MONEY FOR GOOD | 2015

Revealing the voice of the donor in philanthropic giving.

CAMBER
COLLECTIVE

The motivation behind Money for Good is to increase and improve giving by better understanding donors' motivations and preferences

We all see the world through the lenses of our own contexts, experiences, and points of view. People in all walks of life struggle with this bias every day, and those in the charitable sector are no exception. **Why does a new offer fail when you and your cohort believed it was a great idea?** To understand the world as it is—not as we see it or wish it were—we turn to primary market research.

The motivation behind the Money for Good ($FG) research series is to seek the "voice of the donor" in charitable giving. **$FG reveals the motivations behind donors' giving as they are, not as charitable organizations and funders wish they were.** The $FG 2015 research focuses on identifying how to increase individual giving and improve its quality. It aims to translate those insights into recommendations for further testing by charitable organizations and funders, unveiling changes that will increase and shift donors charitable giving.

American giving has rebounded since the 2008-2009 recession, but only to the historical ~2% of GDP it has been stuck at since the 1970s. Lack of understanding of donor behavior, motivations, and preferences is a major driver of this stagnation. Money for Good 2015: (i) reveals the donor concerns and preferences behind this charitable inertia, (ii) **identifies a $47B opportunity to increase and/or shift giving *if* donors' preferences are met**, and (iii) proposes concrete recommendations to realize this opportunity by reframing giving, employing behavioral segmentation of donors, and leveraging high-potential giving channels.

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Executive Summary: Context and Objectives

Since the first Money for Good ($FG) research in 2010, the $FG research series has sought to understand the "voice of the donor" in charitable giving.

The objectives of $FG 2015 were to build on $FG I and $FG II to identify how to boost individual giving above 2% of GDP, and to improve the effectiveness of that giving by:

$FG I 2010

$FG I produced a comprehensive study of donor behavior, motivations, and preferences for charitable giving and impact investments.

$FG II 2011

$FG II looked into how individuals, foundations, and advisors research nonprofits, and what information packaging or channel might result in increased giving to high-performing nonprofits.

$FG 2015

Advancing our knowledge of Americans' charitable **giving needs, attitudes, and behaviors.**	**Identifying segments** of donors who would be most likely to increase and/ or shift their giving.	Identifying **strategic interventions** to change the behavior of targeted segments.

$FG 2015 also analyzes the opportunity to use **specific giving channels** – workplace giving, point of sale giving, and Donor-Advised Funds– to further drive increased or improved giving.

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Increasing individual giving above 2% of GDP and improving the quality of that giving is a significant challenge, as **average giving has stagnated since the early 1970s.**

The good news: in general, American donors feel very strongly about giving and giving back—they are highly engaged with giving through volunteering and other activities, they feel a responsibility to give, and they believe that their giving makes a difference.

The bad news: donors also cite many barriers to and concerns about increasing or improving their giving. **Many do not trust social sector actors and are skeptical of how their money is used by nonprofits and their beneficiaries.**

Others are simply overwhelmed by information and the giving process, and do not feel equipped to make good decisions. These challenges are not well-addressed by today's giving appeals, which often increase donors' barriers and concerns.

Further complicating the issue: most donors are highly satisfied with their current giving and not inclined to change. Most donors also: (i) do not understand how their level of giving compares with that of others, (ii) assume their giving compares more favorably to others' than it actually does, and (iii) consequently feel little pressure to give more or to give better.

Mistrust of nonprofits, feeling overwhelmed by the giving process, lack of benchmarking, and high levels of personal satisfaction mean most **donors default to comfortable, known giving patterns with high levels of loyalty, low levels of research, and a preference for large and/or well-known nonprofits.** To push average giving above 2% of GDP and shift where those funds go, nonprofits and funders will need to better address donors' concerns as, well as their motivations.

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Executive Summary: The $47B Opportunity

We believe strongly that there is an opportunity to change donor behavior, on the basis of the dynamics we have seen in this research as well as those we have observed more broadly through our consulting work with nonprofits, foundations, and individual donors.

It is also exciting to see some evidence that loyalty in giving is declining, especially among young donors. These donors are also those most likely to feel overwhelmed by the giving experience. These and other factors suggest that **better meeting donors' preferences could increase and/or shift their giving.**

Although our research uncovers and details barriers, it also indicates that most are readily addressable, revealing a large opportunity for change.

We estimate the opportunity to increase or shift American charitable giving at $47B ($22B in increased giving and $25B in shifted giving).

This report moves beyond detailing the barriers and concerns impeding more and better charitable giving, to **provide specific tools—such as behavioral segmentation of donors—to help the social sector mobilize billions more** for America and the world's toughest challenges.

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Executive Summary: Four Key Levers to Drive Behavior Change

This $47B opportunity can be captured through four key levers for behavior change:

1 REFRAME GIVING

Objective: Inspire donors by focusing appeals on the themes that emerged as most motivating to donors to improve their giving and address their concerns directly.

Make giving dynamic, joyful, and simple. Help donors feel connected to nonprofits and beneficiaries.

2 TARGET DONOR SEGMENTS

Objective: Target and create customized messages for $FG 2015 segments most likely to favorably alter their giving behavior.

$FG 2015 segments:

- Contented Benefactors
- *Busy Idealists*
- *Cautious Strivers*
- *Unaware Potentials*
- Unengaged Critics

These three segments represent the greatest opportunity for behavior change.

3 LEVERAGE GIVING CHANNELS

Objective: Leverage $FG insights into donor behaviors and preferences in order to increase and shift donations through three key channels: workplace giving, point of sale giving, and donor-advised funds (DAFs).

4 LEARN AND SHARE

Objective: Create a learning community to test, iterate, and share outcomes from implementation of $FG 2015's levers.

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Executive Summary: $FG Recommendations

$FG 2015 revealed eight recommendations (A-H) to increase and shift giving. These recommendations now need to be further tested by funders of philanthropic effectiveness, nonprofits, and third-party giving and/or information platforms.

			Funders	Nonprofits	Third-Parties*
1. REFRAME GIVING	**A**	Create a broad-based campaign using $FG message concepts to make the giving conversation more joyful, dynamic, connected, and simple.	✔ (Primary)	✔ (Potential)	✔ (Primary)
	B	Help individuals better understand their giving relative to others, correcting the commonly held misperception that one's giving is above average.	✔ (Potential)	✔ (Potential)	✔ (Primary)
	C	Directly address donors' mistrust of nonprofits and beneficiaries, increasing trust and redirecting donors away from an unhelpful emphasis on overhead percentages.	✔ (Primary)	✔ (Primary)	✔ (Primary)
	D	Simplify the experience of finding and giving to a high-performing nonprofit, reducing donors' perception of complexity and feeling of being overwhelmed.	✔ (Potential)	✔ (Potential)	✔ (Primary)
2. TARGET DONOR SEGMENTS	**E**	Implement and promote behavioral segmentation to better find, engage, and track those donors most likely to positively shift their giving behaviors.	✔ (Primary)	✔ (Primary)	✔ (Primary)
	F	Build targeted offers and marketing messages to appeal to the researched preferences of specific segments.	✔ (Potential)	✔ (Primary)	✔ (Primary)
3. LEVERAGE CHANNELS	**G**	Leverage $FG insights to make small but high-impact changes to workplace giving and donor-advised funds, increasing use of and charitable outputs from both channels.	✔ (Potential)	✔ (Primary)	✔ (Primary)
4. LEARN & SHARE	**H**	Create a dynamic, open knowledge platform to share key learnings, datasets, and other knowledge with the sector about what works in reframing and segmenting donors to drive adoption.	✔ (Primary)	✔ (Potential)	✔ (Primary)

*Third-parties active in the philanthropic effectiveness space include giving platforms like (#GivingTuesday or Global Giving) and nonprofit information hubs like (GuideStar or Charity Navigator)

✔ Primary Executor   ✔ Potential Collaborator

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INTRODUCTION TO $FG 2015

| Project Objectives

| Research Methodology

| How to Read the Report

| Advisors and Funders

$FG 2015 builds on the foundations of $FG I & $FG II to better understand donors' "voice" so as to drive an increase and shift in giving

$FG I and $FG II uncovered many insights into donor behavior and motivations for giving:

> Deeper understanding of intrinsic motivations for giving and how these can be leveraged to shift donors' perceptions and behavior

> Expanded lens for evaluating the complementary potential of messages, other dimensions of donor offers, and channels to change giving

> Tangible marketing guidance on how to shape messages for donors in ways that resonate most with them

$FG 2015 Project Goal

Lay the groundwork for increasing Americans' household giving beyond the current 2% of GDP and for driving a measurable shift in giving, moving away from static rates of giving.

$FG 2015 Objectives

> Provide a baseline from which to measure Americans' charitable giving needs, attitudes, and behaviors

> Define opportunities to increase or shift giving, and quantify how much money could be moved by realizing these opportunities

> Hypothesize how key social and private sector actors can advance these opportunities

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This report is based on findings from qualitative and quantitative research on U.S. donors with household incomes of $80K+

WHO WE TARGETED

People with household incomes (HHI) over $80K, who represent the top 30% of US HHs in income and make 75% of charitable donations from individuals[1]

50% of respondents were people with HHI over $300K, due to their disproportionate share of charitable contributions and investments

HOW WE RESEARCHED

Three sources of information:

1. Literature review

2. Qualitative research: focus groups and interviews with ~50 people

3. Quantitative research: online survey of 3,000 people

WHY $FG 2015 IS UNIQUE

Behavioral Focus: The research looked into donor actions, not simply stated preferences. It also forced participants to make trade-offs to mirror real-life decision making and minimize pro-social responses.

Breadth and Depth: The survey is unique in the number of respondents and the amount of information covered.

High Net Worth: Half (1,500) of the respondents had HHI >$300k, making this one of the most robust surveys of wealthy individuals.

1. "Current Population Survey Annual Social and Economic Supplement," U.S. Census Bureau, 2012

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The report presents our most important findings as well as recommendations for how these findings can be used

Summaries of the most important research findings:

- Part I: Donor behavior change levers for improving giving
- Part II: Other opportunities to optimize giving

Strategic directions for how various actors can use the findings to drive more dollars to organizations that generate social good

Questions for further testing, supported by our fact base on donor behaviors and preferences, some requiring additional research for proper vetting

Areas where additional investigation is required

Our Target Audiences

We see three key audiences for $FG 2015's findings and recommendations:

- **Funders,** particularly those focused on increasing and/or improving American giving, which remains stagnant at approximately 2% of GDP
- **Nonprofits** interested in using insights into donor behavior and preferences as well as high-impact giving channels to enhance donor targeting, cultivation, and stewardship
- **Third-Parties** working to improve philanthropy by providing platforms to mobilize giving and/or to collect and share key information about nonprofits

How To Read This Report

Section 1 focuses on improving giving through donor behavior change and the use of behavioral segmentation. It will most appeal to organizations that have a broad mission to increase and improve giving. Nonprofits may also find it useful for donor cultivation and stewardship.

Section 2 focuses on other opportunities to increase, shift, and improve giving, particularly through employee giving, point of sale giving, and donor-advised funds (DAFs). It also explores Millennials and women as important demographics that vary by $FG 2015 segment. Section 2 will most appeal to actors that can access or influence one or more of these channels or groups.

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Thank you to our funders and Advisory Council members. $FG research would not be possible without their contributions:

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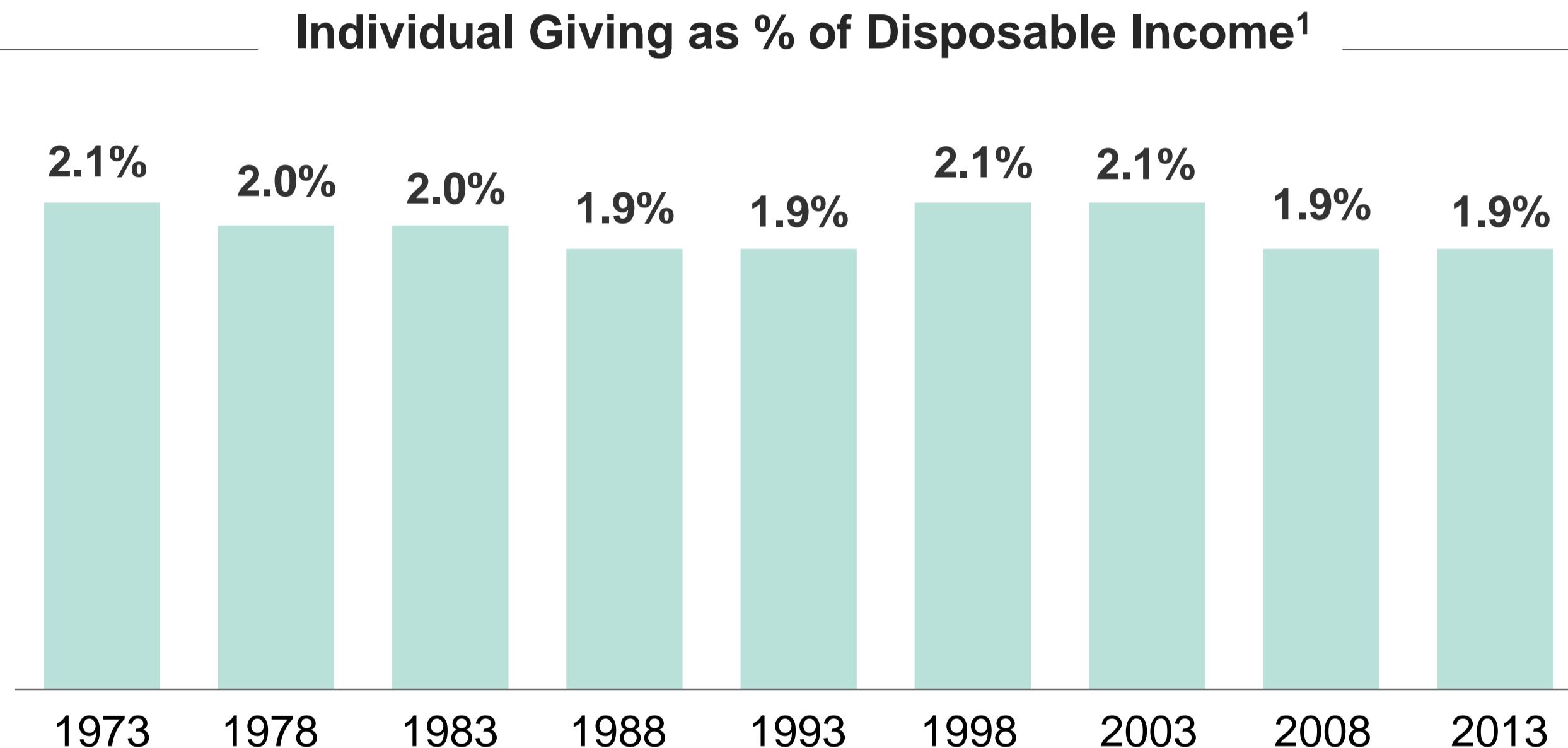
MacArthur Foundation

1. Now Chief Program & Strategy Officer, William Davidson Foundation

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| The Challenge and The Opportunity

| Levers for Change

| Reframing Giving

| Donor Segments

| Segmentation Toolkit

| Recommendations to Optimize Giving
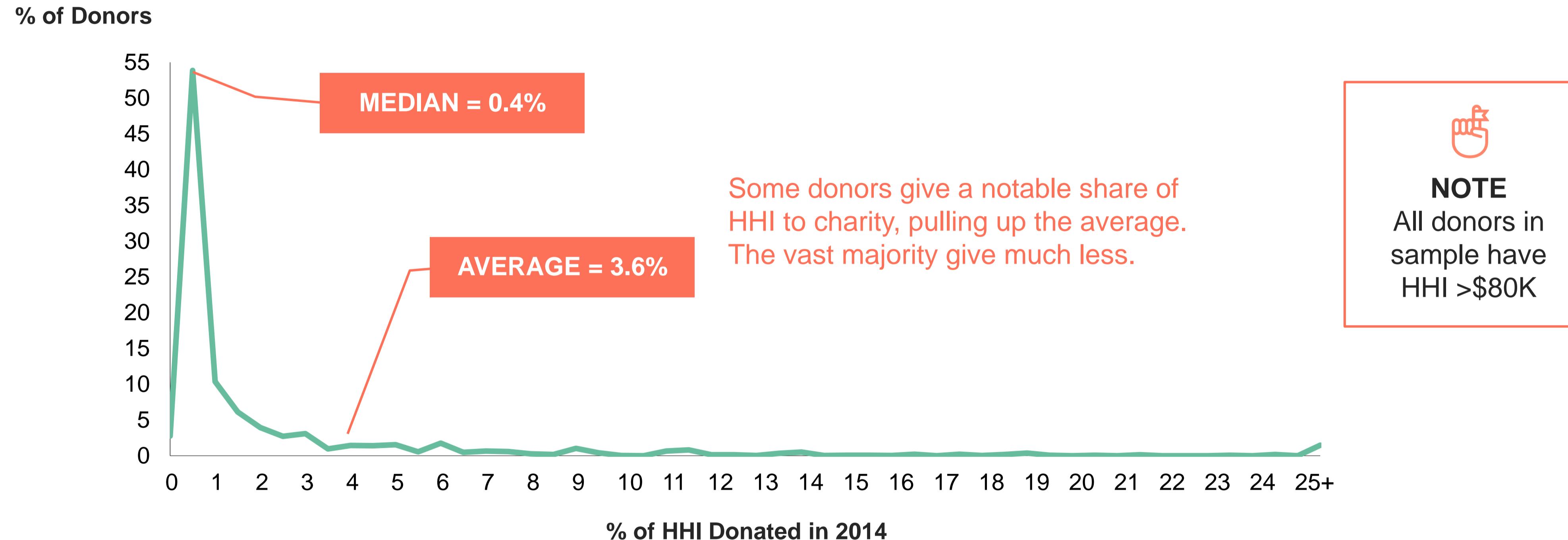
Americans' giving has not increased since the 1970s…

Individual Giving as % of Disposable Income[1]

	2.1%	2.0%	2.0%	1.9%	1.9%	2.1%	2.1%	1.9%	1.9%
	1973	1978	1983	1988	1993	1998	2003	2008	2013

There is stasis in the giving landscape, net of everything the sector has done until now. Doing more of the same will be insufficient to drive meaningful change in donor behavior.

1. Giving USA, Lilly Family School of Philanthropy at Indiana University, 2014

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…and the majority of donors give less than 0.5% of HHI to charity

% of Donors

MEDIAN = 0.4%

AVERAGE = 3.6%

Some donors give a notable share of HHI to charity, pulling up the average. The vast majority give much less.

NOTE
All donors in sample have HHI >$80K

% of HHI Donated in 2014

1. Share (%) of HHI donated was calculated from donations and HHI in 2014. Respondents are those who had HHI of $80-299K and gave at least $500 to charity or HHI of $300K+ and gave at least $1K. All respondents are considered donors, as they gave at least $500 to charity in 2014.
2. Sample is weighted to control for oversample of respondents with HHI >$300K. Source: $FG 2015 Quantitative Survey, questions 5 and 6.
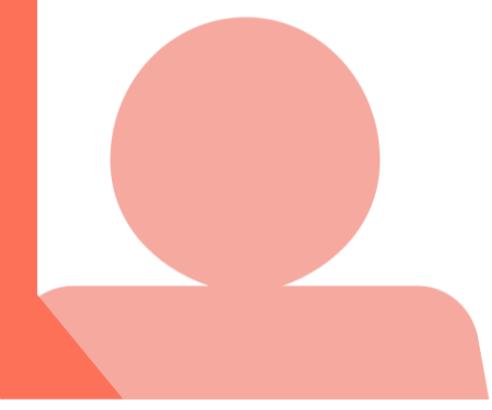
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But donors believe that it's critical to give back…
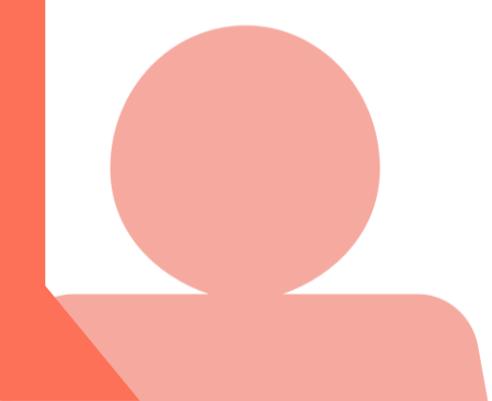
QUALITATIVE RESEARCH FINDINGS

- For many donors, giving is a responsibility and part of the social contract.

- Giving feeds donors' feelings of connection to their community and to others and builds their sense of self.

- Donors' commitment to giving is rooted in values they learned in their childhood, families, communities, or religious traditions.

- Donors seek to develop values and a practice of giving in their children, and to live up to these values.

- Donors feel more responsibility to give back if they see themselves as more fortunate than others.

- Donors are very critical of those who do not choose to give, especially gifts of money, calling them "self-centered," "selfish," or a "scrooge."

"Everyone has their oar to pull."
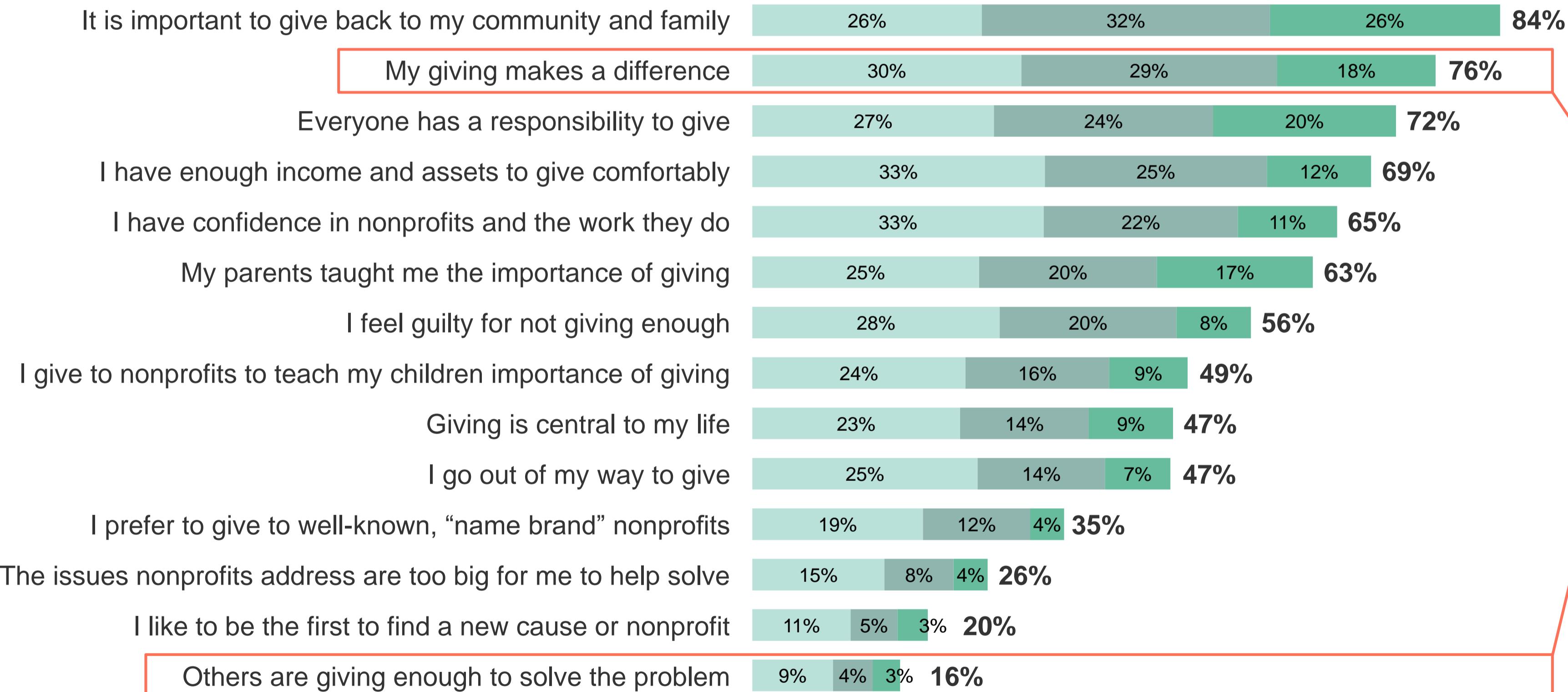
"My parents ingrained in me to always help others. Giving is not something I take lightly."

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…and agree that their giving can make a difference

Quantitative Research Findings: Donors Agree that…

Statement	Somewhat Agree	Agree	Strongly Agree	Total
It is important to give back to my community and family	26%	32%	26%	**84%**
My giving makes a difference	30%	29%	18%	**76%**
Everyone has a responsibility to give	27%	24%	20%	**72%**
I have enough income and assets to give comfortably	33%	25%	12%	**69%**
I have confidence in nonprofits and the work they do	33%	22%	11%	**65%**
My parents taught me the importance of giving	25%	20%	17%	**63%**
I feel guilty for not giving enough	28%	20%	8%	**56%**
I give to nonprofits to teach my children importance of giving	24%	16%	9%	**49%**
Giving is central to my life	23%	14%	9%	**47%**
I go out of my way to give	25%	14%	7%	**47%**
I prefer to give to well-known, "name brand" nonprofits	19%	12%	4%	**35%**
The issues nonprofits address are too big for me to help solve	15%	8%	4%	**26%**
I like to be the first to find a new cause or nonprofit	11%	5%	3%	**20%**
Others are giving enough to solve the problem	9%	4%	3%	**16%**

Giving is important to donors, and they feel that more remains to be done

Legend:
- **Strongly Agree**
- **Agree**
- **Somewhat Agree**

Source: $FG 2015 Quantitative Survey, question 29—Rate your agreement with this statement from 1-Strongly Disagree to 6-Strongly Agree.

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Donors are also highly engaged in giving and volunteering

In 2014 I…

Thought about giving	**71%**
Volunteered	**69%**
Attended events	**65%**
Raised money	**40%**
Served on a Board	**21%**

95.4% of American households give to charity[1]

According to our survey:
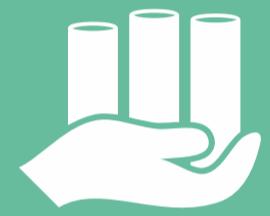
- 71% of donors thought about how much to give in 2014
  - 19% had a budget
  - 51% had a general idea of how much they'll give
- 69% of donors volunteered at least once every other month in 2014
- 23% of donors attended at least 3 nonprofit events in 2014

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So why haven't giving levels changed in 40 years?

Donors…

Have high satisfaction in giving, across all age groups

Have limited insight into how their giving measures up
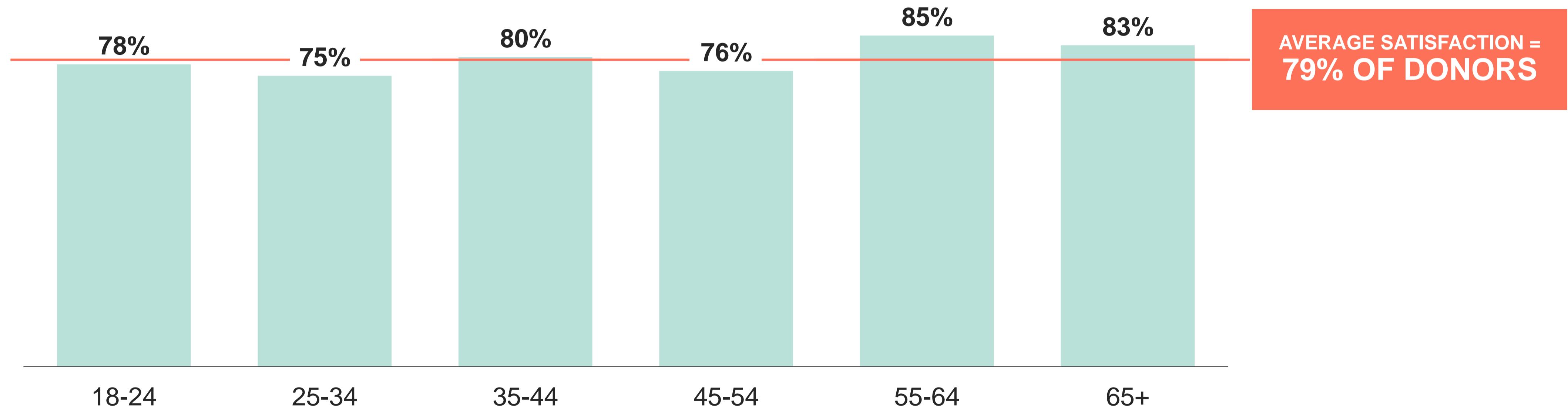
Lack trust in nonprofits and beneficiaries

Feel overwhelmed or ill-equipped to make good giving decisions

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Donors are very satisfied with how they are giving today…
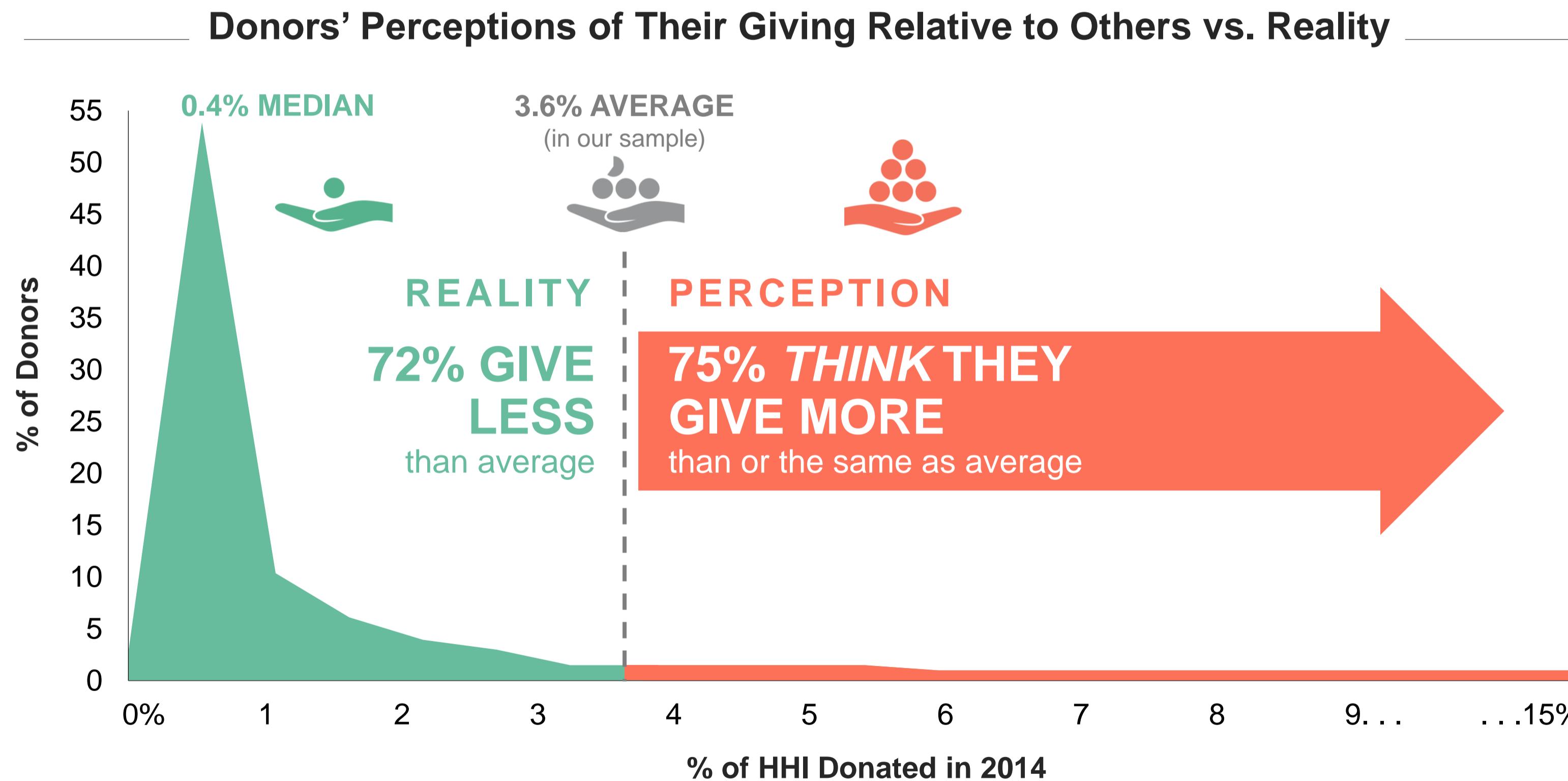
Donors Who Were Satisfied with Their Giving Experience in 2014

| 78% | 75% | 80% | 76% | 85% | 83% |

18-24 25-34 35-44 45-54 55-64 65+

AVERAGE SATISFACTION = 79% OF DONORS

Source: $FG 2015 Quantitative Survey Question 27a

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…and have limited insight into how their giving stacks up

On average, 75% of donors feel they gave the same or more than others in 2014. In reality, the majority of donors give in line with the median of 0.4%, not the average of 3.6%.

Donors' Perceptions of Their Giving Relative to Others vs. Reality

0.4% MEDIAN

3.6% AVERAGE
(in our sample)

REALITY

72% GIVE LESS
than average

PERCEPTION

75% *THINK* THEY GIVE MORE
than or the same as average

% of Donors

% of HHI Donated in 2014

According to our survey:

- Of those that gave 1% or less: 50% feel they gave on average the same or more than others

- Of those that gave between 1% - 3%: 12% feel they gave on average the same or more than others

- Of those that gave 3% or more: 13% feel they gave on average the same or more than others

Source: $FG 2015 Survey, question "Relative to others like me, in the last year I feel…"
Note: NCCS, "Total Contributions as a % of AGI": $75-100K: 3% ; $100-200K: 2.6%; $200-250K: 2.4%; $250K-1M: 2.5%; $1-2M: 5%; $2-5M: 3.2%; $5-10M: 3.7%; $10M+: 5.9%; Total: 2.9%

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In addition, donors are skeptical of nonprofits, beneficiaries, and of how their money is used…

Top Donor Concerns

Concern	Percentage
How the organization uses my $	49%
I feel hassled by the frequency of solicitations	34%
I am not sure who benefits from the work a nonprofit does	20%
I have concerns about "enabling" others	15%
Nonprofits always seem to be in crisis	13%
I don't have enough info to make a good decision	13%
Nonprofits are just trying to keep themselves in existence	9%
I feel overwhelmed when deciding	9%
I don't know what to consider	5%
Nonprofits do not provide me the right opportunities to engage	4%
I think it is someone else's responsibility to help	2%
I don't have any specific concerns	26%

"There is a fine line between helping and enabling. I think about that when I think about giving to homeless people."
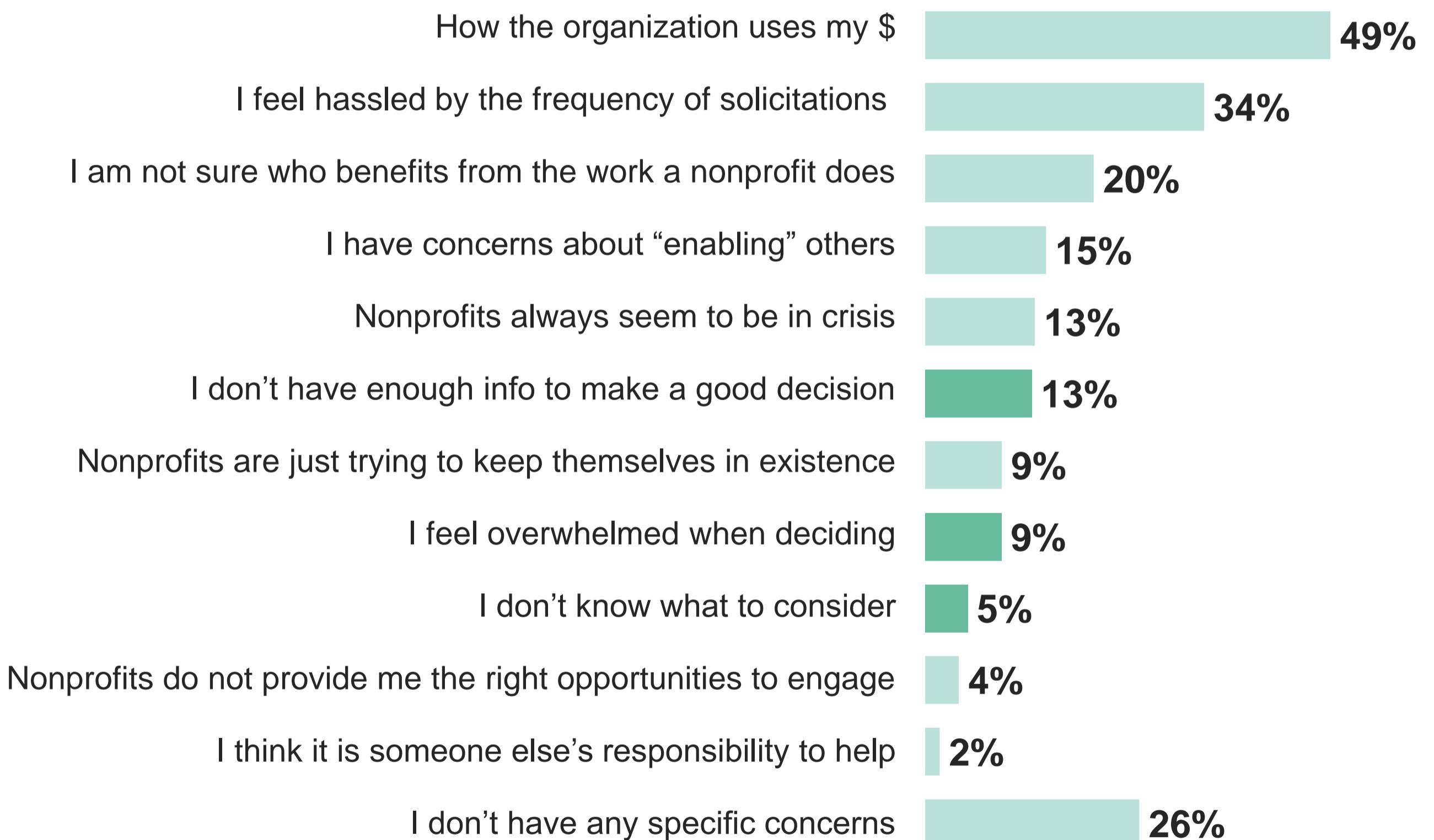
"If you have an extra hour, they [nonprofits] will find a way to take it."

