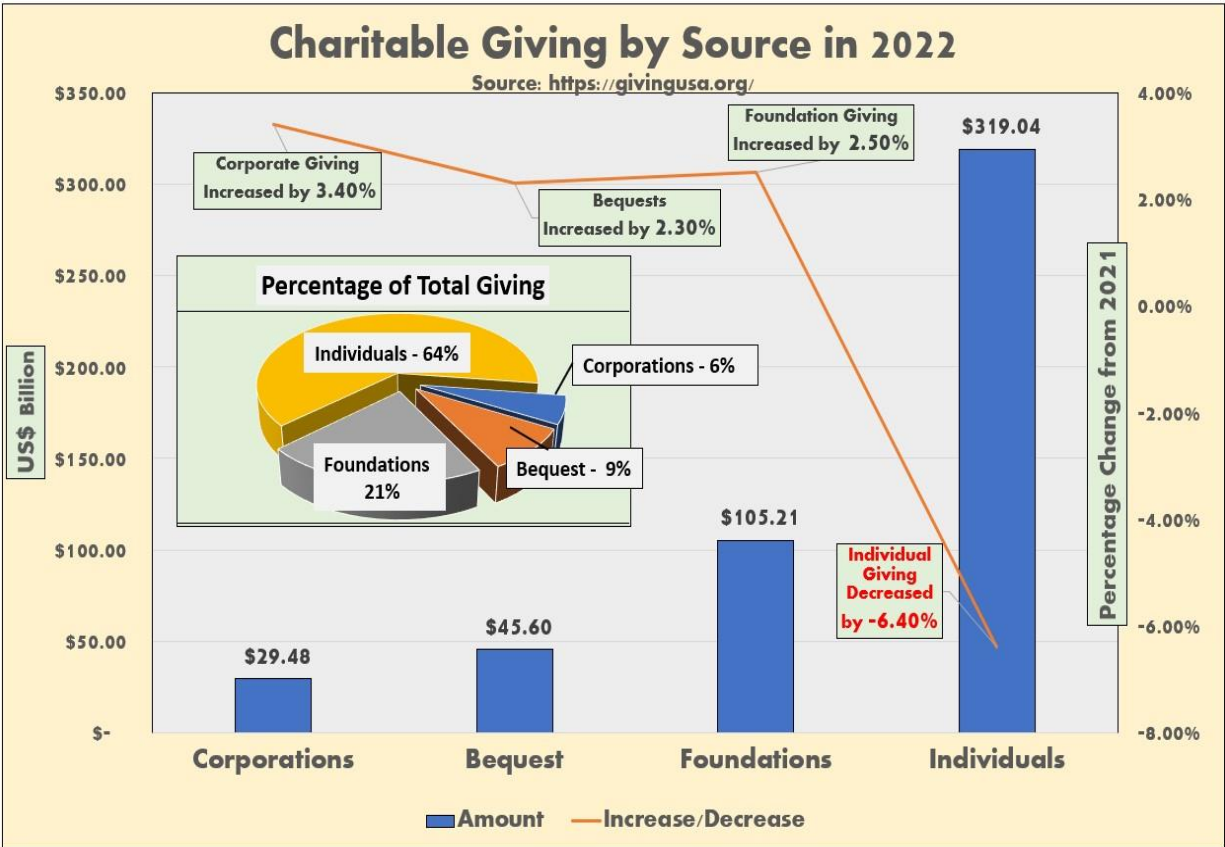
Research from Giving USA (<https://givingusa.org/>) was analyzed for insights on charitable donations in the United States.

CCS Fundraising summarized the Giving USA data in their annual “Philanthropic Landscape” report. Key findings were: (1) \$499.33 billion in 2022 was donated by individuals, corporations, and foundations; (2) individuals are the most significant drivers of philanthropy – the decrease in giving in this sector drove down the overall giving amount, and (3) overall giving in the US decreased by 3.4 percent in 2022 compared to 2021 (the reduction was 10.5 percent adjusted for inflation). This represents the fourth current dollar decline in giving since USA Giving began keeping records in 1956.

