

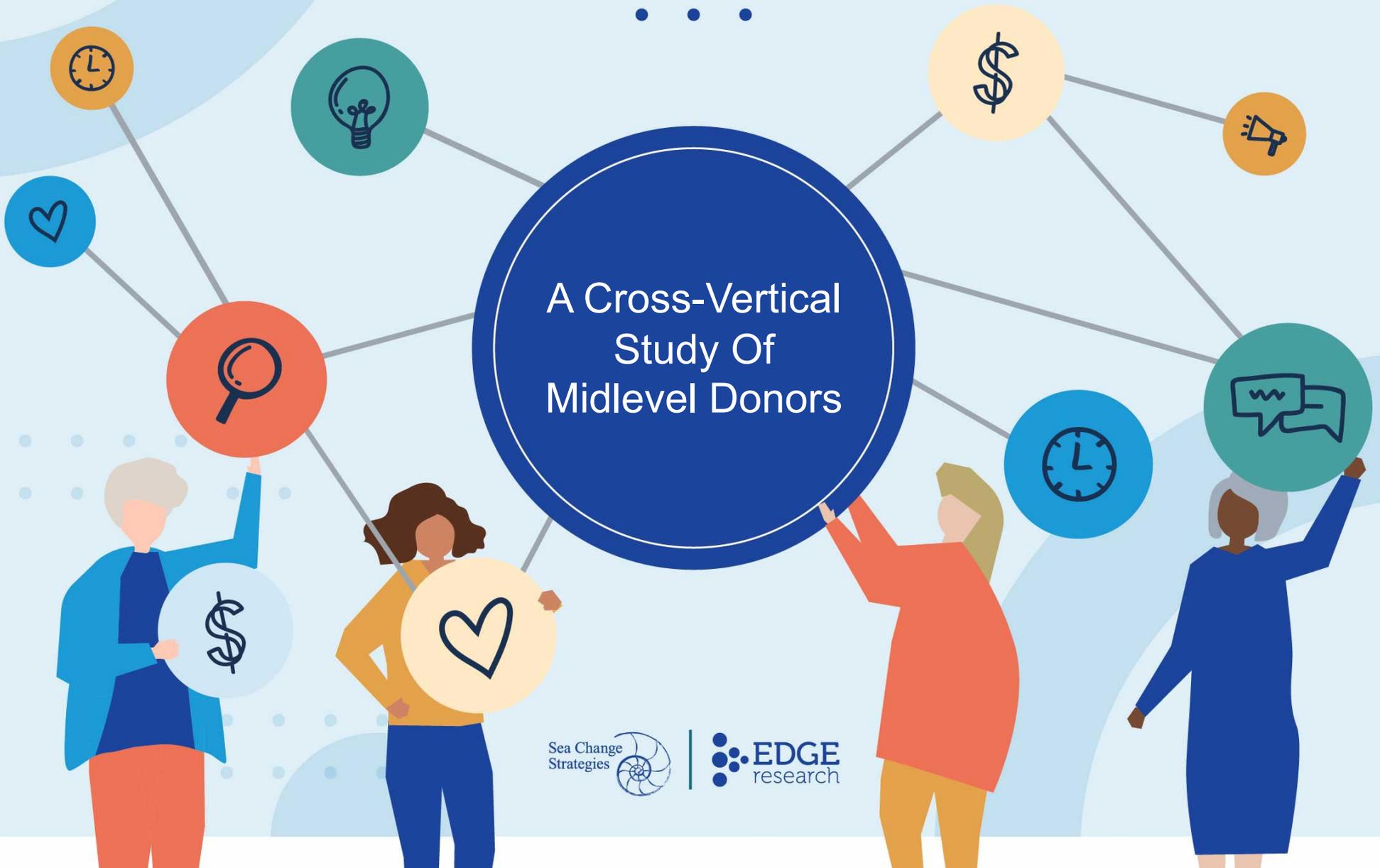
THE MISSING MIDDLE PART FOUR

A Cross-Vertical
Study Of
Midlevel Donors

Sea Change
Strategies



EDGE
research



INTRODUCTION

It was a sliding doors moment.

Fifteen years ago, an incidental finding from a survey of high-net-worth donors changed the course of our practice. In the study, *The Wired Wealthy* (2008), we found that supporters giving between \$1,000 and \$10,000 annually represented only one percent of total donors but were responsible for more than 30% of income from individual donors.



Many of these “midlevel” donors were getting lost in the chasm between grassroots/membership fundraising and major gifts fundraising.

For the benefit of the sector, we decided to focus our practice on maximizing loyalty and revenue from this important, yet underserved audience.

In the ensuing years, midlevel giving has become a strategic priority for nonprofit organizations. Sea Change has worked with dozens of groups to evolve their midlevel programs. We have also published three additional studies on midlevel fundraising: *The Missing Middle* (2014); *The Missing Middle Part 2* (2018); and *The Missing Middle: A Snapshot* (late 2020). Whereas these prior versions of *The Missing Middle* series studied the ins and outs of how organizations were approaching midlevel fundraising, this current report—like *The Wired Wealthy*—focuses on the donors themselves.

In this report, we get to hear directly from midlevel donors. They share what motivates them to give, what keeps them engaged, and what might encourage them to increase their support.

Our research partner, Edge Research, surveyed more than 5900 midlevel donors from 36 organizations (see appendix for the full list). Participating organizations sent two emails to their midlevel donors inviting them to complete the survey. Our findings¹ are organized as follows:

1 Overview

This section provides key demographic and behavioral findings about midlevel donors including age, gender, race, net worth, education, how much they give, and how they contribute in non-monetary ways.

2 General Findings

This section includes six important takeaways, including a deeper dive into how midlevel donors plan their giving, their proclivity to upgrade to major giving, how they research gifts, and what drives their giving behavior.

In this section, we also take a closer look at Generation X, donor-advised funds, and bequest giving.

3 Three Psychographic Profiles

Using segmentation analysis, we identified important differences within the midlevel donor population that divide them into three distinct cohorts. In this section, we explore the makeup of these three groups and discuss why profiling donors matters.

4 Recommendations

We share ideas for what fundraisers should be doing to leverage the insights in this report and how they can future-proof their midlevel programs.

5 Appendix

Here, we share the full list of participating organizations and the methodology.

¹ Aggregated results have been weighted, taking into consideration the size of each participating organization's donor universe and the number of responses received.

This is a challenging time for fundraisers. Steady long-term declines in donor numbers, declines in retention rates, and last year, declines in total giving² are raising alarm bells. At the same time, the sector is rightly grappling with the disproportionate whiteness of philanthropy along with troubling trends in retaining skilled staff and minimizing burnout.

Through all this tumult, we find a reassuring steadiness in support from the midlevel donors who participated in this study. We have long believed that midlevel donors form the center of gravity of a healthy fundraising program. This study deepens that belief.

May these insights support your success.



