

# 2020 donorCentrics® Annual Report on Higher Education Alumni Giving

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Summary of Annual Giving  
Key Performance Indicators

JULY 2019–JUNE 2020



blackbaud®

## Introduction:

For nearly two decades, Blackbaud has compiled aggregate alumni giving data from public and private higher education institutions participating in donorCentrics benchmarking meetings in order to assess the state of alumni giving, track trends, and facilitate the sharing of best practices among alumni giving professionals. With the 2020 fiscal year on the books, it is safe to say this has been the most difficult year for higher education annual giving programs in a generation. For many in the profession, there has been no other year to which one could compare 2020. Evident in the data, nearly every key metric was down in 2020—donor retention, acquisition, and reactivation—demonstrating all donor types were, at least in part, impacted by the pandemic. Upon closer examination of the data, what is especially disheartening is that going into March 2020, many programs were on track to have a very successful year. But the last four months of the fiscal year turned it, for most, into one of the worst on record in terms of declines at the median.

It is difficult to find a silver lining in this year's data, though revenue per donor for some groups was up, and there is some evidence that higher level donors in particular were more likely to continue giving and in some cases, give more than in the past. This suggests that the higher end of the donor pipeline, while modestly impacted, is in better shape going forward than other parts of the donor base, given steep declines among lower-level donors.

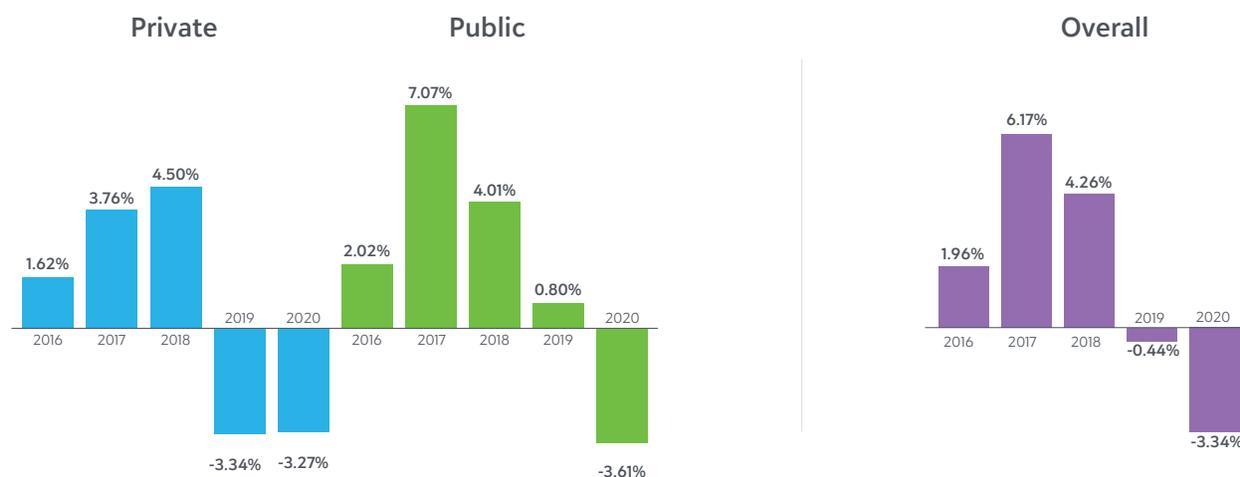
The pandemic has a profound impact on several key elements of higher education annual giving programs, and the extent of this impact drove just how harsh an institution's declines were in 2020. For example, many schools cancelled days of giving and senior gift efforts between March and June. Nearly every institution shut down their calling programs, most for nearly the entirety of this four-month period, and a smaller number of programs suspended all solicitations for a period of time. Schools that did not cancel programs or only had their calling programs shut down for a few weeks fared better than others.

While 2020 is clearly the most challenging year in higher education annual giving history, a significant number of schools are reporting a “bounce back” in 2021, raising optimism that next year's numbers will be dramatically improved. That said, it is not likely anyone will forget anytime soon just how much damage a global crisis can wreak in just four short months at its onset.

## Overall Revenue and Donors

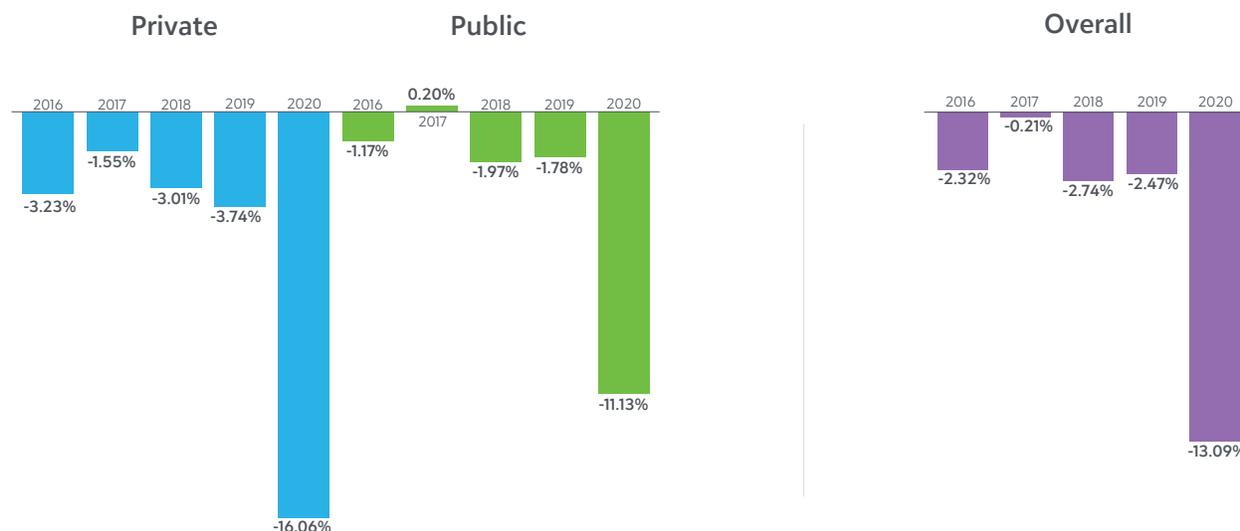
### Median One-Year Change in Revenue

Revenue increases have been the one reliable metric in higher education. In the past decade, 2019 was the only year where revenue was modestly down overall, driven by a modest decline among private institutions. That was the case until 2020 when overall revenue dropped by 3.3%, the single biggest annual drop since these metrics have been tracked. This provides further evidence that the pandemic did have an impact on how much money higher education annual giving programs were able to raise in 2020.