Source: $FG 2015 Quantitative Survey Question 34—"Do you have any concerns when giving to nonprofits?" & $FG 2015 Focus Groups

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…and many are overwhelmed and frustrated with their giving decisions

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I don't know what to consider	5%
Nonprofits do not provide me the right opportunities to engage	4%
I think it is someone else's responsibility to help	2%
I don't have any specific concerns	26%

"It's one cause after another, and you have to pick and choose and do research."

"That's why I try to volunteer, because it's the easiest way to understand how the nonprofit works and if they are good."

Source: $FG 2015 Quantitative Survey, question 34—"Do you have any concerns when giving to nonprofits?" and $FG 2015 focus groups

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Nonprofit appeals do not address donors' concerns and may heighten them

| CRISIS-DRIVEN	OBJECTIFYING POVERTY	OVERWHELMING	TOO FREQUENT
"What with Sandy Hook, superstorm Sandy, the Boston Marathon bombing…our clients have almost an annual call to contribute to address a crisis of some kind."[1]	"…poverty porn is the result of well-meaning organizations attempting to raise money for their programs, and it works."[2]	36% of nonprofits send emails to donors with multiple, conflicting calls to action[3]	34% of donors report feeling hassled by nonprofit solicitations[4]

Some nonprofits favor short-term gain over efforts to connect meaningfully with donors and address their core concerns in giving.

1. Daisy Maxey, "Best Strategies for Disaster-Relief Giving: Competing Funds and Potential for Fraud Confront Donors," Wall Street Journal, November 2014
2. Emily Roenigk, "5 Reasons Poverty Porn Empowers the Wrong Person," Huffington Post, 2014
3. Online Giving Scorecard report;
4. $FG 2015 quantitative survey
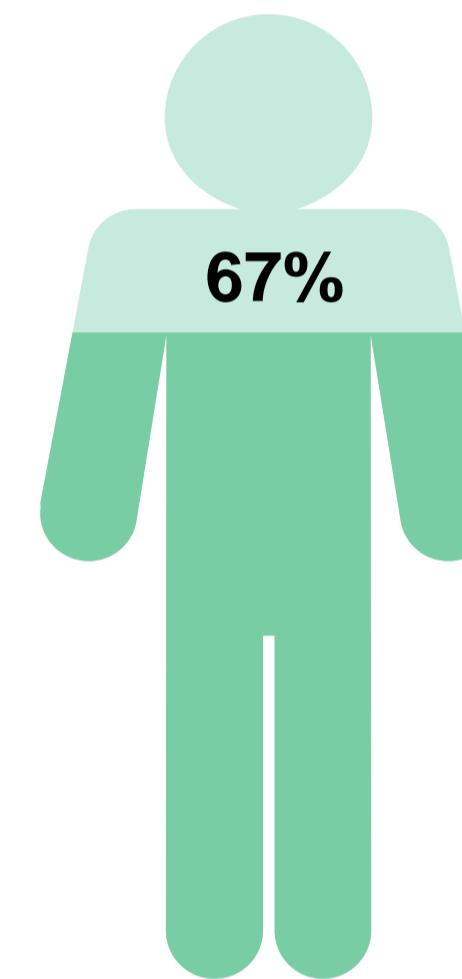
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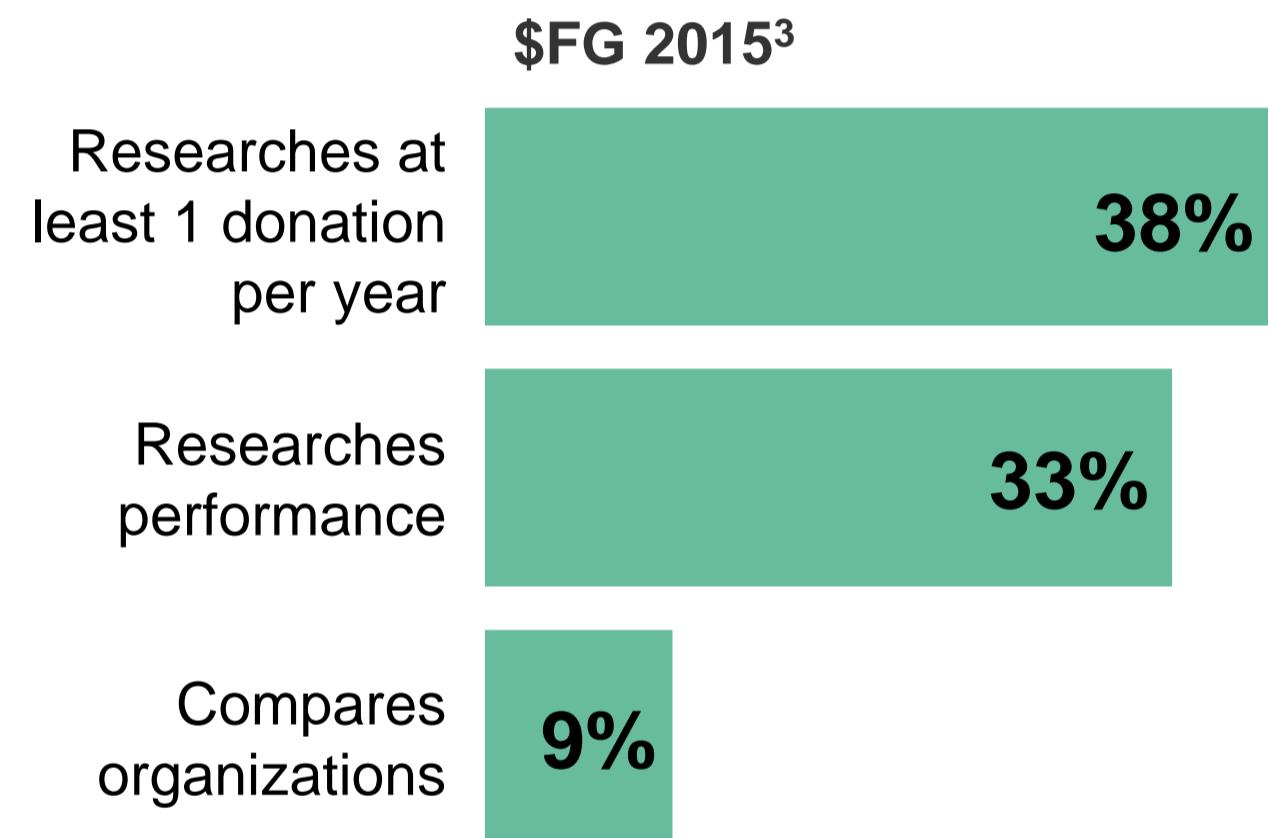
Donors react by shutting out the "noise" and reverting to comfortable, familiar giving habits
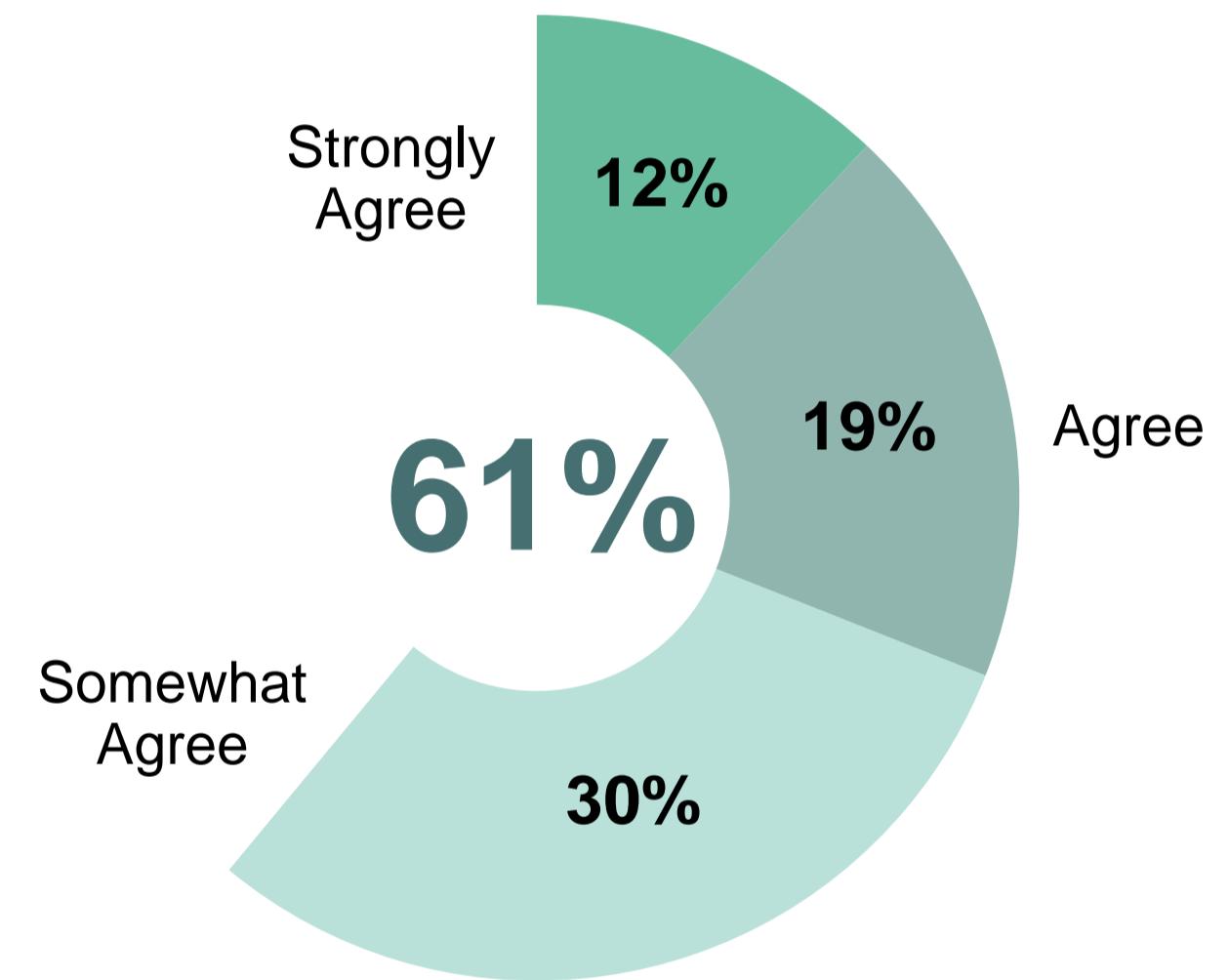
High Levels of Loyalty to Primary Causes[1]

67%

Only 13% of donors intend to give to different nonprofits next year

Low Levels of Research[2]

$FG 2015[3]

Researches at least 1 donation per year	**38%**
Researches performance	**33%**
Compares organizations	**9%**

Prefer to Give to Well-Known Nonprofits[4]

61%

Strongly Agree **12%**

19% Agree

Somewhat Agree

30%

54% of donors prefer to give to local or regional nonprofits

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Yet there is an untapped opportunity to change behavior:

Donors are willing to increase or shift their giving by $47B if their needs are better met.

Donations by Top 30% of HHs ($B)

$250
$200
$150
$100
$50
$0

$202
$22
$25
$155

$FG 2015 Potential Donations

New Donations
A minority of donors are willing to consider donating an additional **$22B** over what they give today.

Switchable Donations[1]
Of donors' current giving, **$25B** is not tied to an organization and is thus available to be switched to new charities.

$47B MARKET OPPORTUNITY

The market opportunity is the sum of new and switchable donations:

2015: $47B
2010: $45B

NOTE
The rest of the report explores approaches to meeting donors' needs more effectively.

1. Loyalty and switching determined on the basis of donors' certainty about future gifts and their historical giving patterns. Details in appendix.
Note: In 2013, individuals gave $241B to charity. An estimated 75% of individual donations came from those with HHI of $80K+ per year.
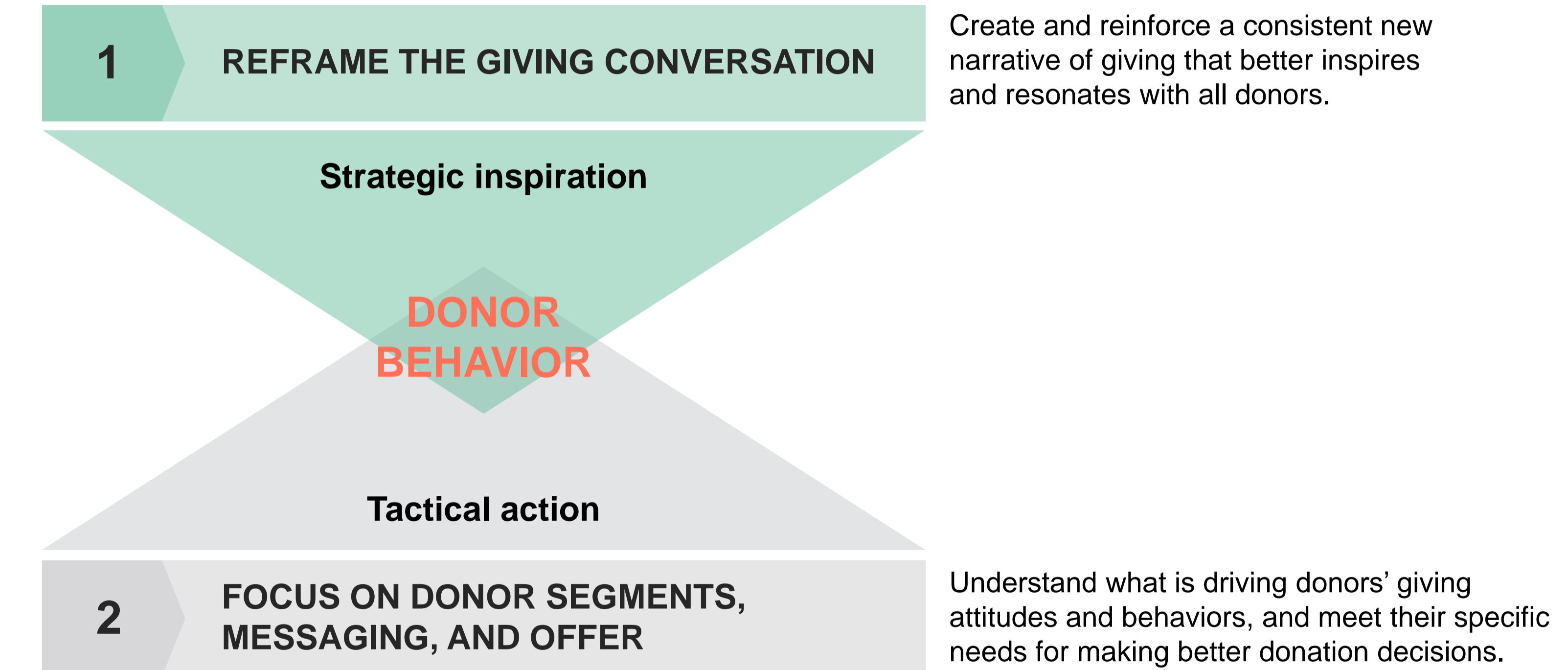
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| Levers for Change

| Reframing Giving

| Donor Segments

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To change donor behavior, we need to reframe giving broadly and target segments with the highest propensity for change

To address today's challenges, which prevent growth and improvement in giving, the sector needs to:

| 1 | REFRAME THE GIVING CONVERSATION | Create and reinforce a consistent new narrative of giving that better inspires and resonates with all donors. |

Strategic inspiration

DONOR BEHAVIOR

Tactical action

| 2 | FOCUS ON DONOR SEGMENTS, MESSAGING, AND OFFER | Understand what is driving donors' giving attitudes and behaviors, and meet their specific needs for making better donation decisions. |

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Why are these levers important to drive behavior change?

		Why This Lever?	**Why Do We Think This Will Be Effective?**
1	**REFRAME THE GIVING CONVERSATION**	To inspire donors, driving broad behavior change and a shift in social norms.	Donors care deeply about giving, but current giving appeals or products—intended to strengthen donors' philanthropy—do not consistently address their concerns.
2	**FOCUS ON DONOR SEGMENTS, MESSAGING, AND OFFER**	Targeting all donors is effectively not targeting at all. Behavioral segmentation focuses efforts on donors with the highest likelihood to change giving behavior. Non-behavioral segmentation based largely on demographics is insufficient.	Segmentation can identify donors more likely to change their giving behavior and has been proven highly effective in other sectors.

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SECTION 1: IMPROVE GIVING THROUGH DONOR SEGMENTATION AND BEHAVIOR CHANGE

What a reframe of the giving conversation means for you

Executive Summary

Today's culture of giving is characterized by:

- Stasis and inertia
- High donor satisfaction, making large-scale change difficult
- Perceptions of complexity, making many donors disengage
- Skepticism and mistrust, particularly of nonprofits and beneficiaries
- Lack of benchmarks, allowing most donors to believe they give above average

To change this giving culture and lay the foundation for increases and improvements in American charity, giving needs to become more simple, joyful, dynamic, and connected.

What It Means For You

FUNDERS

- Support broad messaging campaigns that reframe donors' conception of what it means to give, and why.

- Fund pilots that directly test key components of the reframe, confirming or disproving their impact.
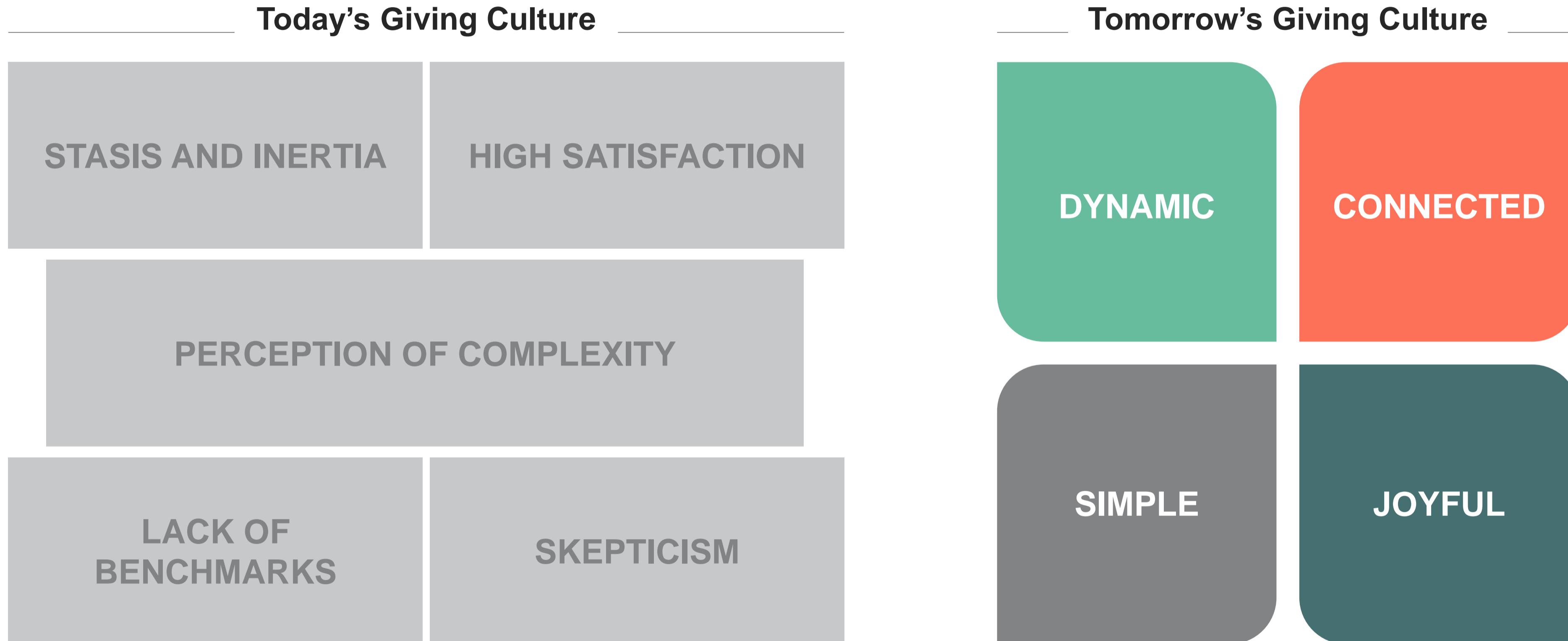
NONPROFITS

- Shift direct giving appeals to be more simple, joyful, dynamic, and connected.

- Cooperate more openly with foundation and third-party platforms to together shift the national narrative on giving.
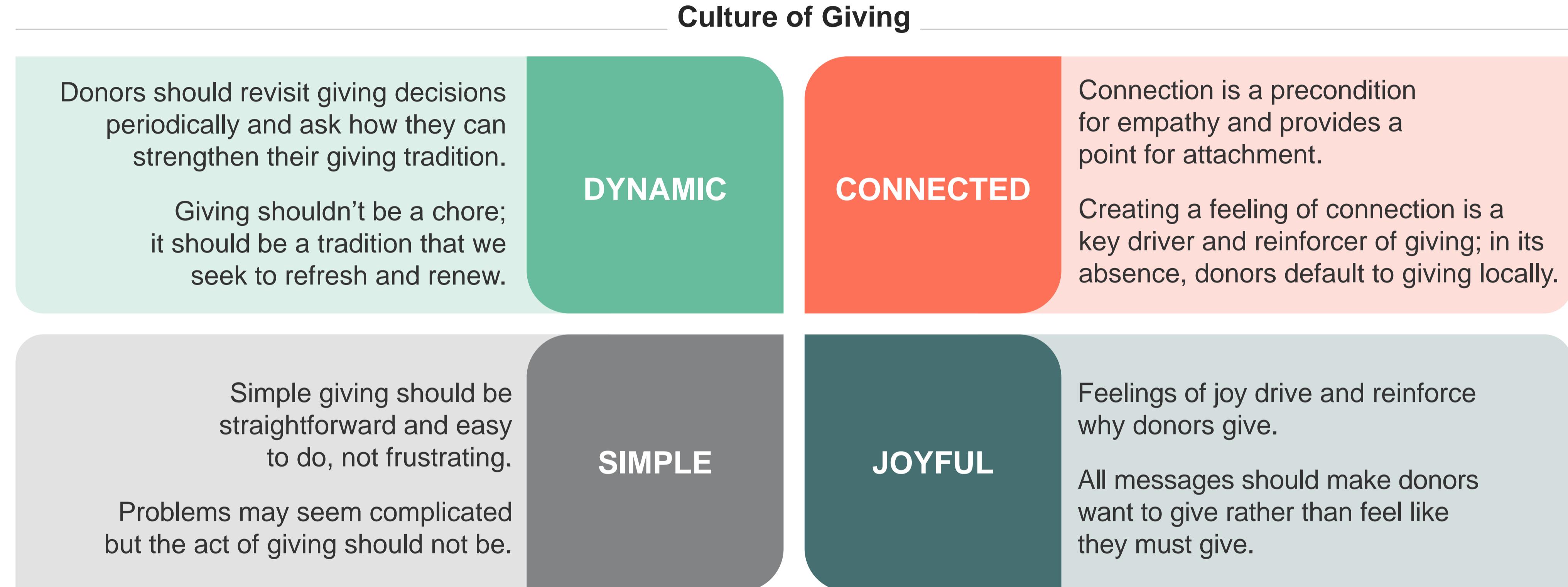
THIRD-PARTY PLATFORMS

- Change or expand the information nonprofits are encouraged to share on platforms to support the overall reframe.

- For example, test the impact of making room on NGO info platforms for beneficiary stories or impact metrics, in addition to basic financials from 990s.

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Reframing the giving conversation means moving from the current culture of stasis toward a dynamic culture of giving…

Today's Giving Culture

STASIS AND INERTIA	HIGH SATISFACTION

PERCEPTION OF COMPLEXITY

LACK OF BENCHMARKS	SKEPTICISM

Tomorrow's Giving Culture

DYNAMIC	CONNECTED
SIMPLE	JOYFUL

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…by emphasizing the following drivers:

Culture of Giving

Donors should revisit giving decisions periodically and ask how they can strengthen their giving tradition. Giving shouldn't be a chore; it should be a tradition that we seek to refresh and renew.	**DYNAMIC**

CONNECTED	Connection is a precondition for empathy and provides a point for attachment. Creating a feeling of connection is a key driver and reinforcer of giving; in its absence, donors default to giving locally.

Simple giving should be straightforward and easy to do, not frustrating. Problems may seem complicated but the act of giving should not be.	**SIMPLE**

JOYFUL	Feelings of joy drive and reinforce why donors give. All messages should make donors want to give rather than feel like they must give.

These drivers will help to reframe donors' giving and develop a more vibrant giving culture.

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Reframing the giving conversation will be challenging but worthwhile:

BIG BEHAVIOR CHANGE

- Big behavior change is difficult. It occurs in the context of cultural change.

- Nothing happens or has meaning outside a cultural frame.
  - Web of connection
  - Shared meaning, language, filters, rituals, and experience
  - Values, mores, expectations, behaviors, and assumptions

- Conversation and experience within a strong culture are preconditions for meaningful change.

TO DRIVE CHANGE…

- We need to introduce clear, consistent messaging into the landscape, based on our insights into donor behavior.

- All tactics at the program, offer, and channel levels arise from this cultural or "narrative" strategy, mutually reinforcing each other.

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Some of these drivers are already being used in messaging appeals by organizations such as Kiva.org[1]

CONNECTED		SIMPLE

People around the world

Kiva gives you the chance

It's simple

work hard every day

to help people help themselves

1. Choose a borrower
2. Make a loan
3. Get repaid
4. Repeat!

Smiling faces and upbeat music remind donors of the JOY of giving.

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SECTION 1: IMPROVE GIVING THROUGH DONOR SEGMENTATION AND BEHAVIOR CHANGE

How you can use $FG 2015 behavioral segments in your work

Executive Summary

We identified 5 donor segments with varied preferences and behaviors:
- *Contented Benefactors*
- *Busy Idealists*
- *Cautious Strivers*
- *Unaware Potentials*
- *Unengaged Critics*

By targeting the three most amenable to positively changing their giving behavior, social sector actors have a better shot at increasing or shifting giving.

In addition to focusing efforts on the most promising segments, **messages and appeals should be customized for each segment.**

What It Means For You

FUNDERS

- Support the use of behavioral segmentation as a best practice within the industry.

- Support implementing NGOs and third-party platforms to actively test behavioral segmentation, customized messaging, and their combined impact.

NONPROFITS
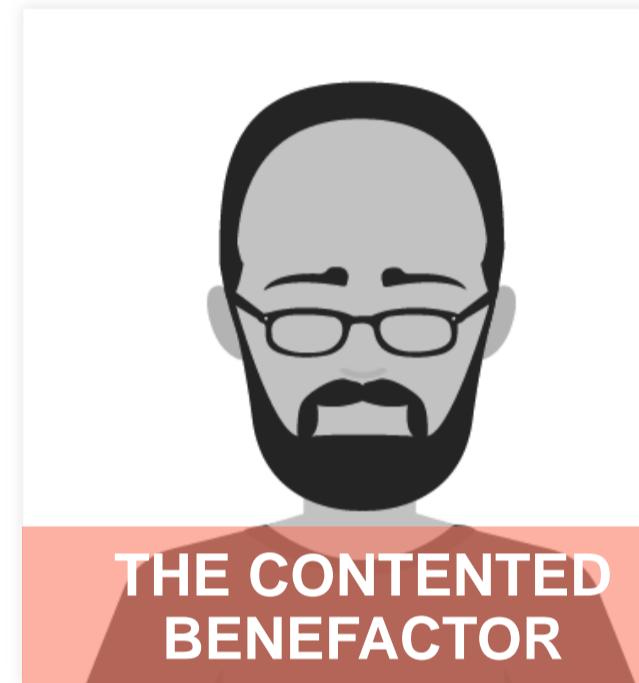
- Apply behavioral segmentation to grow or better understand your donors using the $FG 2015 segmentation tool.

- Focus your outreach on *Busy Idealists, Cautious Strivers, and Unaware Potentials*, and further maximize your impact by crafting customized messages for each.

THIRD-PARTY PLATFORMS

- Use your platforms to spread awareness, learning, and adoption of behavioral segmentation.

- Support communities of learning that can share learnings from implementation, and report on and compare impacts.

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$FG 2015 identified five donor segments

Download a copy of the Segmentation Toolkit at www.CamberCollective.com/MoneyForGood

THE CONTENTED BENEFACTOR	THE BUSY IDEALIST	THE CAUTIOUS STRIVER	THE UNAWARE POTENTIAL	THE UNENGAGED CRITIC
John	**Jill**	**Jacob**	**Jennifer**	**James**
20% of donors	**15% of donors**	**14% of donors**	**28% of donors**	**23% of donors**
"Giving has been part of my life for some time, and it makes me happy."	*"I try to find the time and money, and I wish I could do more."*	*"I want to pay it forward, but I'm not yet in a position to do so."*	*"Giving is just not a priority for me."*	*"I have the money but I don't see the point in giving."*

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Each segment has distinctly different attitudes and behaviors about giving and different key barriers to increasing/improving giving

	Attitudes	Behaviors	Largest Barrier
John — CONTENTED BENEFACTORS	**20% of donors** *"Giving has been part of my life for some time, and it makes me happy."*	• Highly satisfied with his giving • Gives back more than others • More likely to believe he gives less than others • Loyal to his current nonprofits • Dislikes being hassled • Feels success is due to his own hard work	High satisfaction with giving
Jill — BUSY IDEALISTS	**15% of donors** *"I try to find the time and money, and I wish I could do more."*	• Giving has played an important role in her life • Gives and is engaged more than average • Researches often • Values well-known nonprofits, is more likely to give internationally • Feels overwhelmed and is stretched for time and money	Feeling overwhelmed
Jacob — CAUTIOUS STRIVERS	**14% of donors** *"I want to pay it forward, but I'm not yet in a position to do so."*	• Strongly believes in giving back • Gives back on average • From a modest background • Feels more successful than anticipated due to the help of others • Feels stretched and thinks he does not have the resources to give back	Concerns about not being equipped to make a good decision or give
Jennifer — UNAWARE POTENTIALS	**28% of donors** *"Giving is just not a priority for me."*	• Giving is not something she thinks about • No major concerns about giving but gives less and is less engaged than average • Thinks she is giving back as much as or more than others • Feels stretched for time	Not aware of how giving measures up
James — UNENGAGED CRITICS	**23% of donors** *"I have the money but I don't see the point in giving."*	• Giving is not important • Gives and engages significantly less than others • Skeptical about nonprofits, dissatisfied with giving • Less likely to research • Grew up well-off, not stretched for time or money	Lack of trust in nonprofits and beneficiaries
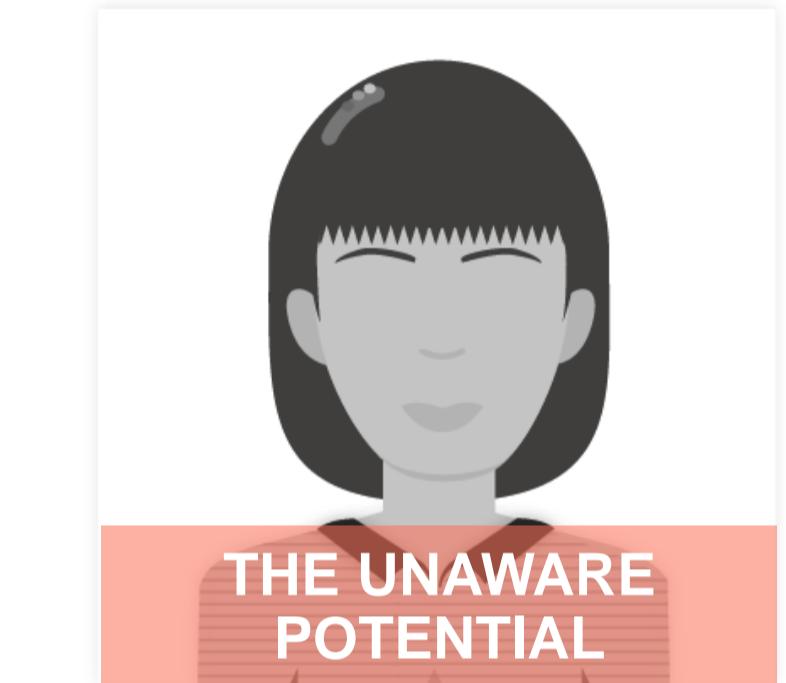
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The five segments differ in their engagement, confidence, perceived resources, and aspirations

Engagement
- % of HHI given
- Level of engagement
- Research
- Gives internationally
- Gives unprompted

Aspirations
- Thinks people should give 5%+
- Wants to give more
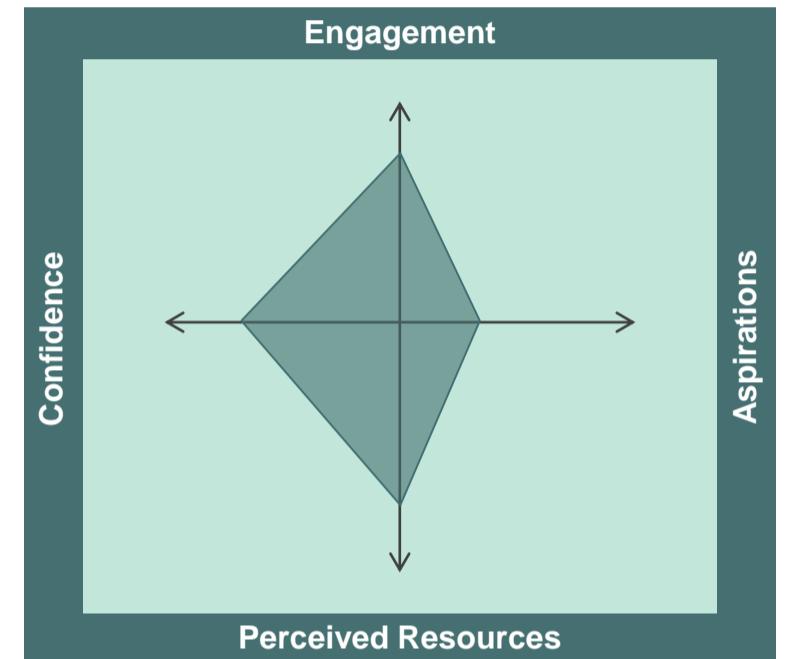
Perceived Resources
- Does not feel stretched for time/money
- Feels has money to give comfortably
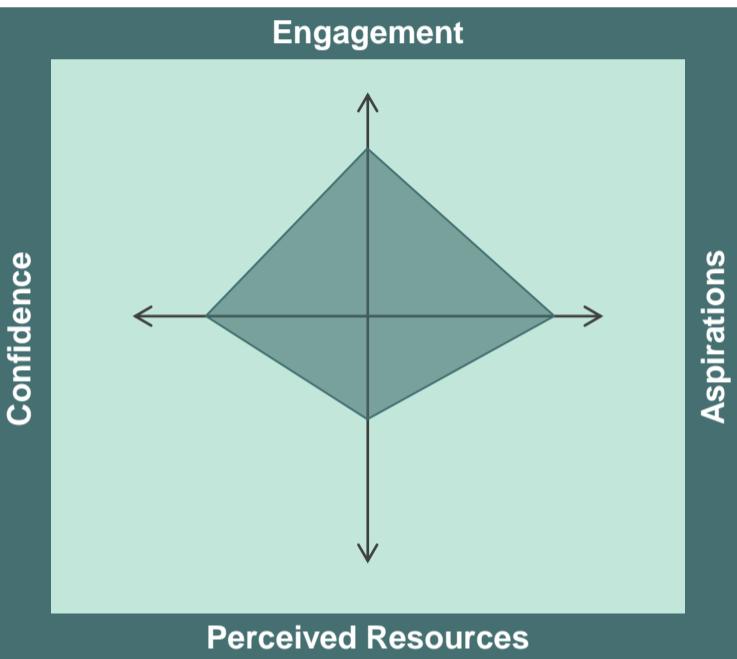
Confidence
- Feels giving makes a difference
- Confident in nonprofits
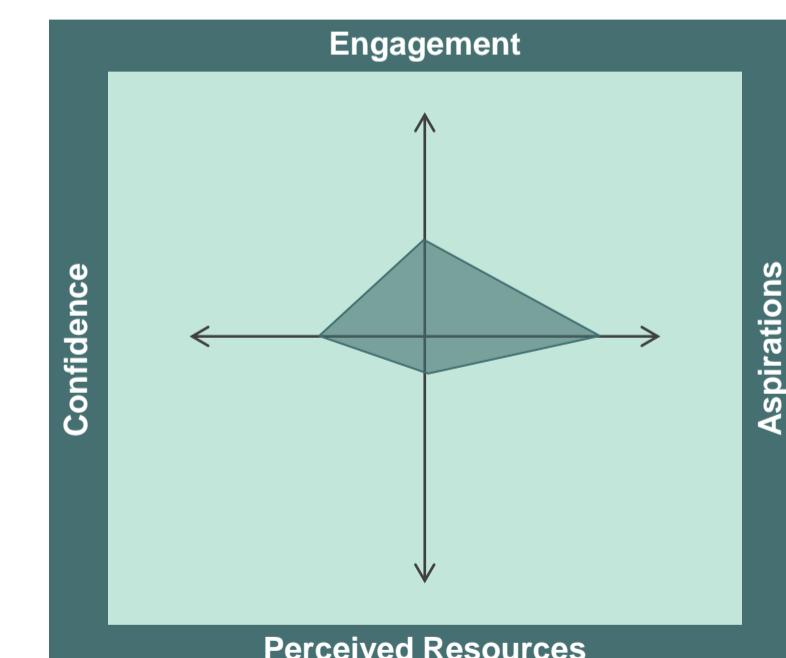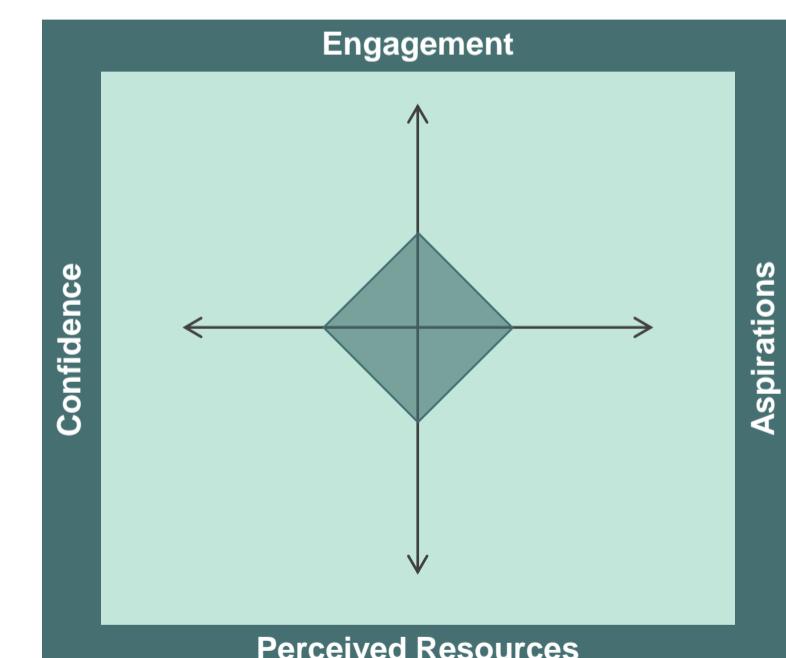
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The five segments differ demographically:

	CONTENTED BENEFACTORS are more likely to be…	BUSY IDEALISTS are more likely to be…	CAUTIOUS STRIVERS are more likely to be…	UNAWARE POTENTIALS are more likely to be…	UNENGAGED CRITICS are more likely to be…
AGE	⬆ Age 34+	⬆ Millennial			⬆ Millennial
GENDER	⬆ Male	⬆ Female		⬆ Female	⬆ Male
POLITICS	⬆ Conservative			⬆ Liberal	
RELIGION	⬆ Affiliated	⬆ Affiliated		⬆ Not Affiliated	
MARITAL STATUS	⬆ Not Single		⬆ Single		
HHI	No statistically significant difference				

👉 additional detail on demographics in Appendix

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Different donor segments are suited to stakeholders with different behavior change objectives

Philanthropic Objective	THE CONTENTED BENEFACTOR	THE BUSY IDEALIST	THE CAUTIOUS STRIVER	THE UNAWARE POTENTIAL	THE UNENGAGED CRITIC
	Research, give internationally	Intent to increase and switch, research, international giving, use of DAFs	Research, intent to increase	Intent to increase giving	
INTENDS TO INCREASE GIVING	33%	66%	34%	38%	5%
INTENDS TO SWITCH GIVING	11%	24%	11%	13%	1%
RESEARCHES/ TALKS TO OTHERS	62%	70%	55%	41%	39%
GIVES INTERNATIONALLY	16%	19%	13%	7%	5%
INTERESTED IN DAFS (NON-USERS)	20%	36%	21%	21%	13%

Source: $FG 2015 Quantitative Survey, questions 27a, 13-15, 7, and 57

Statistically Significant a<.05

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Donors in four segments represent a market opportunity of $47B

Potential Opportunity by Segment ($B)

Contented Benefactors — $3.0 | $6.0 — **$9B**
Smaller opportunity: they are satisfied with their giving behavior

Busy Idealists — $7.0 | $5.0 — **$12B**
High opportunity to increase/shift giving: they have good intentions and are confident in their giving

Cautious Strivers — $4.0 | $8.0 — **$12B**
High opportunity to increase/shift giving: they recognize their current capacity to give and give more thoughtfully

Unaware Potentials — $6.0 | $6.0 — **$12B**
High opportunity: lower opportunity per respondent, but large total opportunity due to size of segment

Unengaged Critics — $1.0 | $0.5 — **$1.5B**
Low opportunity: they do not see the value of giving

New Donations | Switchable Donations

Source: $FG 2015 Quantitative Survey, questions 43-46

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Highest-potential segments:
Busy Idealists, Cautious Strivers, Unaware Potentials

		% Population	Total Opportunity ($B)	Avg. Opportunity to Increase	Avg. Opportunity to Switch
	CONTENTED BENEFACTORS	5%	38%	34%	66%
1	BUSY IDEALISTS	1%	13%	11%	24%
2	CAUTIOUS STRIVERS	39%	41%	55%	70%
3	UNAWARE POTENTIALS	5%	7%	13%	19%
	UNENGAGED CRITICS	13%	21%	21%	36%

- Highest-potential segments represent the greatest market opportunity and, qualitatively, seem most willing to change their giving behavior.