ALIA MCKEE

Sea Change Strategies

Winter 2024



MARK ROVNER

² Giving USA 2023

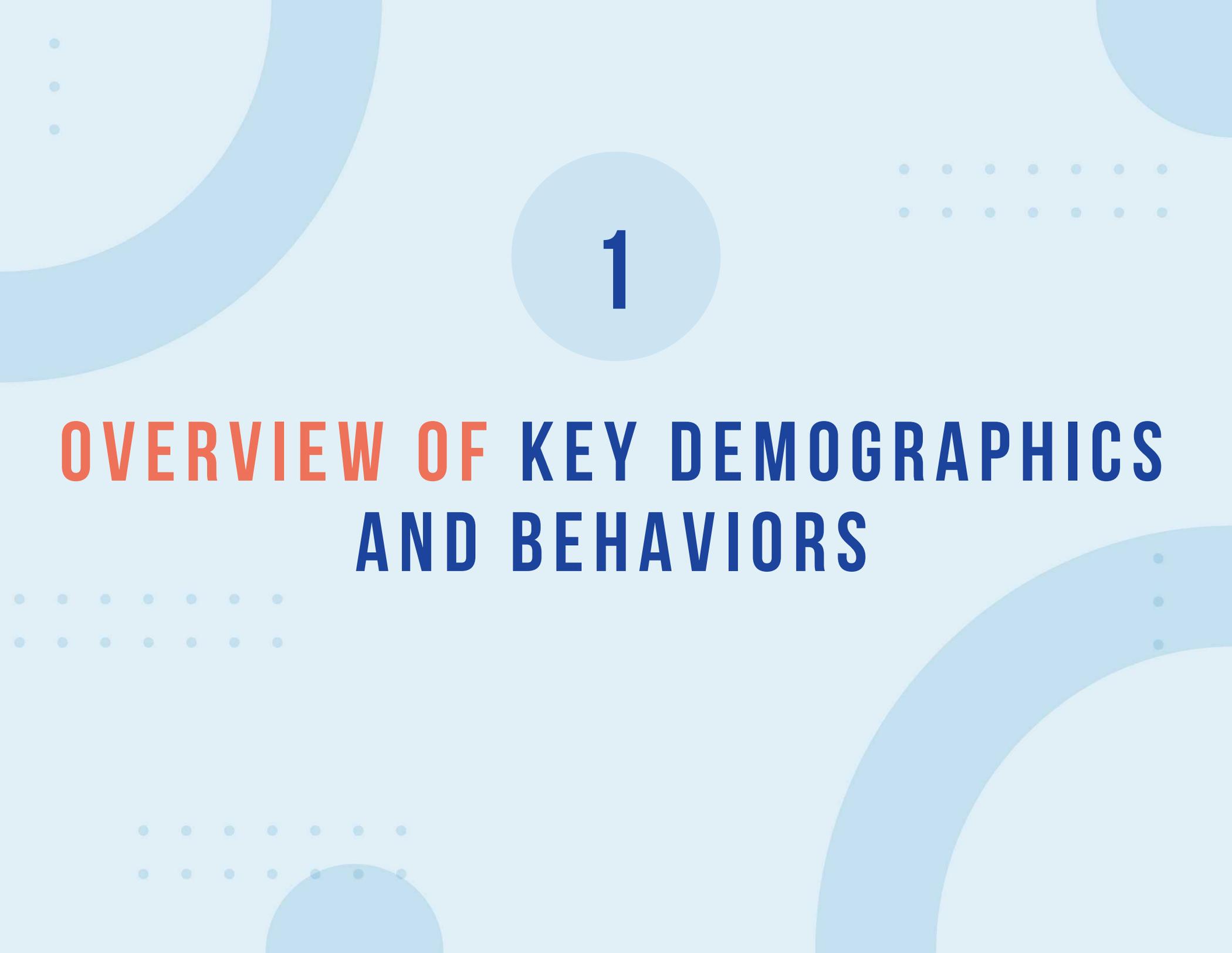
ACKNOWLEDGEMENTS



Surveying donors directly is a huge group effort.

Our warmest thanks go out to:

- The staff members at the 36 participating organizations who volunteered to take part in the study. We truly appreciate the patience, focus and trust that went into choreographing communications with midlevel donors.
- Edge Principals Lisa Dropkin and Pam Loeb, who shaped the research strategy, drafted the survey instrument, answered questions from previously mentioned participating organizations and led the in-depth analysis. You are brilliant.
- Jackie Huck and Monica Ravitch with Huck Yeah who designed the report and graphics. You make the data come alive.
- Kate Eberle, you are an excellent editor with extraordinary proofing skills. Thank you for ensuring we literally crossed our t's and dotted our i's.

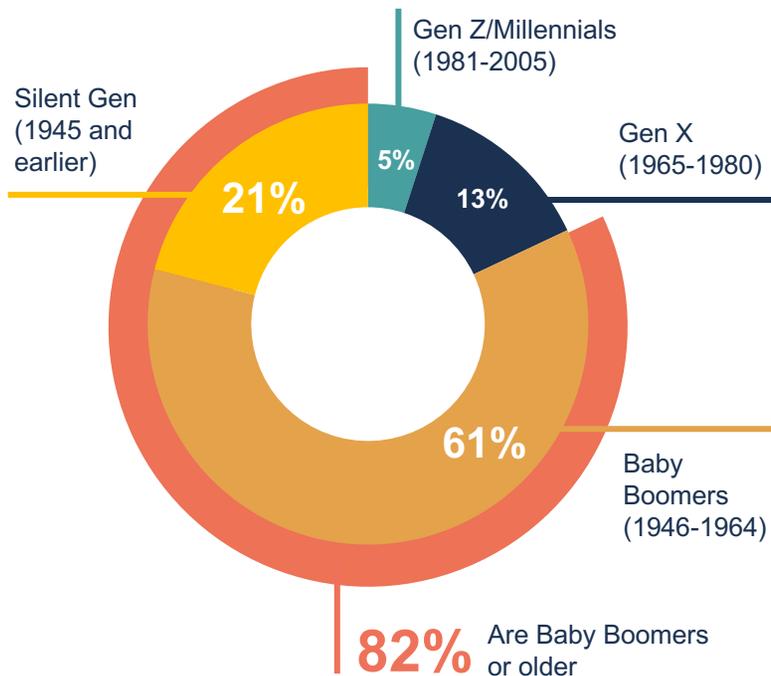


1

OVERVIEW OF KEY DEMOGRAPHICS AND BEHAVIORS

Midlevel donors responding to the survey are predominantly well-to-do, highly educated white women in their 60s.

Eight in 10 midlevel donors are Baby Boomers or older.



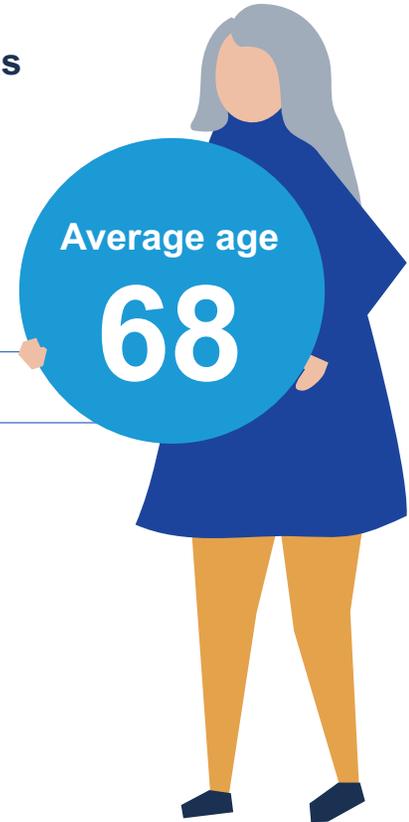
A majority self-identify as women and on average are 68 years old.