It should be noted that 2021 was a record year with \$516.65 billion in donations, so a decline in 2022 reflects a change from giving during the COVID era. Individual giving was the most, with \$319.04 billion, but it was down by 6.4 percent. Corporations increased their giving by 3.4 percent, with Bequests rising by 2.3 percent. Foundations, the second largest giving sector behind Individuals, showed \$105.21 billion, representing an increase of 2.5 percent over 2021.

This table provides a summary of giving by source for 2022.

<u>Sector</u>	<u>Amount Given</u>	<u>Percent Change</u>	<u>Percent of Total Giving</u>
Corporations	\$29.48 billion	+ 3.4%	6%
Bequests	\$45.60 billion	+2.3%	9%
Foundations	\$105.21 billion	+2.5%	21%
Individuals	\$319.04 billion	-6.4%	64%

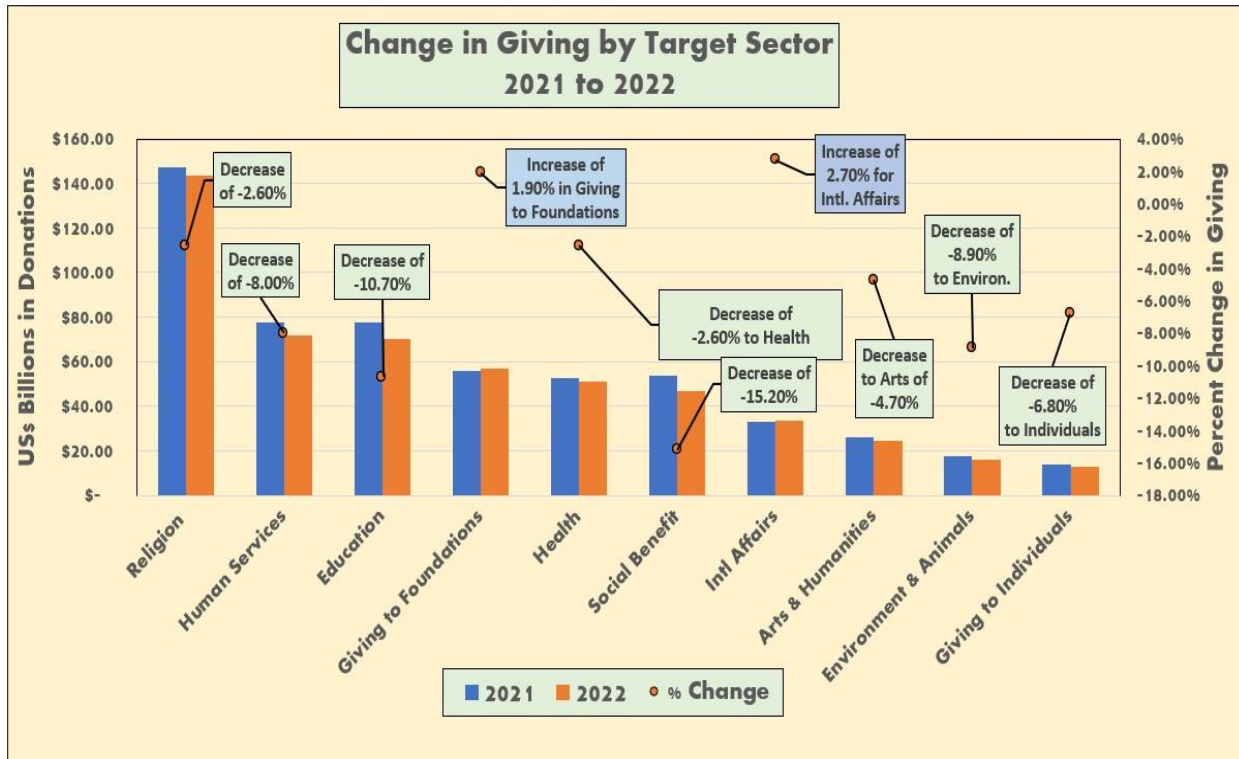


Target Sectors

2022 data on giving by sector indicated that “Religion” ranked highest with \$143.57 billion, a 2.6 percent decline over 2021. “Human Services” ranked second with \$71.98 billion and registered an 8 percent decline from the previous year. Donations to the “Education” sector were down by almost 11 percent but still ranked third overall, at \$70.07 billion. “Giving to Grant Making Foundations” registered a 1.9 percent increase at \$56.84 billion – this was one of only two sectors that had increased giving over 2021 (the other sector was “International Affairs,” with a 2.7 percent increase at \$33.71 billion). The remaining sectors were: “Health” (\$51.08 billion) down 2.6 percent; “Pubic-Social Benefit” (\$46.86 billion) with a 15.6 percent decrease; “Arts and Culture” (\$24.67 billion) down 4.7 percent; “Environment and Animals” (\$16.01 billion) down 8.9 percent; and “Giving to Individuals” (\$12.98 billion) down 6.8 percent.

Sector	2021	2022	% Change
Religion	\$147.30	\$143.57	-2.60%
Human Services	\$ 77.74	\$ 71.98	-8.00%
Education	\$ 77.57	\$ 70.07	-10.70%
Giving to Foundations	\$ 55.76	\$ 56.84	1.90%
Health	\$ 52.41	\$ 51.08	-2.60%
Social Benefit	\$ 53.98	\$ 46.86	-15.20%
Intl Affairs	\$ 32.80	\$ 33.71	2.70%
Arts & Humanities	\$ 25.83	\$ 24.67	-4.70%
Environment & Animals	\$ 17.43	\$ 16.01	-8.90%
Giving to Individuals	\$ 13.86	\$ 12.98	-6.80%

Change in Giving by Target Sector



Findings

In terms of overall findings, here is a list with an explanation.