- High-potential segments may be good fits for different types of stakeholders.

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Segmentation Toolkit: Finding the segments

Camber has developed a 10-question survey and a simple analysis tool for stakeholders, to help classify donors into $FG 2015's segments.

Download a copy of the Segmentation Survey and Analysis Tool at: www.CamberCollective.com/MoneyForGood

Recommended Process

CAMBER PROVIDES SHORT SURVEY	DONORS COMPLETE SURVEY ONLINE	DONORS CLASSIFIED USING CAMBER ANALYSIS TOOL

SEGMENTS

Donors can also be classified qualitatively by applying available donor information in the analysis tool.

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The $FG Segmentation Toolkit provides a deeper understanding of the segments, how to reach them, and what to offer them

The next 20 slides introduce the donor segments in full detail…
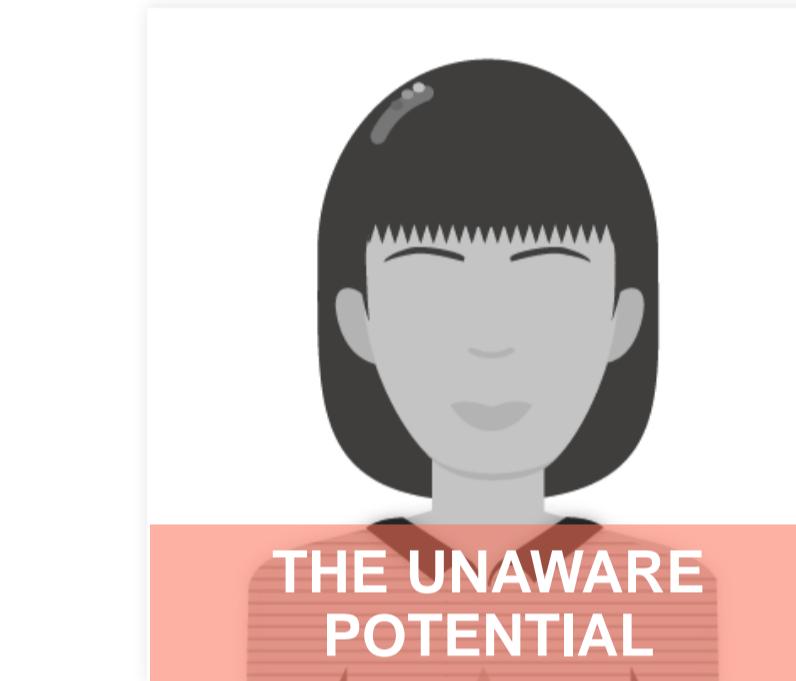
THE CONTENTED BENEFACTOR	THE BUSY IDEALIST	THE CAUTIOUS STRIVER	THE UNAWARE POTENTIAL	THE UNENGAGED CRITIC
John	**Jill**	**Jacob**	**Jennifer**	**James**

PERSONA SLIDES
Segment details in narrative format to better understand the segments intuitively

+

DATA SLIDES
Data details to support persona slides and provide easier comparison across segments

Download a copy of the Segmentation Survey and Analysis Tool at www.CamberCollective.com/MoneyForGood

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A donor follows an experience journey toward becoming someone who gives in continuous and thoughtful ways

4 — Experience and Identity
Giving in a continuous and thoughtful way, becoming a role model to others

3 — Initiation and Community
Starting to give actively, reinforced by others (parents, church, volunteering, etc.)

The journey can be cyclical, with donors re-evaluating and evolving in their giving.

2 — Empathy and Compassion
Finding focus, moving to ethical action, with others and for others

1 — Seeing and Awareness
Seeing the need, acknowledging the decision of giving

The experience journey is relevant for all donors. Specific segments have different starting points.

Source: Camber Collective donor experience journey based on adaptation of consumer journey/life-cycle concepts used by leading Fortune 500 companies

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The five donor segments sit at different points along the journey. Offers adapted to them will help move them along the continuum

4 Experience and Identity — THE CONTENTED BENEFACTOR

3 Initiation and Community — THE BUSY IDEALIST

2 Empathy and Compassion — THE CAUTIOUS STRIVER

1 Seeing and Awareness — THE UNAWARE POTENTIAL — THE UNENGAGED CRITIC

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Meet A Contented Benefactor

THE CONTENTED BENEFACTOR

John

Differentiating Demographics

Male: 53% vs 48% (Avg.)

Older (35+):   81% vs 75% (Avg.)

Conservative: 43% vs 33% (Avg.)

Religious: 84% vs 77% (Avg.)
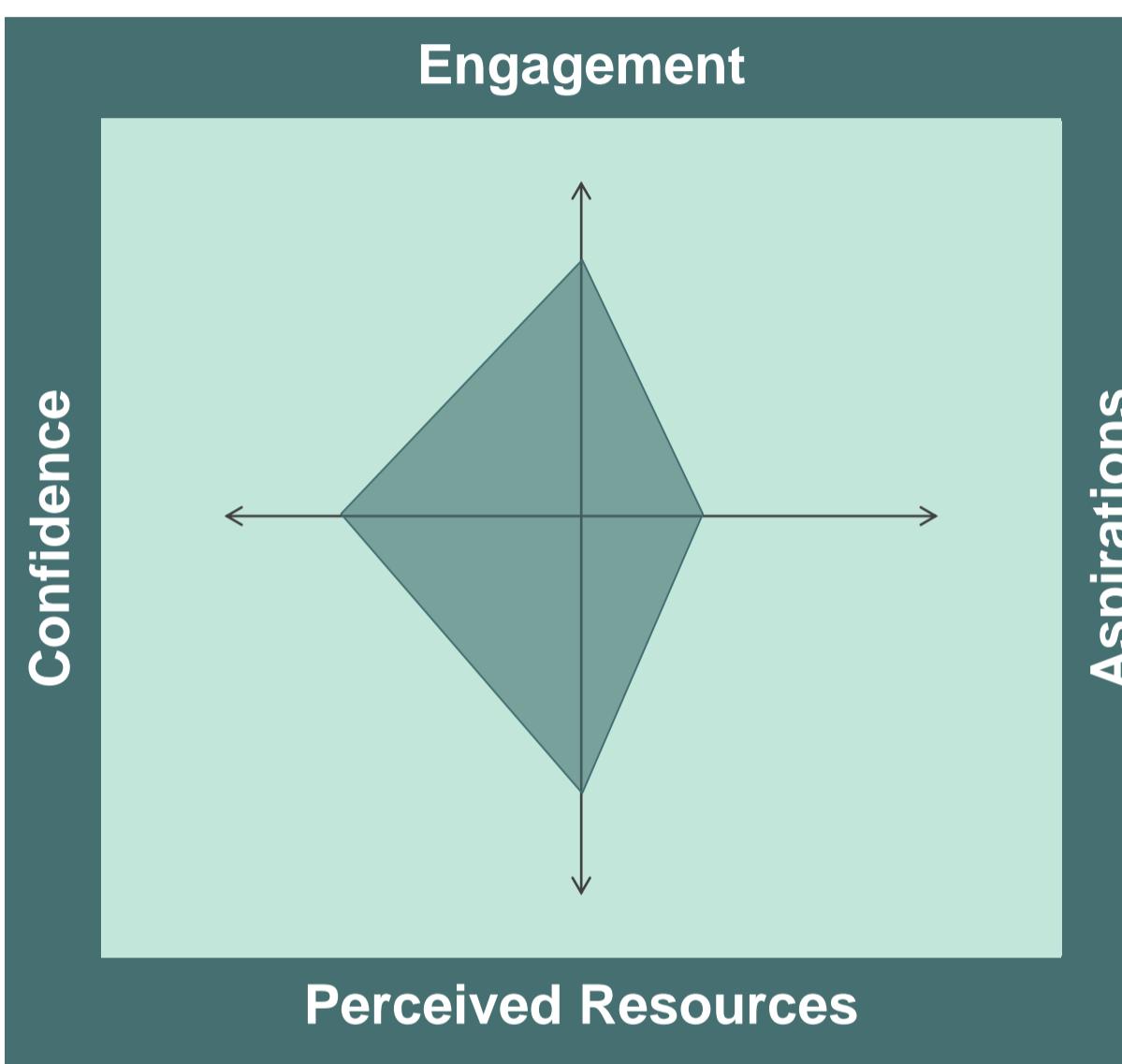
John considers himself more successful than he expected. He attributes his success to his own hard work rather than the help of others. Nevertheless, giving back plays an important role in his life.

He is much more engaged and gives much more than donors in other segments. He is also highly satisfied with his giving experience and not likely to change much going forward. John is comfortable with the amount that he gives and does not feel guilty for not giving more.

John knows what organizations he wants to give to and is loyal to them. Most are local, but he also gives to international organizations. John may receive advice from his financial advisor on his charitable donations and has considered a DAF.

Despite the substantial amount he donates, John has concerns about enabling others when he gives back. He also feels hassled by how many times he is asked to give back.

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Contented Benefactors by the Numbers

Engagement

Confidence

Aspirations

Perceived Resources

	Contented Benefactors	All Donors
ENGAGEMENT		
⬆ Give much more than average (2%+)	**58%**	**23%**
⬆ More likely to give internationally	**16%**	**11%**
⬆ Tend to be highly loyal	**66%**	**61%**
⬆ Most likely to feel hassled by the frequency of solicitations	**40%**	**35%**
⬆ Much more engaged	**49%**	**21%**
CONFIDENCE		
⬆ Highly satisfied with current giving	**76%**	**59%**
⬆ Most concerned about enabling others	**19%**	**14%**

	Contented Benefactors	All Donors
ASPIRATIONS		
Do not intend to increase their giving in the future		
Do not intend to switch their giving more than the average		
Neither more nor less likely to have been taught to give by parents		
⬇ Least likely to say that they feel guilty for not giving enough	**2%**	**25%**
PERCEIVED RESOURCES		
⬆ Consider themselves more successful than they expected to be …	**21%**	**14%**
but do not attribute this success to having been helped by others	**9%**	**26%**
⬆ Most likely to have a financial advisor who advises them on charitable donations	**24%**	**18%**

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Contented Benefactors: potential offer characteristics

WHAT TO REACH THEM WITH	HOW TO REACH THEM	WHEN TO REACH THEM
• Messages about building a legacy and reinforcing their success • Information on understanding the relative impact of their donations (giving to inequity versus giving to others issues), to improve giving • A larger ask/commitment than other segments, as this segment gives considerably	• Through a "pull" or non-aggressive approach, as they are solicited frequently • Through a financial advisor who advises them on charitable donations, as they are most likely to have sought this advice • Through DAFs, as they are more aware of DAFs and most likely to have given through DAFs	• Retirement
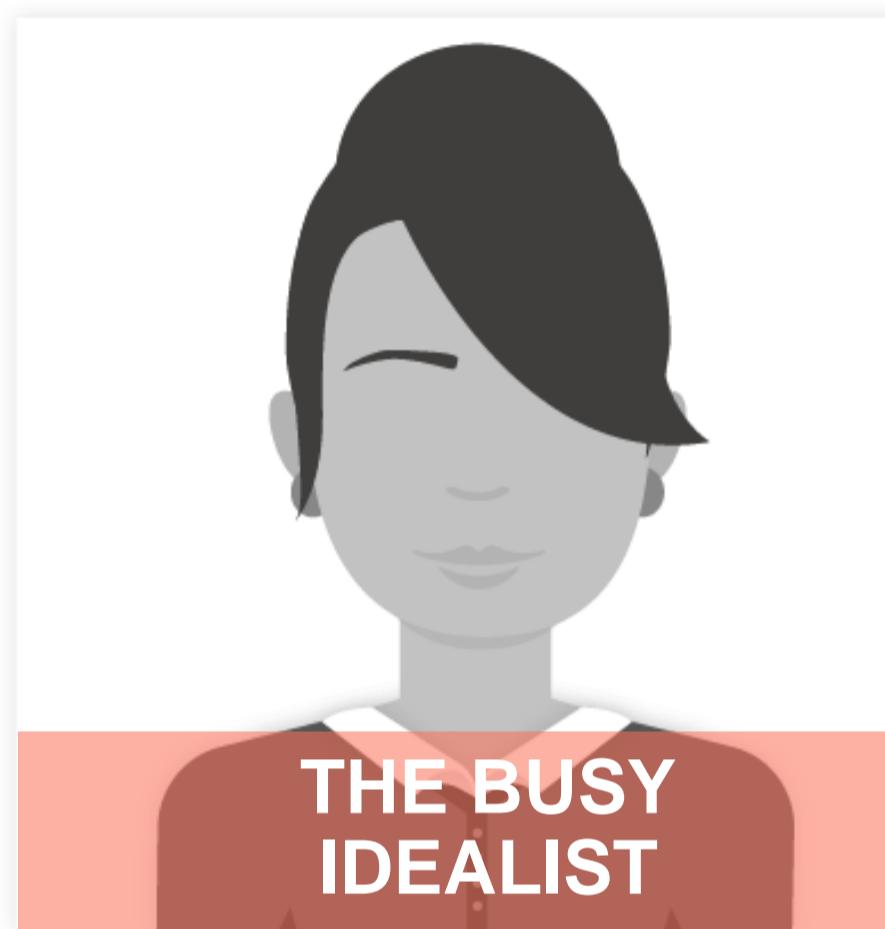
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Meet A Busy Idealist

Priority Segment #1

THE BUSY
IDEALIST

Jill

Differentiating Demographics

Female: **64% vs 52%** (Avg.)

Millennial: **32% vs 25%** (Avg.)

Religious: **83% vs 77%** (Avg.)

Giving has played an important role in Jill's life. She was taught the importance of giving by her parents, and that sense has stayed with her. She tends to give more than average and is highly engaged with nonprofits through raising money, volunteering, or serving on a board.
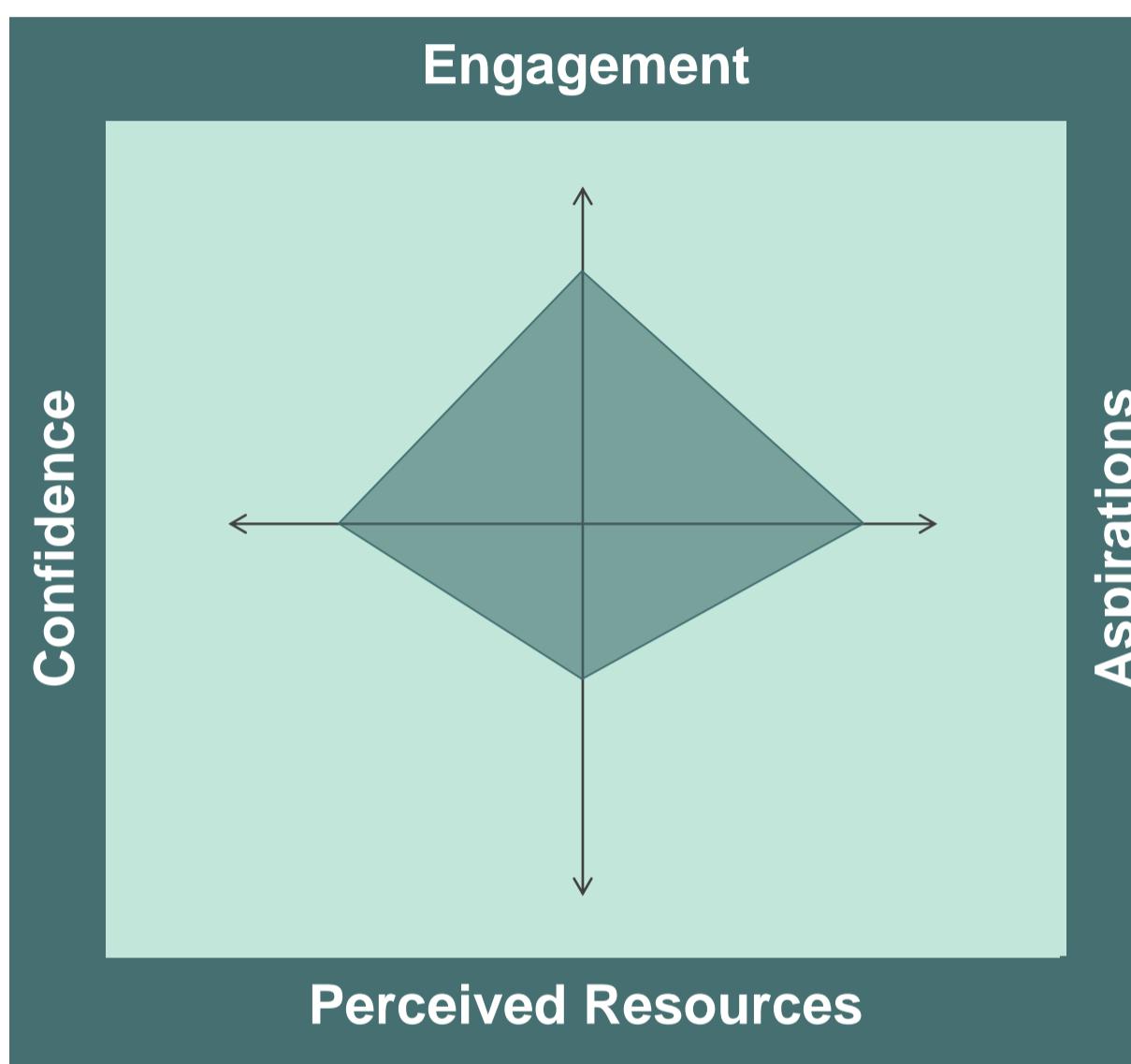
Jill is also more likely to research than others. Although most of her giving remains local, Jill is the most open to giving internationally, compared with other donor segments.

Jill is more likely than other donors to say that she intends to increase her giving and is open to switching her giving. She considers herself a leader in finding new nonprofits or causes to support. Jill is confident in her giving, as she is most likely to feel that her giving makes a difference.

Nonetheless, Jill is more likely than other donors to feel guilty for not giving enough. She also feels overwhelmed, as she is highly stretched for time and feels financial pressure.

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Priority Segment #1

Engagement · **Confidence** · **Aspirations** · **Perceived Resources**

	Busy Idealist	All Donors
ENGAGEMENT		
↑ Tend to give more than average (2%+)	34%	23%
↑ Most likely to conduct research	70%	53%
↑ Want to be the first of their peers to discover a new cause/nonprofit	23%	9%
↑ Highly engaged	48%	21%
CONFIDENCE		
↑ Most likely to feel that their giving makes a difference …	84%	42%
yet feel that problems are too big for them to solve	17%	12%
↑ Prefer to give to well-known nonprofits	27%	16%

	Busy Idealist	All Donors
ASPIRATIONS		
↑ Most likely to intend to increase giving…	66%	32%
and also most likely to intend to switch giving…	24%	11%
and to currently be giving internationally	19%	11%
↑ Taught about the importance of giving by their parents	65%	35%
PERCEIVED RESOURCES		
↑ Highly stretched for time …	72%	45%
and money…	27%	14%
but most likely to feel that they have enough income & assets to give comfortably	48%	36%
↑ Most likely to say that they feel overwhelmed when deciding where and when to give …	16%	9%
yet most likely to feel guilty for not giving enough	67%	25%
↑ Tend to be materialistic	32%	25%

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Busy Idealists: potential offer characteristics

Priority Segment #1

WHAT TO REACH THEM WITH	HOW TO REACH THEM	WHEN TO REACH THEM
• A range of pre-vetted nonprofit choices but not too many, as this segment becomes overwhelmed	• With a simple, personalized giving experience, with information from trusted sources	• After many life events: a personal, challenging life event such as having children, becoming an empty nester, retiring, or becoming more financially stable
• Information on new and interesting giving options, as this segment is interested and researches	• Through a wide range of channels, as this segment uses various channels	
• Efficient channels that save time, provide quality information, and keep them involved in the process, as this segment is stretched for time	• Giving circles may be appropriate, as they may be seen as an efficient and simple way to give	
• A larger ask/commitment than other segments, as this segment gives more		
• Messages focused on the simplicity and connection established in giving back (see next slide for detail)		

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Busy Idealist: messaging concepts

Priority Segment #1

SIMPLIFY YOUR GIVING	
OBJECTIVE	Increase giving
CORE DRIVER	Simplicity
EXPERIENCE JOURNEY	Increase initiation & community

EXPAND YOUR CONNECTION	
OBJECTIVE	Improve giving
CORE DRIVER	Connection
EXPERIENCE JOURNEY	Increase experience & identity

Today more than ever, life moves at a fast pace. It is easy to become overwhelmed and overstretched. Sometimes the desire for perfection gets in the way of simply doing our best. When it comes to giving, options and tools help us make better choices, stress free. Solving the world's problems is complicated, but giving does not have to be.

Today the entire world is more connected than ever. It is important to see beyond our local perspective and make our giving really count, wherever there is inequity and there are people in need. Our community is everywhere, and our concern includes everyone. It is time to connect and give internationally.

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Meet A Cautious Striver

Priority Segment #2

Jacob

THE CAUTIOUS STRIVER

Differentiating Demographics

Millennial: **34% vs 25%** (Avg.)

Jacob strongly believes that giving back is important, as he comes from a modest background and has been helped by others at some point in his life. He has also been more successful than he expected.
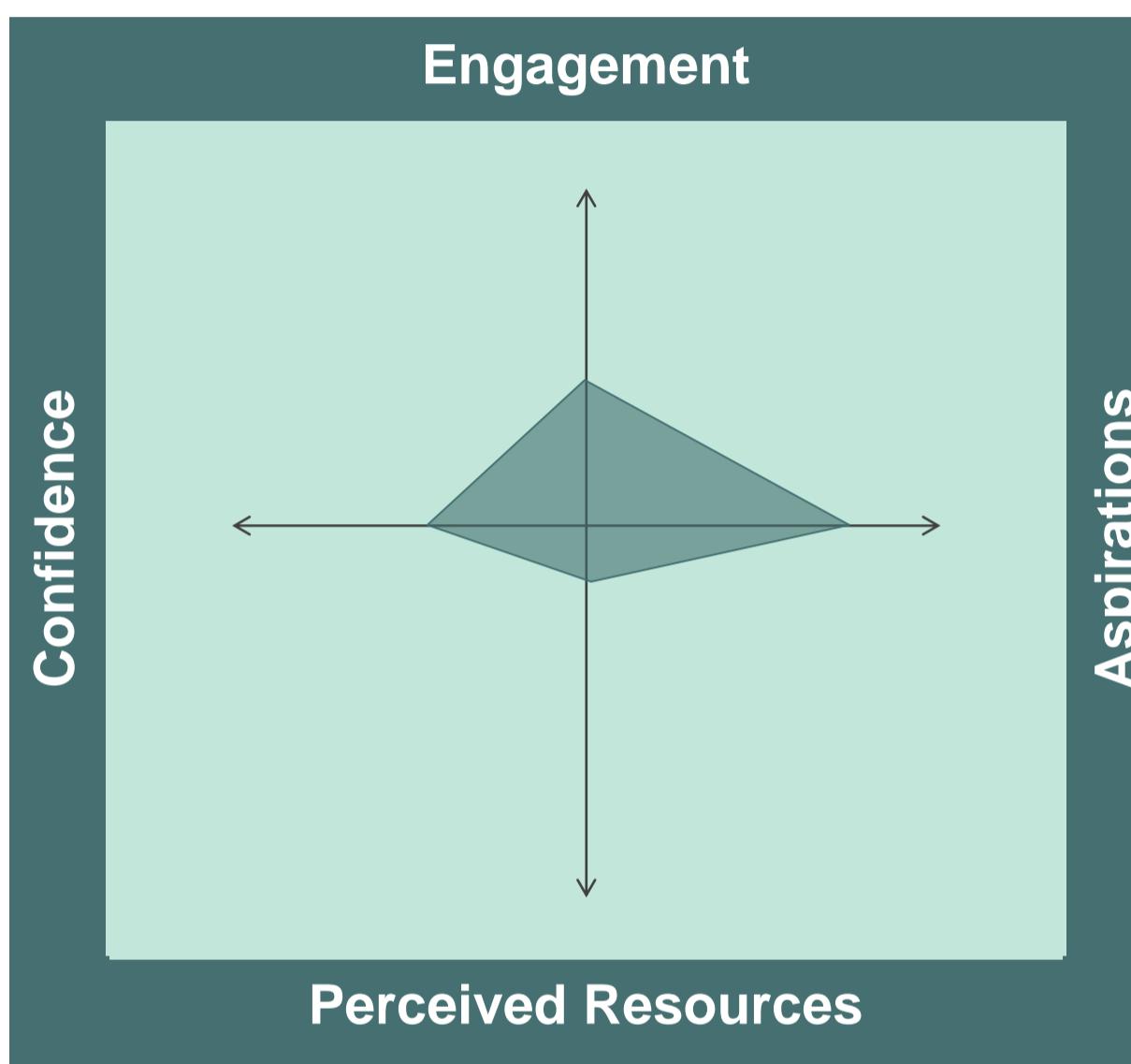
Even though Jacob cares deeply about giving back, his giving and engagement levels are roughly in line with the average. He feels guilty about the fact that he cannot give back more. Although Jacob feels that his financial stability has increased, he is cautious about making decisions on what to do next as circumstances change.

Driving this caution may be that he feels stretched for both time and money. These feelings carry outside of giving, as he feels he would be happier if he could afford to buy more things.

Likely because he feels financially constrained, Jacob needs to be asked by his friends and family or by an organization to give back.

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Cautious Strivers by the Numbers

Priority Segment #2

Engagement / Confidence / Aspirations / Perceived Resources (quadrant diagram)

ENGAGEMENT

		Cautious Strivers	All Donors
Give roughly in line with the average			
⬆ More likely to give because they were asked by friends/family …		**24%**	**18%**
or an organization		**26%**	**23%**
⬇ Less likely to give because they are involved with the organization		**20%**	**24%**

CONFIDENCE

Neither more nor less likely to be satisfied with giving

Neither more nor less likely to feel that giving makes a difference

ASPIRATIONS

	Cautious Strivers	All Donors
Not especially inclined to increase or switch their giving		
⬆ Strongly believe that it is important to give back	**71%**	**58%**

PERCEIVED RESOURCES

	Cautious Strivers	All Donors
⬆ Feel stretched for time…	**57%**	**45%**
and money…	**20%**	**14%**
but also guilty for not giving enough	**36%**	**25%**
⬆ Feel fortunate—they all come from modest backgrounds…	**100%**	**48%**
and all feel that they have been helped by others	**100%**	**26%**
⬆ Have been more successful than they expected	**24%**	**14%**
⬆ Most likely to say that their financial stability has increased	**54%**	**45%**
⬆ Most likely to say that when circumstances change, "I consider my options carefully before deciding what to do next"	**70%**	**64%**

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Cautious Strivers: potential offer characteristics

Priority Segment #2

WHAT TO REACH THEM WITH	HOW TO REACH THEM	WHEN TO REACH THEM
• Causes or nonprofits that emphasize giving back	• A person-to-person request, as they value connection	• After having children, or when financial stability increases
• Appeals framed in the language of giving back or giving to people who are trying to rise from modest circumstances—as they have done	• Crowdfunding, which could appeal to this segment's desire to "pay it forward" to those in similar situations	
• Options to give in small increments over time at their own pace, as this segment is cautious	• Workplace giving, as matching will help this segment feel that their donation is going farther, given their perception of limited resources	
• Feedback on how they have helped others		
• Messages focused on the connection of giving (see next slide for detail)		

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Cautious Strivers: messaging concepts

Priority Segment #2

ALIGN TO YOUR PASSIONS

OBJECTIVE	Increase giving
CORE DRIVER	Connection
EXPERIENCE JOURNEY	Increase initiation & community

Through good fortune, prudence, and hard work, you are in a good position to share some of your resources to help those in need. Don't just give to the next cause that asks, but take a step back and figure out what matters most to you. After all, half of your legacy is what you accomplish and the other half is what you contribute.

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Meet An Unaware Potential

Priority Segment #3

Differentiating Demographics

Female:	**55% vs 52%** (Avg.)
Liberal:	**29% vs 26%** (Avg.)
Not Religious:	**27% vs 23%** (Avg.)

THE UNAWARE POTENTIAL
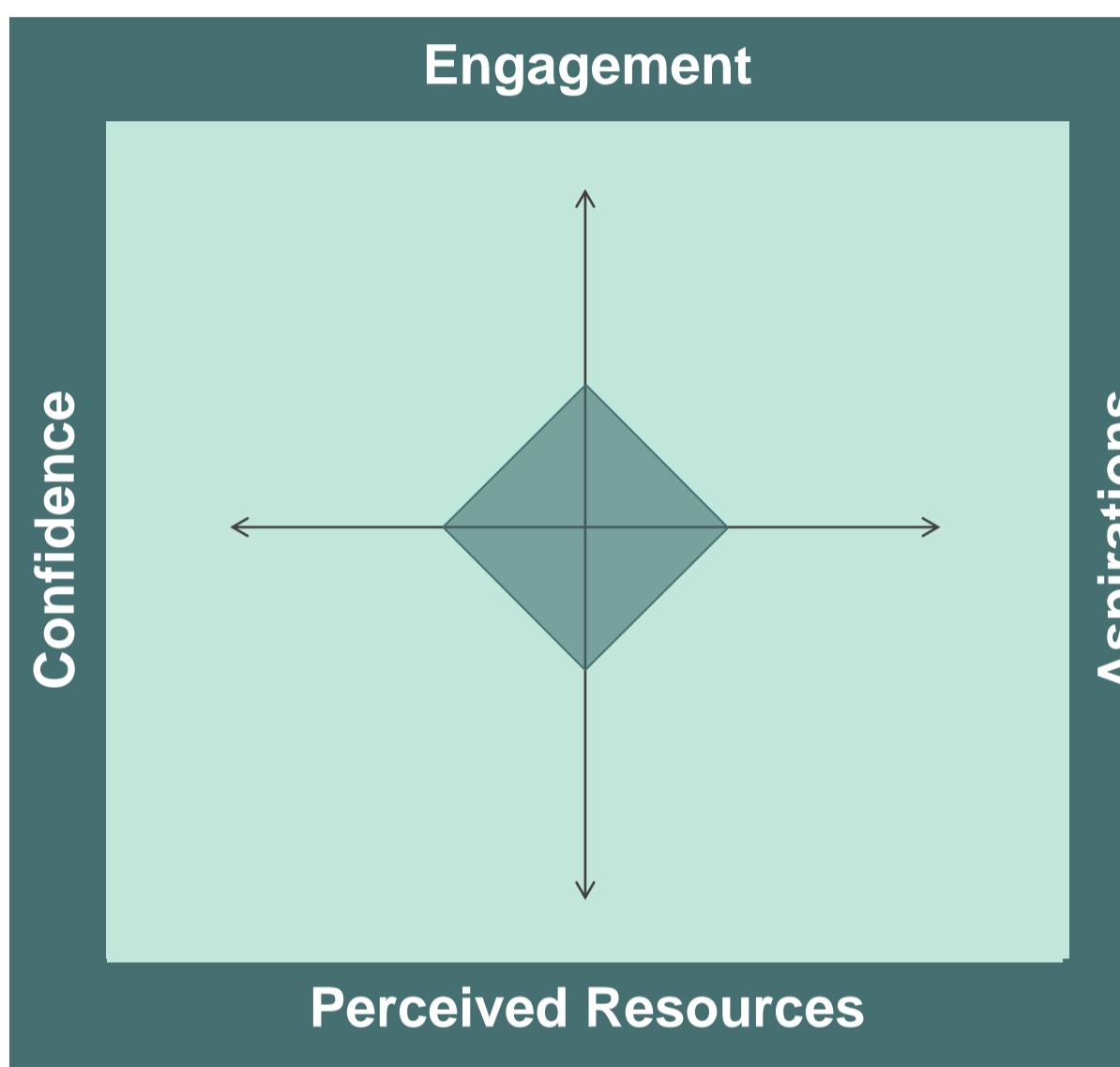
Jennifer

Giving is not something that Jennifer thinks about often. She does not have any major concerns about giving. She does not really feel a responsibility to give back. She thinks that she is giving as much as or more than other donors, but she actually gives less and is less engaged than others.

Jennifer feels much more stretched for time than other donors, which may influence the amount of effort she puts into giving. She is less likely to do research or seek advice than donors in other segments. When she does research, she simply does a Google search. Jennifer also likes to give in ways that do not require much thought or research, such as giving at checkout.

Jennifer also tends to be materialistic and is prone to spending her disposable income on possessions as opposed to giving.