Gender

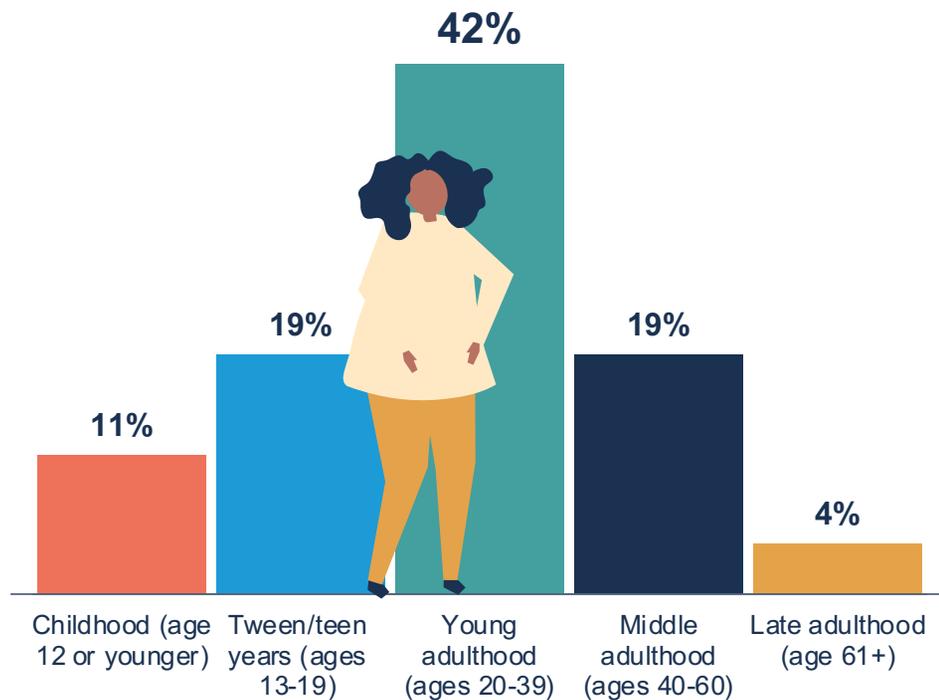
Man 38%

Woman 59%

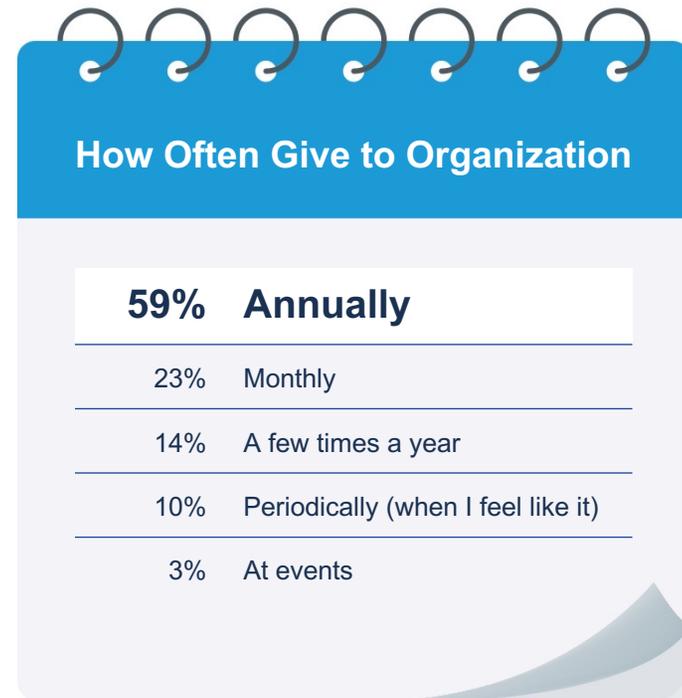
Describe other way/
Not answer 3%



42% have been engaged with the cause they care about most since young adulthood.



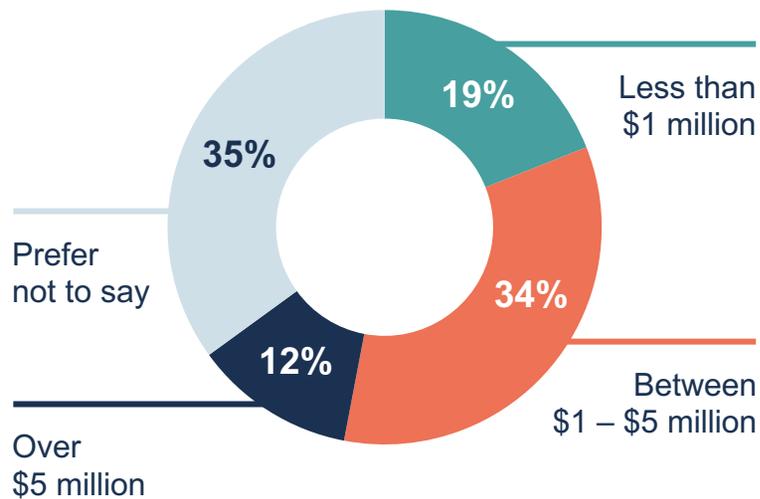
A majority of midlevel donors give one time per year, but some prefer to give more frequently.



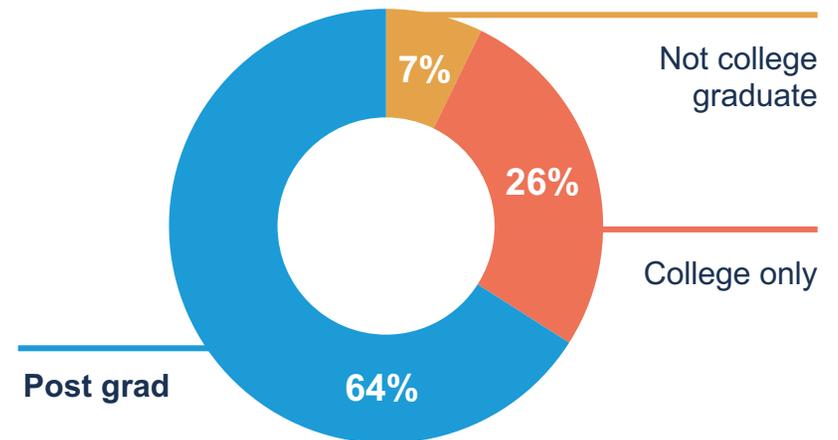
A plurality of midlevel donors have a net worth between \$1 million and \$5 million...

...and they are highly educated.