1. Email is the preferred method of communication for the Gen Z demographic, with 80 percent picking email. Millennials were 67 percent, while roughly half of Gen X chose emails. Only 28 percent of Baby Boomers preferred communication by email.
2. When asked about the reason for giving, 99 percent of respondents indicated that the perceived impact of the gift was why they donated money to a particular charity. Other reasons for giving were (1) tax deduction (85%), (2) owed to society (94%), (3) 94% donated because they were asked to contribute, (4) religious conviction (96%), and (5) we should give to the less fortunate (98%).
3. While donations declined overall, recurring giving grew by 11 percent in 2022. The importance of retained donors is evident in that they give 60 percent of total donor dollars. Unfortunately, there was a ten percent loss in donors during 2022.
4. Organizations retain new donors by (1) sending them targeted mailings/emails (79%), (2) inviting them to regular events (71%), (3) arranging for individual or small group meetings, (4) adding them to newsletter list (64%), (5) engaging them through social media (53%), (6) special events (47%), and (7) creating a specialized stewardship program (44%).

5. Almost 60 percent of organizations focus more on enhanced personalized communication, with 53 percent using social media and 68 percent sending email appeals and securing 14 percent of gift income.
6. Direct mail generated a 4.4% response rate, whereas email appeals generated a 0.12% response rate. Organizations that used volunteers to solicit gifts from their networks saw a gift increase of 18%. This is particularly important to young people who are the most interested in making a gift when asked by a trusted individual.
7. Women hold 33% of the world’s wealth. By 2030, women will control \$30 trillion in financial assets in the US. Women’s charitable giving tends to be focused on social justice issues. Messaging for women should communicate long-term positive social change.
8. Corporate giving in 2022 was \$29.48 billion. The focus tends to be on a shared mission and values-driven community engagement to achieve social impact: “The most successful approach and effective partnership are to integrate mission, vision, values, and innovation to make a measurable impact on the nation’s underserved and most vulnerable communities.”