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Unaware Potentials by the Numbers

Priority Segment #3

	Unaware Potentials	All Donors
ENGAGEMENT		
⬇ Give less than average (2%+)	**4%**	**23%**
⬇ Less likely to do any research or ask for donation advice	**41%**	**53%**
⬆ Largely unaware that others are giving more on average (think they are giving in line with or more than avg. when they are not,	**64%**	**53%**
⬇ Less engaged than others	**2%**	**21%**
CONFIDENCE		
⬆ Most likely to say that they do not have any specific concerns when giving to nonprofits	**29%**	**26%**
Neither more nor less likely to be satisfied with giving		
Neither more nor less likely to feel that giving makes a difference		

	Unaware Potentials	All Donors
ASPIRATIONS		
⬇ Less likely to agree that everyone has a responsibility to give	**13%**	**17%**
Neither more nor less likely to have been taught to give by parents		
Neither more nor less likely to feel that others have helped them get where they are		
PERCEIVED RESOURCES		
⬆ Feel stretched for time…	**58%**	**45%**
⬆ More likely to be materialistic	**36%**	**25%**
Neither more nor less likely to have come from a modest background		

Engagement

Confidence

Aspirations

Perceived Resources

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Unaware Potential: potential offer characteristics

Priority Segment #3

WHAT TO REACH THEM WITH	HOW TO REACH THEM	WHEN TO REACH THEM
• Education on how to give back, and benchmarks on how others like them give, as they are largely unaware • Small ask/commitment, to get them further down the giving path • Messages focused on the simplicity of giving back (detail on next slide)	• Through direct outreach and events, as they aren't focused on research • Social media appeals, as they would allow this segment to socialize and discuss giving with peers • Easy, but not mindless, giving options (such as POS) • May need to be asked or prompted until giving becomes a habit	• More likely to give after a challenging life event or when financial stability increases

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Unaware Potential: messaging concepts

Priority Segment #3

EVERYONE CAN GIVE

OBJECTIVE	Jump-start participation
CORE DRIVER	Simplicity
EXPERIENCE JOURNEY	Drive awareness to compassion/action

Let's face it, giving to charity is not always top of mind. Sometimes we want to give, but life's distractions are just too much. The good news is it is never too early or too late to start. Start small, volunteer, and learn from others—because the experience is what matters and everyone can give.

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Meet An Unengaged Critic

THE UNENGAGED CRITIC

James

Differentiating Demographics
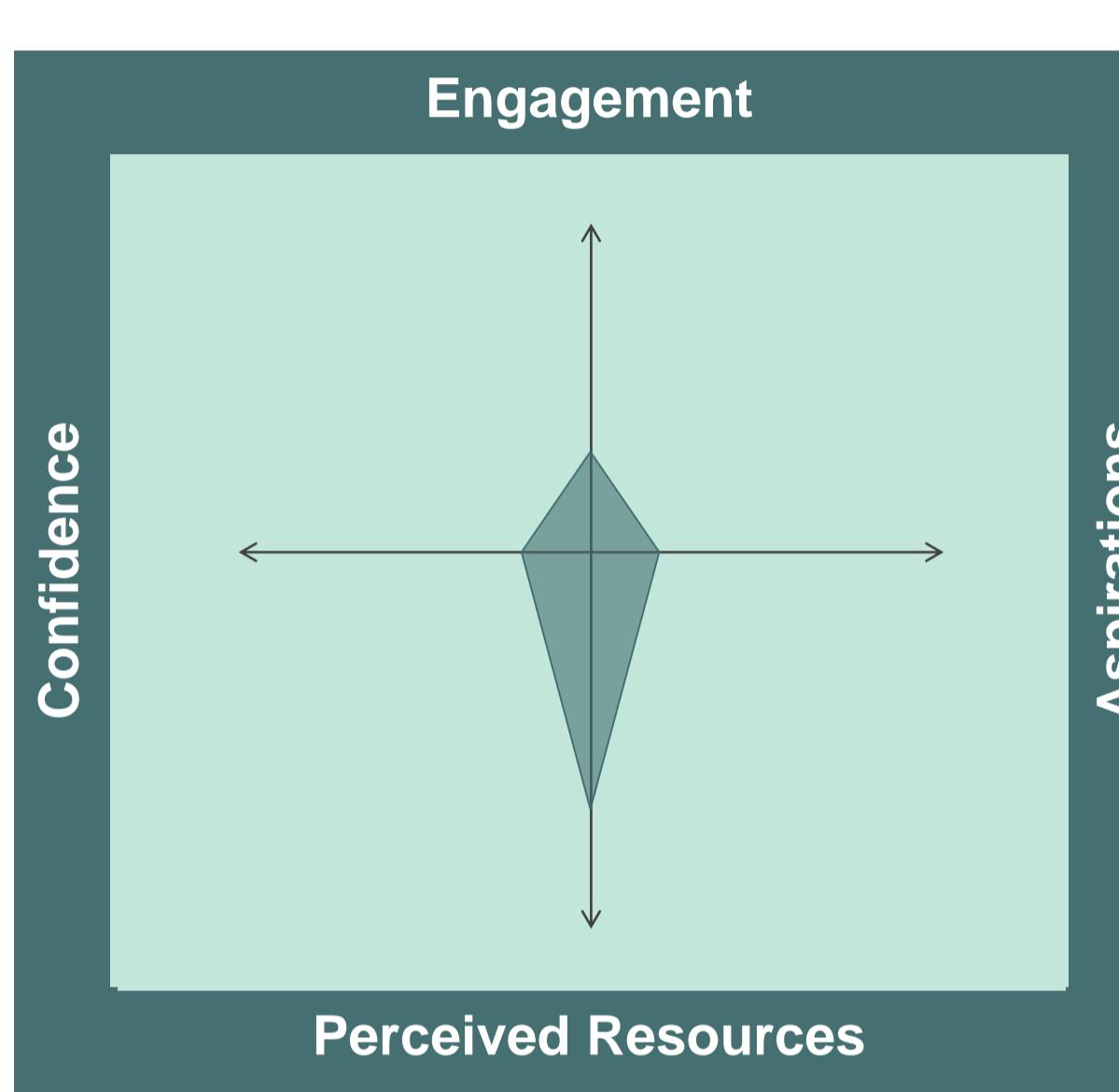
- **Male:** **56% vs 48%** (Avg.)
- **Moderate:** **42% vs 38%** (Avg.)

Giving has not played an important role in James's life. Although he grew up "well-off" and does not feel stretched for time or money, James gives significantly less than others and is unengaged in volunteering and fundraising. James recognizes that he gives back less than others and does not feel guilty about the amount he gives back. He does not think this is likely to change in the future.

James is also skeptical about nonprofits. He does not have confidence in the work they do and feels that most nonprofits are just trying to keep themselves in existence. When James does give, he is less likely to research his decision. These attitudes likely contribute to his dissatisfaction with giving.

James's views and actions may be driven by the fact that he was not taught the importance of giving back by his parents, and that he does not feel that others have helped him to get where he is.

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Unengaged Critics by the Numbers

Engagement

Confidence

Aspirations

Perceived Resources

ENGAGEMENT	Unengaged Critics	All Donors
⬇ Give less than average (2%+)	11%	23%
⬇ Much less engaged in volunteering …	54%	67%
and fundraising	27%	38%
⬇ Least likely to research or talk to others	39%	53%
⬇ Recognize that they are less engaged than others	4%	21%
	perceive themselves to be more engaged	

CONFIDENCE	Unengaged Critics	All Donors
⬇ Most likely to lack confidence in nonprofits	1%	8%
⬆ Most likely to feel "Nonprofits are just trying to keep themselves in existence"	12%	9%
⬇ Less satisfied with their giving compared with others	42%	59%
⬇ Very unlikely to feel their giving makes a difference	2%	42%

ASPIRATIONS	Unengaged Critics	All Donors
⬇ Less likely to increase giving in the future	5%	32%

PERCEIVED RESOURCES	Unengaged Critics	All Donors
⬇ Do not feel especially stretched for time…	19%	45%
or money	6%	14%
⬇ Do not feel guilty about the amount that they give	5%	25%
⬇ Less likely to come from a modest background	36%	48%
⬇ Do not feel that others have helped them	3%	26%

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Unengaged Critics: potential offer characteristics

WHAT TO REACH THEM WITH	**HOW TO REACH THEM**	**WHEN TO REACH THEM**
• Messages that acknowledge and address their skepticism about nonprofits • Education on different giving channel options, as they are the least aware and least likely to use POS and workplace giving, crowdfunding, and DAFs • Small ask/commitment to get them comfortable with giving • Clarity about how their money will be used	• Simple, easy giving mechanisms • Direct, specific asks, as they need to be prompted to give, perhaps through POS giving or reminders to give through workplace programs • Mechanisms that allow them to give passively, i.e., opt-in and then forget about a regularly recurring donation	• No specific timing, as life events don't seem to affect their giving behaviors

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| Levers for Change

  | Reframing Giving

  | Donor Segments

  | Segmentation Toolkit

| Recommendations to Optimize Giving

Recommendation on how to drive change and target different stakeholders:

- We've identified a set of informed recommendation to drive behavior change.

- We evaluated our findings for factors that we believe influence many or most donors' behavior, and factors that influence the behavior of specific donor segments.

Key Social Sector Stakeholders

FUNDERS

Organized sources of funding for the nonprofit sector

NONPROFITS

Individual nonprofits working domestically and internationally

THIRD-PARTY PROVIDERS

Online platforms and other organizations that provide giving or research opportunities

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Two most important levers for stakeholders: Reframing of the giving narrative, behavioral segmentation

1	REFRAME	2	SEGMENT

- Broad reframing of giving is required to drive donors' behavior change.

- Highest-value strategy: balance broad reframing with segment-specific efforts.

- Reframing will drive change by creating an environment that makes it easier for target segments to change their behavior.

- Reframing must acknowledge donors' core concerns: skepticism, lack of trust, feeling overwhelmed.

- Key pillars: joy, simplicity, dynamism, and connection.
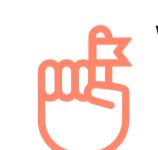
- Most likely to change giving behavior: Busy Idealists, Cautious Strivers, and Unaware Potentials.

- Targeting these segments will lead to more and better giving.

- Each segment requires different messages, products, and giving experiences.

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Social sector organizations should test recommendations, sharing what does and does not work

			Funders	Nonprofits	3rd Parties
REFRAME GIVING	A	Create a broad-based campaign using $FG message concepts to make the giving conversation more joyful, dynamic, connected, and simple.	✓ (Primary)	✓ (Potential)	✓ (Primary)
	B	Help individuals better understand their giving relative to others', correcting the commonly held misperception that one's giving is above average.	✓ (Potential)	✓ (Potential)	✓ (Primary)
	C	Simplify the experience of finding and giving to a nonprofit, reducing donor's perception of complexity and feeling of being overwhelmed.	✓ (Potential)	✓ (Potential)	✓ (Primary)
TARGET DONOR SEGMENTS	D	Implement and promote behavioral segmentation to better find, prioritize, and track those donors most likely to positively shift their giving behaviors.	✓ (Primary)	✓ (Primary)	✓ (Primary)
	E	Build targeted offers and marketing messages to appeal to the researched preferences of specific behavioral donor segments.	✓ (Potential)	✓ (Primary)	✓ (Primary)
LEARN & SHARE	F	Creating a dynamic, open knowledge platform to share key learnings, datasets, and other knowledge with the sector about what works in reframing and segmenting donors will drive adoption.	✓ (Primary)	✓ (Potential)	✓ (Primary)

✓ Primary Executor   ✓ Potential Collaborator

👉 We are developing partnerships to test these recommendations with interested implementers. If you would like to join the $FG testing community, please contact at M4G@CamberCollective.com

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A broad-based campaign using the reframing message concepts will shift the giving conversation, driving positive behavior change

Concept

- Broad, public messaging appeals create a consistent baseline "dialogue of reference" on important issues.

- Think Smokey the Bear for forest fire prevention or "Friends don't let friends drive drunk."

Action

FUNDERS
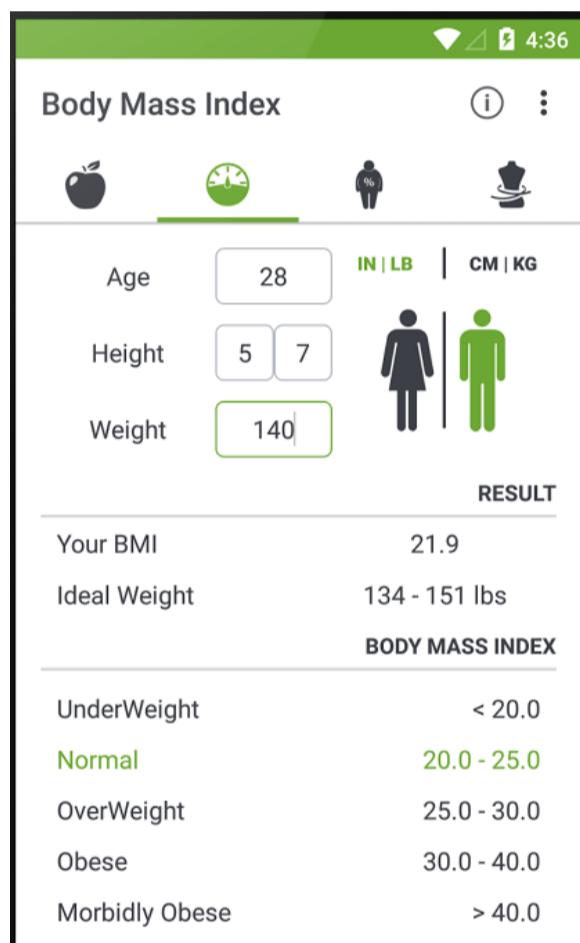
- With organizations such as the Ad Council, support PSA development, media placement, and celebrity endorsements to reinforce key messages.

- Support a complementary multichannel campaign to promote the key message, including in mass media.

THIRD-PARTY PLATFORMS
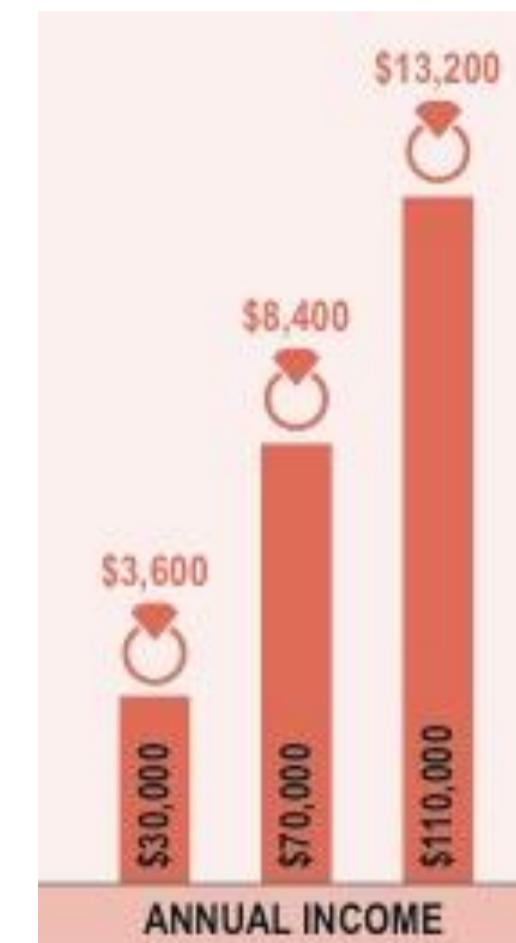
- Shape more general messages on giving, through iterative A/B testing of platform users.

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Providing a way for people to understand how they **give relative to others** will correct misperceptions, causing an increase in giving

Concept

BMI calculators are a government tool to help guide citizens in understanding their overall health.

Engagement ring cost gauges (~2-3 months salary) are a social norm for how much to spend.

- Benchmarking tools exist for nonprofits and other fundraisers, but information rarely filters down to donors.

- Benchmarking is a powerful tool used to bring about behavior change in individuals.

- BMI calculators and engagement ring cost gauges are two very different examples to show how a benchmark can be adopted and help shift behavior.

- How can we create a benchmark tool for giving?

Action
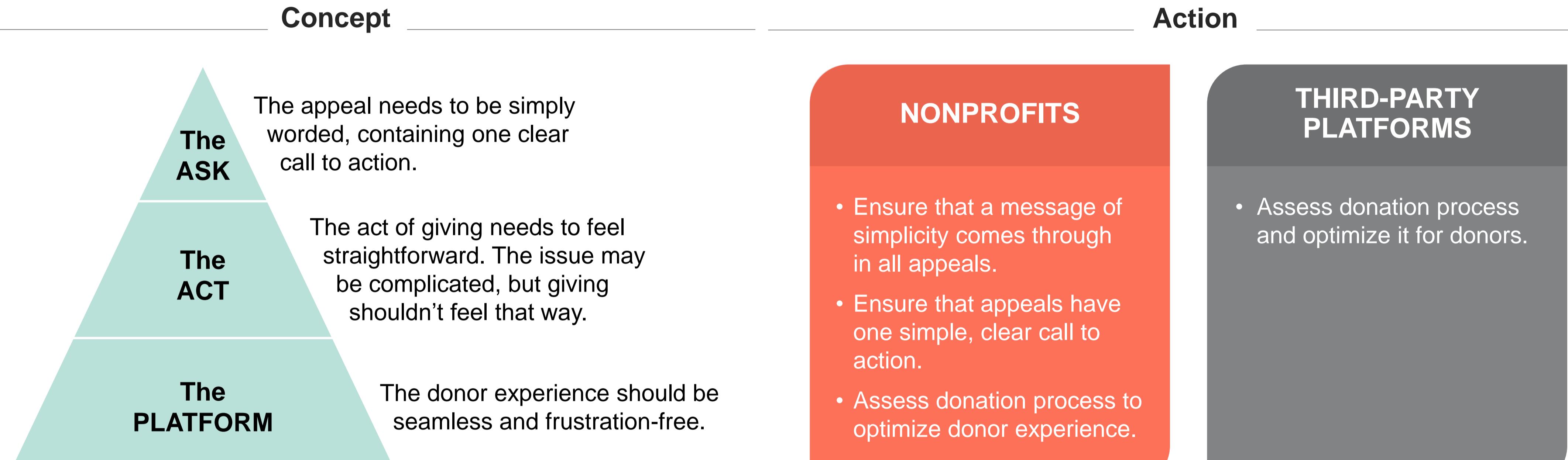
FUNDERS

- Support consolidation of donation data, potentially into a central platform, to provide overall donor benchmarks.

- Support or build momentum behind testing, giving benchmarks across a range of giving channels or in a range of products (e.g., mint.com).

THIRD-PARTY PLATFORMS

- Participate in developing and testing benchmarks

- Disseminate information on benchmarks, and help gain traction in instilling new social norms related to a new benchmark.

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The Challenge and The Opportunity | Levers for Change | Reframing Giving | Donor Segments | Segmentation Toolkit | Recommendations to Optimize Giving

Focusing on making the giving experience **simple** will reduce the perception of complexity and donors feeling of being overwhelmed

Concept

The ASK
The appeal needs to be simply worded, containing one clear call to action.

The ACT
The act of giving needs to feel straightforward. The issue may be complicated, but giving shouldn't feel that way.

The PLATFORM
The donor experience should be seamless and frustration-free.

Simplicity needs to come across at three levels

Action

NONPROFITS

- Ensure that a message of simplicity comes through in all appeals.
- Ensure that appeals have one simple, clear call to action.
- Assess donation process to optimize donor experience.

THIRD-PARTY PLATFORMS

- Assess donation process and optimize it for donors.

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A **behavioral segmentation** approach/tools to find, prioritize, and track donors will improve donor targeting and retention

Concept

Recommended Process for Profiling Donors

CAMBER PROVIDES SHORT SURVEY

DONORS COMPLETE SURVEY ONLINE

DONORS CLASSIFIED USING CAMBER ANALYSIS TOOL

SEGMENTS

- Segmentation lets organizations maximize the market opportunity.

- Removing low-opportunity segments from the universe of potential donors to target will make efforts more focused and ROI higher.

- Segment donors by profiling them through a simple survey or qualitatively.

- Prioritize efforts to reach the donor segments that best fit the organization's objectives.

Action

FUNDERS

- Promote use of segmentation across grantees.

- Support development of a tool to automate segment identification for nonprofits and interested organizations.

NONPROFITS

- Profile donors to identify their segments.

- Prioritize segments to suit objectives.

- Track segmentation information.

THIRD-PARTY PLATFORMS

- Profile donors to identify their segments.

- Prioritize segments to suit objectives.

- Track segmentation information.

Download a copy of the Segmentation Survey and Analysis Tool at www.CamberCollective.com/MoneyForGood

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Building **targeted offers and marketing** messages to appeal to selected segments will drive an increase in giving

Concept

Messaging and offers targeted to different segments would be very different…

BUSY IDEALIST

Today more than ever life moves at a fast pace and it is easy to become **overwhelmed and overstretched**. When it comes to giving, **there are options and tools** to help us make better choices, **stress free**. Solving the world's problems is **complicated, but giving does not have to be**.

UNAWARE POTENTIAL

Let's face it, giving to **charity is not always top of mind**. Sometimes we want to give but life's distractions are just too much. The good news is it is **never too early or too late to start**. Start small, volunteer, and learn from others. Because the **experience is what matters** and **everyone can give**.

Messages and offers should be developed, prototyped, and iteratively tested to ensure maximum resonance with the target segments.

Action

NONPROFITS

- Develop tailored messaging/offering for prioritized segments, using the segmentation toolkit for inspiration.
- Iteratively test to optimize messaging/offer by segment.
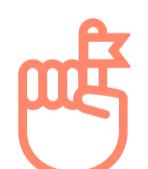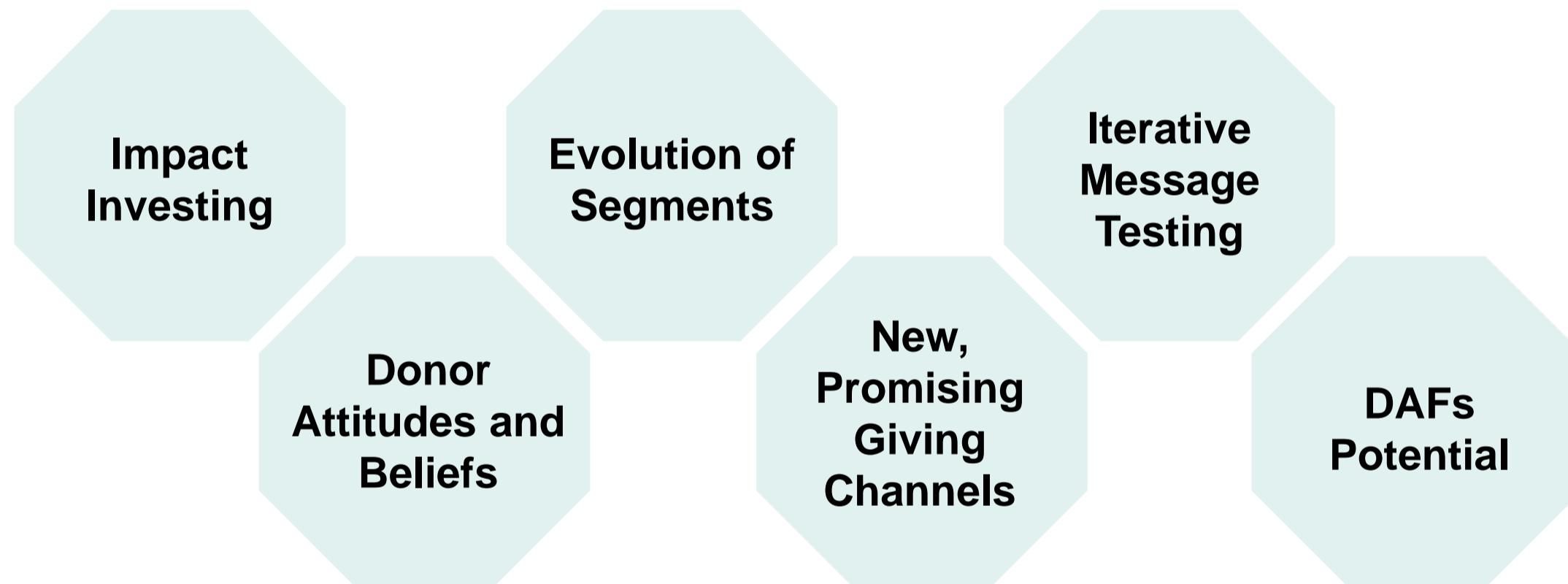
THIRD-PARTY PLATFORMS

- Develop tailored messaging/offering for prioritized segments, using the segmentation toolkit for inspiration.
- Iteratively test to optimize messaging/offer by segment.
- Assist nonprofits in thinking through messaging and offer design by segment.

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Creating a dynamic, open knowledge platform to **share learnings**, datasets, and other knowledge will spread change

Concept

$FG research has uncovered many new insights into donor behavior, but there's still more to learn:

Impact Investing

Evolution of Segments

Iterative Message Testing

Donor Attitudes and Beliefs

New, Promising Giving Channels

DAFs Potential

The sector should continue to invest in donor behavior research and should create a platform to share insights and best practices.

Action

FUNDERS

- Support additional research into donor behavior.

- Support development of learning platform to share research findings and practical applications of insights.

NONPROFITS

- Participate in learning platform.

THIRD-PARTY PLATFORMS

- Participate in learning platform.

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| **Leveraging Non-Traditional Giving Channels**

| **Workplace Giving**

| **POS Giving**

| **DAF Giving**

| **Understanding Demographic Differences**

| **Fundraiser's Segmentation**

Other opportunities to improve giving: new giving channels, demographic differences, $FG I fundraiser segmentation

Other opportunities for improving giving:

1 **LEVERAGING NON-TRADITIONAL GIVING CHANNELS**	**2** **UNDERSTANDING DEMOGRAPHIC DIFFERENCES**	**3** **LEVERAGING THE FUNDRAISER SEGMENTATION FROM $FG I**

Explore untapped opportunities to increase giving through DAFs, POS, and workplace giving.
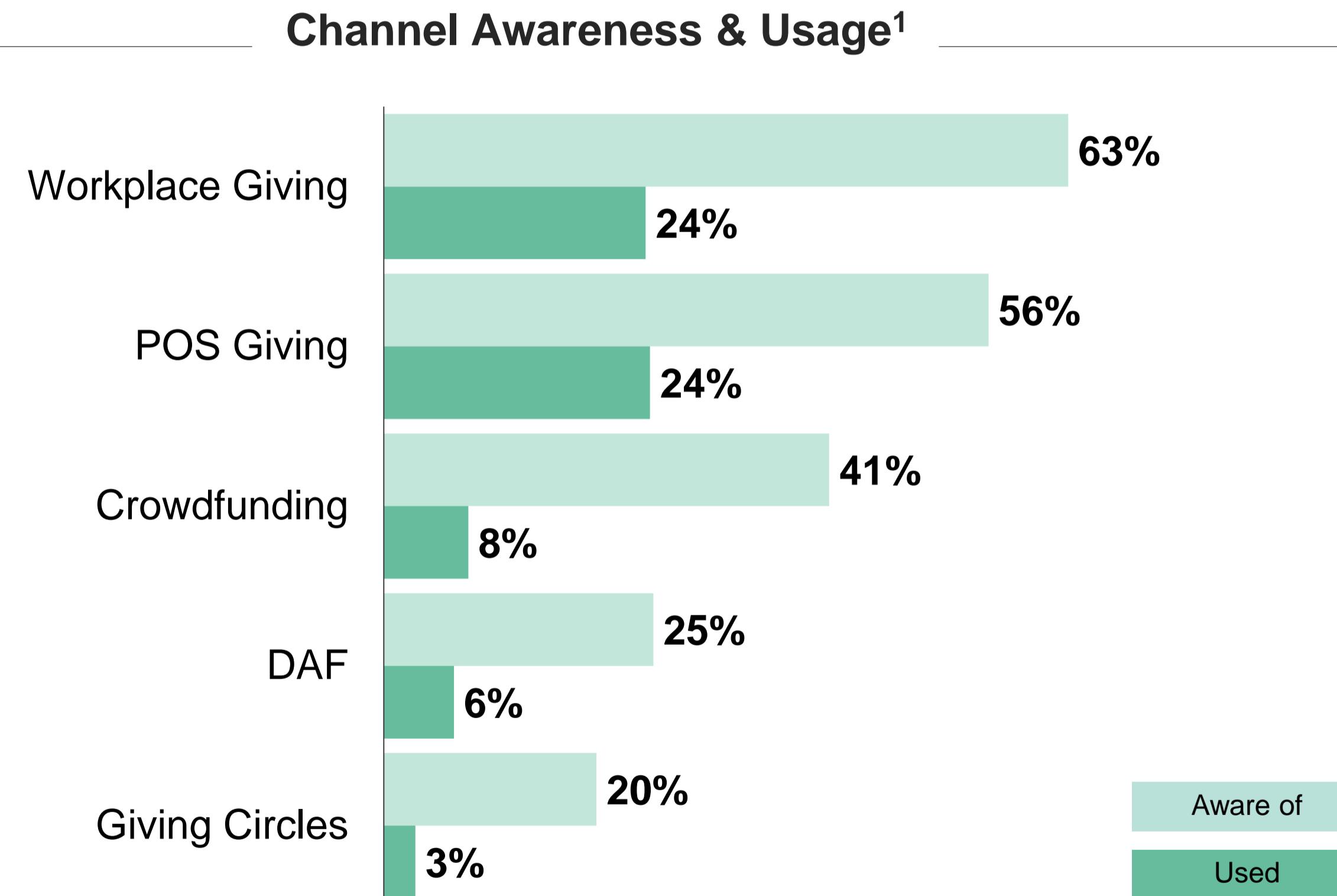
Understand opportunities within specific demographic segments, such as Millennials and women.

$FG I segmentation is well suited to nonprofits interested in increasing fundraising to their organizations.

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$FG 2015 tested donors' awareness and usage of non-traditional giving channels

Channel Awareness & Usage[1]

Workplace Giving — Aware of 63%, Used 24%
POS Giving — Aware of 56%, Used 24%
Crowdfunding — Aware of 41%, Used 8%
DAF — Aware of 25%, Used 6%
Giving Circles — Aware of 20%, Used 3%

Legend: Aware of / Used

- Did not test usage of traditional channels (direct mail or email, campaigns, events, etc.); already tested by numerous other studies.

- Did not include other emerging channels based on social media and search functions, though these channels could drive an increase in giving if used properly.

1. n = 2911 (100%), question 49. Prompted awareness of channels—"I have heard of the following donation methods….DAF." This methodology allows for a more consistent comparison, as opposed to providing short descriptions of each; based on unweighted data analysis.

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Research focused on three specific channels: DAFs, POS giving, workplace giving

WHY THESE CHANNELS?	WHAT WE TESTED?

WHY THESE CHANNELS?

- Current conversations in the sector

- Recently launched initiatives

- Perceived donor awareness and usage

- Size of the current market and perceived opportunity

WHAT WE TESTED?

- Awareness

- Usage

- Frequency

- Preferences/benefits

- Reasons for dissatisfaction with current offer

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Opportunity to increase annual giving across the three channels: $1.5-2B in 2016, $5-8B by 2020

Projected Opportunity by Channel

	Current Est. Market Size	2016 Projected Annual Opportunity	2020 Projected Annual Opportunity	Potential to Encourage Thoughtful Giving	
WORKPLACE GIVING	$4-6B	$0.5-0.7B	$3.0-5.0B	LOW	• Workplace giving opportunity is based on matching donations from corporations—increasing giving overall, but not necessarily individual giving.
POS GIVING	$0.4B	$0.1-0.2B	$0.3-$1.0B	LOW	• POS giving dollars: incremental to the total $47B market opportunity, as donors likely don't count these donations in their annual giving.
DONOR-ADVISED FUNDS	$18B	$0.9-1.1B	$1.6-2.0B	MEDIUM	• DAF opportunity may be incremental to segment opportunity but likely to overlap it. • DAF giving: most likely to improve thoughtfulness or quality of giving.

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Recommendations for capturing additional available donations from underused channels

	Companies	DAFs	Nonprofits	Funders
WORKPLACE GIVING	• Improve offer to employees—make it simple, reduce administrative effort, increase/improve selection of nonprofits available, better marketing	• Consider developing a platform to integrate workplace matching program with DAFs, similar to 401(k) programs	• Ensure organization is available to receive funds from leading platforms	• Influence or motivate companies or industry associations (i.e., CECP, GMA) to drive full use of workplace matching programs • Fund pilot to create opt-out match on companies' 401(k) platforms
POS GIVING	• Improve POS offer to meet consumer preferences for selecting how much to give and to whom (provide additional choice)		• Ensure organization is available to receive funds from leading POS platforms	• Broker partnership and support software development that enables retailers to respond to customer preferences
DONOR-ADVISED FUNDS	• Consider integrating a workplace matching program with a DAF platform similar to 401(k) platforms	• Improve DAF offer to meet target donor preferences • Test variety of social investment options to determine DAF holders' interest • Reframe DAF conversation to focus on benefits other than tax breaks	• Understand how to better access donor funds that flow through DAFs	• Support a common, anonymized reporting platform that reports on a limited set of indicators about how donors use DAFs

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SECTION 2: OTHER OPPORTUNITIES TO IMPROVE GIVING

How you can use workplace giving in your own efforts

Executive Summary

87% of companies offer to match at least 1:1, and 80% of companies match $500-$10K

With a median participation rate for matching gift programs of only 9%, $**6-10B in matching gift funds goes unclaimed** annually

67% of donors do not fully utilize their workplace matching program

40% of those who do not use their full match **report "causes/orgs I give to aren't available"** as the number one cause impeding greater giving

If workplace giving were improved to better meet employee preferences, **~$3-5B in new matching could be mobilized by 2020** (with $0.5-0.7B in 2016 alone)

What It Means For You

FUNDERS

- Influence or motivate companies or industry associations (i.e., CECP, GMA) to drive full use of workplace matching programs

- Fund pilot to create opt-out match on companies' 401(k) platforms

NONPROFITS

- Ensure organization is available to receive funds from leading POS platforms

THIRD-PARTY PLATFORMS

- Help companies improve their offers to employees by making it easier to select from a larger number of nonprofits
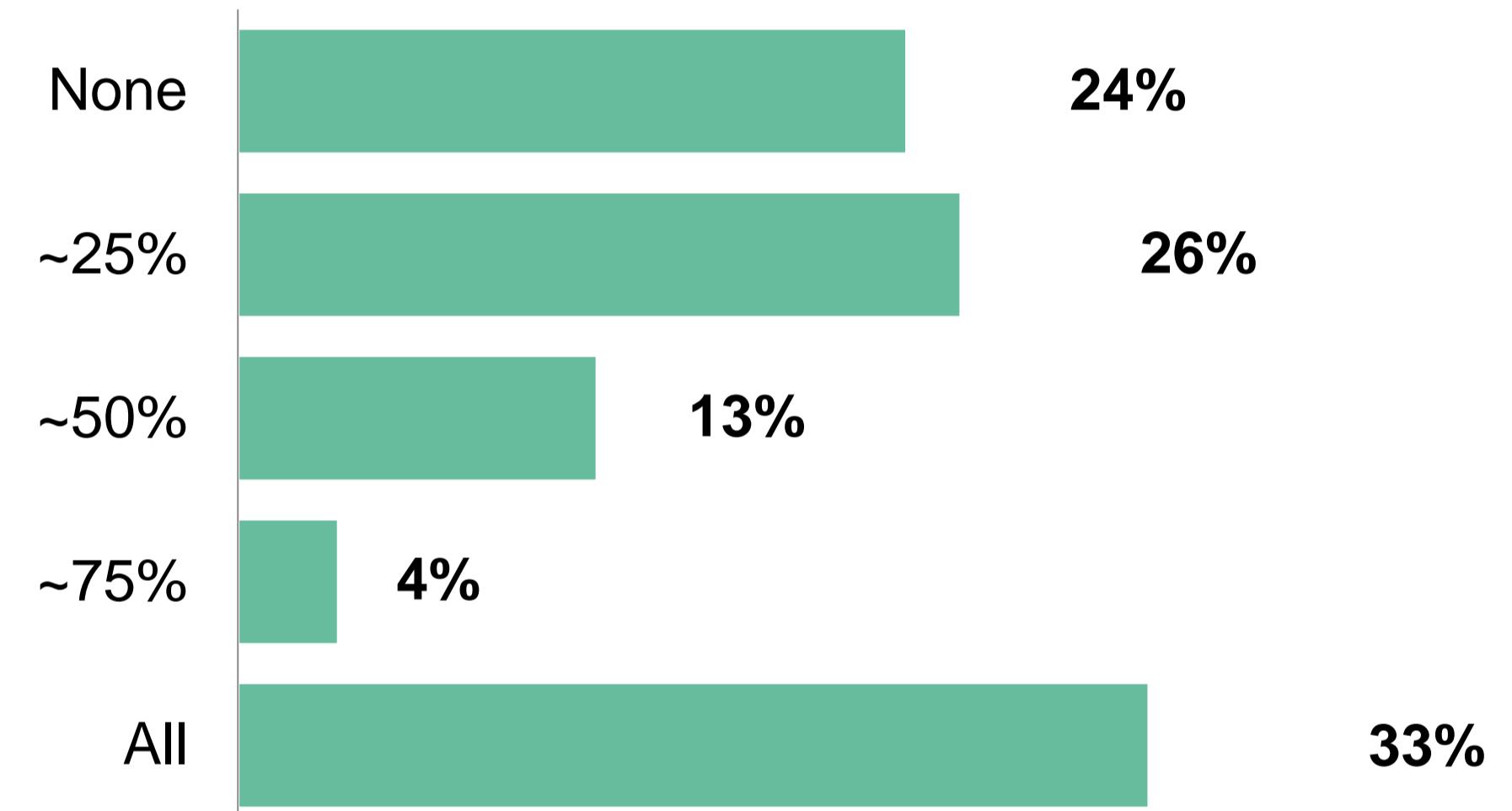
COMPANIES

- Improve offer to employees— make it simple, reduce administrative effort, increase/improve selection of nonprofits available, enhance marketing

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Workplace matching programs: Low current use, significant opportunity to increase giving overall

- In 2013, corporations gave $17.5B, of which **$6B was cash donations**[1]

- **65% of Fortune 500 companies** offer workplace matching gifts[2]

- **Most companies** (87%) offer to **match at least 1:1**, and 80% of companies **match $500-10K**[2]

- **63% of donors are aware** of workplace giving, **27% work for companies who offer** a matching program, and **24% use the program**[3]

- Of donors who use the program, **only 33% are maximizing the match**[3]

- The Committee for Encouraging Corporate Philanthropy reports a **9% median participation rate** in matching programs[4]

How much of the match do you use?