Net worth
(excluding primary residence)



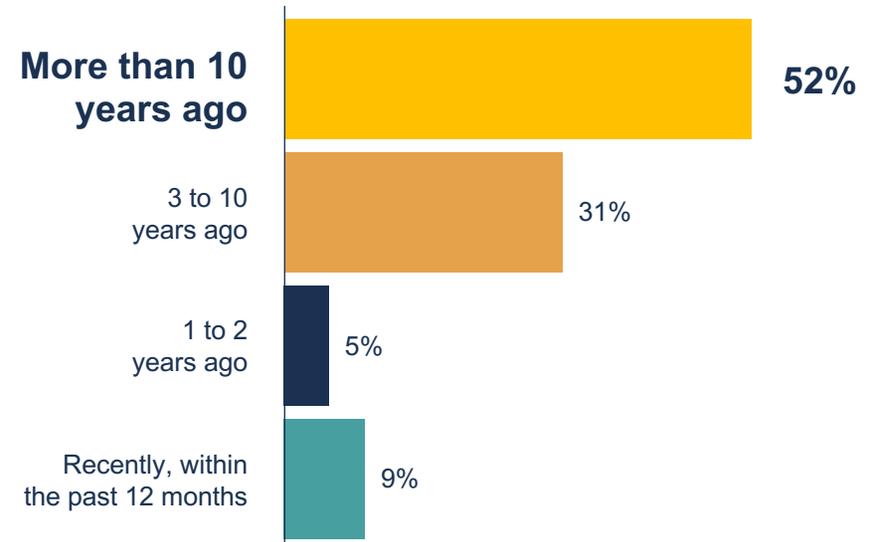
Education



Surveyed donors give to many different organizations, and they give at or above the midlevel threshold to nearly half of the nonprofits they support.



They are loyal. Over half of these midlevel donors have been involved with the participating* organization for a decade or more.



*By participating organization, we refer to the specific organization that sent the survey invitation to which the donor responded.

White donors are over-represented in the donor universe. Nearly 90% of the donors identify as white, despite the fact that whites make up 64% of the U.S. population.

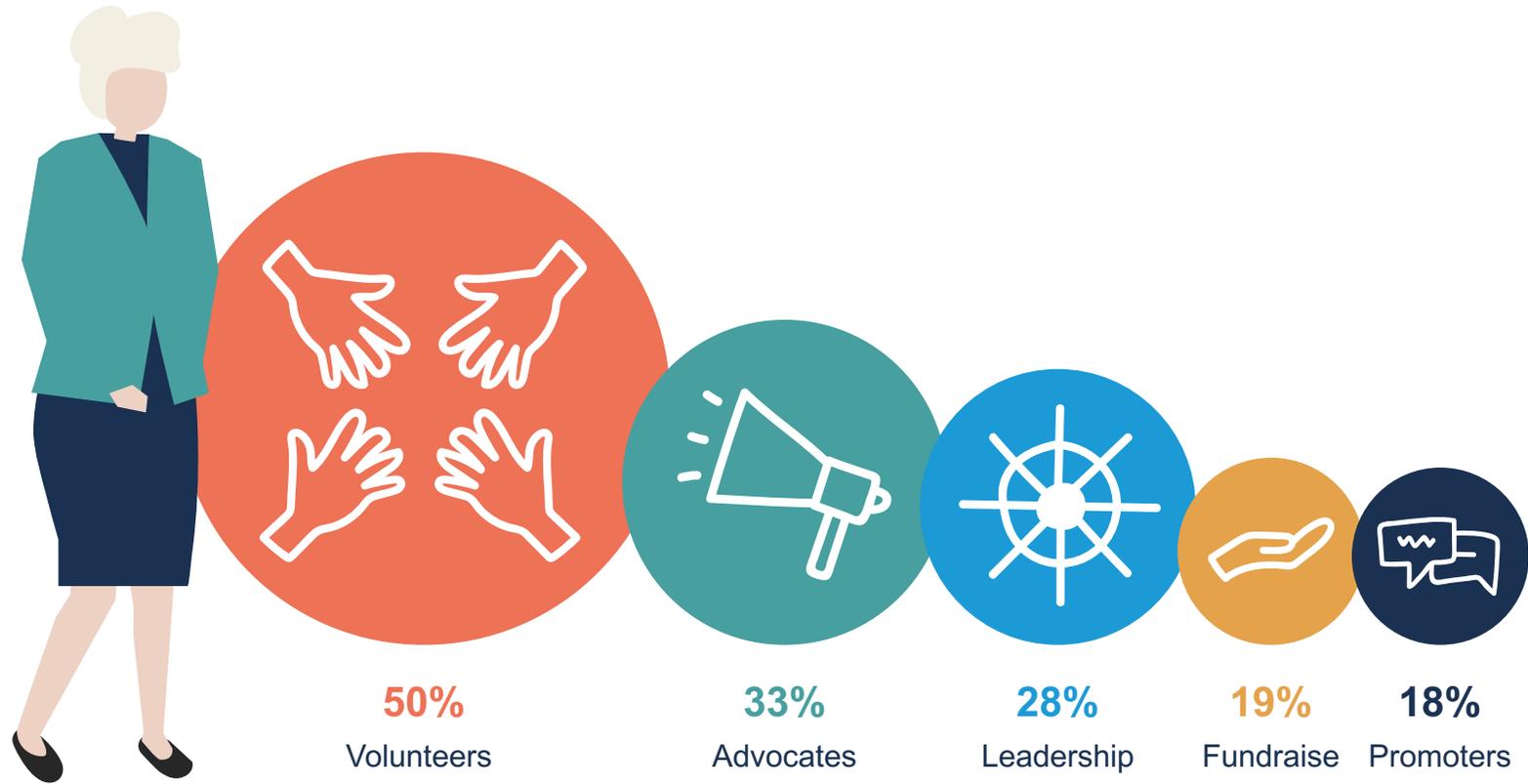
31% have made a bequest to the participating organization, and another 23% say they plan to make one later.



20% have donor-advised funds (DAF), and another 8% are thinking about starting one.



Many of these donors do more than give.





2

GENERAL FINDINGS
SIX IMPORTANT TAKEAWAYS

1

At a time of tumult and uncertainty in fundraising, midlevel donors appear to be foundationally strong.

Nearly 90% of surveyed donors say they are 'very likely' to renew their gift to the participating organization. Based on benchmark donor studies, this is a very high percentage.

Of course, donor intent does not always translate into donor giving. Organizations participating in our past 'Missing Middle' studies have reported multi-year retention rates averaging around 65%.

Still, whether measured by intent or behavior, midlevel donors are retaining significantly above the industry average retention rate of 20% for first-time donors and 55% for multi-year donors.³

Nearly 90% of these donors also say their perception of the participating organization is 'very favorable,' another indication of midlevel donor loyalty.

The recent and continuing turmoil in the world appears to have had little effect on donors' reported giving. Huge majorities say that in the past two years, their giving stayed the same or even grew in the face of political and cultural polarization (94%), global instability (94%) and economic uncertainty (87% of donors).