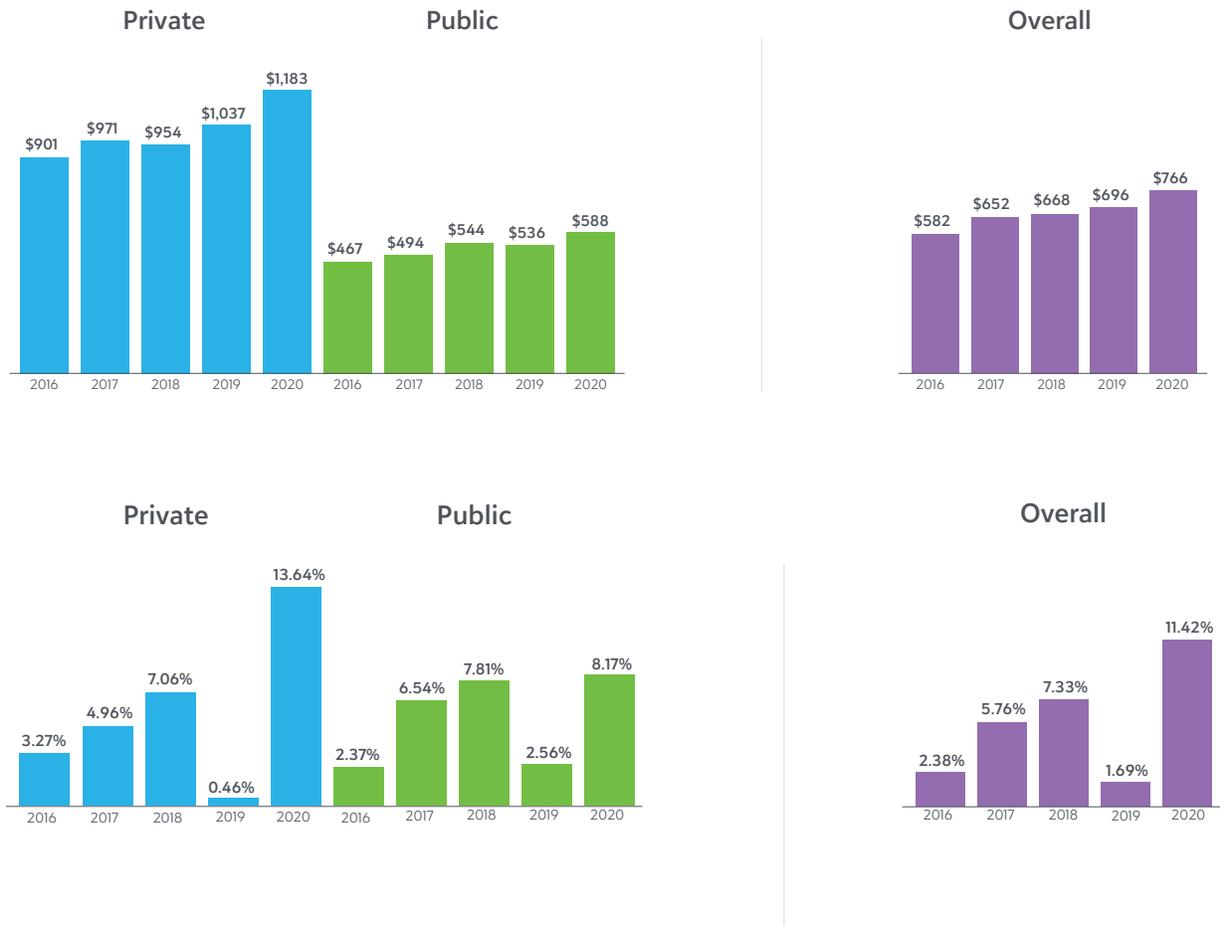
### Median One-Year Change in Donors

While alumni donor counts have been on a very slow decline over the past several years, 2020 marked a very steep drop in the number of alumni donors giving to their alma mater. Public institutions experienced an 11% change in donors, while privates saw a 16% drop in the number of alumni donors compared to 2019. The overall decline in higher education of 13% is easily the biggest drop in any single year since this metric has been tracked.



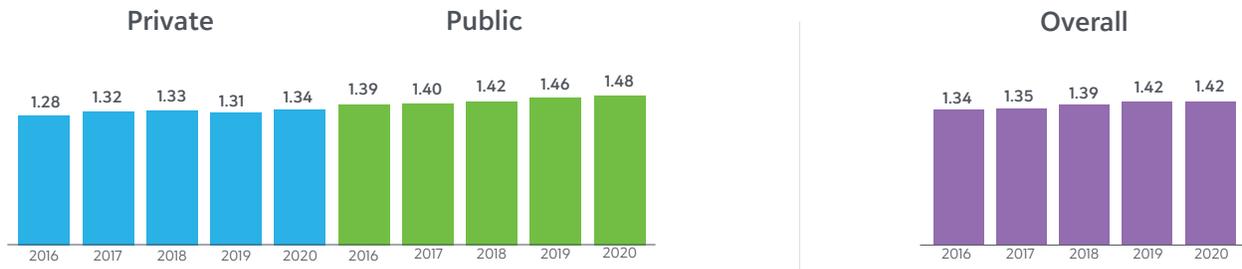
## Median One-Year Change in Revenue per Donor

One silver lining in the 2020 results is revenue per donor hitting an all time high for both public and private institutions. While donor counts were way down, and dollars were modestly down, the higher level donors to annual giving programs remained loyal driving a revenue per donor of \$765 for higher education, the first time this number surpassed \$700. The new all time high mark was achieved due to higher level donors remaining loyal and many of the upgrading their support over the previous year.