Category	Percentage
None	24%
~25%	26%
~50%	13%
~75%	4%
All	33%

67% of donors do not fully utilize their workplace matching program

1. "Giving USA 2014," Giving USA Foundation, 2014
2. "Matching Gift and Corporate Giving Statistics," Double the Donation LLC, January 2015
3. $FG 2015 Survey Analysis, question 65
4. "Giving in Numbers: 2014 Edition," Committee Encouraging Corporate Philanthropy, 2014

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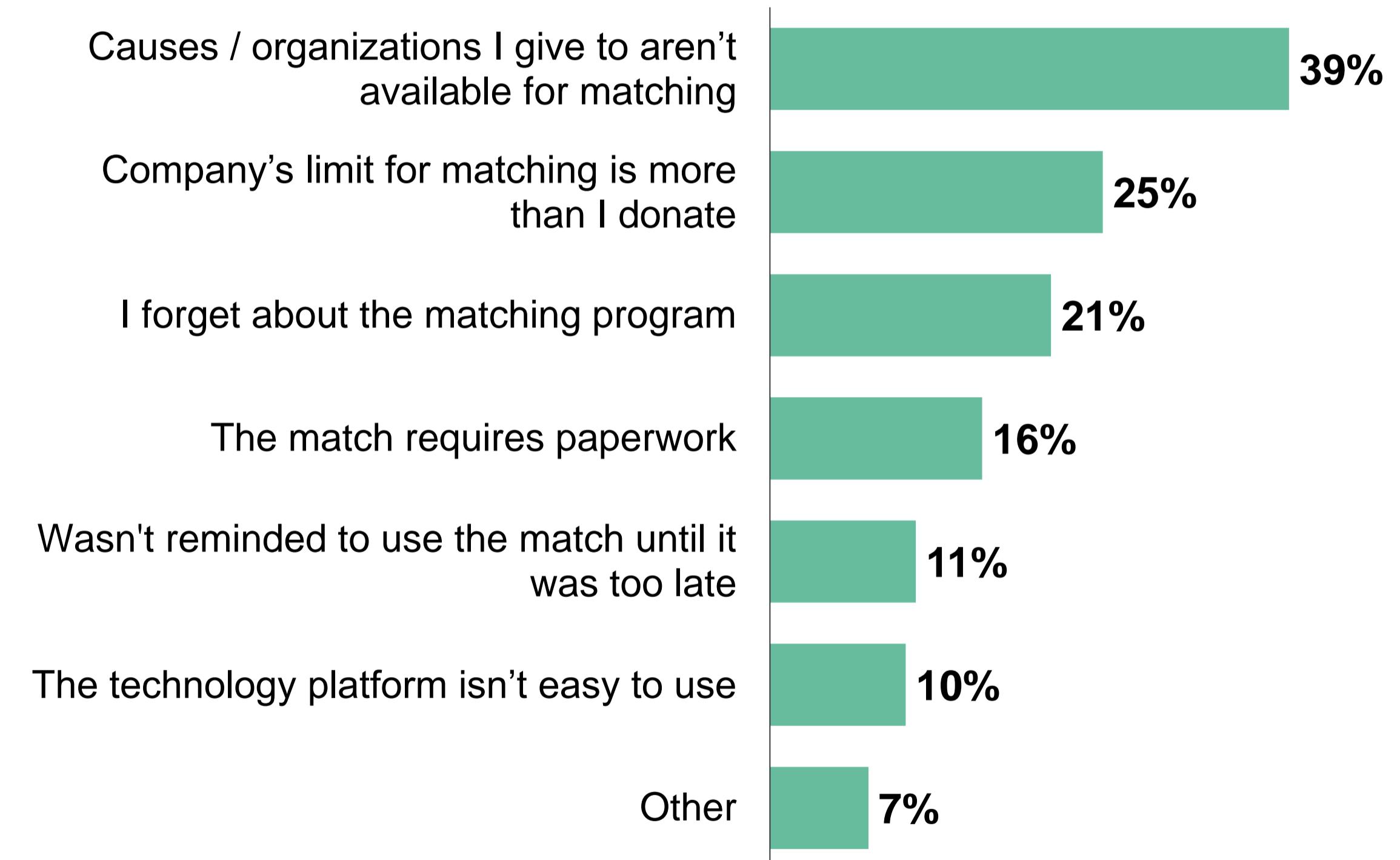
Workers report issues with current offers that may drive the low utilization rate:

- According to the CECP, nearly
  - 49% of companies with year-round giving campaigns target matches to predetermined strategic partners or causes
  - 66% of companies that run focused giving campaigns target matches to predetermined strategic partners or causes[2]

- In $FG qualitative research, donors reported that their program's predetermined partners or causes may discourage giving

Why Do You Not Use All The Match?[1]

Causes / organizations I give to aren't available for matching	**39%**
Company's limit for matching is more than I donate	**25%**
I forget about the matching program	**21%**
The match requires paperwork	**16%**
Wasn't reminded to use the match until it was too late	**11%**
The technology platform isn't easy to use	**10%**
Other	**7%**

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Opportunity to increase giving by improving workplace giving experience: $3-5B by 2020

- With a participation rate for matching gift programs of only 9%, an estimated $6-10B in matching gift funds goes unclaimed every year.[1]

- If workplace giving were improved—made easier, with reduced administrative effort and increased/improved selection of nonprofits—donors would likely shift giving to this channel.

- A shift by donors would increase matching by companies, potentially recapturing up to 50% of unclaimed matching gifts, or ~$3-5B by 2020. In 2016 the impact could be $0.5-0.7B.

- This potential increase would be in addition to current individual giving, sourced from companies.

- Qualitative evidence suggests that donors would increase giving if they knew their companies were matching.

- Workplace giving has relatively low potential to switch giving or improve its thoughtfulness, as donors will likely use this channel to continue giving to the same charities.

1. "Matching Gift and Corporate Giving Statistics," Double the Donation LLC, January 2015

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Funders and DAFs could play a significant role in capturing the workplace giving opportunity

- Influential actors, such as the Gates Foundation, could play a role in encouraging companies to streamline, automate, and improve their offers.

- As part of matching programs, companies with retirement accounts at financial firms that offer DAFs (e.g., Fidelity, Schwab, Vanguard), could allow employees to donate a percentage of salary to DAFs (similar to the way they contribute to a retirement account).

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How you can use POS giving in your own efforts

Executive Summary

Only $358M was donated through POS giving in 2012, and **most retailers do not allow donors to select where to donate**

87% of donors would prefer to **choose the amount** they give, and 69% would prefer to **select the nonprofit** they give to

Offers like **Amazon Smile and eBay Giving Works may signal a changing landscape.** In 2012, eBay Giving Works alone raised $54M, or 15% of the total market

If more POS giving outlets could improve their offer and duplicate this success, **frequency of use could increase by 30-50%**

By 2020, the annual **opportunity to increase giving through POS could reach $0.3-1.0B**

What It Means For You

FUNDERS

- Broker partnership and support software development that enables retailers to respond to customer preferences

NONPROFITS

- Ensure organization is available to receive funds from leading platforms

THIRD-PARTY PLATFORMS

- Help companies improve their offers to include greater personalization in donation amount and recipient

COMPANIES

- Improve POS offer to meet consumer preferences for selecting how much to give and to whom (provide additional choice)

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Retail transactions each year: Over $3T
Donated through POS giving channels: $358M (0.01%)

- **Only $358M** was **donated through POS giving** in 2012[1]
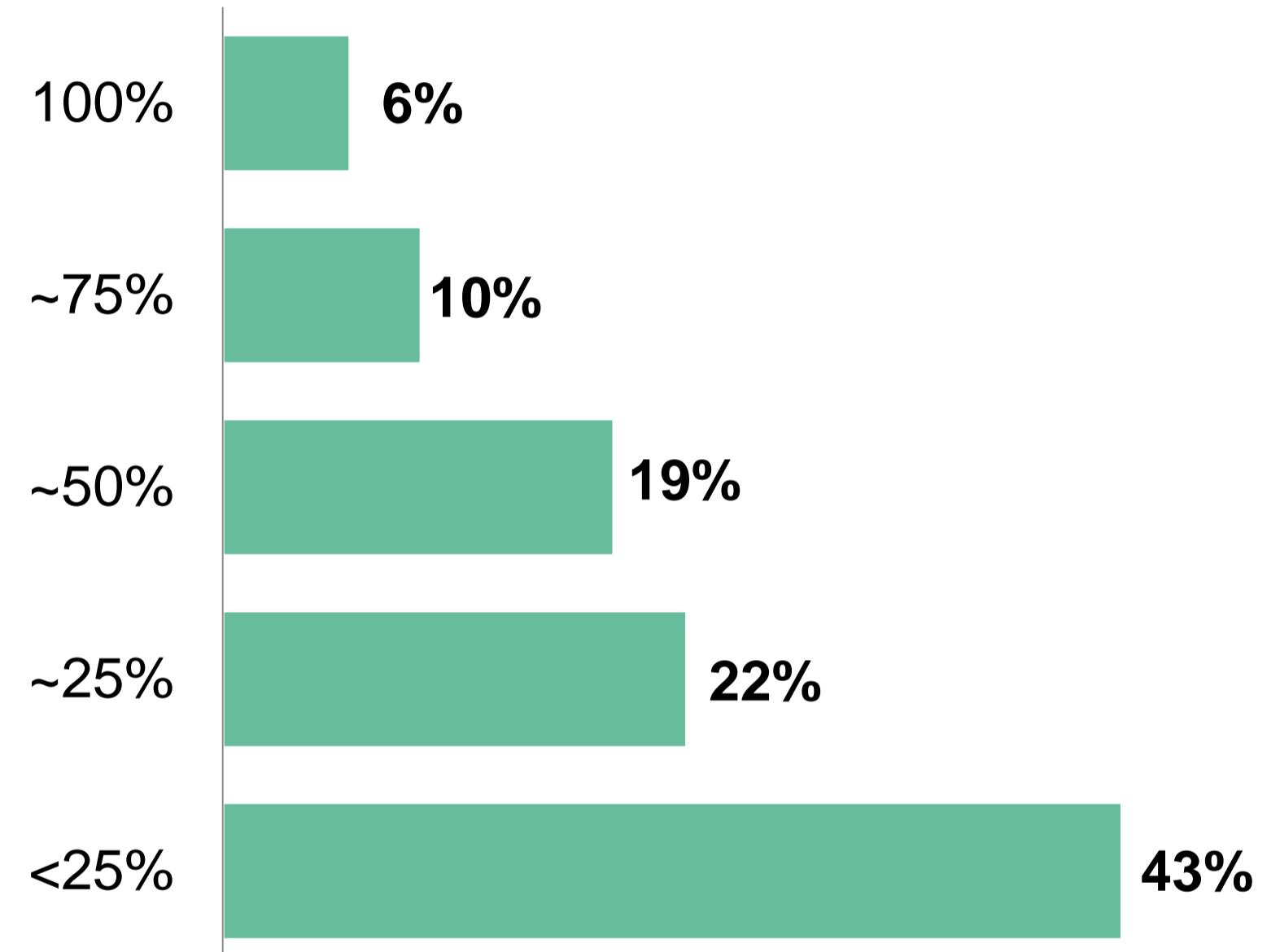
  - Four venues generated 64% of the total—mass merchandise/club ($72.6M), online ($59M), supermarkets ($52M), QSR/casual dining ($51M)

- POS giving has **high awareness** (56%), and **24% of donors use POS giving**[2]

- On average, those who use POS **give 1 out of 3 times**[2]

- **1/3 do not remember the nonprofit** they gave to at checkout[3]

How often do you give at POS?[4]
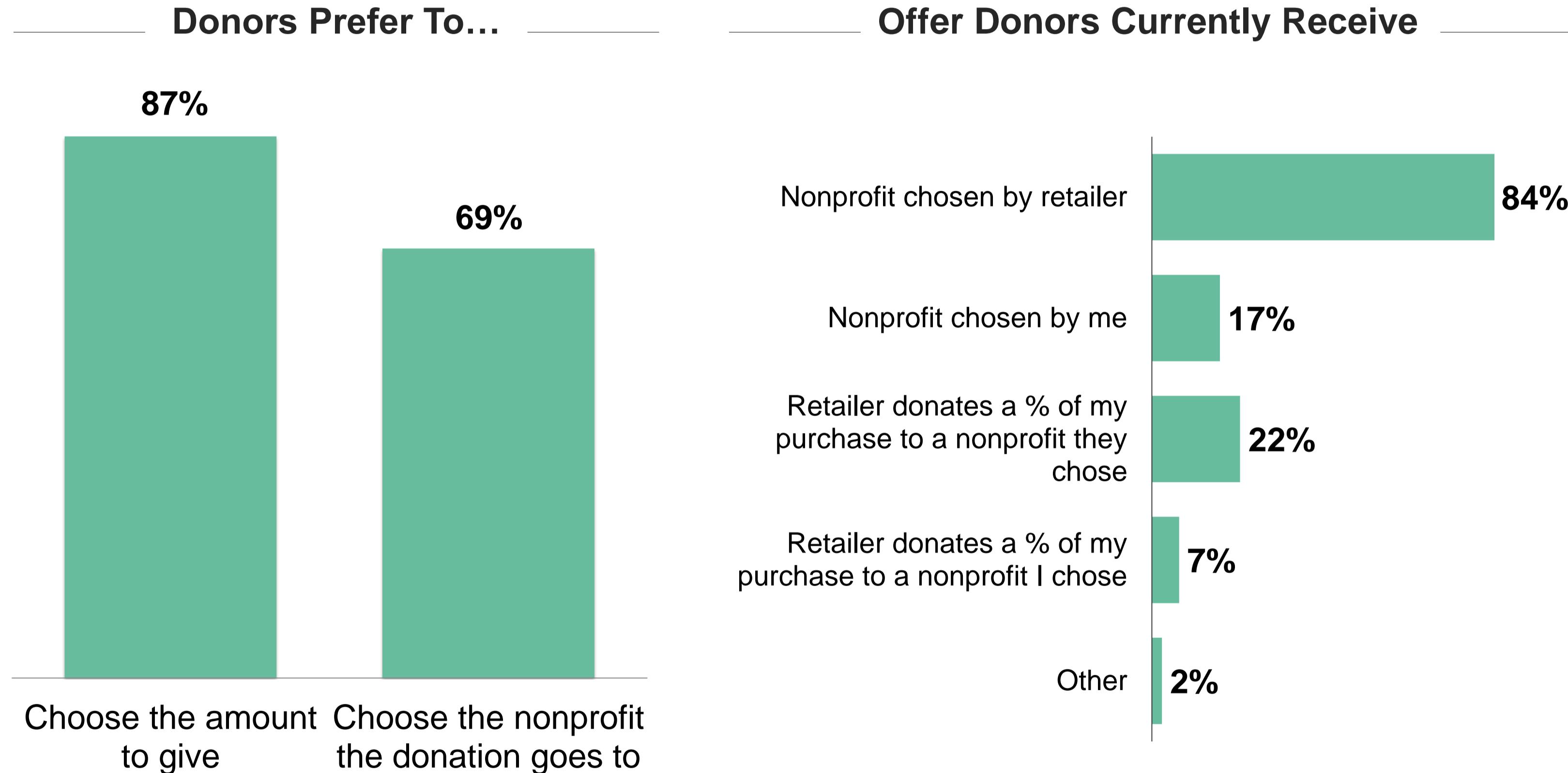
100%	6%
~75%	10%
~50%	19%
~25%	22%
<25%	43%

1. "Giving USA 2014," Giving USA Foundation, 2014
2. "Matching Gift and Corporate Giving Statistics," Double the Donation LLC, January 2015
3. $FG 2015 Survey Analysis, question 65
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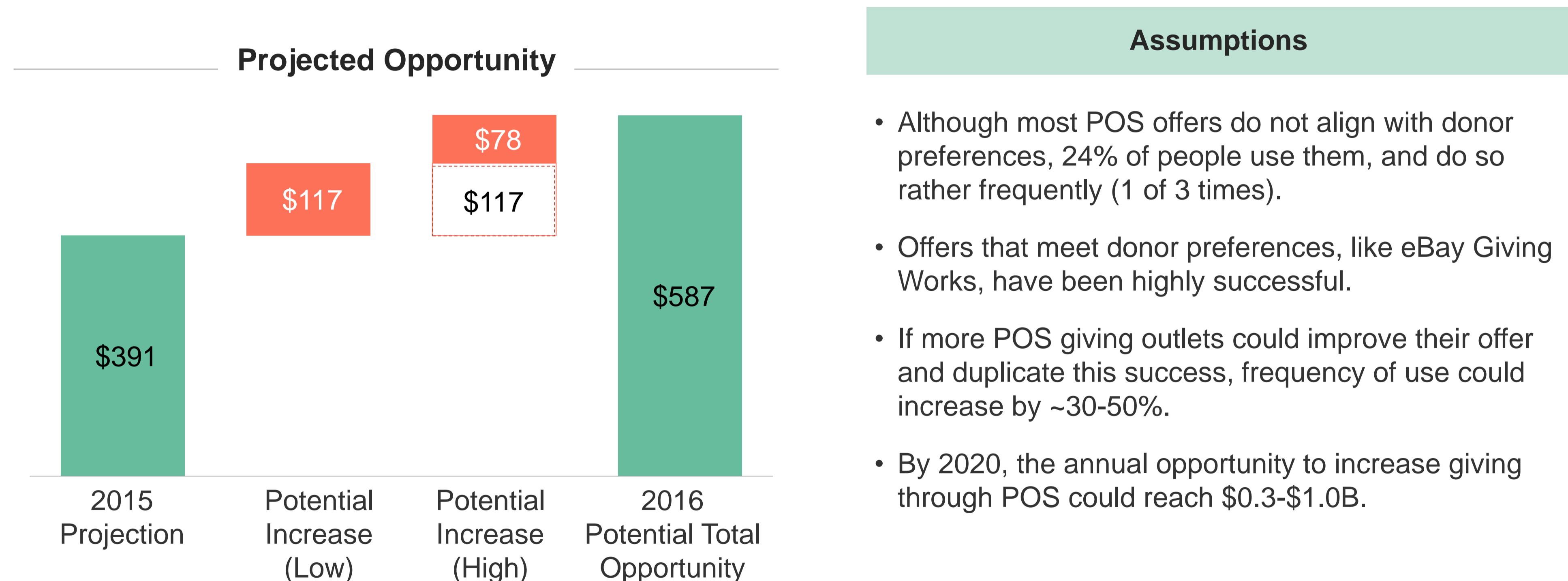
The majority of donors prefer greater personalization, but in most cases, the retailer chooses the nonprofit

Donors Prefer To…

87%
Choose the amount to give

69%
Choose the nonprofit the donation goes to

Offer Donors Currently Receive

Nonprofit chosen by retailer	**84%**
Nonprofit chosen by me	**17%**
Retailer donates a % of my purchase to a nonprofit they chose	**22%**
Retailer donates a % of my purchase to a nonprofit I chose	**7%**
Other	**2%**

- Most retailers do not allow donors to select where to donate

- Offers like Amazon Smile and eBay Giving Works may signal a changing landscape
  - In 2012, eBay Giving Works alone raised $54M, or 15% of the total market[1]

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POS a lower priority:
30-50% increase in use would boost 2016 giving only $120-195M

Projected Opportunity

		$78	
	$117	$117	
$391			$587
2015 Projection	Potential Increase (Low)	Potential Increase (High)	2016 Potential Total Opportunity

Assumptions

- Although most POS offers do not align with donor preferences, 24% of people use them, and do so rather frequently (1 of 3 times).

- Offers that meet donor preferences, like eBay Giving Works, have been highly successful.

- If more POS giving outlets could improve their offer and duplicate this success, frequency of use could increase by ~30-50%.

- By 2020, the annual opportunity to increase giving through POS could reach $0.3-$1.0B.

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POS giving:
Lower priority for nonprofits, higher priority for companies

POS giving may drive greater loyalty from consumers and thus interest retailers and financial institutions

– 25% of donors are more likely to shop at a store that offers POS giving.*

– Millennials are more likely to shop at a retailer that offers POS charitable giving.

– More-educated people are more likely to have used POS giving.

Funders could drive better POS offers

– Brokering partnerships with credit cards to allow consumers to give rounded-up donations to nonprofits of their choice at the account level.

– Supporting software development for retailers, to enable consumers to give a percentage of a purchase to nonprofits of their choice, with each purchase or at the account level, for those with reward cards, retailer cards, or retailer logins.

"Monthly & Annual Retail Trade," U.S. Census Bureau, February 2015
"Evidence from the Diary of Consumer Payment Choice," Cash Product Office, Federal Reserve System, April 2014
"America's Charity Checkout Champions," Cause Marketing Forum 2012

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SUMMARY & ACTIONS

How you can use DAF insights in your own efforts

Executive Summary

DAFs can influence the individual giving landscape in three ways:

1. **Increase giving** overall by $1B+ annually:
   46% of new DAF contributions would come from new sources, not other philanthropy

2. **Enhance giving** by increasing donors' thoughtfulness
   as DAF users are more likely to budget, give internationally, and give to causes of inequity

3. **Fund social investments**
   45% of users are interested in all or part of DAF principal going to impact investments, leading to $15-22B DAF market for social investments

In terms of user satisfaction, national and community DAFs appear to fall short of user expectations, but national DAFs have less drop-off

What It Means For You

FUNDERS

- Support a common, anonymized reporting platform that reports on a limited set of indicators about how donors use DAFs

- Play a market-making role to better connect DAFs with social impact investing

NONPROFITS

- Understand how to better access donor funds that flow through DAFs. Consider proactive outreach to DAFs, not just DAF holders

COMPANIES
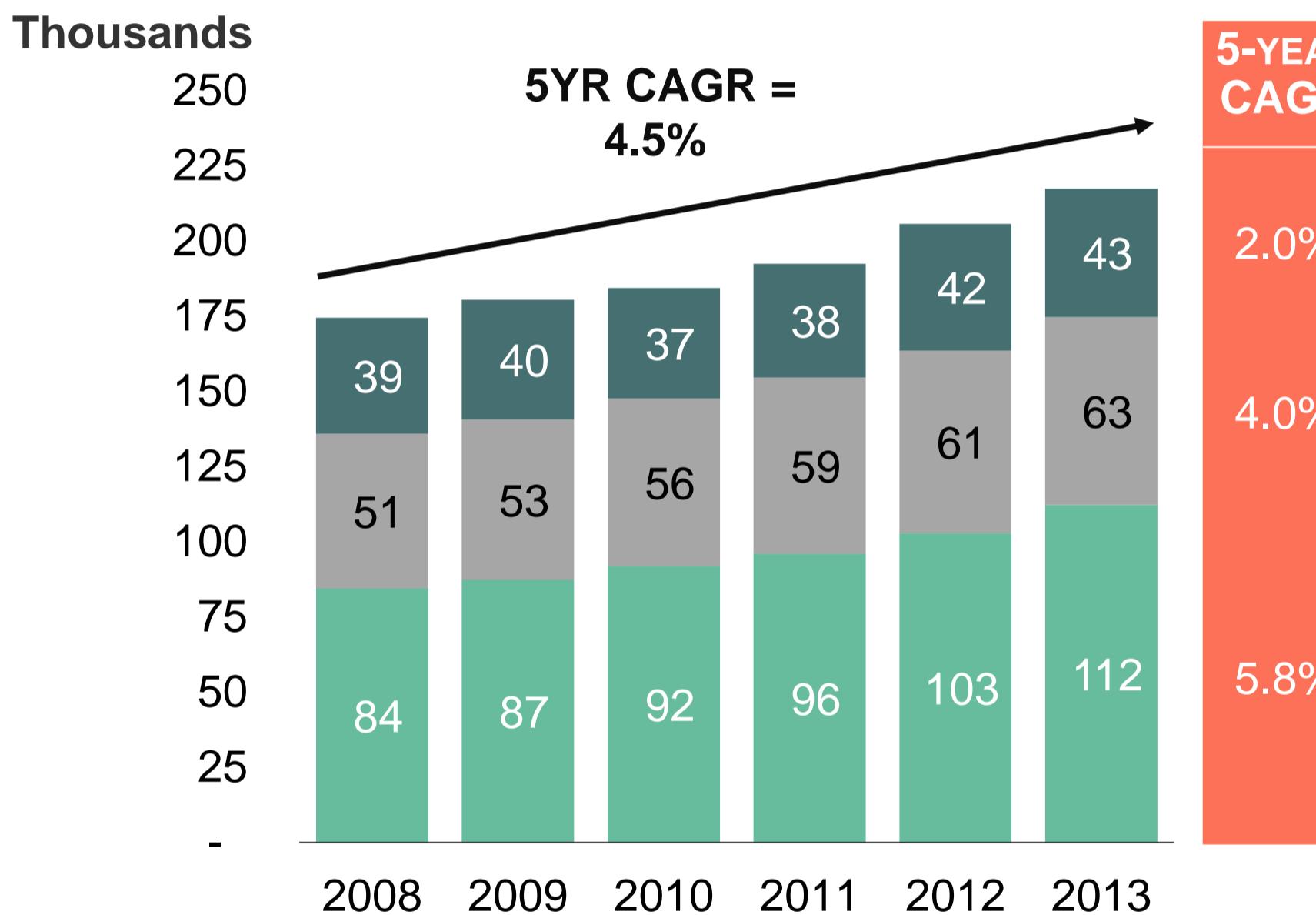
- Consider integrating a workplace matching program with a DAF platform, similar to 401(k) platforms

DAFs
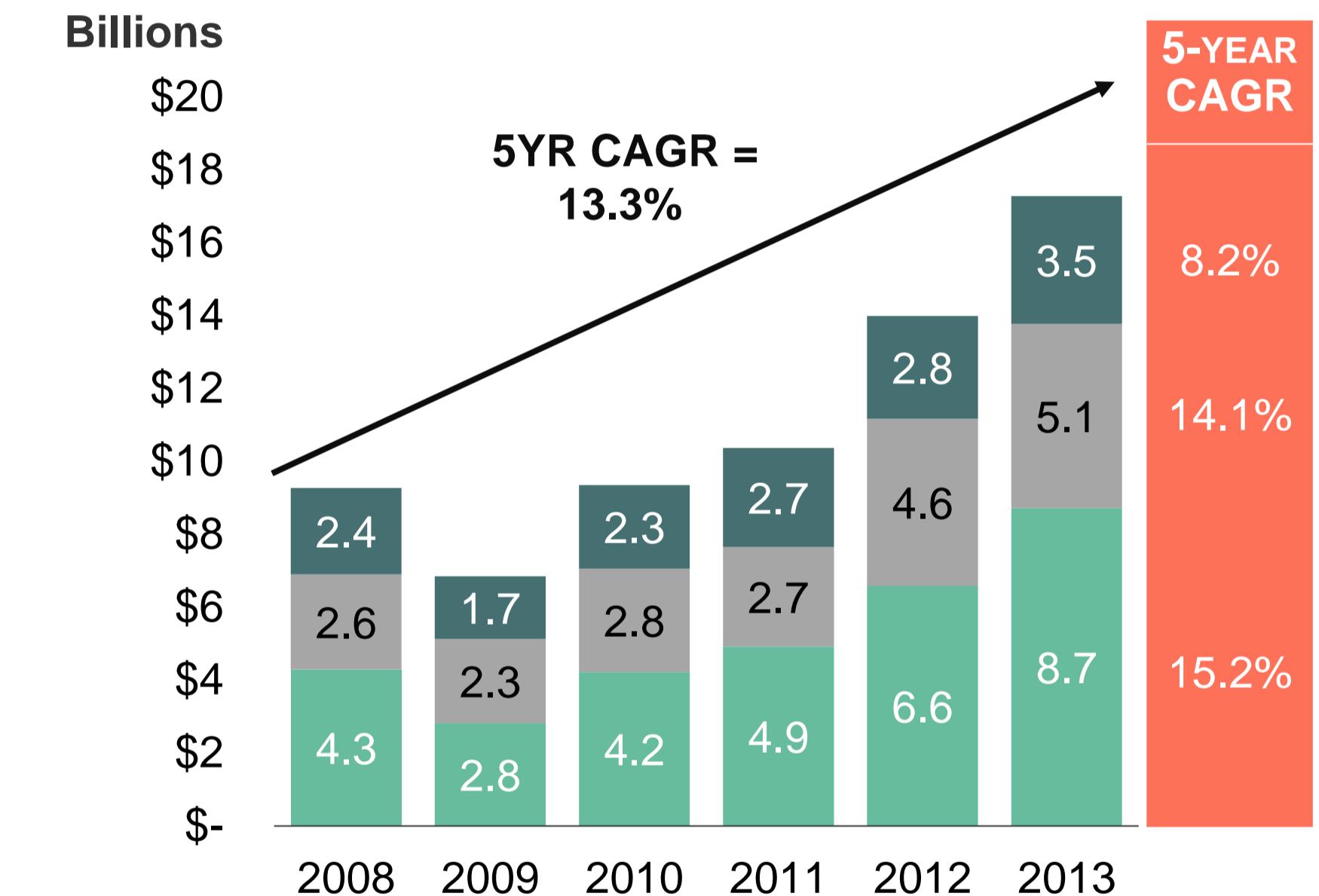
- Strengthen dimensions of the offer that donors value but do not feel DAFs deliver on (e.g., opportunities to connect with other DAF users, pre-vetted nonprofits, etc.)

- Test variety of social investment options to determine DAF holders' interest

- Reframe DAF conversation to focus on benefits other than tax breaks

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DAF accounts and contributions: 6 years of substantial growth

DAF Accounts by Sponsor Type

Thousands

5YR CAGR = 4.5%

Year	Single-issue DAFs	Community foundation DAFs	National charities
2008	39	51	84
2009	40	53	87
2010	37	56	92
2011	38	59	96
2012	42	61	103
2013	43	63	112

5-YEAR CAGR
- 2.0%
- 4.0%
- 5.8%

DAF Contributions by Sponsor Type

Billions

5YR CAGR = 13.3%

Year	Single-issue DAFs	Community foundation DAFs	National charities
2008	2.4	2.6	4.3
2009	1.7	2.3	2.8
2010	2.3	2.8	4.2
2011	2.7	2.7	4.9
2012	2.8	4.6	6.6
2013	3.5	5.1	8.7

5-YEAR CAGR
- 8.2%
- 14.1%
- 15.2%

Legend:
- National charities
- Community foundation DAFs
- Single-issue DAFs
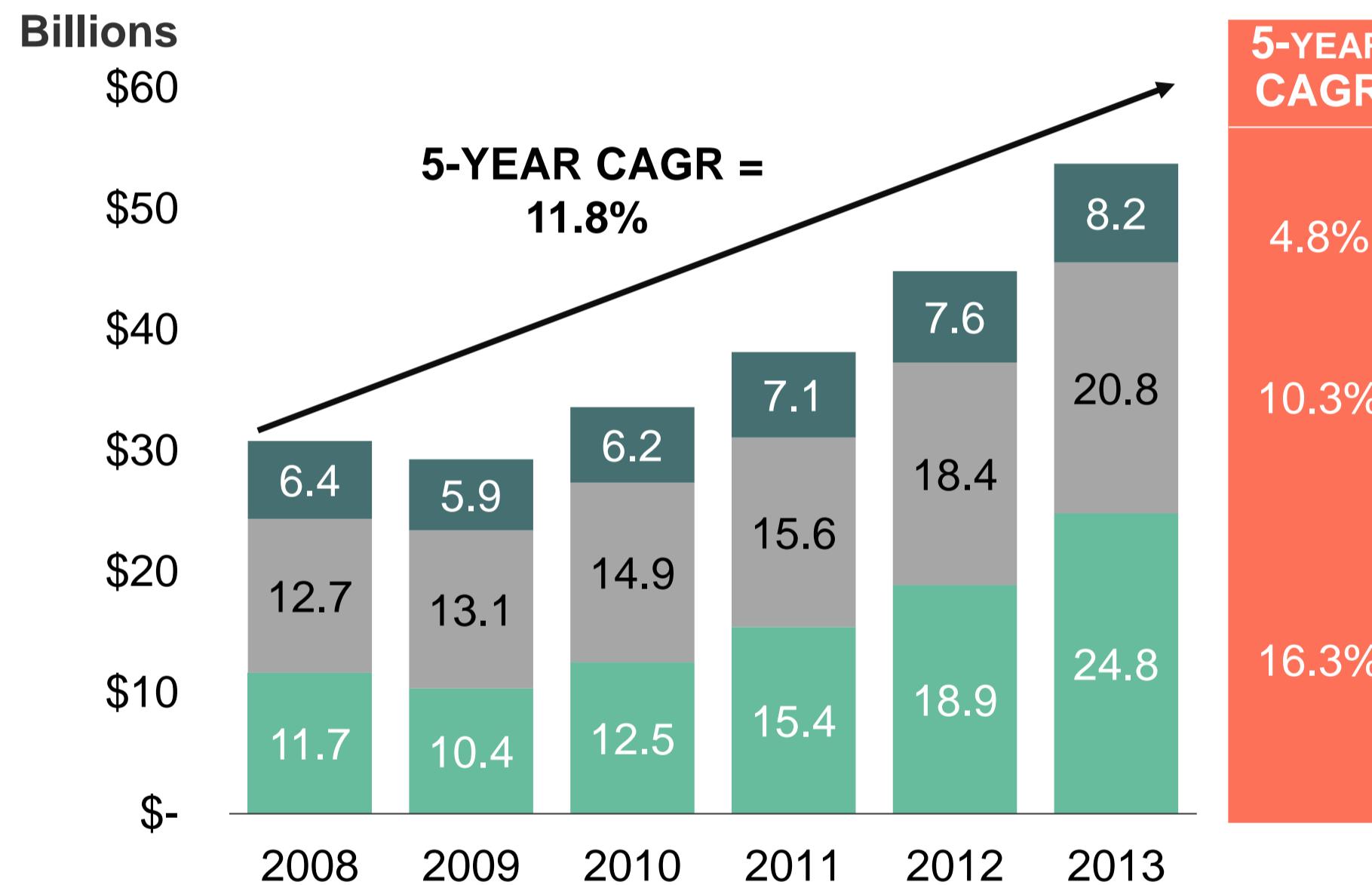
- $FG 2015 survey focus: national DAFs versus community foundation DAFs (questions did not address single-issue DAFs)
  - Respondents: 31% use community foundation DAFs, 69% use national DAFs

Source: 2014 DAF Report by National Philanthropic Trust

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Strong growth in assets and grants from DAFs since 2010

DAF Assets by Sponsor Type

Billions

5-YEAR CAGR = 11.8%

5-YEAR CAGR
4.8%
10.3%
16.3%

Year	Single-issue	Community foundation	National charities
2008	6.4	12.7	11.7
2009	5.9	13.1	10.4
2010	6.2	14.9	12.5
2011	7.1	15.6	15.4
2012	7.6	18.4	18.9
2013	8.2	20.8	24.8

($60, $50, $40, $30, $20, $10, $-)

DAF Grants by Sponsor Type

Billions

5-YEAR CAGR = 5.9%

5-YEAR CAGR
6.1%
3.1%
8.1%

Year	Single-issue	Community foundation	National charities
2008	2.0	2.5	2.8
2009	1.9	2.1	2.6
2010	2.0	2.3	2.9
2011	2.4	2.3	3.5
2012	2.5	2.7	3.4
2013	2.7	2.9	4.1

($12, $10, $8, $6, $4, $2, $-)
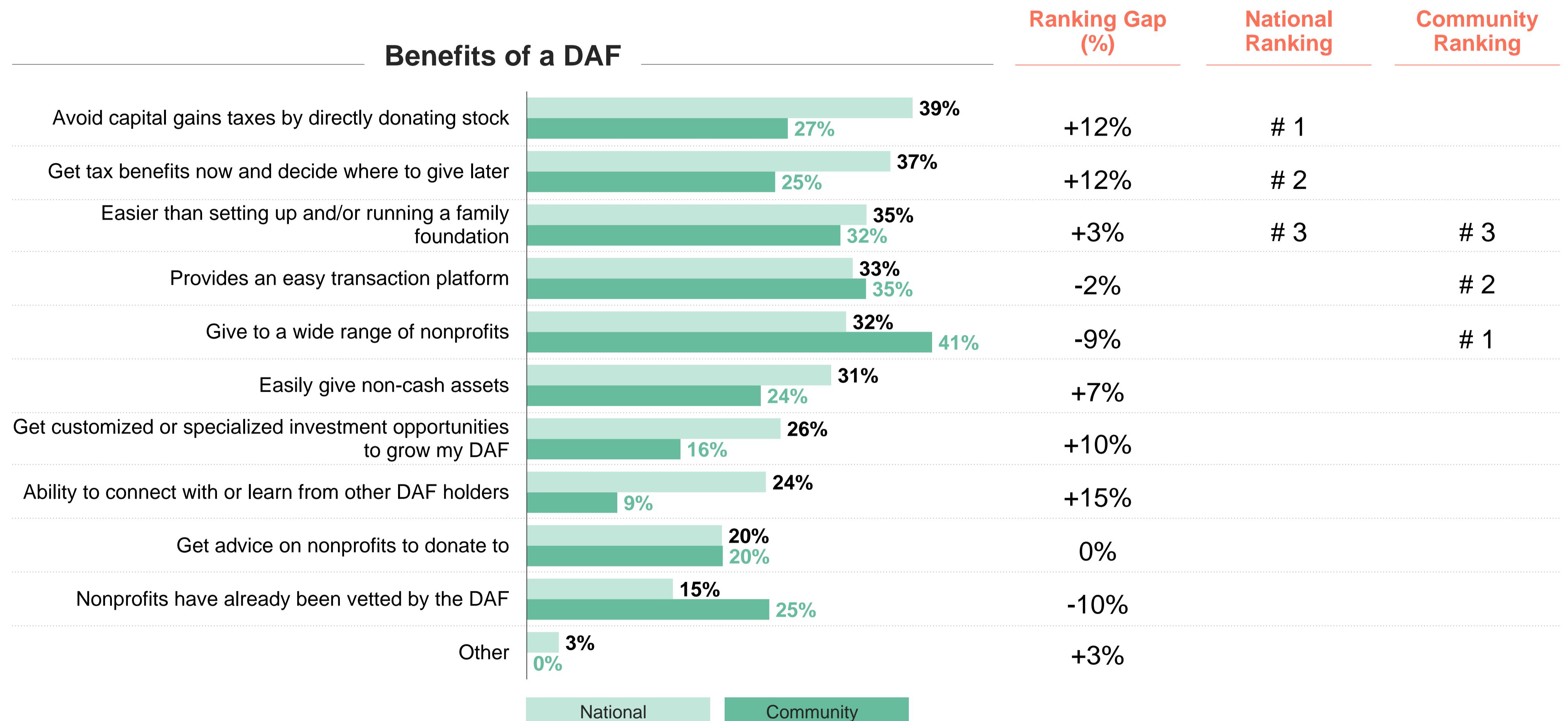
Legend: National charities | Community foundation DAFs | Single-issue DAFs

Source: 2014 DAF Report by National Philanthropic Trust

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DAFs: underperforming in expected areas of strength

Benefits of a DAF

Benefit	Ranking Gap (%)	National Ranking	Community Ranking
Avoid capital gains taxes by directly donating stock — National 39%, Community 27%	+12%	# 1	
Get tax benefits now and decide where to give later — National 37%, Community 25%	+12%	# 2	
Easier than setting up and/or running a family foundation — National 35%, Community 32%	+3%	# 3	# 3
Provides an easy transaction platform — National 33%, Community 35%	-2%		# 2
Give to a wide range of nonprofits — National 32%, Community 41%	-9%		# 1
Easily give non-cash assets — National 31%, Community 24%	+7%		
Get customized or specialized investment opportunities to grow my DAF — National 26%, Community 16%	+10%		
Ability to connect with or learn from other DAF holders — National 24%, Community 9%	+15%		
Get advice on nonprofits to donate to — National 20%, Community 20%	0%		
Nonprofits have already been vetted by the DAF — National 15%, Community 25%	-10%		
Other — National 3%, Community 0%	+3%		

Legend: National | Community

Note: n = 188, the subset of 3,000 $FG survey respondents who reported holding a DAF
Source: $FG 2015 Quantitative Survey, question 53

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National and community foundation DAFs appear to fall short on offer dimensions they emphasize, but national DAFs have less drop-off

Reasons For Stopping DAF Use

Reason	National	Community[1]
Administrative fees were too high	28%	29%
Too much paperwork to give	27%	21%
Didn't like the investment options	24%	1%
Not personal enough	19%	31%
Platform wasn't easy to use	11%	0%
Couldn't choose nonprofits that I wanted to donate to	11%	12%
Didn't receive any advice on nonprofits	7%	17%
Too hard to contribute non-cash assets	5%	0%
Customer service did not meet my expectations	0%	29%
Initial donation minimum was too high	0%	10%

Donors stopped using community foundation DAFs at a higher rate than national DAFs.

