Spotlight on Giving

Rapid advances in technology in recent years, coupled with the need to navigate geopolitical instability and multiple global crises, have had a significant impact on charitable giving. Simultaneously, major shifts in the U.S. population and the distribution of wealth are making their own impact. Today’s consumers and donors are more diverse and globally aware with a new sense of empowerment and activism.

The U.S. continues to be one of the most generous nations in the world, with private philanthropy outpacing the public sector in giving to developing countries. Individual donors are driving the rise in philanthropy.
OVERVIEW OF U.S. GIVING

In 2017, giving by individuals, foundations, bequests and corporations reached an all-time high for the fourth consecutive year, with $410.02 billion raised.¹

- 95 percent of total giving came from individuals, bequests and foundations.
- 5 percent of giving came from corporations, with $405 million in contributions for relief related to natural and manmade disasters.
- Giving by individuals saw an estimated 5.2 percent increase in 2017—70 percent of total giving.
- However, The Chronicle of Philanthropy reports the share of Americans giving to charity is declining.²

U.S. private giving to developing countries outpaced U.S. government official development assistance (ODA) by $10.8 billion in 2014 according to the 2016 Index of Global Philanthropy and Remittances report.³

THE DONORS

The face of philanthropy is changing, as donors demonstrate more intentionality in giving and reflect more diversity in age, gender and culture. Corporations are responding to consumer demand for social impact.

- Gender and giving. The Women’s Philanthropy Institute (WPI) found that single women are more likely to give and at higher amounts than single men, but there is no difference among high net worth single men and women. Being married increases the likelihood and amount of giving by men and women.⁴
- Diversity matters. About 60 percent of U.S. giving circles were formed around identity, such as gender, race or religion, in 2016 according to the Collective Giving Research Group.⁵
- Millennials dominate the workforce, bringing new demand for social responsibility and ethical practices.
- Corporations are prioritizing social impact. A 2017 survey conducted by CECP and The Conference Board of more than 250 multi-billion dollar companies with revenues representing $7.5 trillion, found 9 out of 10 match employee donations; 7 out of 10 gave to recipients outside their headquarters’ country.⁶
TECHNOLOGY AND GIVING
Advances in technology are disrupting the traditional ways of giving with online giving continuing to grow.

- About 7.6 percent of overall fundraising revenue, excluding grants, was raised online in 2017.
- 21 percent of online transactions were made using a mobile device in 2017.
- The average online donation was $132, indicating popularity with everyday donors.

Social networking is an integral part of fundraising.

- 71 percent of NGOs agree that social media is effective for online fundraising, and 25 percent of donors say social media is the communication tool that most inspires them to give.
- 72 percent of NGOs worldwide now accept donations on their website.

COLLECTIVE GIVING
Collective giving is on the rise, with social platforms and giving structures promising donors a means for connection, reflection and evaluation of impact.

- Crowdfunding gained popularity as a way for everyday donors to give during times of disaster.
- In the Global Impact Investing Network 2017 Annual Impact Investor Survey, 208 respondents from around the world managed $114 billion in impact investment assets.
- $22 billion was invested by respondents into almost 8,000 deals in 2016, with more planned in 2017.

DONOR-AVISED FUNDS
Donor-advised funds (DAFs) have emerged as the fastest growing charitable vehicle in the U.S.

- The number of individual donor-advised funds increased by 6.9 percent in 2016 to 284,965, according to the National Philanthropic Trust.
- In 2016, Global Impact introduced Growfund, a no minimum contribution DAF, to help the everyday donor give strategically.

INTENTIONAL GIVING AND TOP CAUSES
World events are inspiring donors to put their values in action. The refugee crisis, multiple natural disasters, worldwide protests and social movements have catalyzed more intentional giving.

- In the United States, the six largest causes saw an increase in giving in 2017, with the largest gain seen by foundations—15.5 percent.
- Human services contributions totaled approximately $50.06 billion dollars, 12 percent of contributions.
- Arts, culture and humanities giving saw the second largest gain, increasing 8.7 percent. The majority of subsectors grew with a wide range—2.9 percent to 15.5 percent.
- Foundations also raised funds to support their own communities and others across the country during crises.
- At the same time, giving to international affairs decreased by 4.4 percent from 2016, and giving to individuals also declined.

2016 Investment Activity and Plans for 2017
![Graph showing capital invested and number of deals for 2016 and 2017]

Source: Global Impact Investing Network 2017 Annual Impact Investor Survey

2017 Contributions by Type of Recipient Organization (in billions of dollars/figures rounded)

<table>
<thead>
<tr>
<th>Type of Recipient Organization</th>
<th>Contributions</th>
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<tbody>
<tr>
<td>Religion</td>
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<tr>
<td>Education</td>
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<tr>
<td>Gifts to grantmaking foundations</td>
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<tr>
<td>To individuals</td>
<td>$7.87</td>
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<td>Source: Giving USA Foundation/Giving USA 2018</td>
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GLOBAL IMPACT IS YOUR PARTNER IN GROWING GLOBAL PHILANTHROPY

As the landscape of philanthropy continues to undergo massive shifts, it will be critical for stakeholders to evolve existing practices and integrate the emerging technologies within a new collaborative structure. Global Impact is prepared to support your work through these lenses.

Established in 1956, Global Impact builds partnerships and resources for the world’s most vulnerable people and is a leader in growing global philanthropy. We deliver a wide range of giving solutions and advisory services, which include Growfund—our no minimum contribution donor-advised fund; High Impact Funds for collective giving domestically and internationally; and SDG Mapping and Corporate Social Responsibility (CSR) Strategy to help donors across sectors meet their philanthropic goals. With more than 60 years of work at the nexus of philanthropy, finance and technology, Global Impact stands in the gap between generosity and need. Since our founding, we have generated more than $1.8 billion for people in need.

2 Six Signs of Trouble Ahead in Charitable Giving, The Chronicle of Philanthropy, July 6, 2018
3 The Index of Global Philanthropy and Remittances 2016, Hudson Institute
4 Do Women Give More? Findings from Three Unique Data Sets on Charitable Giving, Women’s Philanthropy Institute, 2015
5 The Landscape of Giving Circles/Collective Giving Groups in the U.S. 2016, Collective Giving Research Group
7 2017 Charitable Giving Report, Blackbaud Institute for Philanthropic Impact
8 2018 Global NGO Technology Report, Sponsored by Public Interest Registry/Researched by Nonprofit Tech for Good
10 2017 Donor Advised Fund Report, National Philanthropic Trust
11 The Landscape of Giving Circles/Collective Giving Groups in the U.S. 2016, Collective Giving Research Group