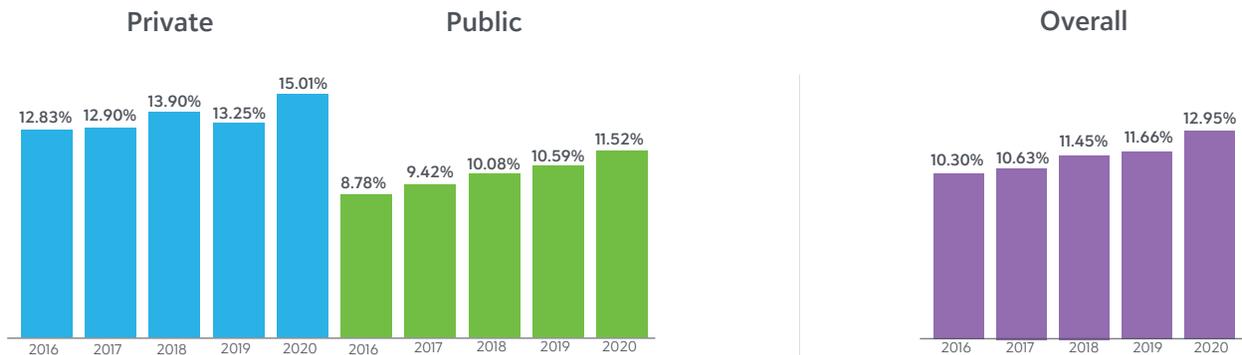
## Median Gifts per Donor

While the median for gifts per donor has continued to rise over time, this metric took a “pause” in 2020 holding at 1.42. This strong showing does indicate that donors that did choose to give in 2020, albeit fewer than in previous years, were equally willing to make more than one gift last year as in 2019 (a year where this metric reached a new high). This continues to demonstrate more programs are doing intentional second ask programs through additional solicitations, giving days, crowdfunding, and in 2020 through “emergency relief” funds for their campuses.



## Percentage of Donors Giving \$1,000+

Higher level donors remained more loyal (75% retention rate) in 2020, helping to push the overall percentage of donors giving \$1,000 or more to an all time high, reaching 12.95%, up from 11.6% in 2019. Less movement from this group helped many schools avoid losing significant ground in overall revenue in 2020, as they did with donor counts.



## Donor Acquisition

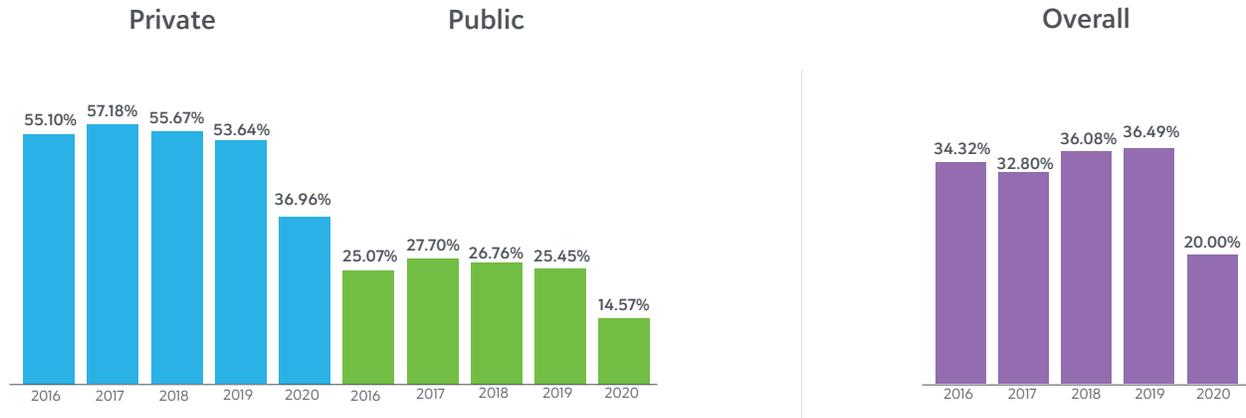
### Median Percentage of New Donors

Donor acquisition was among the greatest challenges for programs in 2020. While alumni donor acquisition has been on a modest decline for several years, this past year brought a dramatic decline of 21% overall. Public schools were down 11% while private institutions experienced a 30% decline. Based on a deeper dive into the data, some of this new donor erosion was tied to cancellation of senior class gift programs and day of giving postponement or cancellation. Additionally, since many calling programs focus on donor acquisition, closed call centers also contributed to declines in this metric.