Favorability

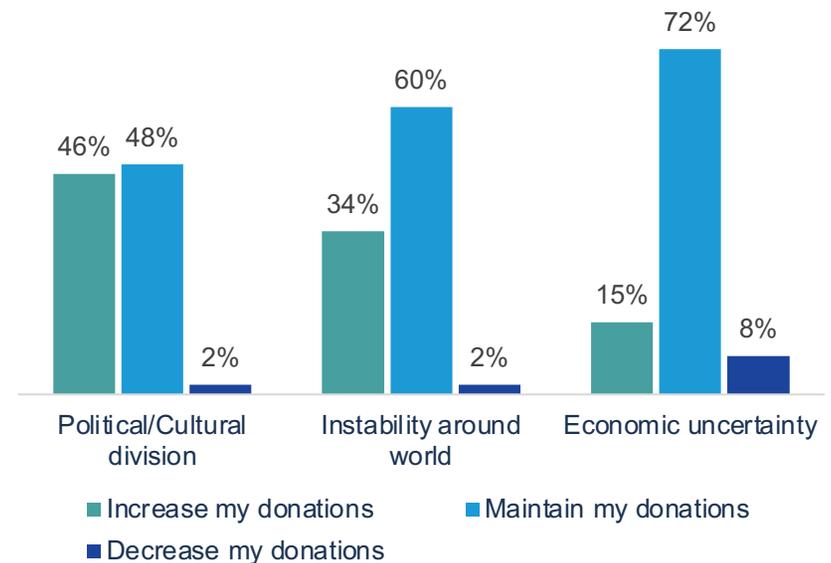
87%

say they are very favorable toward the organization

Donation Intent

89%

say they are very likely to give to the organization again in the next 12 months



³ Giving USA 2023

2 |

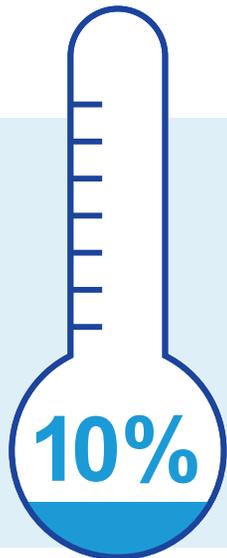
Few midlevel donors look like hot major giving prospects.

Many organizations view their midlevel programs as *both* stepping stones to major giving and as a destination for donors whose giving will remain in the middle range.

This research suggests fundraisers should be cautious in their projections of how many midlevel donors are likely to progress to major giving. Only 13% of the sample say they have made a gift of \$10,000 or more.

Looking to the future, only 10% of these donors say they intend to increase their donation in the coming year. Most (70%) say they are likely to give the same as in the past, and another 18% say they are undecided. Fortunately, only 1% of donors say their gift to the participating organization is likely to decline.

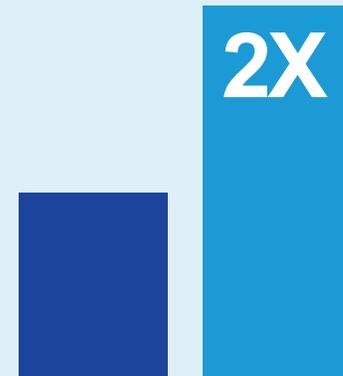
“Favorite” organizations may fare better in their upgrade efforts. While only 10% of donors say the participating organization is the most important group they support, among these donors twice as many (21%) say they are likely to increase their giving.



Intent to increase donation.



Say the organization is the most important group.



Among the people who said the organization was their most important group, the inclination to increase giving is 2X higher.

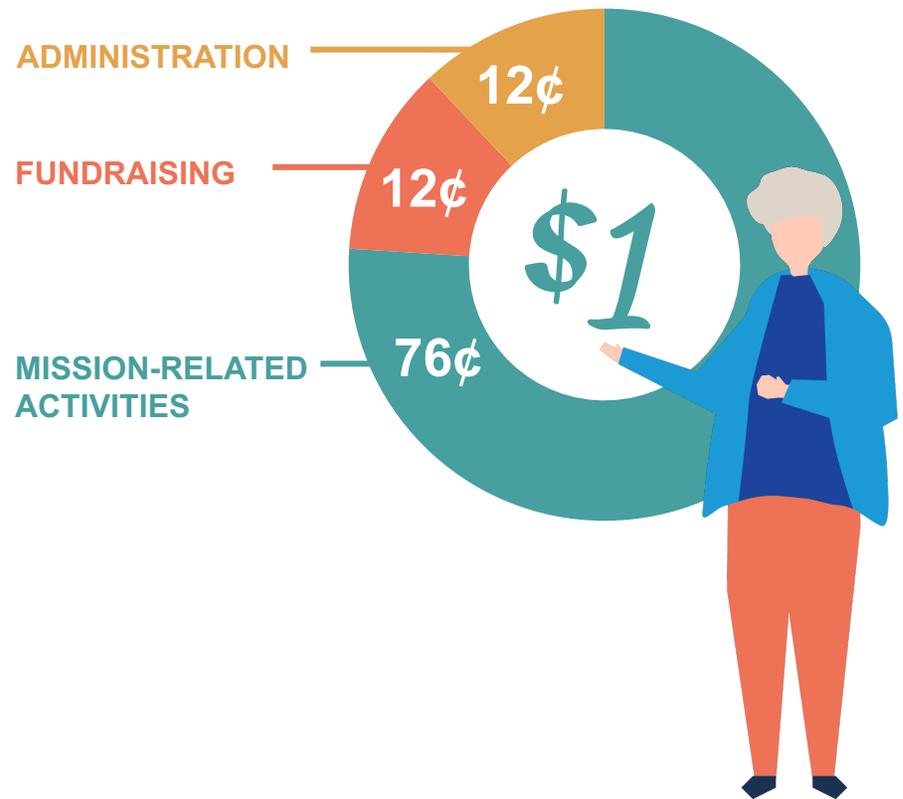
3

Midlevel donors remain attached to old ideas about non program spending.

Most midlevel donors are still very concerned about overhead. A strong majority (85%) says “knowing most of my donation goes to the mission and work, versus overhead and administrative costs” is a “major factor” in deciding whether to make a large gift.

Asked what the appropriate allocation of costs should be among program, administration, and fundraising for organizations they support, donors believe 76% of the money should go to programs and other mission-related activities.