National DAF holders were more likely to discontinue use owing to unsatisfactory investment options and platform difficulty.

Community foundation DAF holders who have discontinued use were more disappointed with personalization and customer service.

Note: n = 188, the subset of 3,000 $FG survey respondents who reported holding a DAF
Stopped using: national, n = 35 of 129, community, n = 23 of 58
Source: $FG 2015 Survey Analysis, question 54

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DAFs can impact the individual giving landscape in three ways:

As the DAF product offer continues to evolve and mature, DAFs have an opportunity to

1 Increase giving overall by $1B+ annually
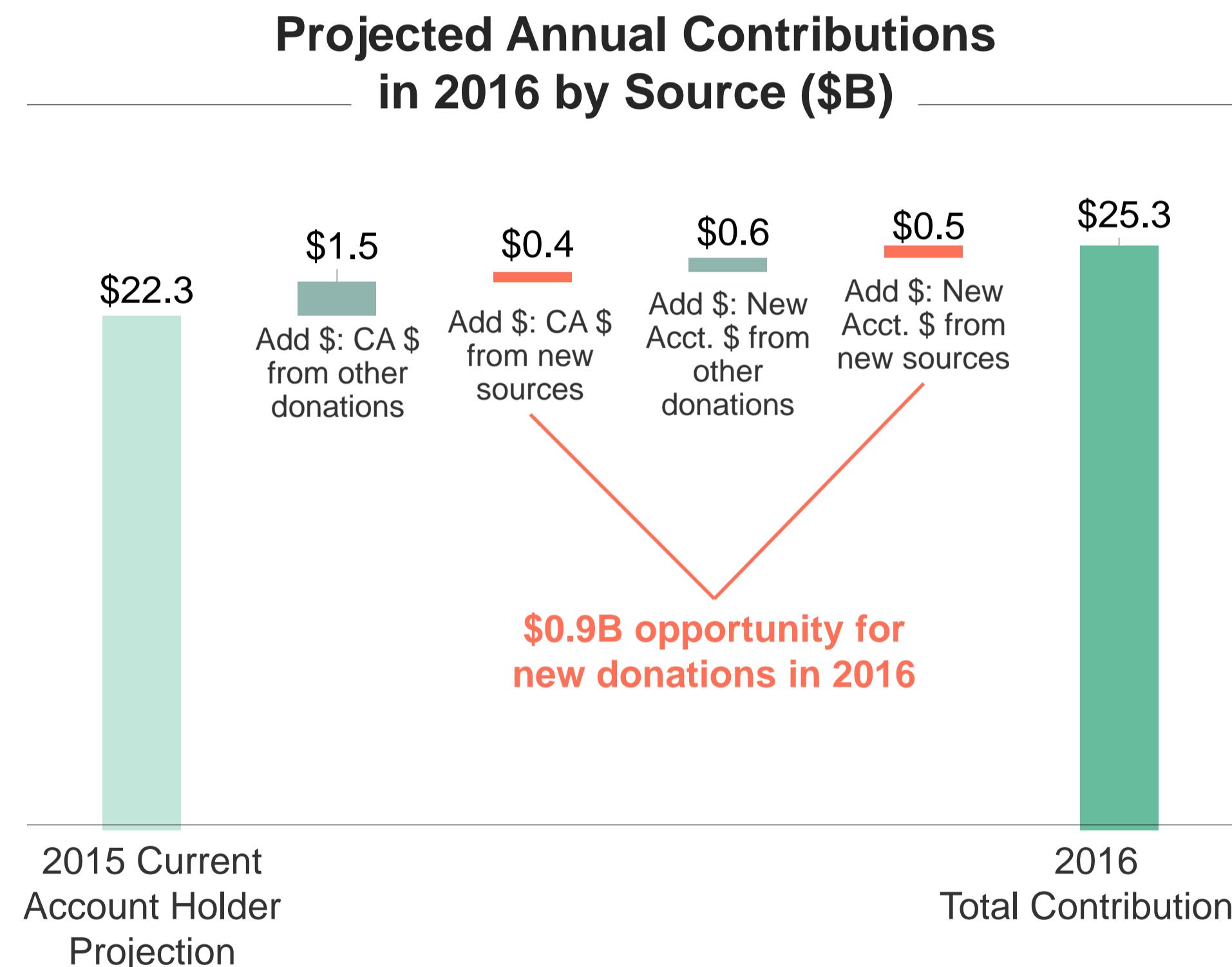
2 Enhance giving by increasing donors' thoughtfulness

3 Provide additional assets for social investments

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INCREASE

1

Estimated opportunity to increase giving through DAFs: ~$0.9-1.1B in 2016, increasing to $1.6-2.0B annually by 2020

Projected Annual Contributions in 2016 by Source ($B)

$22.3 — 2015 Current Account Holder Projection

$1.5 — Add $: CA $ from other donations

$0.4 — Add $: CA $ from new sources

$0.6 — Add $: New Acct. $ from other donations

$0.5 — Add $: New Acct. $ from new sources

$25.3 — 2016 Total Contributions

**$0.9B opportunity for new donations in 2016**
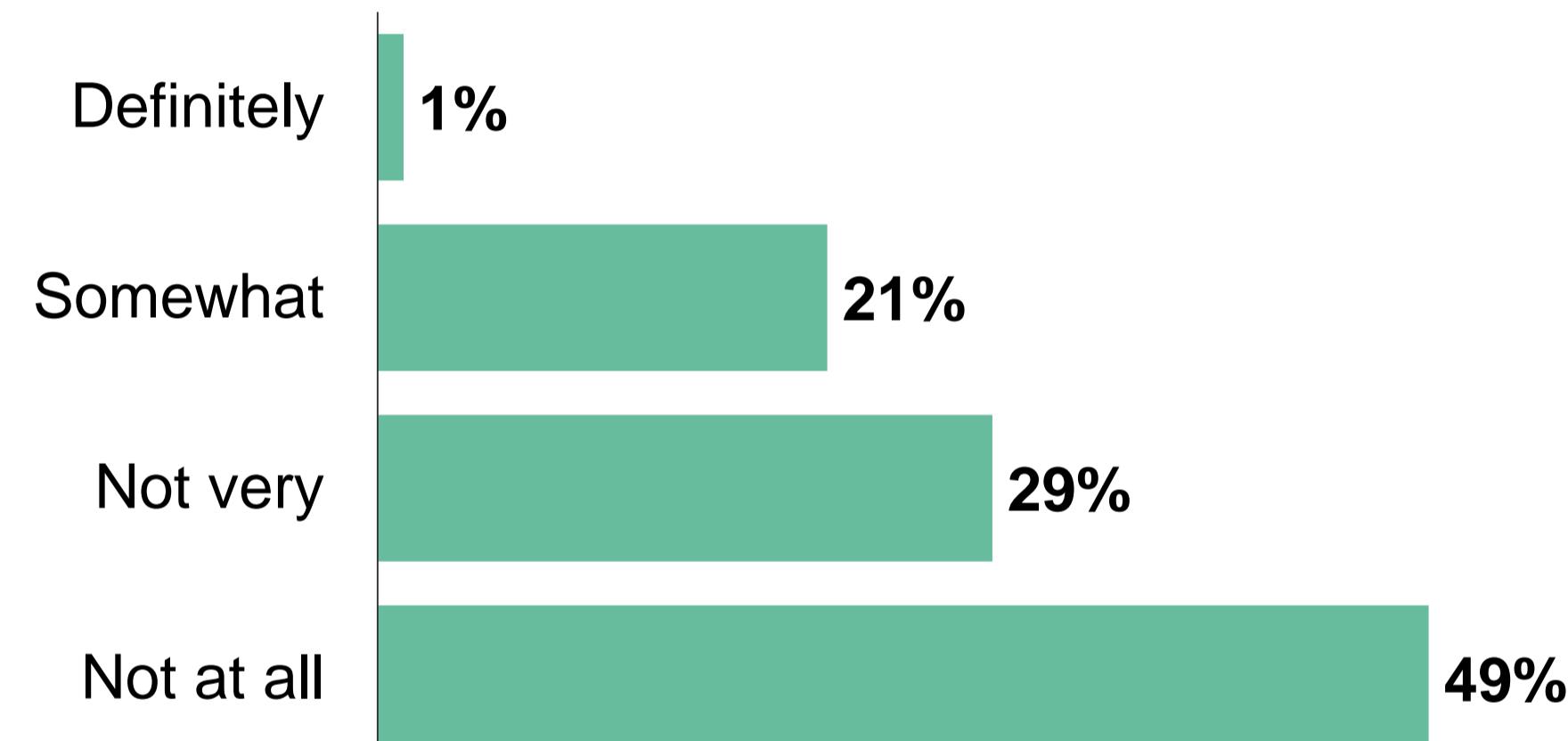
Assumptions

- ~13% annual growth rate in contributions, based on 5-year CAGR from 2008 to 2013

- ~4.5% annual growth in accounts, based on 5-year CAGR

- 46% of new account holders' funds, and 23% of current account holders' funds will come from sources other than direct donations or foundations

- With improved offer, potential to increase growth rate in contributions and accounts by 1-2% leads to additional $0.2B opportunity in 2016

- 2020 annual opportunity: $1.6-2.0B

Source: Camber Collective analysis of $FG 2015 Survey results and 2014 DAF Report by National Philanthropic Trust

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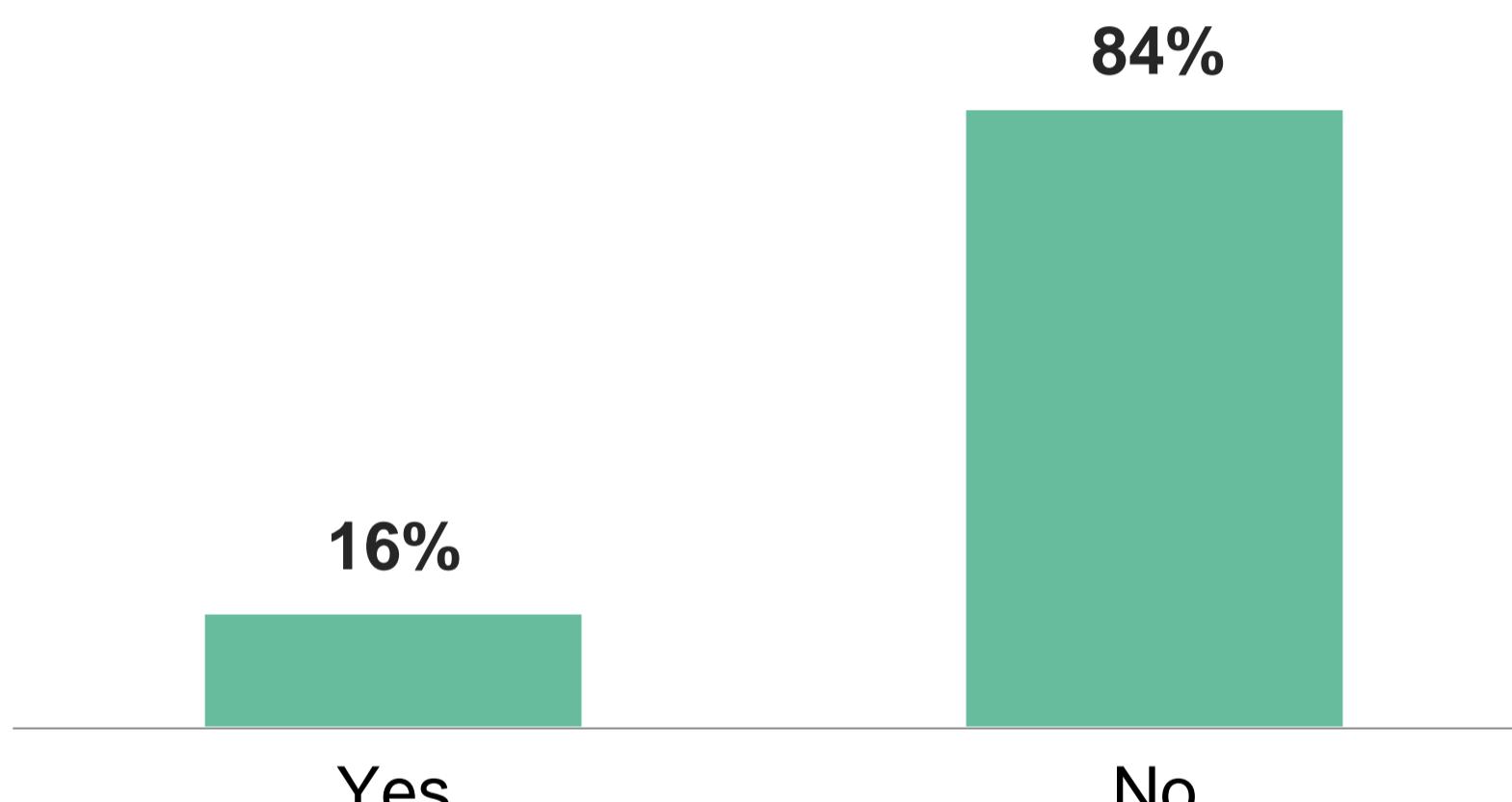
DAF interest among non-users is relatively low, suggesting most growth will come from existing users

Non-User Interest in DAFs

- Definitely **1%**
- Somewhat **21%**
- Not very **29%**
- Not at all **49%**

Note: n = 2723

Increased Interest if Offered by Financial Institution

Yes **16%**

No **84%**

Note: n = 2723

Main reasons for lack of interest: lack of personalization or initial donation minimum is too high.

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Many new DAF contributions would come from new sources, not from other forms of philanthropy
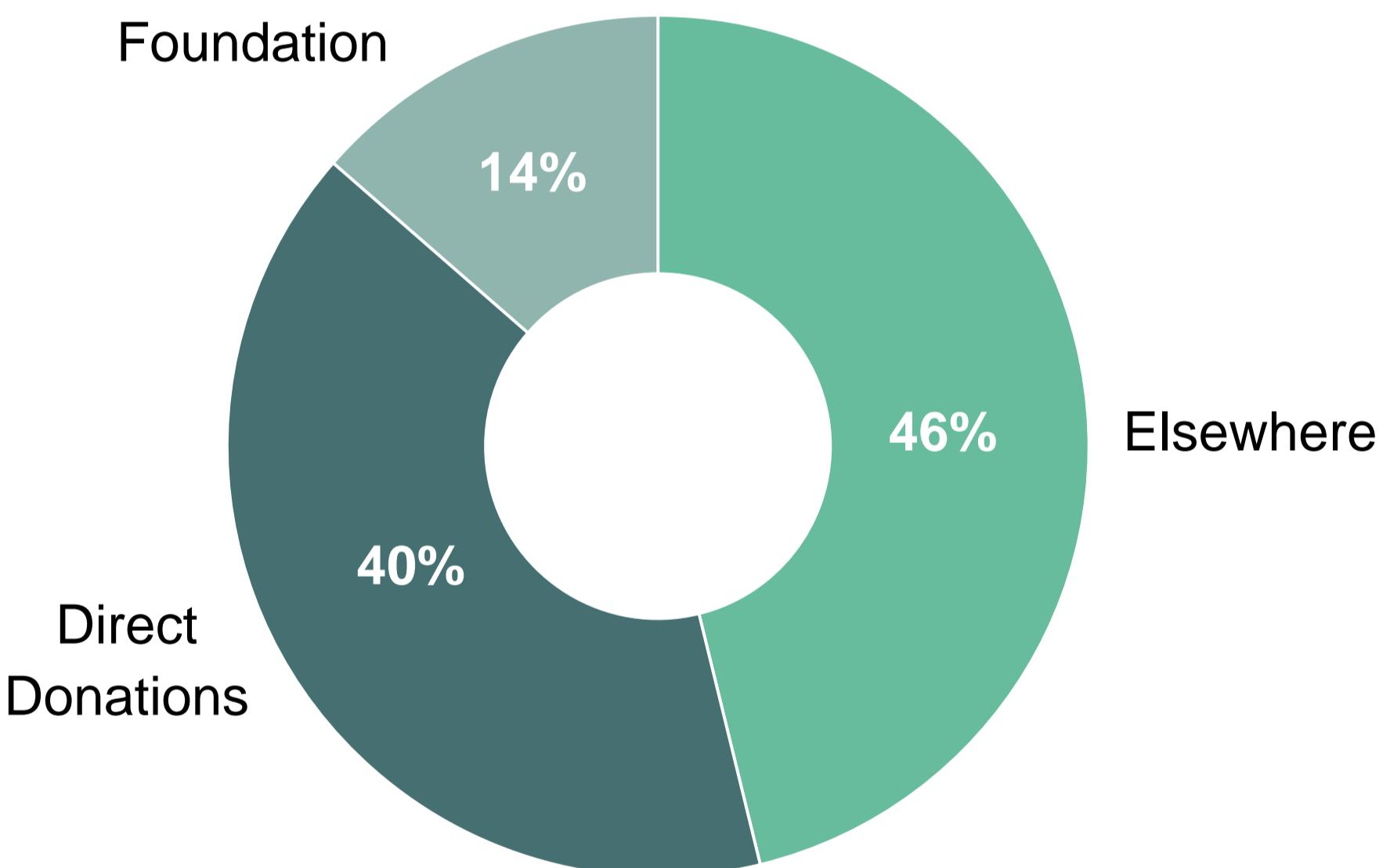
- 40% of potentially interested users indicate that DAF funds would come from direct donations.

  - Potential: reduce short-term donations to nonprofits if any of these funds are held in DAFs.

- 46% indicate that DAF funds would come from "elsewhere," suggesting that these would be new charitable dollars and likely increase giving overall.

According to Fidelity Charitable donor research, in each of the past seven years **2 out of every 3 donors felt their *giving increased as result of using a DAF***
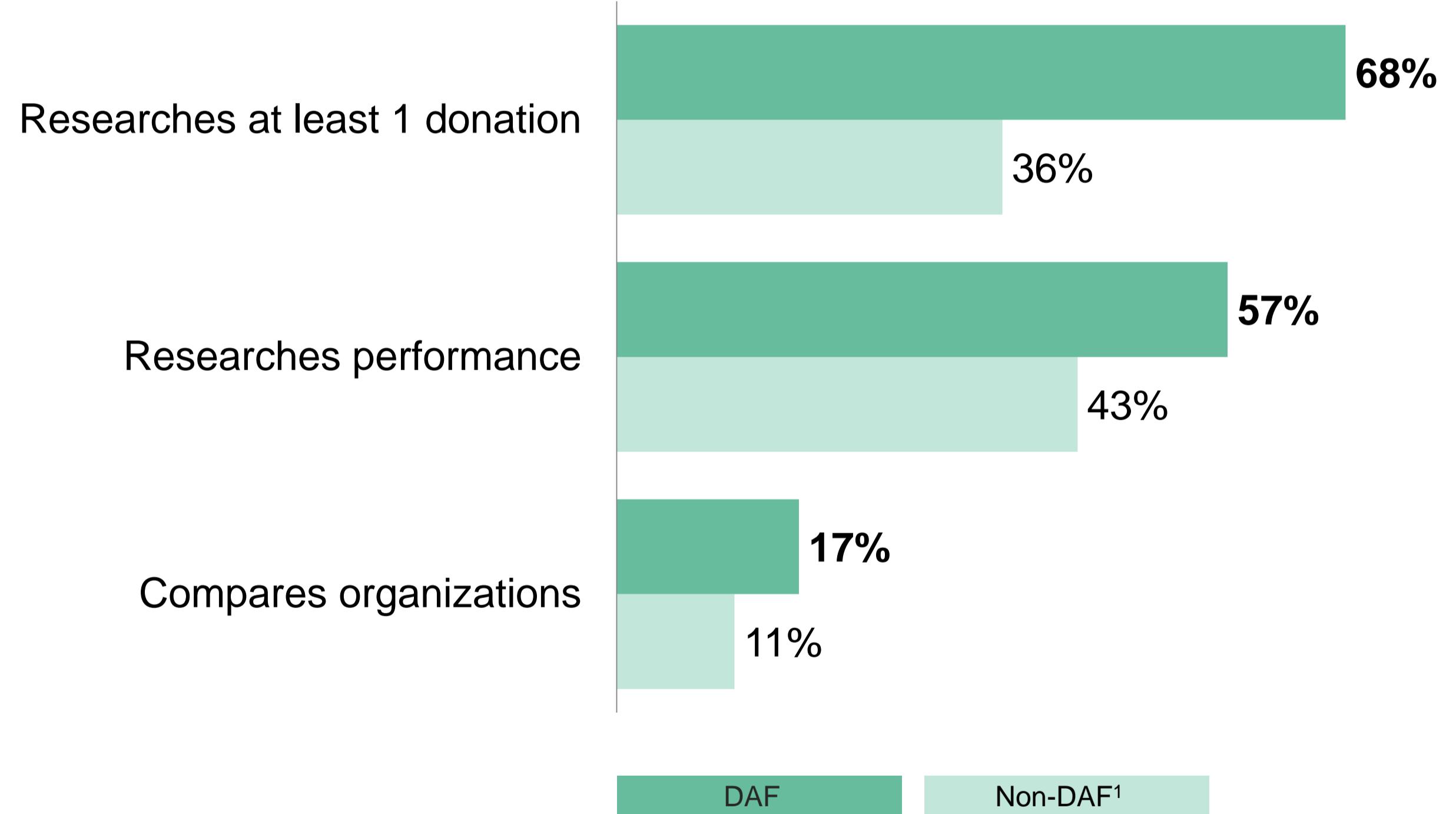
Survey Results: Where Would New DAF $ Come From?

Foundation

14%

46%   Elsewhere

40%

Direct
Donations

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Use of DAFs may lead to improved, more thoughtful giving…

Research Behavior

Researches at least 1 donation
68%
36%

Researches performance
57%
43%

Compares organizations
17%
11%

DAF | Non-DAF[1]

- DAF holders are more likely to engage in every type of nonprofit research than non-DAF holders

- Why? Perhaps because the DAF platform made it easier, perhaps because they are donors who are disproportionately likely to research

- DAFs may be an especially good offer for donors who do research

"Dedicated charitable accounts help donors take a thoughtful and impactful approach to their philanthropy."

– Amy Danforth, President, Fidelity Charitable told CNBC

Note: n = 188, the subset of 3,000 $FG survey respondents who reported holding a DAF
Source: $FG 2015 Quantitative Survey
1. Jesse Eisinger, "The Wall Street Takeover of Charity," ProPublica, 2014

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IMPROVE

2

…as DAF users are more likely to budget, give internationally, and give to causes of inequity

I Have ... For What I Will Give

A Budget
- **38%** (DAF User)
- 18% (Non-DAF User)

A General idea
- **57%** (DAF User)
- 51% (Non-DAF User)

No plan
- **5%** (DAF User)
- 31% (Non-DAF User)

DAF User   Non-DAF User

Causes Given To

Causes of Inequity*
- 95% (DAF User)
- 84% (Non-DAF User)

Nonprofits working outside U.S.
- 17% (DAF User)
- 11% (Non-DAF User)

DAF User   Non-DAF User

*Note: n = 188; causes of inequity include health, children/youth services, poverty/social welfare, economic development, women's issues, environment, community development, civil rights

Note: n = 188, the subset of 3,000 $FG survey respondents who reported holding a DAF
Source: $FG 2015 Quantitative Survey, questions 26, 7

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PROVIDE

3

DAFs are a potentially interesting channel for increasing social investments

DAF Users Prefer Funds Be Put Towards...

Donations to Nonprofits — **55%**

Impact Investments — **21%**

Mix — **24%**

45% interested in impact investing

- 45% of donors are interested in impact investments

- Share does not vary significantly by donor demographic

- Community foundation DAF users are more open to impact investing than national DAF users (59% vs. 39%)

Desired Investment Timeline

Reallocate in 1 year — **75%**

Reallocate in 3 years — **94%**

- 75% of donors would like to be able to reallocate invested funds within a year and 94% within 3 years, making it hard to enable long-term investment

- Donors may need more education to understand timing constraints

Note: n = 188, the subset of 3,000 $FG survey respondents who reported holding a DAF
Source: $FG 2015 Quantitative Survey, questions 55 and 56

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PROVIDE

3

Opportunity for DAFs to use assets to fund social investments: $14-22B per year

Average amount available for social investments per year, 2015-2020: projected at $20-31B

	Projected 2015 Assets	Social Investment Opportunity	Projected 2020 Assets	Social Investment Opportunity
NATIONAL	$34B	$7-11B	$72B	$15-23B
COMMUNITY	$25B	$5-8B	$41B	$9-14B
SINGLE ISSUE	$9B	$2-3B	$11B	$2-4B
TOTAL	**$68B**	**$14-22B**	**$124B**	**$26-41B**

Note: 75% of funds would be available for a year or less; an additional 19% would be available for less than 3 years, making it hard to enable long-term investment.

Note: n = 188, the subset of 3,000 $FG survey respondents who reported holding a DAF
Note: Camber Collective analysis of $FG 2015 and 2014 DAF Report data

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DAFs can start to realize these opportunities in a variety of ways:

- Strengthen dimensions of the offer that donors value in the type of DAF, but do not feel the DAF delivers on (e.g., opportunities to connect with other DAF users, pre-vetted nonprofits).

- Reinforce messaging on these dimensions of the offer.

- Consider further research with a larger sample size, to understand the degree to which current offer(s) drive accountholder behavior.

- Develop a platform to allow companies to match employee contributions to their DAF, similar to 401(k) matching platforms.

- Test appetite for impact investments by making common product(s) available through platforms (e.g., Calvert Community Investment note, Nature Conservancy Conservation note) and measuring uptake.

- Support deeper research, to understand product characteristics and other offer dimensions required to drive impact investments through DAFs.

- Develop policy paper that articulates benefits of DAFs and describes DAF account holder characteristics.

- To support DAF advocacy efforts, agree on standard questions to ask when donors capitalize accounts, about whether giving is incremental or would have been given otherwise.

Sources: "Monthly & Annual Retail Trade," U.S. Census Bureau, February 2015
Evidence from the Diary of Consumer Payment Choice," Cash Product Office, Federal Reserve System, April 2014
"America's Charity Checkout Champions," Cause Marketing Forum 2012

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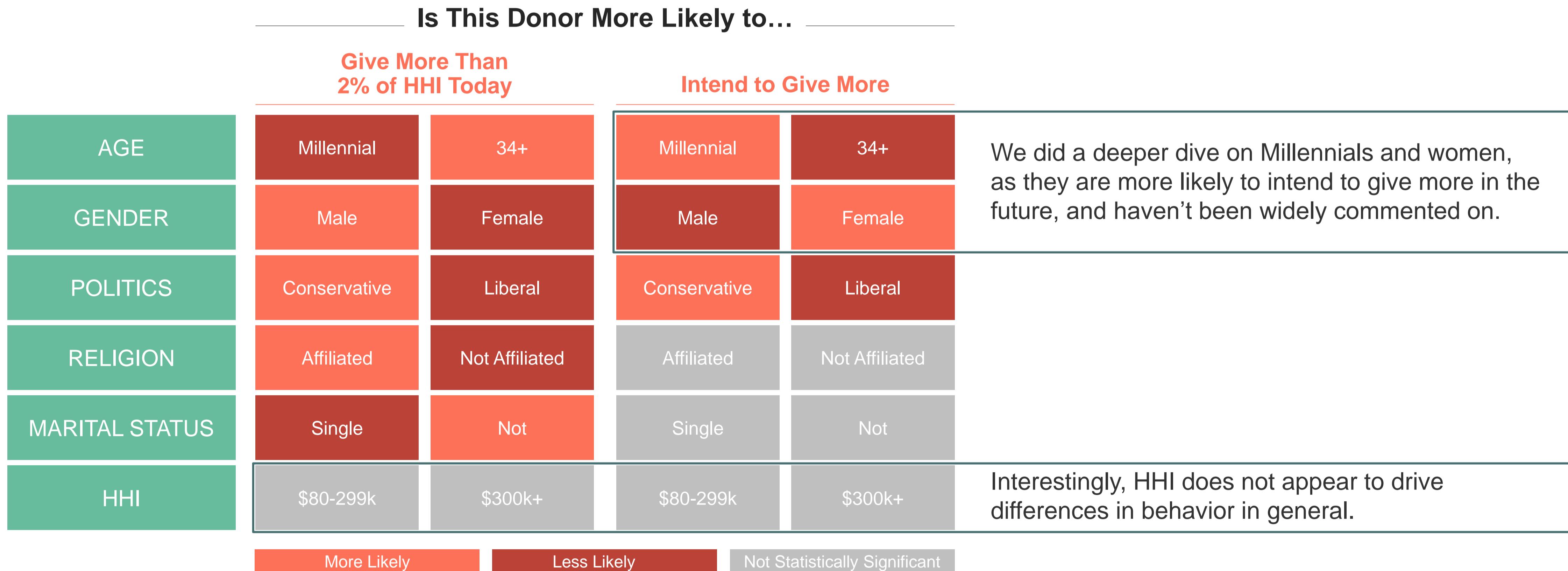
SECTION 2: OTHER OPPORTUNITIES TO IMPROVE GIVING

| Leveraging Non-Traditional Giving Channels

   | Workplace Giving

   | POS Giving

   | DAF Giving

| Understanding Demographic Differences

| Fundraiser's Segmentation
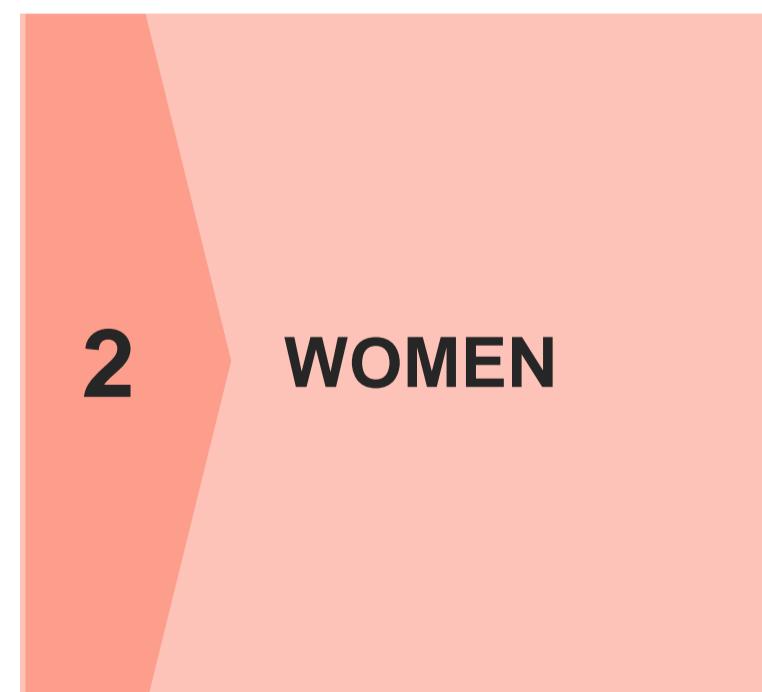
Overview of Demographics

Millennials and women: important demographic factors that vary by segment

HHI: does not appear to drive differences in behavior in general or by segment

Is This Donor More Likely to…

	Give More Than 2% of HHI Today		Intend to Give More	
AGE	Millennial	34+	Millennial	34+
GENDER	Male	Female	Male	Female
POLITICS	Conservative	Liberal	Conservative	Liberal
RELIGION	Affiliated	Not Affiliated	Affiliated	Not Affiliated
MARITAL STATUS	Single	Not	Single	Not
HHI	$80-299k	$300k+	$80-299k	$300k+

We did a deeper dive on Millennials and women, as they are more likely to intend to give more in the future, and haven't been widely commented on.

Interestingly, HHI does not appear to drive differences in behavior in general.

More Likely **Less Likely** **Not Statistically Significant**

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Highest opportunity across demographics: Millennials and women

HOW TO CAPTURE THE OPPORTUNITY

|	Opportunity	Nonprofits	Third-Party Providers
1 MILLENNIALS	• Strong intent to give more • Involved in giving, diligent in their research and giving behaviors • Less set in their giving habits, less loyal	• Focus on greater pull-through from volunteering to donations • Provide desired information on what range of donation amount provide	• Leverage preference for online research, acknowledge tendency to be overwhelmed with information • Encourage tendency to research, reflect, and "evolve" in giving
2 WOMEN	• Strong intent to give more • Involved, idealistic in their giving • Tend to feel stretched for time and guilty	• Appeal to idealism through positive, motivating messages, help to assuage guilt • Inspire "connection" to cause by prompting donor to reflect on relevance to life event	• Position services as time saving • Appeal to idealism through positive, motivating messages, help to assuage guilt

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Millennials: An opportunity to introduce strong giving habits

Millennials give a smaller share of HHI than other donors but are more engaged in philanthropy and intend to give more going forward.