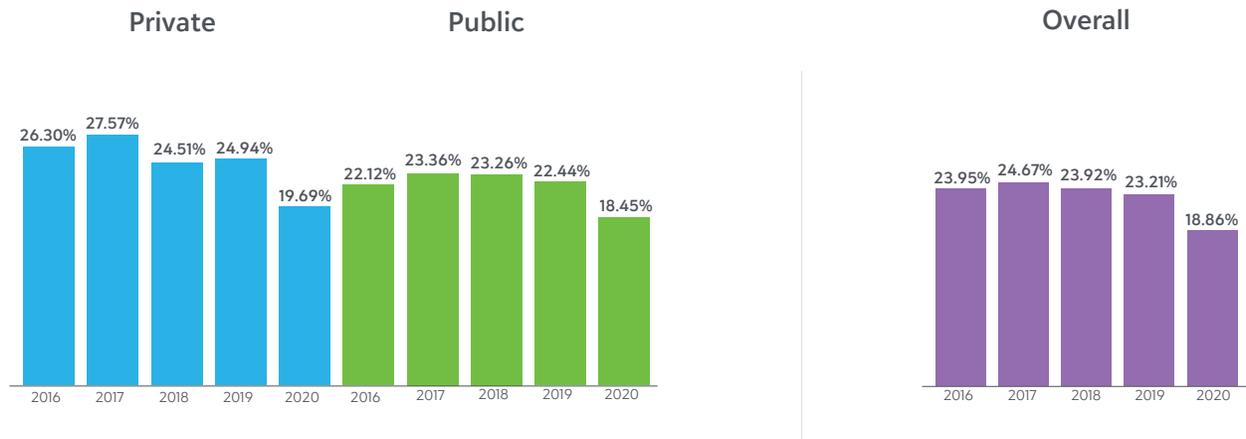
## Median Percentage of New Donors as Students

Evident in the fact that the percentage of first-time donors as students dropped from 35% to 20% is that the pandemic had a dramatic impact on getting students to give during 2020. Many student donors give first as seniors, and often to a senior gift that is solicited in the fourth quarter, close to graduation. As such, it makes sense that student giving was significantly down last year as the timing directly correlates to the timing of the pandemic. Private schools, historically more reliant on student giving, had an even more stark decline, dropping to 37%.



## Median First-Year Donor Retention Rates

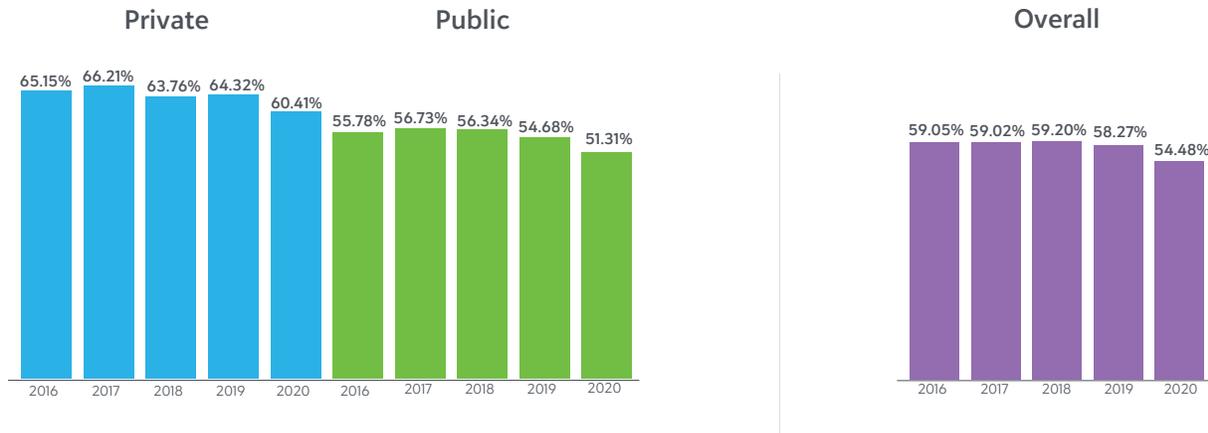
As overall retention declined, so did first year donor retention rates, dropping from 23% to 18%, the first time this rate fell below 20% overall in higher education. This drop can also likely be tied to the pandemic and to some degree had a more negative impact at schools that cancelled or postponed days of giving since many of these donors were acquired via such days and the best chance to renew them was likely during the next giving day.



## Donor Retention

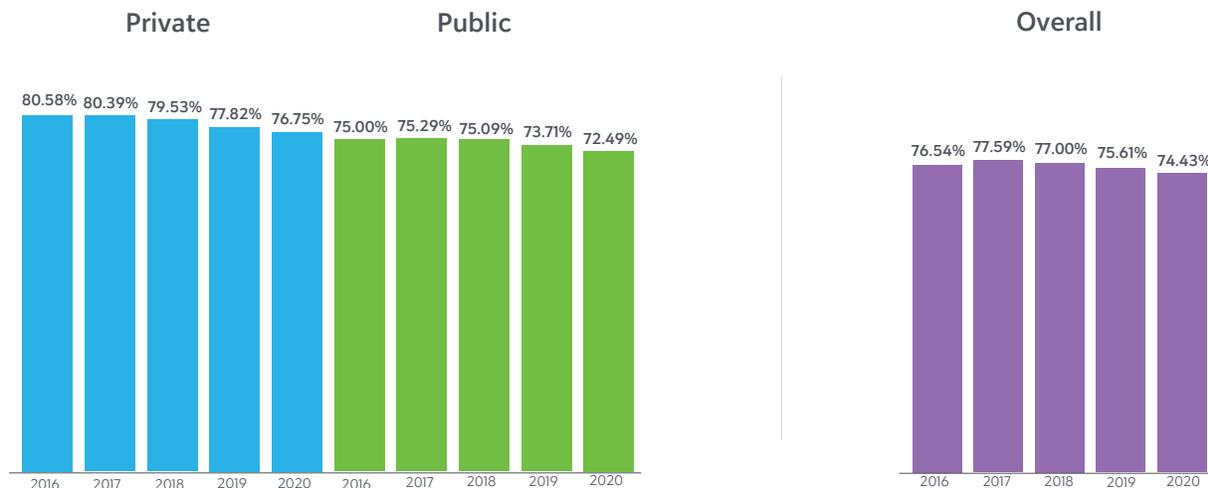
### Median Donor Retention Rates

The most historically reliable metric in higher education was not spared during the pandemic. While overall donor retention rarely moves up or down more than 1-2%, 2020 was different. Overall, the higher education retention rate dropped nearly 4%. This drop was nearly equally experienced by both public and private institutions.