For every dollar, they want to see the organization’s budget go towards

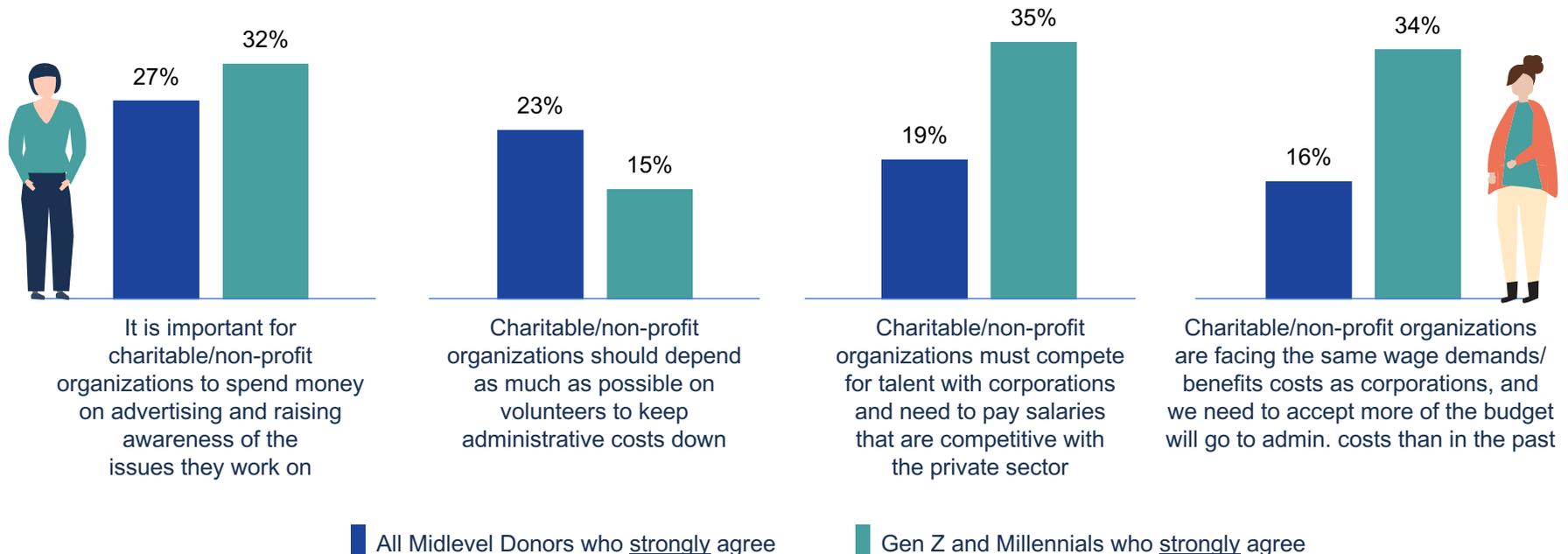


There is a notable generational exception to ideas about spending.

Younger generations seem more attuned to the fiscal realities of running a nonprofit. Millennial and Gen Z donors give a more reasonable estimate of 66% to programs, while Boomer and older donors say 77% of donations should go to programming.

Responding to a series of questions about nonprofit overhead, Millennials and Gen Z are more likely than their older counterparts to strongly agree with the following propositions:

- Spending money on awareness-building and advertising is important;
- Nonprofits need to compete with the private sector by paying competitive salaries; and
- Charitable/non-profit organizations are facing the same wage demands and benefits costs as corporations, and we need to accept that more of the budget will go to administrative costs than in the past.



4 |

Midlevel donors are doing their research.

Nearly 80% of midlevel donors say they research organizations before making a donation. Among the possible research avenues, a plurality (39%) say they look at the organization's website. This is an important finding. Our sense is that organizations seem to be de-emphasizing their websites as important fundraising tools in favor of less important donation drivers like social media.

Roughly a third (34%) of donors say they consult charity watchdog sites (e.g. Charity Navigator, CharityWatch, Candid, etc.) and 28% say they track news coverage of organizations before donating. Fewer donors say their research includes word of mouth (12%), the organization's annual report (12%), talking to staff or leadership (12%), and social media (5%). From a midlevel fundraising perspective, a persuasive web presence seems a more important investment than social media.



78% Say they research organizations before making a donation

Tools midlevel donors use to research nonprofits they support include:



39%

Website



34%

Charity Review Website



28%

News



12%

Annual Report



5%

Social Media

5

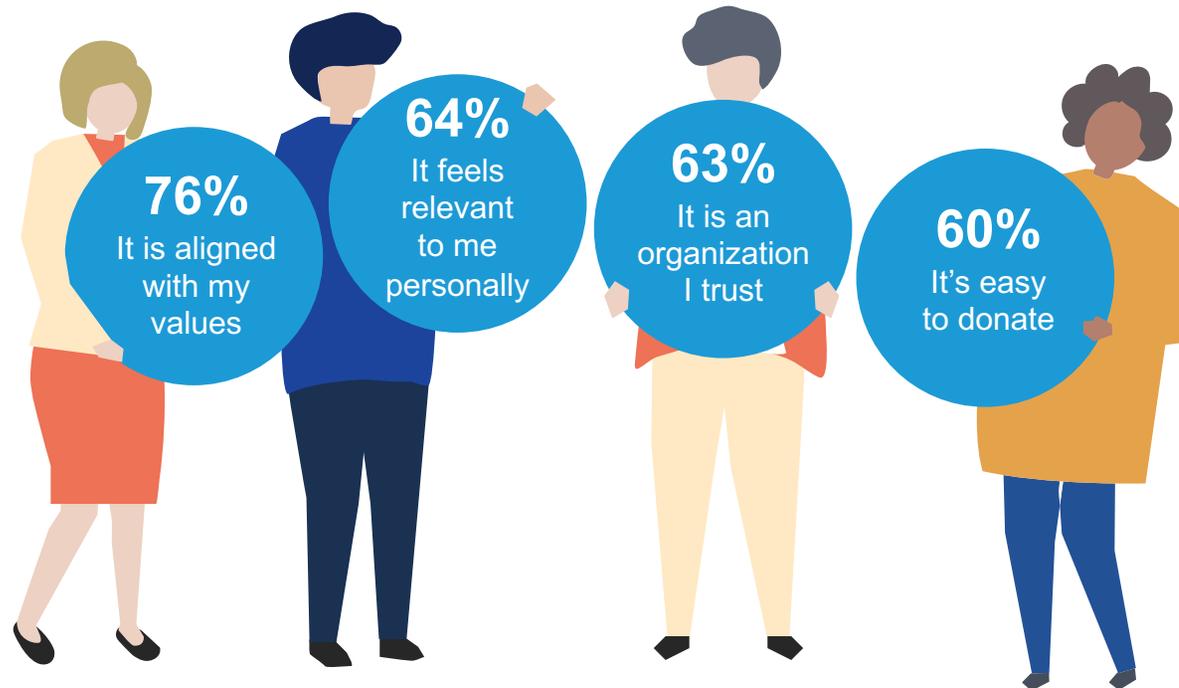
Donors say four factors are most important when deciding which organizations to give to.

Those factors are values alignment, personal relevance, trustworthiness, and a simple donation process.

These are the minimum entry requirement for nonprofits, the qualities every organization should aspire to in order to attract midlevel donors.

We are particularly interested in seeing nonprofits focus on building trust with donors. According to the recently released fourth annual Independent Sector report *Trust in Civil Society*, only 52% of Americans say they trust nonprofits to do what is right, down a statistically significant 4 percentage points from last year.

To stay viable in the eyes of donors, nonprofit fundraisers and leaders must begin to reverse this trend.



6

When asked to share motivators for making a large gift, midlevel donors say efficiency, impact, and lasting change are among the biggest influences.

More than 80% say “knowing most of my donation goes to the mission and work, versus overhead and administrative costs” and “knowing my contribution will help support long-term, systemic change” would have a strong impact on their likelihood to make a significant gift. Two-thirds also cite impact, either at the national, global, or local level, as strong motivators.

In addition, 60% of respondents cite high charity watchdog ratings as a major influence on their thinking and 40% say the same about the opportunity to restrict their gift to a specific project or priority.