Giving today (% HHI)

- Give less than 1%: 66% / 53%
- Give 1-3%: 20% / 30%
- Give more than 3%: 14% / 17%

Engagement

Volunteers: 78% / 65%

Fundraises: 51% / 35%

Intentions

Thinks people should give more than 5% of HHI: 70% / 59%

Intends to increase donations next year: 46% / 32%

Millennials   Age 34+

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Millennials: Open to influence

Millennials are less set in their giving habits, more likely to seek others' advice on how much to give, and more likely to research online—which can be primed with good information at scale
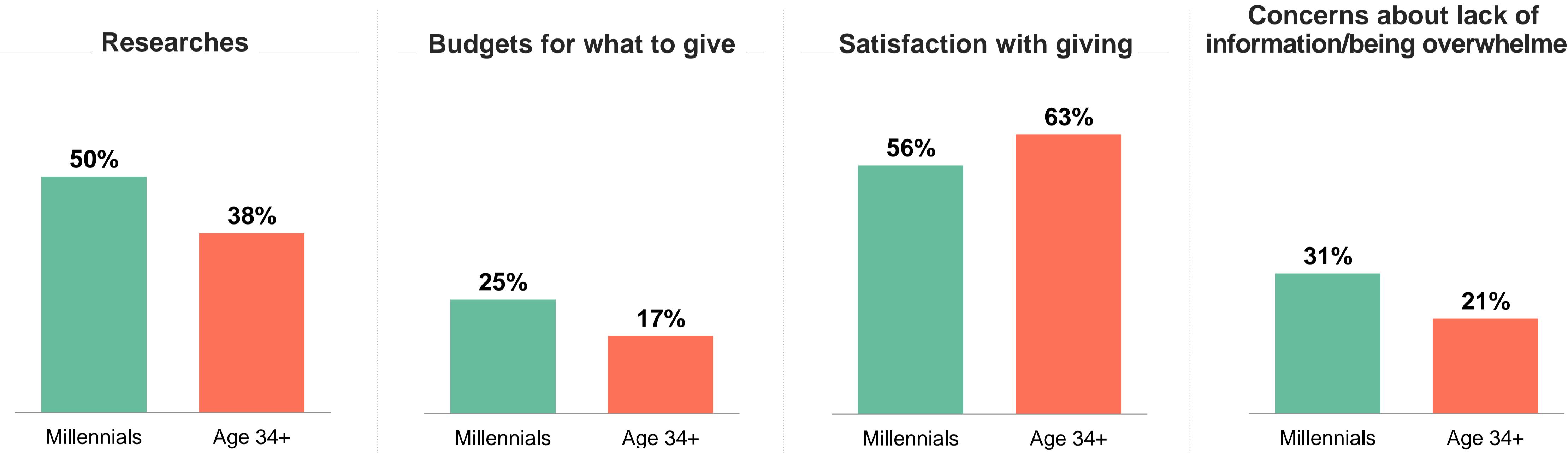
Intends to switch

- Millennials: 21%
- Age 34+: 11%

Seeks advice on how much to give

- Millennials: 43%
- Age 34+: 28%

Online research sources

- Millennials: 57%
- Age 34+: 43%

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Millennials: More diligent but less satisfied, greater needs
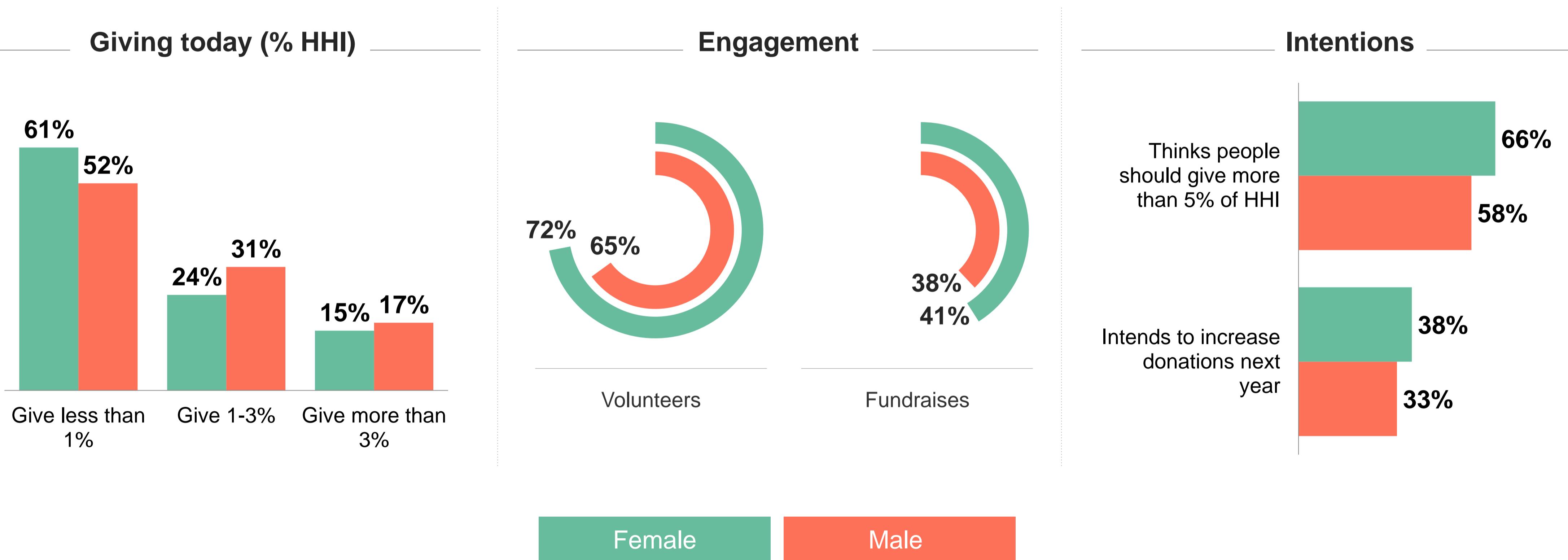
Millennials are diligent donors but are also less satisfied with their giving and more likely to get overwhelmed. Together, these factors suggest a need and opportunity to make giving easier.

Researches

- Millennials: 50%
- Age 34+: 38%

Budgets for what to give

- Millennials: 25%
- Age 34+: 17%

Satisfaction with giving

- Millennials: 56%
- Age 34+: 63%

Concerns about lack of information/being overwhelmed

- Millennials: 31%
- Age 34+: 21%

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Women: Give less but more engaged, with the intent to give more
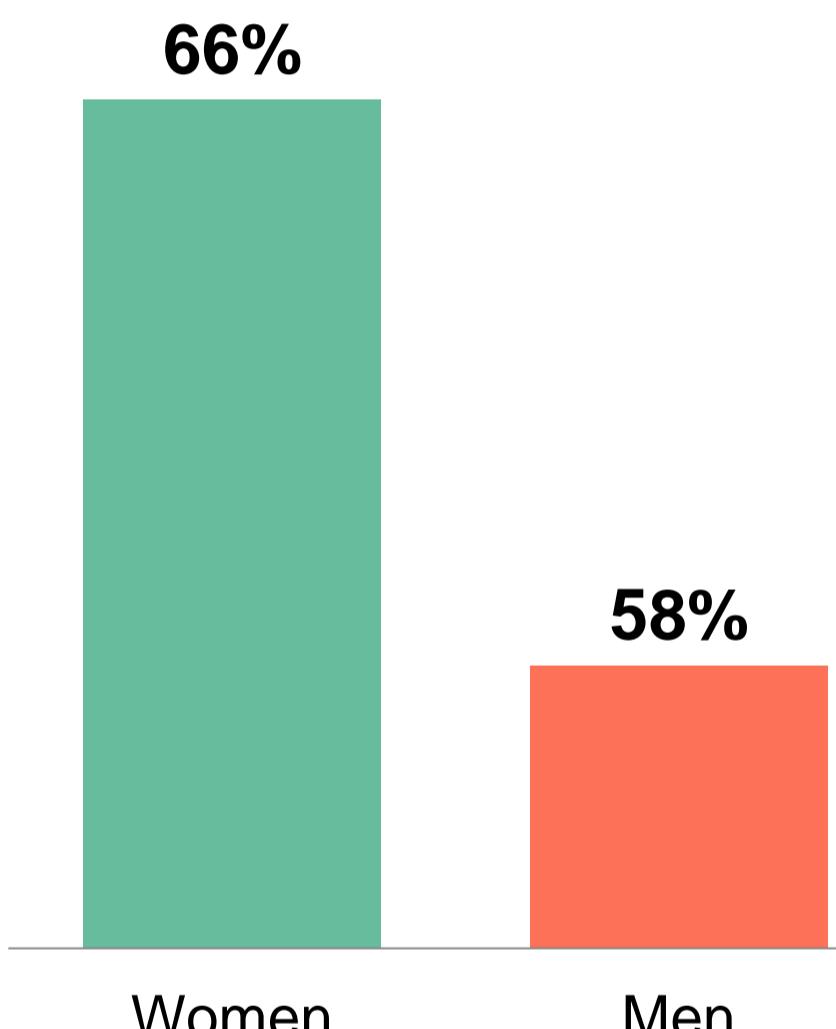
Compared with Millennials, women give less today but are engaged and have intentions to give more, albeit to a lesser extent than Millennials

Giving today (% HHI)

- Give less than 1%: **61%** / **52%**
- Give 1-3%: **24%** / **31%**
- Give more than 3%: **15%** / **17%**

Engagement

- Volunteers: **72%** / **65%**
- Fundraises: **38%** / **41%**

Intentions

- Thinks people should give more than 5% of HHI: **66%** / **58%**
- Intends to increase donations next year: **38%** / **33%**

Female   **Male**

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Women: More idealistic, but stretched

Women are more likely to think everyone should be giving more but find themselves constrained and feeling guilty about the amount that they give.
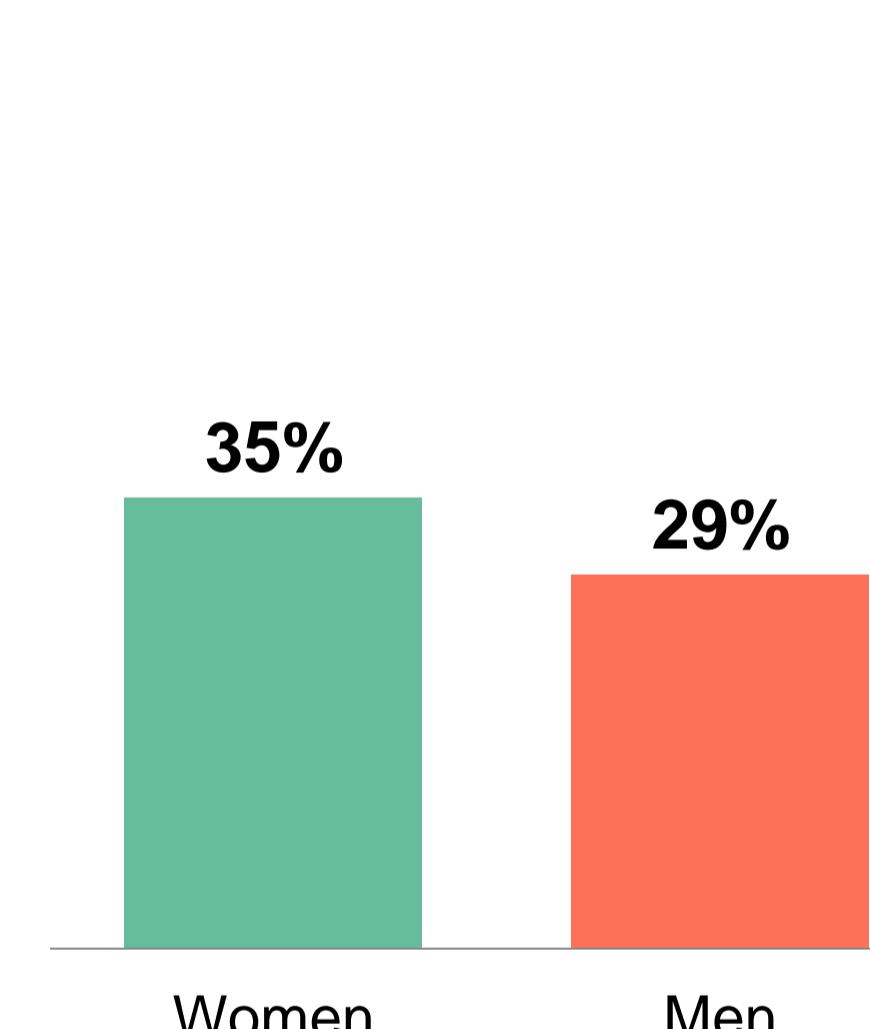
I think people should give more than 5% of HHI

- Women: 66%
- Men: 58%

I feel guilty for not giving more

- Women: 31%
- Men: 25%

I give as much as I can

- Women: 35%
- Men: 29%
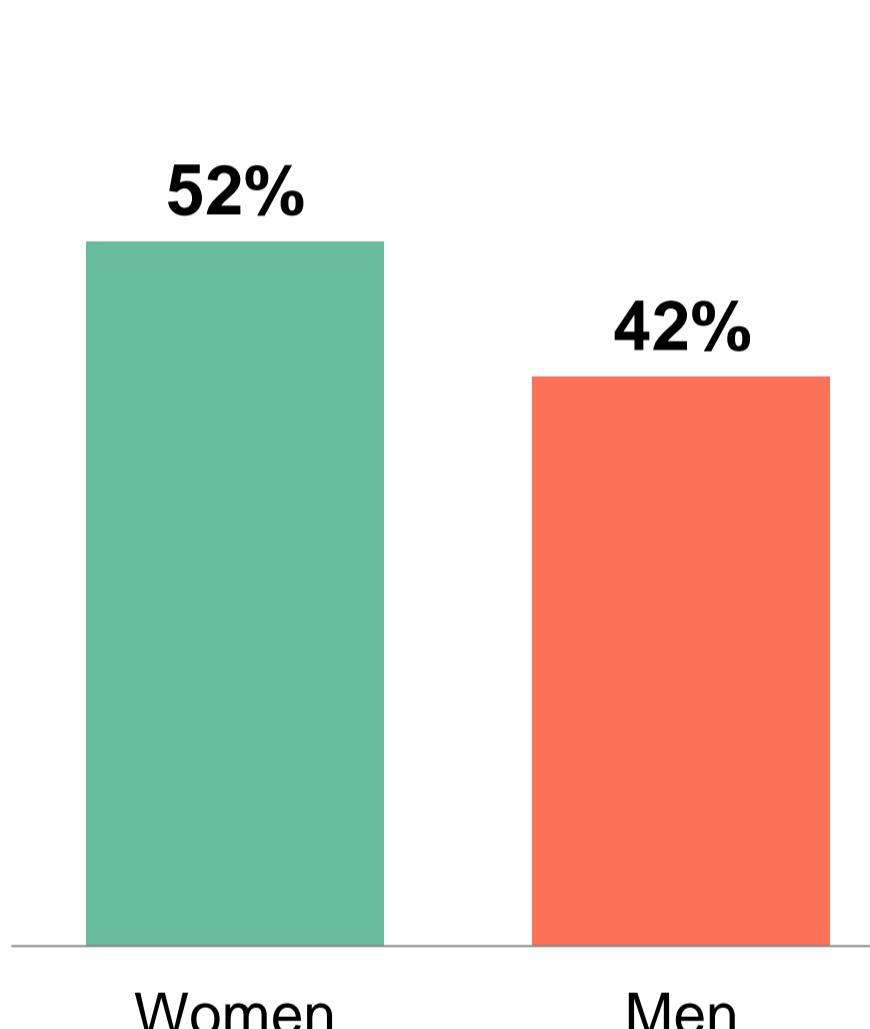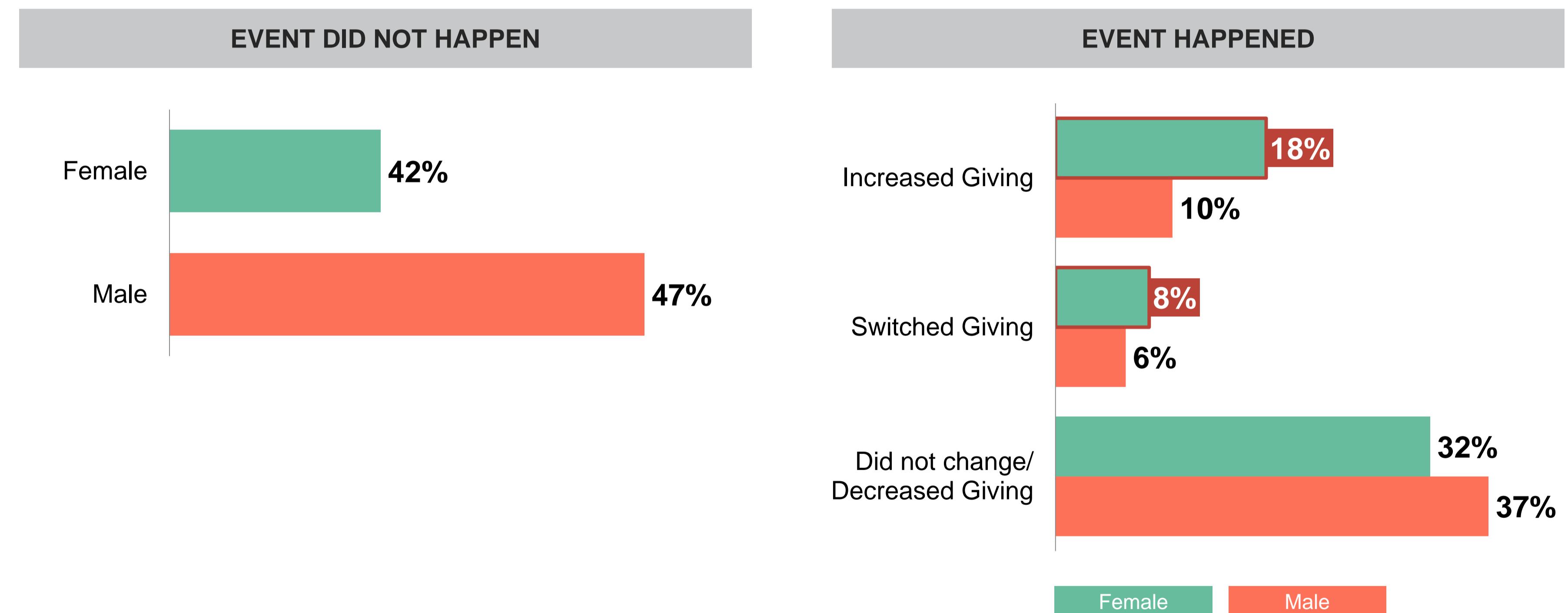
I am stretched for time

- Women: 52%
- Men: 42%

Women: Life events drive a need to give back
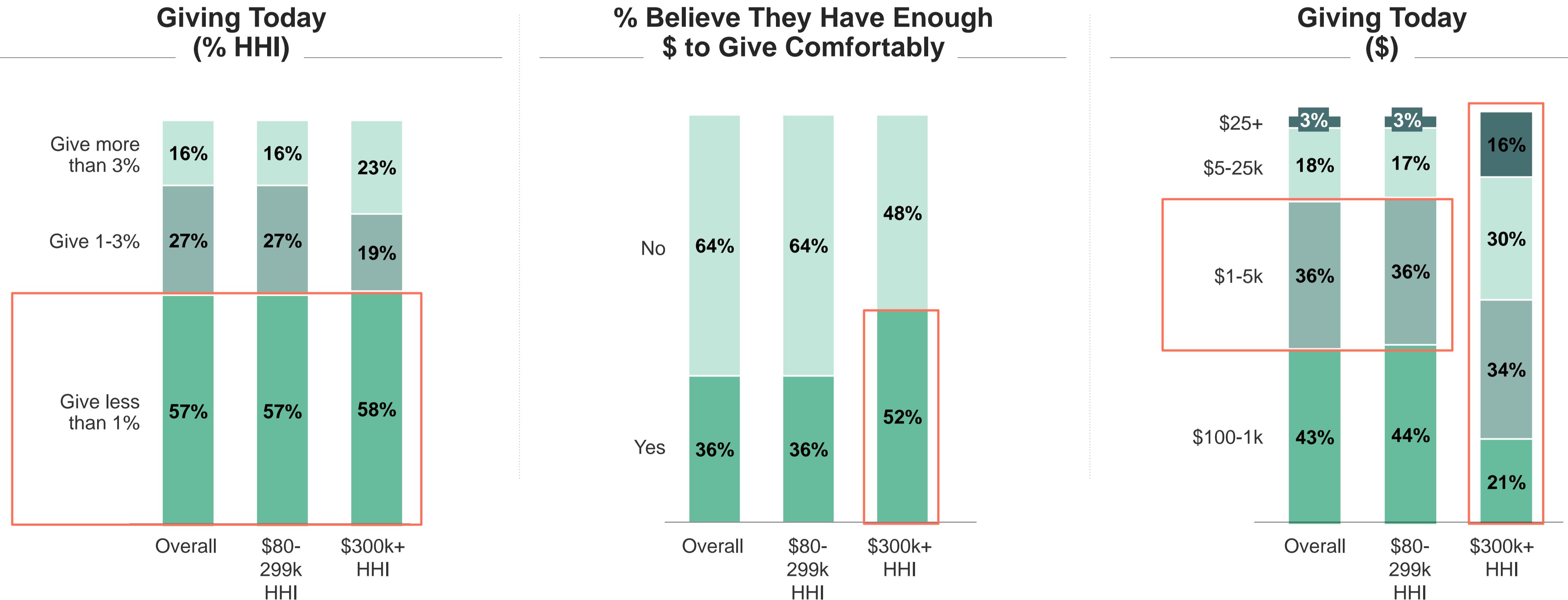
Over a quarter of women (26%) are likely to say that a challenging life event changed their giving behavior, while only 16% of men make the same statement.

Challenging Life Event Happened To Self, Friend, or Family

EVENT DID NOT HAPPEN

Female **42%**

Male **47%**

EVENT HAPPENED

Increased Giving
- **18%**
- **10%**

Switched Giving
- **8%**
- **6%**

Did not change/ Decreased Giving
- **32%**
- **37%**

Female   Male

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High-Net-Worth Donors: Consistent giving behaviors despite greater resources
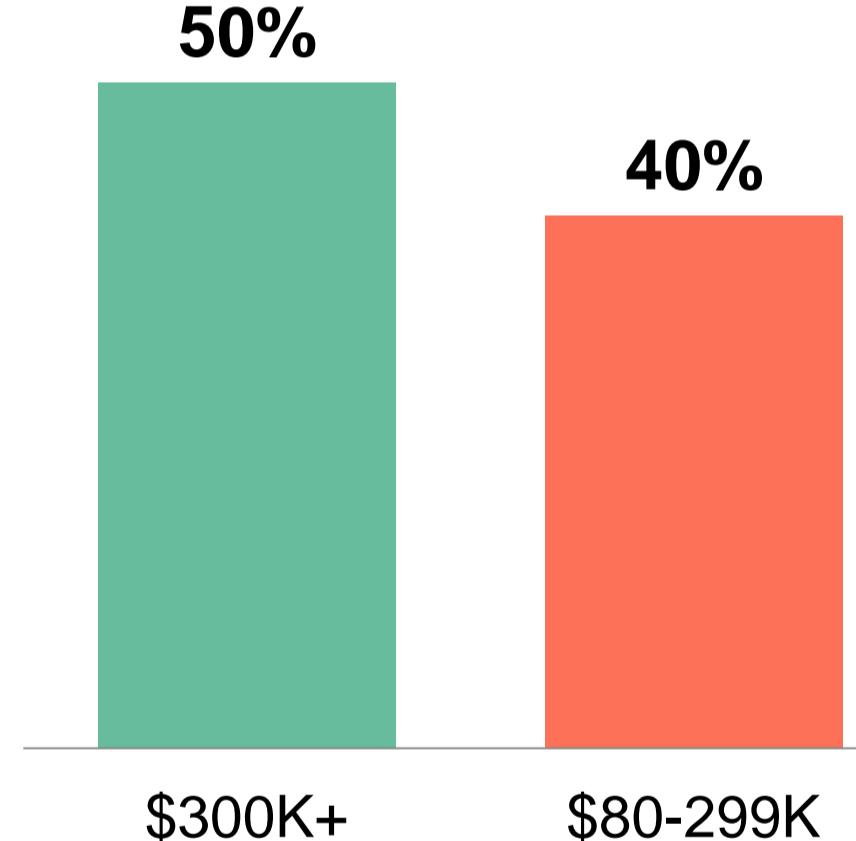
Donors with HHI of $300K+ are not more likely to give a higher percentage, despite being more likely to recognize they have the assets to do so; but they do give more in absolute numbers.

Giving Today (% HHI)

	Overall	$80-299k HHI	$300k+ HHI
Give more than 3%	16%	16%	23%
Give 1-3%	27%	27%	19%
Give less than 1%	57%	57%	58%

% Believe They Have Enough $ to Give Comfortably

	Overall	$80-299k HHI	$300k+ HHI
No	64%	64%	48%
Yes	36%	36%	52%

Giving Today ($)

	Overall	$80-299k HHI	$300k+ HHI
$25+	3%	3%	16%
$5-25k	18%	17%	30%
$1-5k	36%	36%	34%
$100-1k	43%	44%	21%

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High-Net-Worth Donors: Perceived resources and constraints

High-net-worth donors recognize their success and good fortune and feel less financially stretched but are more likely to want luxury and not more likely to feel that giving is important.
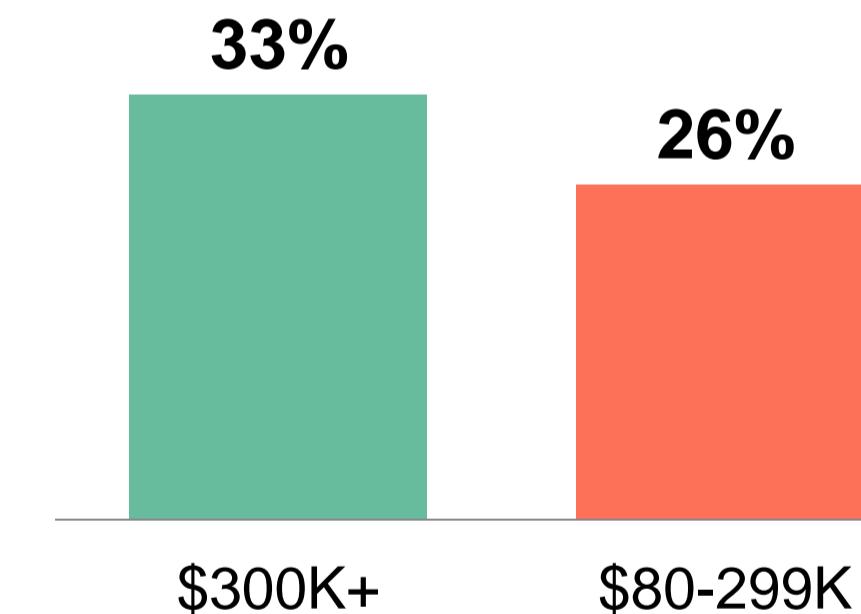
I have been more successful in life than I expected

50%	40%
$300K+	$80-299K

I feel financially stretched

10%	15%
$300K+	$80-299K

My success was due to my good fortune

33%	26%
$300K+	$80-299K

I like a lot of luxury in my life

20%	14%
$300K+	$80-299K

Donors earning $300K+ are neither more nor less likely to feel a responsibility to give, that giving is central to their lives, that it is important to give back, or that their giving makes a difference compared with donors earning $80-299K.

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Leveraging Non-Traditional Giving Channels · Workplace Giving · POS Giving · DAF Giving · Understanding Demographic Differences · Fundraiser's Segmentation

SECTION 2: OTHER OPPORTUNITIES TO IMPROVE GIVING

| Leveraging Non-Traditional Giving Channels

| Workplace Giving

| POS Giving

| DAF Giving

| Understanding Demographic Differences

| Fundraiser's Segmentation

$FG 2015 segmentation: identify donors most likely to change behavior
$FG I segmentation: better for pure fundraising

Benefits of $FG 2015 Segmentation
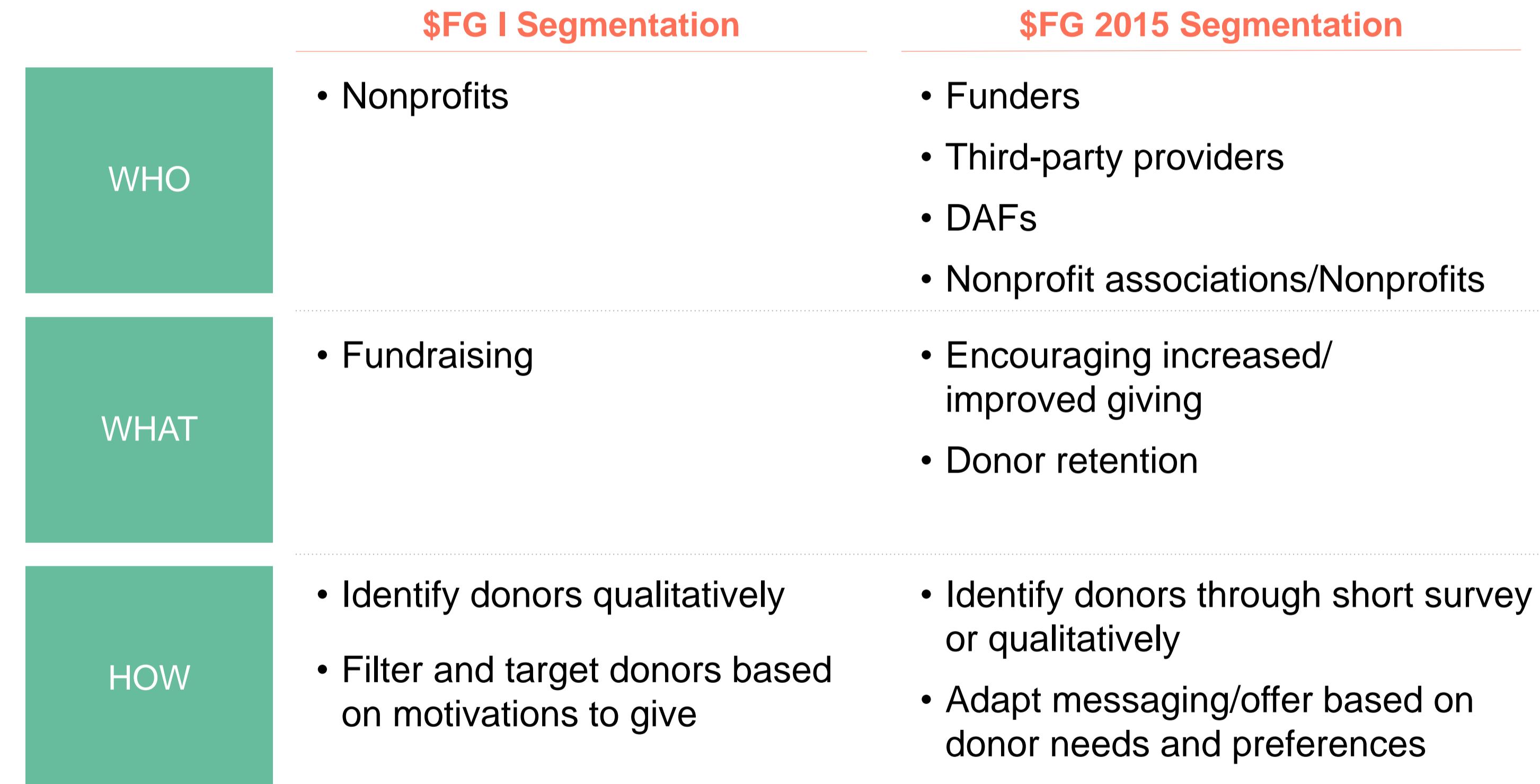
- The $FG I segmentation was based on giving motivations. It enabled nonprofits to identify the donor segments that aligned most closely with their work (i.e., High-Impact, Repayer) and was ideal for fundraising.

- The $FG 2015 segmentation was designed to identify how to increase or shift donor giving behavior. It is aimed at organizations with these philanthropic objectives and can be used by nonprofits as a stewardship tool.

- Use of variables related to proactivity, intent, and current giving behavior in the $FG 2015 segmentation allows a stronger understanding of the likelihood that a donor in a given segment will change his or her behavior.

$FG Segmentations

$FG I Segmentation Variables (2010)

Giving Motivation

$FG 2015 Segmentation Variables

Giving Behaviors

Proactivity and Intent

Attitudes and Beliefs

Perception of Resources

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Our view on how to use both segmentations

Both segmentations are relevant and useful for stakeholders in the sector:

	$FG I Segmentation	**$FG 2015 Segmentation**
WHO	• Nonprofits	• Funders • Third-party providers • DAFs • Nonprofit associations/Nonprofits
WHAT	• Fundraising	• Encouraging increased/ improved giving • Donor retention
HOW	• Identify donors qualitatively • Filter and target donors based on motivations to give	• Identify donors through short survey or qualitatively • Adapt messaging/offer based on donor needs and preferences

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How $FG 2015 donors map to the $FG I segmentation

The sizes of the $FGI segments remain roughly consistent across surveys:

$FG I Segments	$FG I	$FG 2015
PERSONAL TIES	13%	8%
HIGH-IMPACT	16%	17%
CASUAL GIVER	18%	16%
SEE THE DIFFERENCE	14%	20%
FAITH BASED	16%	14%
REPAYER	23%	25%

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Leveraging Non-Traditional Giving Channels   Workplace Giving   POS Giving   DAF Giving   Understanding Demographic Differences   Fundraiser's Segmentation

Mapping $FG I segments across $FG 2015 segments

Crossing segmentations allows better understanding of the motivations of $FG 2015 segments:

$FG I Segments	Unengaged Critic	Unaware Potential	Cautious Striver	Busy Idealist	Contented Benefactor
PERSONAL TIES	9%	9%	7%	5%	8%
HIGH-IMPACT	14%	17%	18%	22%	18%
CASUAL GIVER	17%	15%	14%	12%	18%
SEE THE DIFFERENCE	24%	19%	16%	17%	20%
FAITH BASED	14%	15%	15%	19%	12%
REPAYER	22%	24%	30%	25%	23%

- Unengaged Critics need to "see the difference" in order to ease their skepticism

- Cautious Strivers are motivated to "give back" in appreciation of their good fortune

- Busy Idealists tend to be religiously motivated but want to see the "high-impact" of their giving

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BEYOND
$FG 2015

Learn more about this report and the full $FG series of research: www.CamberCollective.com/MoneyForGood

Now and in the future, the $FG website will serve as a hub to:

- View and share quick summaries of $FG's top findings

- Download this full report, the $FG 2015 segmentation toolkit, and supporting raw data

- Discover additional opportunities to learn more about $FG (e.g. conferences or webinars)

- Sign up for regular $FG updates

- Contact us directly to discuss $FG

We aim to repeat the $FG survey annually with limited data capture. Every few years, with additional support, we hope to conduct a full survey to add depth and insight into the "voice of the donor" for charitable giving.

Remaining questions and areas for further research

Our findings and analysis have uncovered several areas worthy of further research:

- **Testing our recommendations:**
  How and with whom can we further test our recommendations to determine their ultimate impact on donor behavior, particularly amount and quality of giving?

- **Annual $FG survey:**
  How can we implement a repeatable survey to better track changes in donor behavior over time?

- **A/B testing research program:**
  What does an ideal iterative message testing program look like?

- **Impact investing:**
  What can be done to get more impact investing funding into the market and deployed, from both a systematic and a donor attitudinal perspective?

- **DAFs:**
  How can both community foundation and national DAF organizations improve their offer to increase giving effectiveness and encourage donors to improve their giving?

Appendix

| Hypothesis Testing

| Channel Calculation Methodology

| Additional Segmentation Tools

| $FG 2015 Team Members

Overview of Hypotheses Testing

On the basis of what we learned in the focus groups, we tested several recommendations that we believe could have a significant impact on donors' giving behaviors:
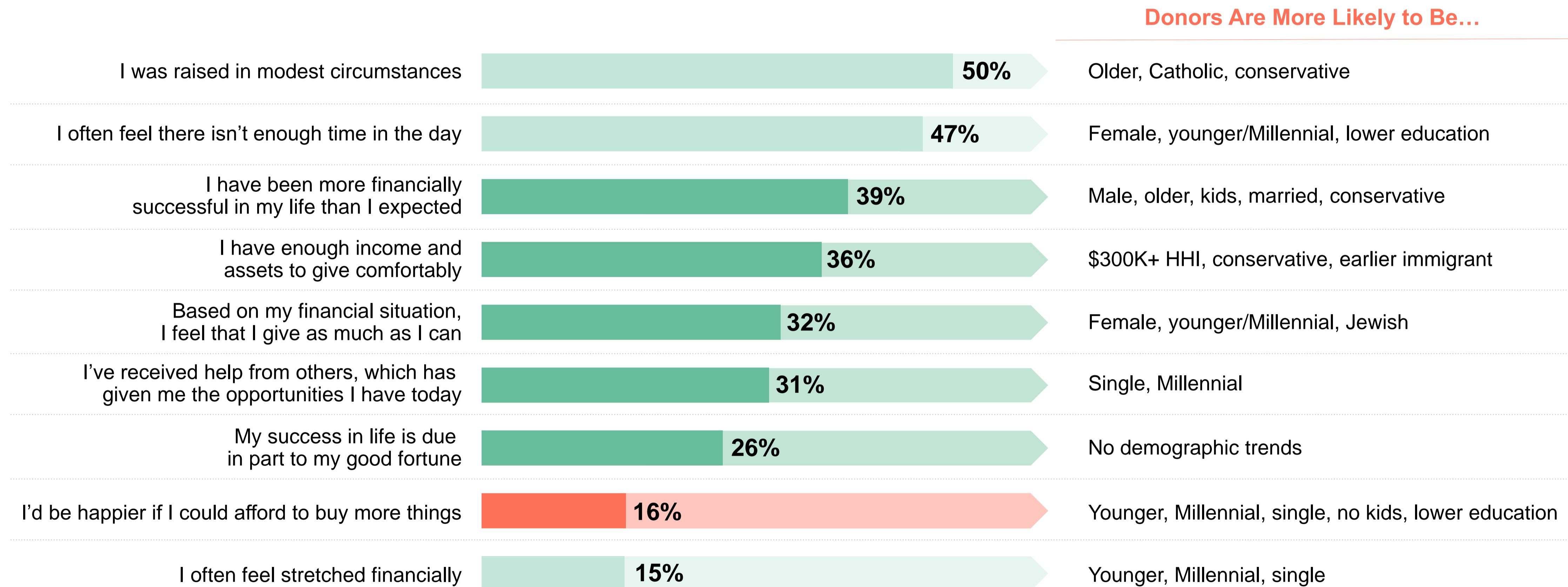
Perception of resources	Attitudes/Concerns Around Giving	Giving Behaviors
More Successful Than Expected	Feels Giving Is Very Important	Engagement
Perceives Enough Resources To Give Comfortably	Has Confidence In Giving	Researches Giving
Has Received Help From Others	Was Taught And Wants To Teach Kids About Giving	Budgets Giving
Materialistic	Feels Guilty About Not Giving Enough	Gives Through DAFs
Feels Stretched Financially	Feels Overwhelmed / Lacks Info On Giving	Gives Through PoS Giving
Feels Stretched For Time	Has Concerns About Enabling Others	Gives Through Workplace

Linked To Higher Giving[1]   Linked To Lower Giving[2]   Not Statistically Significant

1. The greater the level of agreement with this statement, the higher percentage of HHI the donor gives.
2. The greater the agreement, the lower the percentage of HHI the donor gives.