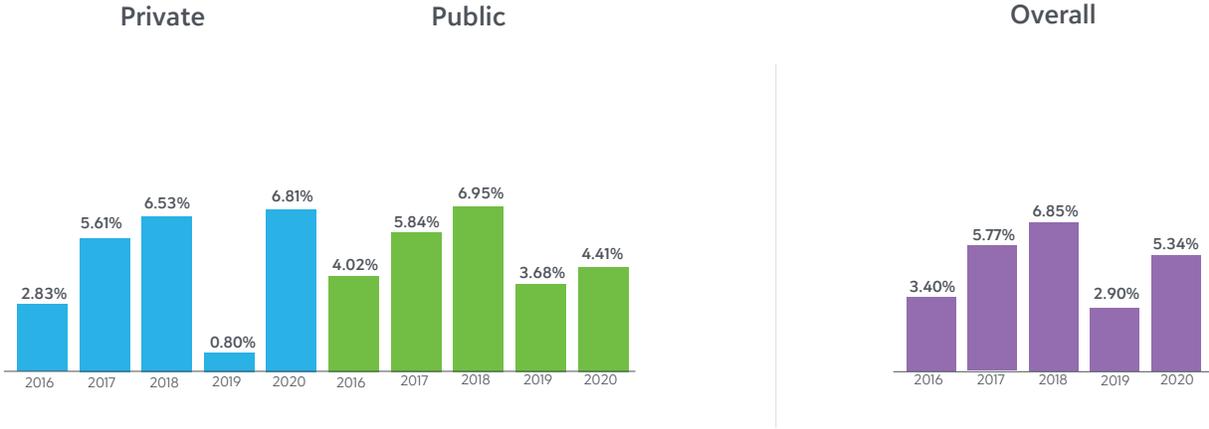
### Median Donor Retention Rates for Gifts of \$1,000+

Despite overall retention dropping this year, higher level donor retention rates held relatively steady, down just a percent, offering further evidence high level donors continued their giving.



## Percentage Change in Revenue per Retained Donor

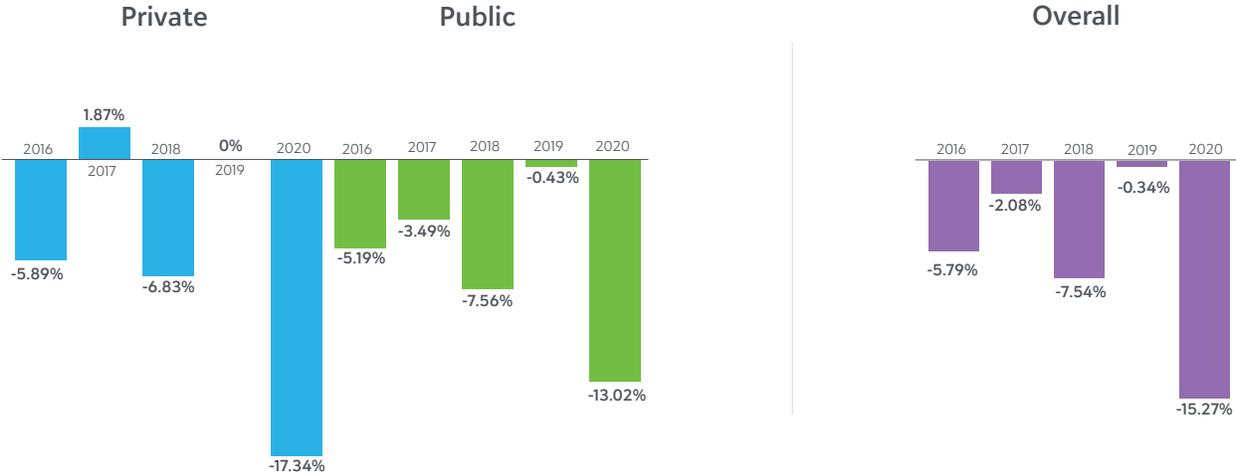
Given the significant positive change in revenue per retained donor, there is strong evidence that while retention rates were down last year, those donors that did continue to give gave larger gifts or were higher level donors to begin with. This is especially noteworthy since 2019 was a weaker year for this metric, and some higher-level donors gave less (often attributed to the tax law changes).



# Donor Reactivation

## Median Change in Reactivated Donors (1–5 years lapsed)

While reactivation rates have fallen, so has the number of reactivated donors. This past year marked the steepest drop in this metric with a 15% change in the number of reactivated donors deciding to once again support their alma mater. This was especially challenging for private institutions which saw a 17% change compared to 13% at public schools.



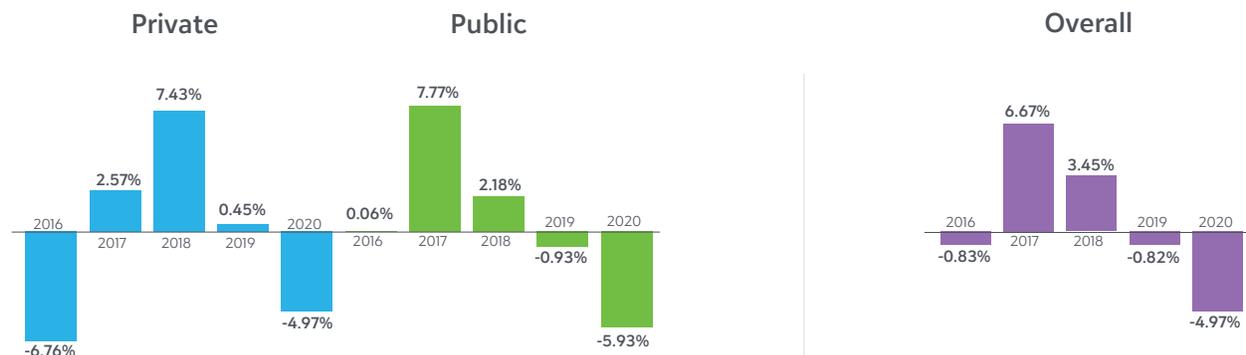
## Median Reactivation Rates for Lapsed Donors (1–5 years lapsed)