60%

say that having an excellent rating on a charity watchdog review site has a “major impact” on making a large donation

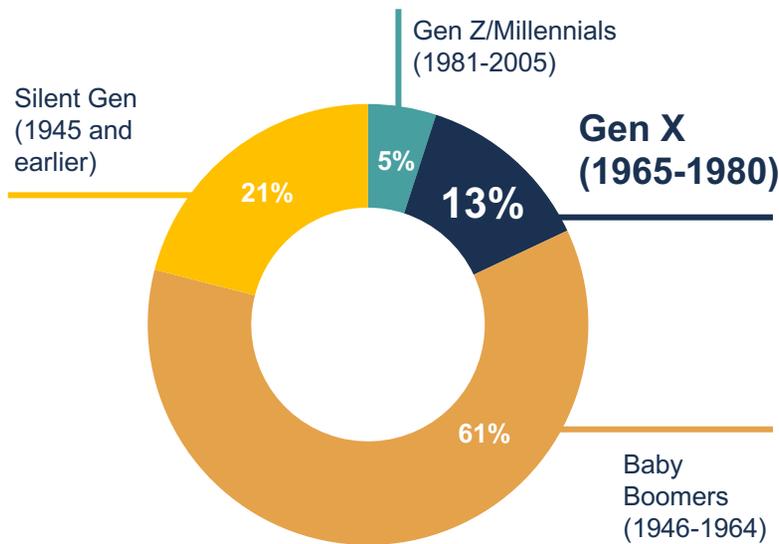
The background is a light blue gradient with several abstract elements: a large light blue arc in the top-left corner, a smaller light blue arc in the top-right corner, a large light blue arc in the bottom-right corner, and a light blue semi-circle in the bottom-left corner. There are also several clusters of small light blue dots: three dots in a vertical line in the top-left, a 2x7 grid of dots in the top-right, a 2x7 grid of dots in the middle-left, and a 2x7 grid of dots in the bottom-left.

A CLOSER LOOK

A closer look at

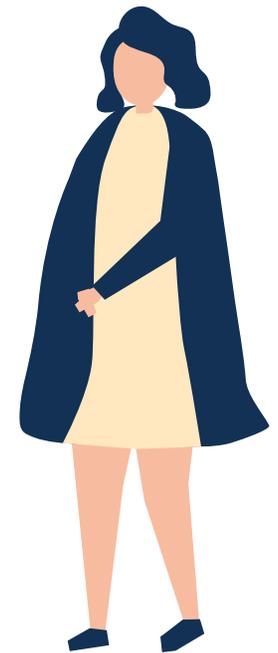
GENERATION X

As one might expect, older donors represent the lion's share of midlevel donors. Giving tends to increase over the course of a donor's life stage with younger donors balancing competing financial challenges like paying off student debts, raising children, and saving for children's education.



Baby Boomers exemplify this age skew. Our study found that more than 60% of surveyed midlevel donors fall into the cohort born between 1946 and 1964. Yet, according to census data, only 25 percent of all U.S. adults are Boomers. Conversely, Millennials/Gen Z (born 1981-2005) are underrepresented in the sample. This demographic cohort (roughly 43 percent of the adult U.S. population) represents only 5% of the midlevel donors.

Generation X donors (born 1965-1980) fall somewhere in between. Like the Millennials/Gen Z they are underrepresented among midlevel donors as an overall percentage in the population, but to a lesser degree than Millennials/Gen Z. Nearly as large as the Boomer cohort numerically, only 13% of donors in our study come from Gen X.



Because Gen X donors will be the next generational cohort to age into prime giving years, it is important to look at their makeup, which looks like a hybrid of Millennials and Boomers.

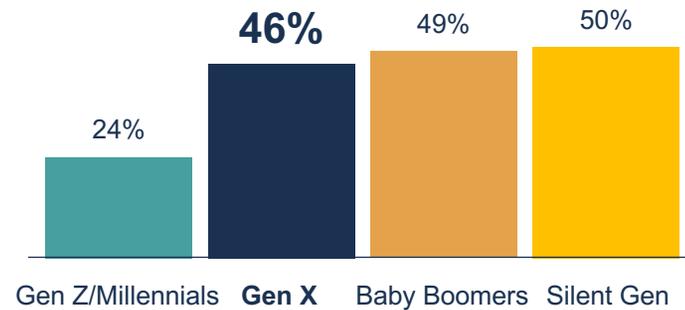
Xers in the study look more like Boomers when comparing their largest donation to a single group. For Boomers, the average largest donation was \$12,857 with Xers just behind at \$10,586. Millennial’s highest gift was far behind, averaging \$3,527.

Xers are also significantly more likely than Millennials to have amassed a net worth of \$1 million or more.

Generation Xers (like Boomers) give large single donations.



Generation Xers (like Boomers) have high net worth.



Generation	% U.S. Adult Population	% Midlevel Donors
Gen Z/Millennials	43%	5%
Gen X	26%	13%
Baby Boomers	25%	61%
Silent Generation	6%	21%

% U.S. Population Source: Statista

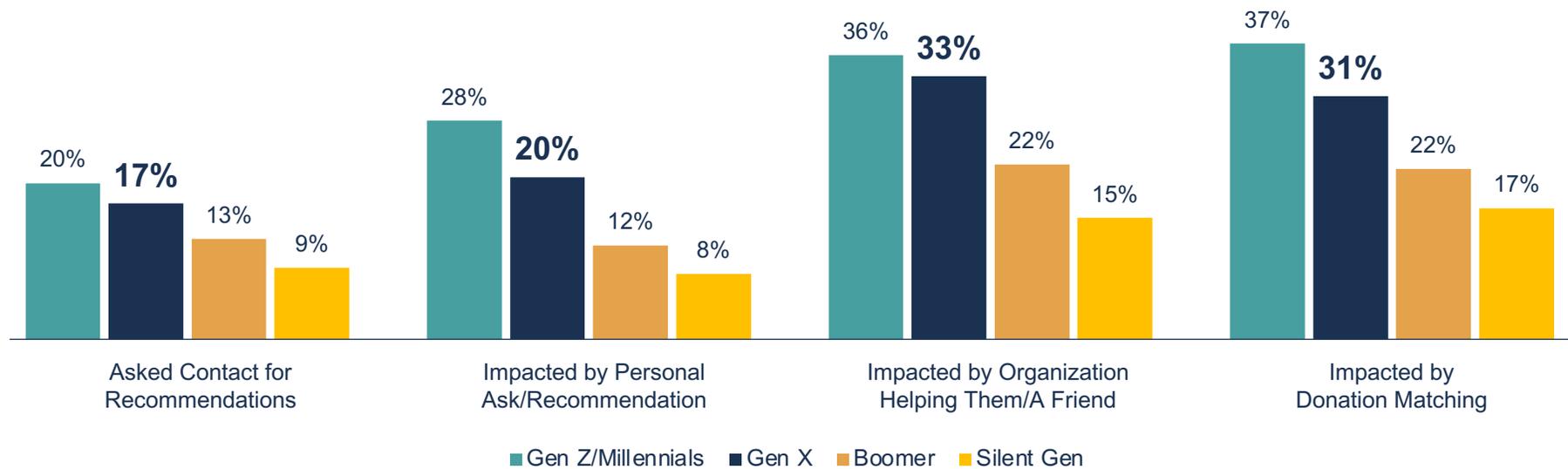
Like Millennials, Xers are more likely to rely on word-of-mouth in making donations, to respond to a personal request from a friend or colleague, and to support a cause that has helped someone they know or with which they have a personal connection. They are also more like Millennials than Boomers in their responsiveness to match offers.