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Perception of Resources

Donors' perceived resources influence the amount they give and these vary by demographics:

Donors Are More Likely to Be…

Statement	%	Donors Are More Likely to Be…
I was raised in modest circumstances	50%	Older, Catholic, conservative
I often feel there isn't enough time in the day	47%	Female, younger/Millennial, lower education
I have been more financially successful in my life than I expected	39%	Male, older, kids, married, conservative
I have enough income and assets to give comfortably	36%	$300K+ HHI, conservative, earlier immigrant
Based on my financial situation, I feel that I give as much as I can	32%	Female, younger/Millennial, Jewish
I've received help from others, which has given me the opportunities I have today	31%	Single, Millennial
My success in life is due in part to my good fortune	26%	No demographic trends
I'd be happier if I could afford to buy more things	16%	Younger, Millennial, single, no kids, lower education
I often feel stretched financially	15%	Younger, Millennial, single

Linked To Higher Giving[1]   Linked To Lower Giving[2]

1. The greater the level of agreement with this statement, the higher % of HHI the donor gives.
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Top Concerns Related to Giving

Half of donors are concerned they do not know how their donation is used, a quarter do not have any concerns.

Younger donors are more likely to feel overwhelmed, and this is linked to lower giving.

Donors Are More Likely to Be…

| Concern	%	Donors Are More Likely to Be…
How the organization uses my money	49%	Older, more educated, conservative
I feel hassled by the frequency of solicitations	34%	Older and/or conservative
I lack information / don't know what to consider / feel overwhelmed	23%	Younger, single, liberal, not religiously affiliated
Nonprofits are always in crisis / are trying to keep themselves	19%	Male, single, conservative, more highly educated
I have concerns about "enabling others"	15%	Conservative, kids, earlier U.S. immigrant
I don't have any specific concerns	26%	No clear demographic trends

Linked To Higher Giving[1]   Linked To Lower Giving[2]

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General Attitudes on Giving

Importance of giving, family values, and confidence in nonprofits are linked to higher giving:

Donors Are More Likely to Be…

Statement	%	Donors Are More Likely to Be…
It's important to give back to my community and family	58%	Female, religious
My giving makes a difference	46%	Female, single, lower education," religious
Everyone has a responsibility to give	45%	Female, religious
Growing up, my parents taught me about the importance of giving	37%	Female, younger/Millennial, single, religious
I have confidence in nonprofits and the work that they do	33%	Female, younger/Millennial, single
Sometimes I feel guilty for not giving enough	28%	Female, younger/Millennial, single
Most people I know believe that everyone has a responsibility to give	26%	Female, single, religious
I give to nonprofits to teach my kids the importance of giving	25%	Female, more recent immigrant, religious (especially Jewish)
Giving is central to my life	24%	Female, Millennial, single, more recent immigrant

**Linked To Higher Giving[1]** **Linked To Lower Giving[2]**

1. The greater the level of agreement with this statement, the higher % of HHI the donor gives.
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Behaviors: Engagement

Donors who volunteer or fundraise are more likely to be giving more than average; interestingly, donors who sit on the board of a nonprofit are likely to give less than those who do not

Donors Are More Likely to Be…

|		
Volunteered at least once	**69%**	Women, younger donors/Millennials, and people with kids volunteer more
Attended at least 1 event	**65%**	Younger/Millennials and single donors tend to attend events and fundraise more
Raised money on behalf of a nonprofit	**40%**	No demographic trends
Served on a board	**21%**	Board members tend to be Millennials, more educated, more liberal

Linked To Higher Giving[1]   Linked To Lower Giving[2]
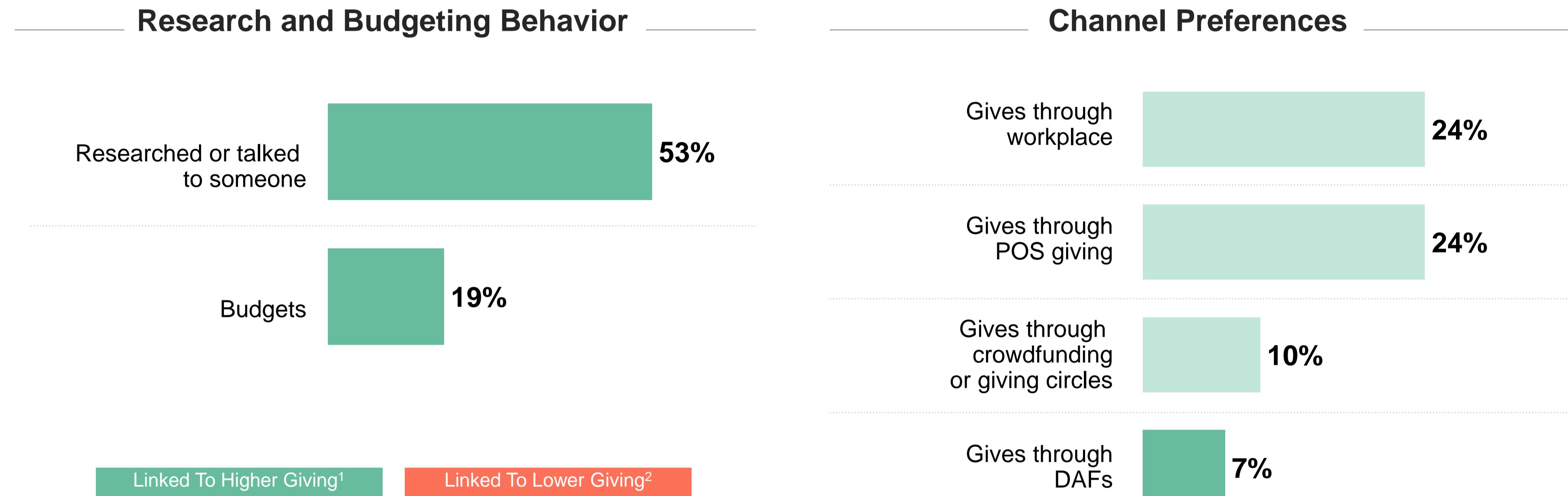
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Behaviors: Other

Budgeting, researching, and giving through DAFs are linked to higher giving rates:

Research and Budgeting Behavior

Researched or talked to someone **53%**

Budgets **19%**

Linked To Higher Giving[1]   Linked To Lower Giving[2]

Channel Preferences

Gives through workplace **24%**

Gives through POS giving **24%**

Gives through crowdfunding or giving circles **10%**

Gives through DAFs **7%**

1. The greater the level of agreement with this statement, the higher % of HHI the donor gives.
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Inequity

Top 3 recipient causes: religious causes, youth services, alumni/school contributions 85% of donors give to causes of inequity

Giving to Causes

Cause	%
Religious causes	**40%**
Children and youth services	**36%**
A specific school or university, including your alma mater	**35%**
Fundraising organizations such as the United Way, Salvation Army, etc...	**32%**
Animals and wildlife	**28%**
Health or health care	**25%**
Poverty, social welfare, and housing	**21%**
Disaster relief	**19%**
Arts, culture, and humanities	**17%**
Education, excluding a specific school or university	**13%**
Community development	**12%**
International organizations	**12%**
Women's issues	**12%**
Human or civil rights	**9%**
Other	**7%**
Environment, including climate change and clean energy	**7%**
Food/agriculture	**6%**
Economic development, employment and entrepreneurship	**4%**
Crime/legal related	**3%**

Donors who give to international organizations tend to be more liberal and give >2% of HHI

Giving to Causes of Inequity

- yes: **85%**
- no: **15%**

- Increase with age

- Donors tend to be more liberal, less likely to identify with a religion, more likely to be married

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Appendix

Opportunity Calculation Methodology

Workplace Giving

Current Market Size		Problems With The Offer		THE OPPORTUNITY
$6-10B	**×**	**50%**	**=**	**$3-5B**
in unclaimed matches		of unclaimed matches captured by improved offer		annually by 2020

KEY ASSUMPTIONS

- Current matching donations estimated to be $4-6B[1]
- Estimated $6-10B in matching gift funds goes unclaimed every year[2]

- Low (9%) participation rates in matching programs[2]
- Problems with the offer—complex, too much administrative effort, minimal selection of nonprofits available, awareness of program, etc.
- Improving the offer to match employees' giving preferences would drive an increase in utilization

- From 2015 to 2020, workplace giving expected to grow at 9.9-14.9% annually (see next slide for yearly projections)

1. Camber Collective analysis of "Giving USA 2014," Giving USA Foundation, 2014
2. "Matching Gift and Corporate Giving Statistics," Double the Donation LLC, January 2015

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Opportunity Annual Projections

Workplace Giving

Annual Opportunity (Low)

Billions

	2015	2016	2017	2018	2019	2020
Increment		$0.5	$0.5	$0.6	$0.7	$0.8
Base	$5.0	$5.0	$5.5	$6.0	$6.6	$7.3

Annual Opportunity (High)

Billions

	2015	2016	2017	2018	2019	2020
Increment		$0.7	$0.9	$1.0	$1.1	$1.3
Base	$5.0	$5.0	$5.7	$6.6	$7.6	$8.7

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Opportunity Calculation Methodology

POS Giving

Current Market Size		Problems With The Offer		THE OPPORTUNITY
$391M	×	**30-50%**	=	**$117-195M**
in estimated POS donations[2]		increase in utilization of POS giving options		annually in 2016

KEY ASSUMPTIONS

- $358M was donated via POS giving in 2012[1]

- The majority of donors prefer personalization; in most cases, the retailer chooses the nonprofit
- Offers that meet donor preferences have been highly successful
- If more retailers' offers could be improved to duplicate this success, frequency of use would increase

- By 2020, annual opportunity to increase giving through POS could reach $0.3-$1.0B (see next slide for yearly projections)

1. "America's Charity Checkout Champions." Cause Marketing Forum 2012
2. Camber Collective projections

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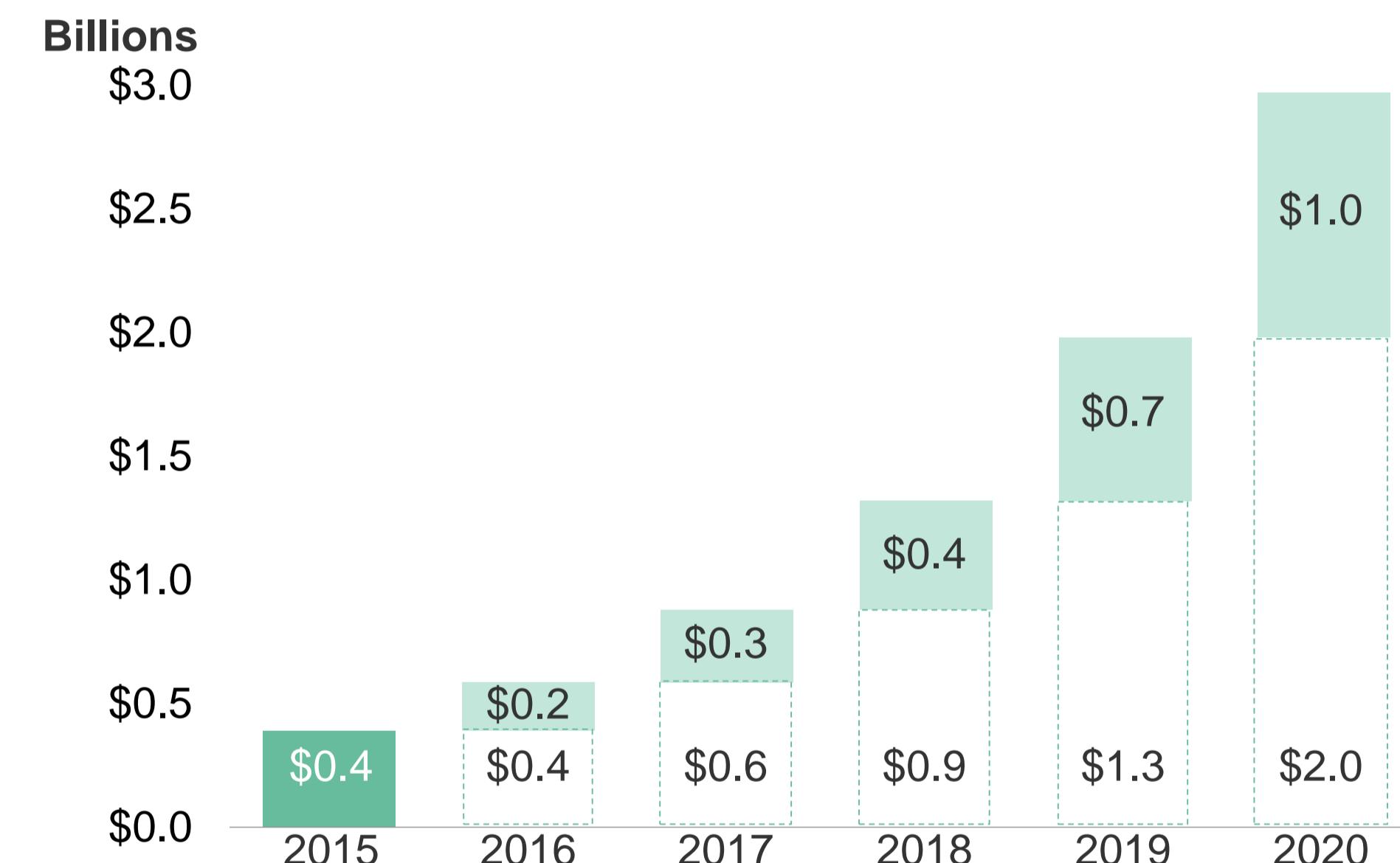
Opportunity Annual Projections

POS Giving

Annual Opportunity at 30% Increase

Billions

Year	Lower	Upper
2015	$0.4	
2016	$0.4	$0.1
2017	$0.5	$0.2
2018	$0.7	$0.2
2019	$0.9	$0.3
2020	$1.1	$0.3
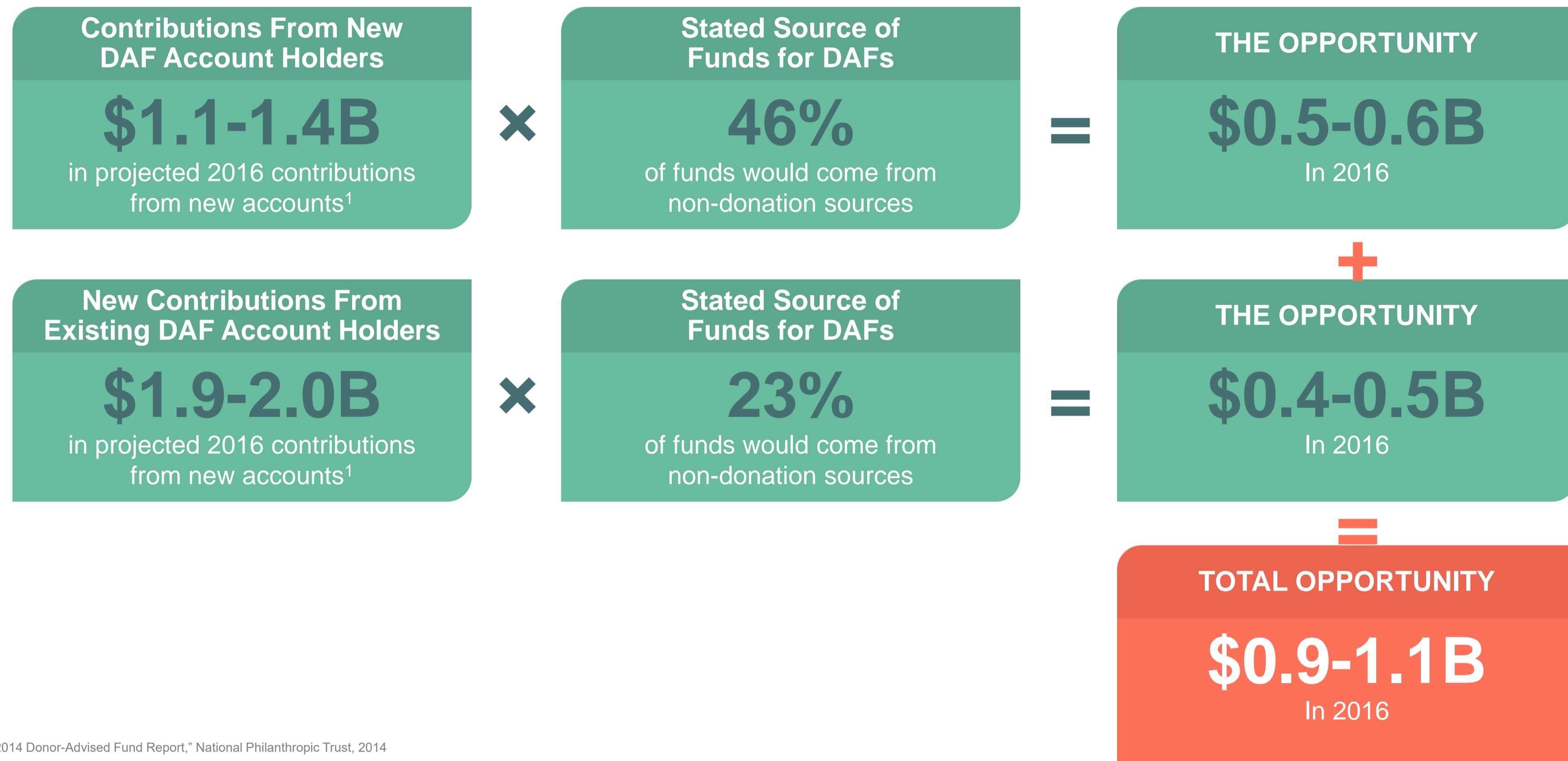
Annual Opportunity at 50% Increase

Billions

Year	Lower	Upper
2015	$0.4	
2016	$0.4	$0.2
2017	$0.6	$0.3
2018	$0.9	$0.4
2019	$1.3	$0.7
2020	$2.0	$1.0

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Opportunity Calculation Methodology (1/2)

DAF Giving

Contributions From New DAF Account Holders **$1.1-1.4B** in projected 2016 contributions from new accounts[1]	×	**Stated Source of Funds for DAFs** **46%** of funds would come from non-donation sources	=	**THE OPPORTUNITY** **$0.5-0.6B** In 2016
New Contributions From Existing DAF Account Holders **$1.9-2.0B** in projected 2016 contributions from new accounts[1]	×	**Stated Source of Funds for DAFs** **23%** of funds would come from non-donation sources	=	**THE OPPORTUNITY** **$0.4-0.5B** In 2016

+

=

TOTAL OPPORTUNITY

$0.9-1.1B

In 2016

1. Camber Collective analysis of "2014 Donor-Advised Fund Report," National Philanthropic Trust, 2014

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# Opportunity Calculation Methodology (2/2)

DAF Giving
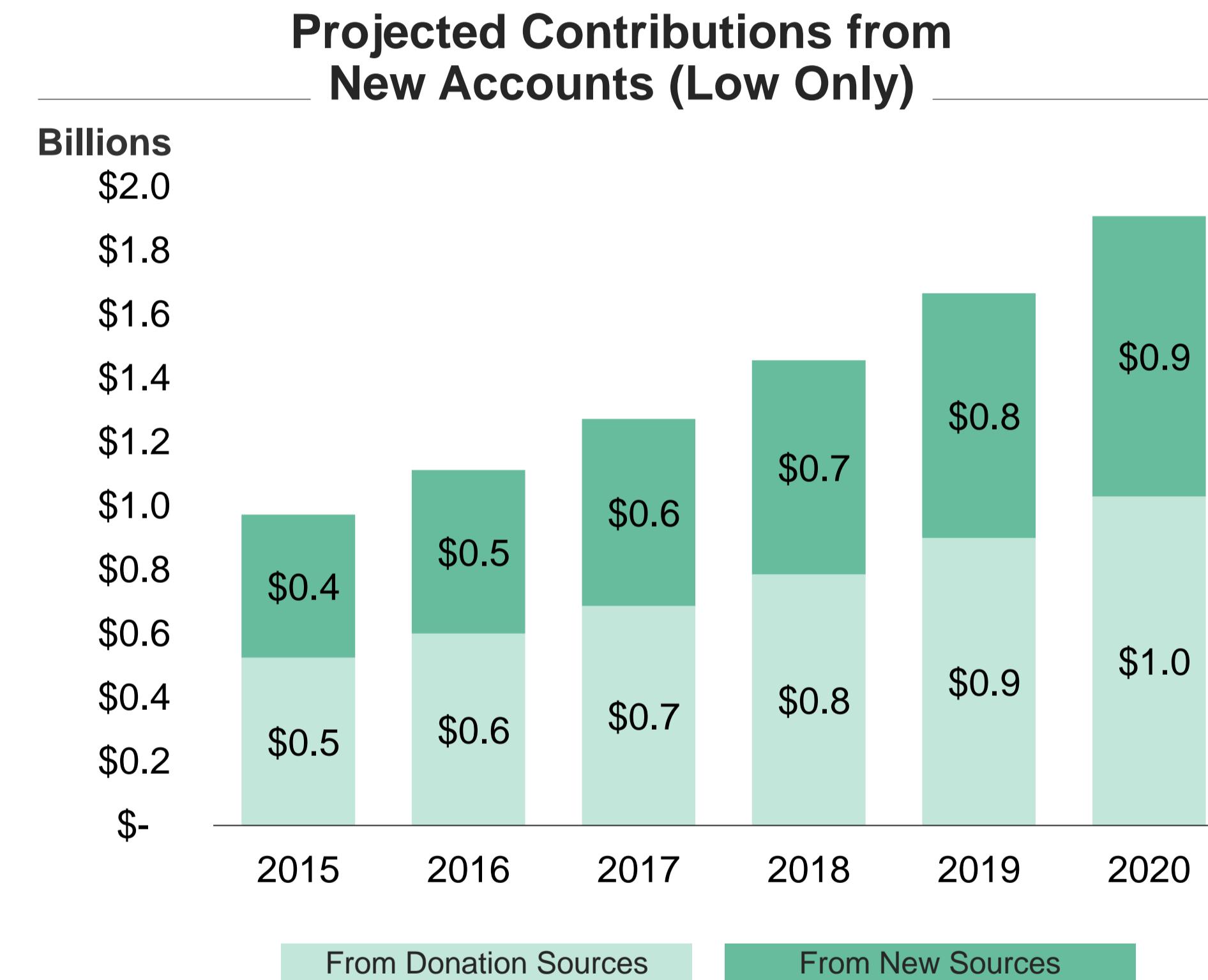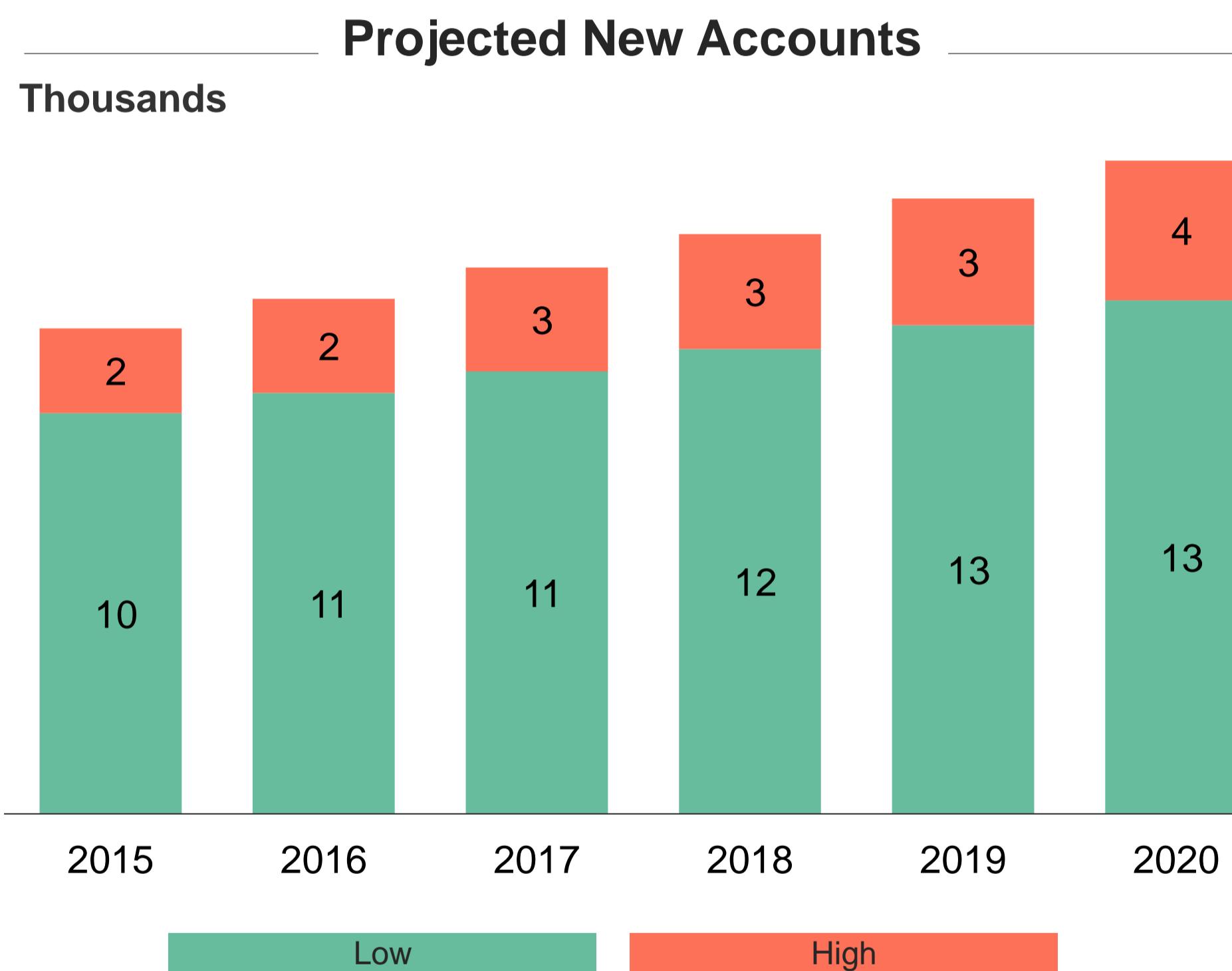
KEY ASSUMPTIONS

- $17.3B in DAF contributions and 217K DAF accounts in 2013[1]
- 5-year CAGR (2008-2013) in contributions used in projecting growth in assets from 2014 to 2020 by DAF type:
  - National: 15.2%
  - Community: 14.1%
  - Single-issue: 8.2%
- 5-year CAGR in accounts by DAF type:
  - National: 5.8%
  - Community: 4.0%
  - Single-issue: 2.0%
- If offer is improved, 5-year CAGR for contributions would increase by 10% and accounts by 20%

- 46% of contributions from new DAF account holders expected to come from new sources
- 23% of new contributions from existing DAF holders expected to come from new sources
- New contributions from existing DAF holders defined as any contribution greater than the amount contributed to a DAF in a prior year

- In 2020, annual opportunity is $1.6-2.0B (see next slide for yearly projections)

1. Camber Collective analysis of "2014 Donor-Advised Fund Report," National Philanthropic Trust, 2014

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Opportunity Annual Projections (2/2)

DAF Giving

Projected New Accounts

Thousands

	2015	2016	2017	2018	2019	2020
High	2	4	7	9	12	16
Low	227	238	249	260	272	285

■ Low ■ High

Projected Contributions from New Accounts (Low Only)

Billions

TOTAL OPPORTUNITY	$0.9B	$1.0B	$1.1B	$1.2B	$1.4B	$1.6B

	2015	2016	2017	2018	2019	2020
From New Sources	$0.4	$0.4	$0.5	$0.6	$0.7	$0.7
From Donation Sources	$1.3	$1.5	$1.7	$1.9	$2.2	$2.5

■ From Donation Sources ■ From New Sources

Source: Camber Collective analysis of 2014 DAF Report by National Philanthropic Trust and $FG 2015 survey data

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Social Investment Opportunity Calculation Methodology

DAF Giving

Current Asset Size		**DAF Account Holder Interest in Social Investments**		**THE OPPORTUNITY**
$68B	×	**21-33%**	=	**$14-22B**
in projected 2015 DAF assets[1]		interest in impact investments or a mix of impact and other		in 2016

KEY ASSUMPTIONS

- $54B in DAF assets in 2013[1]
- 5-year CAGR in assets from 2008 to 2013 used in projecting growth in assets from 2014 to 2020 by DAF type
  - National: 16.3%
  - Community: 10.3%
  - Single-issue: 4.8%

- Low assumption of 21% based on only those DAF holders interested in impact investments
- High assumption of 33% based on the 21% DAF holders interested in impact investments and ½ of the 24% interested in a mix of impact investments and other options

- Total amount available for social investments 2015-2020 projected to be $20-31B annually, on average (see next slide for yearly projections)

1. Camber Collective analysis of "2014 Donor-Advised Fund Report," National Philanthropic Trust, 2014

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Social Investment Opportunity Annual Projections

DAF Giving

DAF Social Investment Opportunity

Billions

$20-31B annually
DAF assets available for social investments

Legend:
- Social Investment
- Mix of Social Investment and Other
- Non-Social Investment

Values by year:

	2015	2016	2017	2018	2019	2020
Non-Social Investment	$45	$51	$58	$65	$73	$83
Mix of Social Investment and Other	$8	$9	$10	$12	$13	$15
Social Investment	$14	$16	$18	$20	$23	$26

Source: Camber Collective analysis of 2014 DAF Report by National Philanthropic Trust and $FG 2015 survey data

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Appendix

Segmentation: a powerful tool for adapting messaging and offers to donors most likely to change behavior
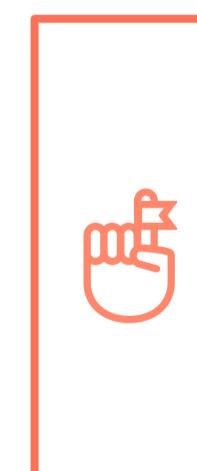
Segmentation Toolkit

Segmentation essentially divides a heterogeneous market into smaller homogeneous markets, for the purpose of optimizing resources through better offers and communications.

Segmentation Objectives

- Learn more about the needs of specific segments to better tailor offers and messages
- Help identify and prioritize segments based on market opportunity and fit with organizational objectives

Best for driving behavior change

Types of Segmentation

1	DEMOGRAPHIC	Segments people by demographics (age, income, gender, etc.)
2	PSYCHOGRAPHIC	Segments people by general attitudes, interests, opinions
3	ATTITUDINAL	Segments people by stated and revealed attitudes on issue
4	BEHAVIORAL	Segments people by behaviors and, in some cases, stated intent to behave in a given way
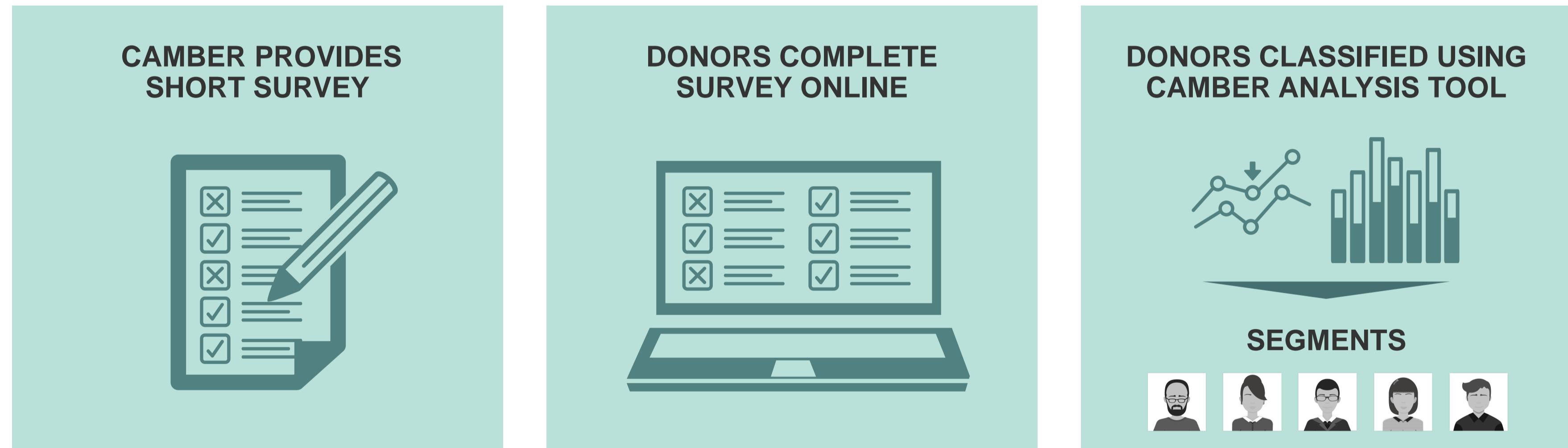
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Segmentation Toolkit: Finding the segments

Camber has developed a 10-question survey and a simple analysis tool for stakeholders, to help classify donors into $FG 2015's segments.

Download a copy of the Segmentation Survey and Analysis Tool at: www.CamberCollective.com/MoneyForGood

Recommended Process

CAMBER PROVIDES SHORT SURVEY	DONORS COMPLETE SURVEY ONLINE	DONORS CLASSIFIED USING CAMBER ANALYSIS TOOL
		SEGMENTS

Donors can also be classified qualitatively by applying available donor information in the analysis tool.

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To find out more on this report, visit the $FG webpage or reach out to the authors:

LEARN MORE ONLINE

More information about $FG can be found at the following locations

Money For Good Website

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Tim Durbin
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Team Bios

Hope Neighbor | Partner

Hope's professional focus is on improving the effectiveness of philanthropy and development. Her functional areas of expertise are customer insights, strategy, and management for impact. Prior to Camber Collective, Hope was a strategy consultant with Marakon Associates, a boutique strategy consultancy, where she advised senior executives of Fortune 500 health care, hospitality, and retail companies on growth strategy. Previously, she worked in international development, making institutional loans and grants for a $270M portfolio in health, HIV prevention, social protection, and rural development at the World Bank. Earlier in her career, Hope worked for the International Rescue Committee in Burundi and was a Peace Corps volunteer in Cameroon. She holds a joint master's degree in public affairs and urban and regional planning from Princeton University, and a BA in public policy from Pomona College, where she graduated with distinction. Hope serves on the advisory boards of GreatNonprofits and Catalytic Women, a start-up philanthropic advisory practice. She has been quoted in the *New York Times*, the *Chicago Tribune*, and on KQED Radio, and profiled as a social entrepreneur by *Fast Company.* Hope is fluent in French.

Jessica Vandermark | Engagement Manager

Jessica's work is focused on customer insights and strategy. Most recently, Jessica led a family planning research and strategy project in Niger, identifying opportunities for donors, government, and implementing partners to increase women's contraceptive use in that country. Previously, Jessica spent 5 years with Monitor Group, most recently as an engagement manager. At Monitor, Jessica developed strategies for public and private sector clients in health, agriculture, tourism, and consumer goods. She has extensive experience working on market entry, segmentation, sales force effectiveness, and innovation projects across Europe, Africa, and North America. Previously, Jessica was a project manager with Synovate, a global market research firm, and Idenix Pharmaceuticals. With these companies, Jessica built 8+ years' experience conducting global qualitative and quantitative market research. She holds an MBA from Thunderbird School of Global Management and is fluent in French.

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Tim Durbin | Project Contributor

Tim is an experienced strategy consultant with private and social sector experience. Since joining Camber Collective, Tim has focused primarily on domestic philanthropic effectiveness projects, ranging from development of an investment strategy for the Markets for Good initiative to supporting a major nonprofit information platform to developing a flexible approach to tracking and managing business performance. Internationally, Tim has helped a leading global health nonprofit to better understand the economics of urban sanitation in West Africa. Previously, Tim was an engagement manager and senior consultant with Deloitte Consulting for 6 years, where he worked with executives across consumer goods, health care, technology, and energy industries as a member of Deloitte's Strategy & Operations practice. Tim graduated from the University of North Carolina—Chapel Hill with a BS in business administration and holds an MBA from the Haas School of Business at UC—Berkeley.

Josh Drake | Project Contributor

Josh has over 10 years of experience as an implementer and consultant to NGOs, foundations, governments, multilateral institutions, and businesses. He brings deep experience in strategic planning, performance management, governance, policy formation, and issue advocacy, as well as leadership of $500 million in international programs. As a management consultant at Camber Collective, Josh helps mission-driven organizations in the public and private sectors with their toughest strategy, investment, and executive decisions. Prior to joining Camber, Josh worked on agency, strategy, governance, and partnerships Mercy Corps, as well as on multiple consultancies for the United Nations, Millennium Challenge Corporation, and Agricultural Innovation in Africa Project. He began his career as a diplomat in Washington, DC and East Africa with the U.S. Department of State. Josh earned an MA in public policy from the Harvard Kennedy School of Government and graduated Phi Beta Kappa with a BA in political science from Middlebury College.

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Team Bios

Bill Wilkie | Project Contributor

Bill is a strategist who distills information to its core essence to facilitate change in for-profit and nonprofit organizations. Bill has over 20 years' experience as an executive brand and design strategist for the world's leading companies. Prior to his work at Camber Collective, Bill's roles in advertising and marketing were as brand strategy director at JDK Design, principal of Wilkie Brand Strategy, strategic planning director at Wieden + Kennedy, and an SVP at McCann Erickson. Bill has worked for a range of global and category-defining companies, including Nike, Coke, Amazon, Miller Brewing, Starbucks, Burton Snowboards, and Seventh Generation. He worked exclusively on global brand strategy for various Microsoft initiatives and on related corporate initiatives for Microsoft CEO Steve Ballmer. Bill has also worked closely with leading brands in sustainability and shared value and with leading foundations on strategic narratives. He holds a BA from Fairfield University and a master's degree in religion from Yale University.

Salim Haji | Project Contributor

Salim advises operating companies, nonprofits, and private equity firms in agriculture, specialty chemicals, beverages, global health, and water industries on growth, profitability, and operational effectiveness. Previously, he was senior vice president of strategy at MacDermin, a $700M global specialty chemical company. Before that role, he was a vice president and partner at Oliver Wyman (formerly SPA), a leading strategy consultancy. Salim is also an adjunct professor of management at the Daniels College of Business at Denver University, where he lectures on corporate strategy. He spent a year as a visiting Fulbright business professor in Tanzania, where he lectured on corporate strategy and economics. Salim has a BA in economics and development studies from Brown University, where he graduated magna cum laude and was elected to Phi Beta Kappa, and an MBA from Stanford University. Salim is fluent in French and conversant in Kiswahili.

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