Reactivation rates have been among the biggest challenges in higher education, with growing numbers of lapsed donors on campuses and a reactivation rate that has gone down modestly every year for more than a decade. It was inevitable that 2020 would continue this trend in light of the pandemic and economic challenges brought on by the pandemic. The rates in 2020 dropped from 12.3% to 10.5%, the largest drop in the past five years, demonstrating that getting lapsed donors back was especially challenging in 2020.



## Median Change in Revenue from Reactivated Donors (all years lapsed)

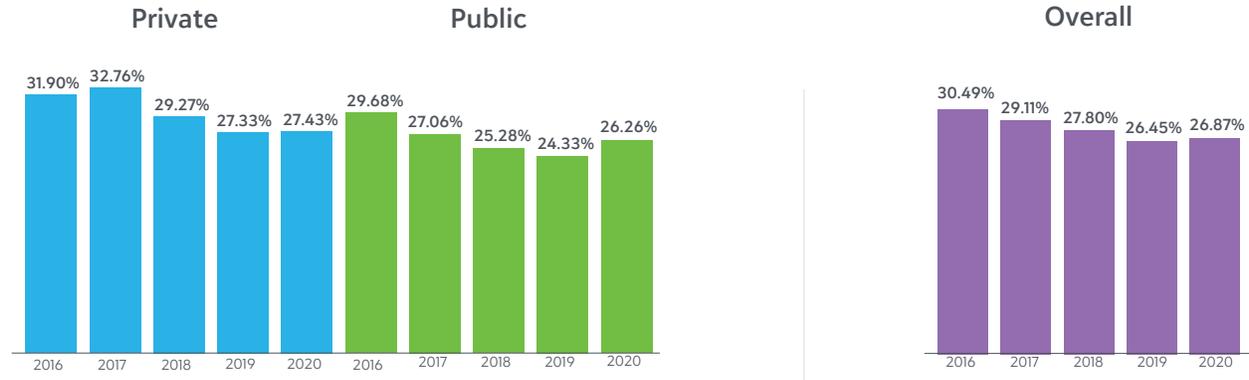
Overall, there was nearly a 5% drop in median revenue from reactivated donors. While reactivation continues to be a difficult metric, generally, in most year, the revenue per donor has gone up, until 2020.



## Multichanneling

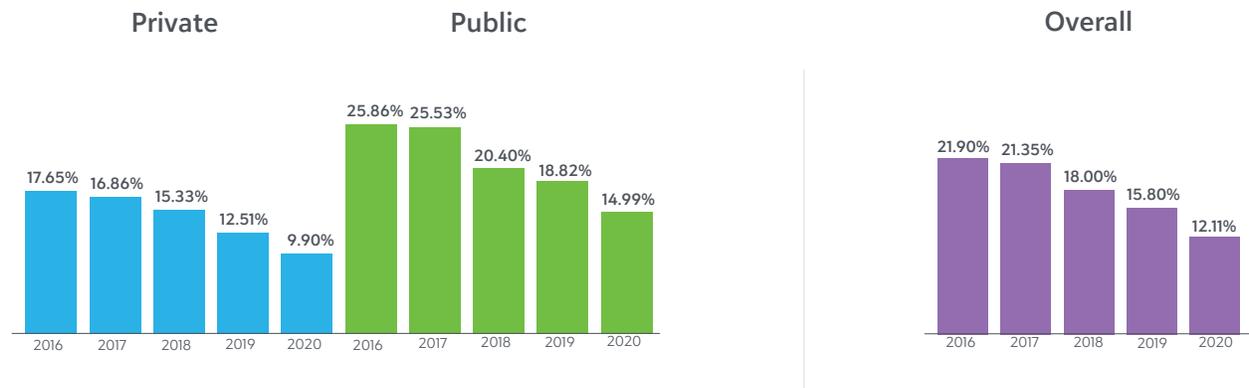
### Median Percentage of Donors Giving via Direct Mail

Though donor counts were down, the percent of donors choosing to make their gifts via direct mail held firm at 26%. The overall percentage has shifted downward over time, but despite part of 2020 being impacted by the pandemic, donors seemed equally as likely to give via direct mail as they did in 2019.



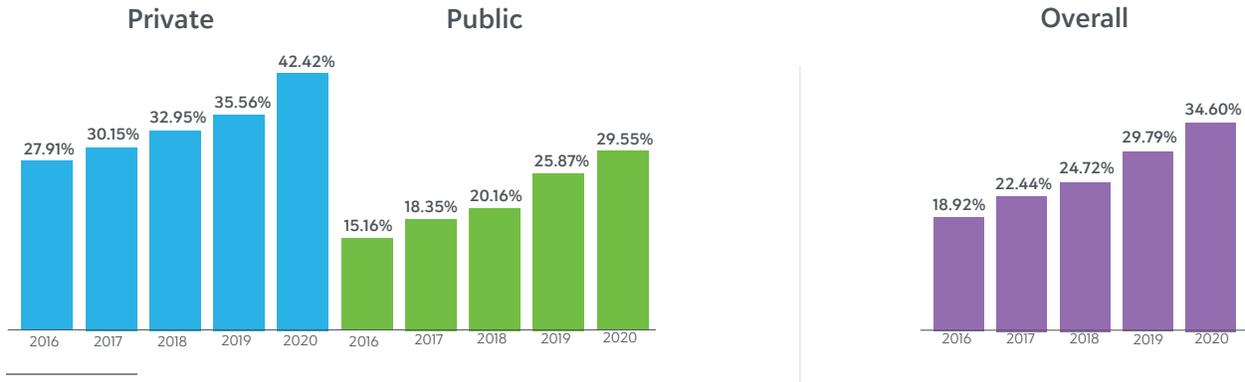
### Median Percentage of Donors Giving via Phone

One of the biggest negative impacts of the pandemic was that most programs suspended their calling programs from March-June. Very few were able to scale them back up before the fiscal year ended, and some still remain closed today. This resulted in a steeper than normal decline in gifts via phone, dropping from 15% to 12% in fiscal year 2020. The overall percentage of gifts coming via the phone was already on a modest decline in recent years. While phone programs have been challenged with contact rates, the majority continue to be productive and important for acquisition and reactivation of donors. Losing nearly four months of call time in 2020 is one of the biggest contributing factors to why alumni donor counts were down in 2020.



## Median Percentage of Donors Giving Online

2020 saw a significant rise in the percent of donors giving via the web or other digital programs, reaching an all-time high of 34.6%. The percent of donors giving via web/digital has nearly doubled just in the past five years, compared to 18% in 2016. The pandemic, mainly because many programs shut down their calling programs, likely drove more programs to solicit gifts via web/digital formats than in any previous year as well.

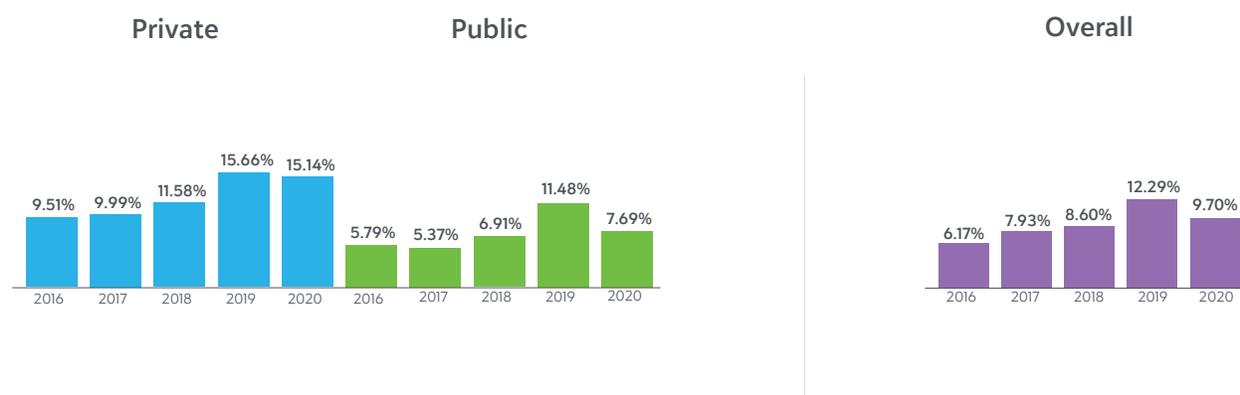


Online includes gifts coded as email, crowdfunding, and web/digital/other.

## Giving Days

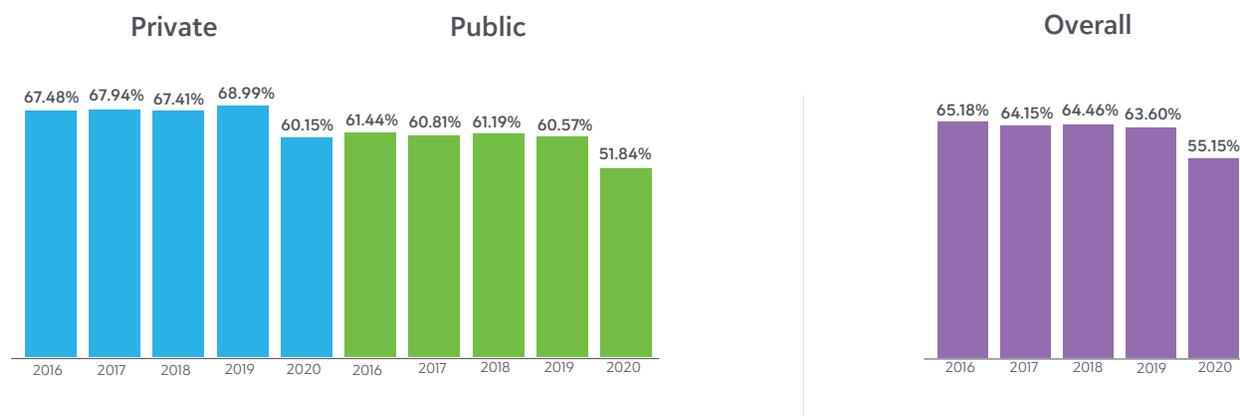
### Median Percentage of Donors Who Made Giving Day Gifts

One of the most significant impacts of the pandemic, for some programs, was the cancellation or postponement of days of giving that were otherwise going to be held in March, April, May or June. Despite the fact that many programs were able to successfully execute their days of giving prior to the pandemic (and some did them despite the pandemic), the overall percentage was significantly down, dropping from 12.2% to 9.7% between 2019 and 2020. That said, the 2020 median is still the second best on record, which shows strong support for days of giving. It is also noteworthy that public schools bore the brunt of this decline, while private institutions were relatively flat compared to 2019, down only 0.5%.



### Median Day of Giving Donor Retention Rates

Given many Days of Giving were cancelled or postponed in the fourth quarter, it is surprising that this rate did not drop further than it did, down to 55% from 63% the year before. Despite the drop, this 55% rate is still relatively strong, and given the even stronger results in previous years, the evidence still exists that day of giving donors are just as loyal, if not more so, than those donors retained via other channels.



## Further Information

**Participation:** For more information about participation in higher education benchmarking, call 1.800.443.9441 or [chat](#) with us online.

**Media Contact:** For press inquiries or permission to reproduce, contact [media@blackbaud.com](mailto:media@blackbaud.com).

Findings from recent and future reports can be found at <https://institute.blackbaud.com/resources/>.

## Annual Report Methodology

Blackbaud Target Analytics® applied the following rules to standardize data from each of the institutions participating in the *2020 donorCentrics Annual Report on Higher Education Alumni Giving*:

Soft credits and matching gift payments are excluded. Direct mail, telemarketing, and digital giving are by far the dominant revenue sources for most schools; however, events, personal solicitation, and other sources are included. Indicators are calculated on a cash payment basis, as opposed to a pledge basis. Gifts or donors are defined as new, retained, or reactivated according to relative gift dates, rather than organization-specific business rules or source codes. Retention rates are calculated by dividing the number of donors giving in the current year who also gave during the previous year by the total number of donors who gave in the previous year. Revenue per donor refers to the cumulative giving per donor per year. The *2020 donorCentrics Annual Report on Higher Education Alumni Giving* uses medians, the middle values in a ranked order of numbers, to measure trends because they minimize distortion caused by the wide range of organizations' file sizes and extreme changes at a few organizations. For all charts that present median rates of change, the values shown are calculated by first calculating the year-over-year change in a given metric for each participating institution, and then calculating the median of all said values. This method differs from simply calculating the year-over-year change between two medians.

## PARTICIPATING INSTITUTIONS

Azusa Pacific University	Florida State University Foundation
Barnard College	Georgia State University
Boston College	Grinnell College
Boston University	Hope College
Brandeis University	Humboldt State University
Cal Poly Pomona	Husson University
Cal Poly SLO	Indiana University Foundation
California State University - Fresno	Iowa State University Foundation
California State University Foundation	James Madison University
California State University, Fresno	Loyola University of Chicago
California State University, Fullerton	LSU Foundation
California State University, Long Beach	Luther Seminary
California State University, Los Angeles	Marietta College
California State University, Northridge	Marquette University
California State University, Sacramento	Marshall University Foundation
Carnegie Mellon University	Massachusetts Institute of Technology
Chicago Booth	McMaster University
Clark University	Metropolitan State University of Denver
Clemson University	Michigan State University
College of Charleston Foundation	Mississippi State University
College of Saint Benedict	MIT Sloan
Colorado College	Mount Holyoke College
Colorado School of Mines	New York University
Colorado State University	New York University School of Law
Cornell University	North Carolina State University
Cornell University Law School	Northeastern University
Dalhousie University	Northern Arizona University
Denison University	Northwestern University
East Carolina University	NYU Stern
Emory University	Ohio Northern University
Episcopal High School	Ohio State University
Florida Gulf Coast University	Ohio Wesleyan University
Florida International University	Oregon State University Foundation

Pace University	University of Cincinnati Foundation
Point Loma Nazarene University	University of Colorado - Anschutz Medical Campus
Purdue	University of Colorado, Boulder
Rensselaer Polytechnic Institute	University of Colorado, Colorado Springs
Rice University	University of Colorado, Denver
Rutgers University Foundation	University of Delaware
SAIT Polytechnic	University of Denver
San Jose State University	University of Florida
Sarah Lawrence College	University of Georgia
Simmons University	University of Guelph
Smith College	University of Illinois at Urbana-Champaign
Sonoma State University	University of Iowa Center for Advancement
South Dakota School of Mines	University of Kentucky
Southern Methodist University	University of Louisville
St. Louis University	University of Manitoba
Stony Brook University	University of Memphis
Syracuse University	University of Miami
The College of Wooster	University of Michigan
UC Berkeley Haas	University of Michigan - Michigan Medicine
UC Berkeley School of Law	University of Michigan Law School
UC San Diego	University of Nebraska Foundation
UCLA Anderson School of Management	University of North Carolina, Chapel Hill
Union College	University of North Carolina, Charlotte
University of Alberta	University of Northern Colorado
University of Arizona	University of Oregon
University of Arkansas	University of Pennsylvania
University of California, Riverside	University of Pittsburgh
University of California, Berkeley	University of San Francisco
University of California, Davis	University of Saskatchewan
University of California, San Diego	University of Tennessee Foundation
University of California, San Francisco	University of Tennessee, Knoxville
University of California, Santa Cruz	University of Texas School of Law
University of Chicago	University of Utah
University of Chicago Medicine & Biological Sciences	University of Virginia

University of Washington

University of Waterloo

UT Austin

Virginia Tech

Wake Forest School of Medicine

Wake Forest University

Washington State University

Western University

Wilfrid Laurier University

William & Mary

Wisconsin Foundation and Alumni Association

Yale Law School

Yale University

York University

## About Blackbaud

Blackbaud (NASDAQ: BLKB) is the world's leading cloud software company powering social good. Serving the entire social good community—nonprofits, foundations, corporations, education institutions, healthcare institutions, and individual change agents—Blackbaud connects and empowers organizations to increase their impact through software, services, expertise, and data intelligence. The Blackbaud portfolio is tailored to the unique needs of vertical markets, with solutions for fundraising and CRM, marketing, advocacy, peer-to-peer fundraising, corporate social responsibility, school management, ticketing, grantmaking, financial management, payment processing, and analytics. Serving the industry for more than three decades, Blackbaud is headquartered in Charleston, South Carolina and has operations in the United States, Australia, Canada, and the United Kingdom. For more information, visit [www.blackbaud.com](http://www.blackbaud.com).

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