With the oldest Xers now in their late 50s, it's arguably surprising that they are not better represented among midlevel

donors. With so many Boomers deep into retirement and with their numbers declining, a question arises: Who will fill their philanthropic shoes when they are gone?

We believe this opens up a larger conversation about maximizing revenue from older donors while building relationships with younger donors who typically start their relationship with favored causes in young adulthood.

Generation Xers (like Millennials) are impacted by word of mouth and personal recommendations, personal connection, and are influenced by matches.



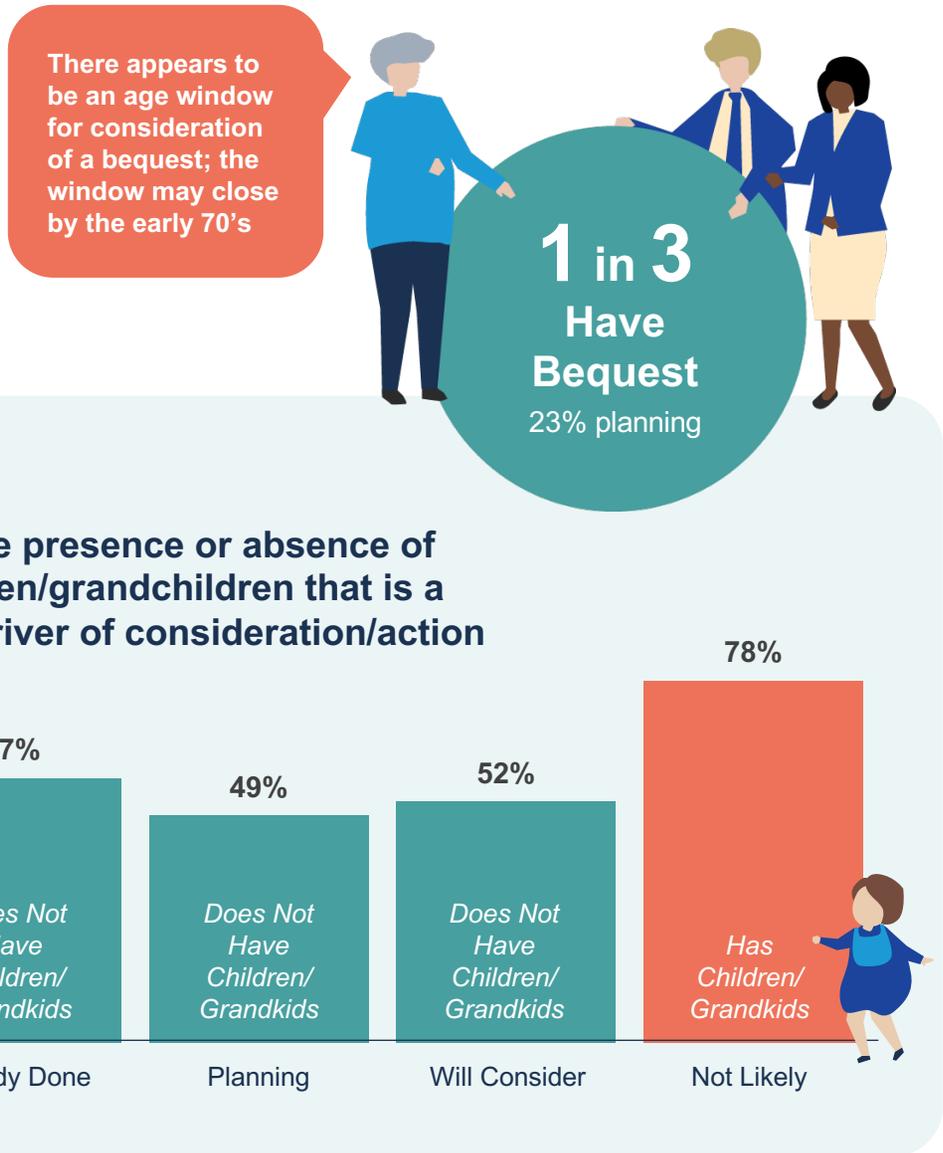
A closer look at

BEQUEST GIVING

Most midlevel donors (57%) are aware that making a bequest to a charity is an option. And more than half of the midlevel donors in the sample have either made a bequest to a charity (31%) or are in the planning stage of doing so (23%). An additional 11% are thinking about it.

There appears to be a critical age window for securing bequests. Based on our sample, by the time a donor reaches 70, they have either already added a charity to their estate plan or have decided not to. The average age of the ‘planning to’ group is 67. The average age of the “thinking about it” group is 56. This suggests that mid-50s to late 60s may be the ideal age window for securing bequests.

Roughly two-thirds of the donors in the study are 70 or older. To the extent this holds up industry-wide, planned giving teams have limited time to secure bequests from these donors.



A closer look at

DONOR-ADVISED FUNDS (DAFs)

According to the National Philanthropic Trust's annual report,⁴ roughly \$229 billion was tied up in donor-advised funds (DAFs) in 2022, out of which \$52.2 billion was disbursed. Concerns have arisen about the enormous sum that sits in limbo in DAFs each year.⁵ Proposed legislation would require a higher proportion of DAF funds to be disbursed to working charities, but the proposals have not made headway in Congress.

Meanwhile, DAFs are of considerable and growing interest among midlevel donors. One midlevel donor in five currently has a DAF, and another 8% are thinking about it.



Demographics

70 Average age

25% Net worth of \$5M or more among those reporting net worth. In fact, DAF holders are twice as likely as the average (12%) to report a net worth of \$5M or more.

75% Retired

65% Have children/grandchildren

42% Male (4 points higher than overall sample)

⁴ <https://www.nptrust.org/reports/daf-report/>

⁵ <https://www.fplglaw.com/insights/the-latest-on-foundation-and-daf-reform-proposals-2/>

Among DAF holders in the sample, 25% have a net worth of \$5 million or more. Three-quarters of the DAF holders are retired, and their average highest single gift to a charity, \$26,870, is twice the overall sample. Compared to the full survey group, they are more likely to have already made a bequest to a charity (See “A Closer Look At: Bequest Giving,” above).

\$26,870

Highest ever gift to single charity

(almost double the overall average of \$14,150)

21%

Most likely to have increased giving because of economic uncertainty

(21% compared to 15% overall)

57%

High propensity to give to schools/universities

(57% compared to 42%)

41%

Also made bequest already

(10 points higher compared to 31% overall)



3

**THREE MIDDLELEVEL
PSYCHOGRAPHIC DONOR PROFILES**



A type of statistical analysis called segmentation was used to uncover groups of midlevel donors who are distinct from one another in their attitudes and behaviors. For this segmentation we looked for differences in level of involvement with organizations, information wants and needs, and engagement preferences in order to uncover actionable differences for midlevel outreach and cultivation.

Applying segmentation analysis to the midlevel donor sample, three distinct groups of donors emerged. The nuances and opportunities within each are described below.

THE PROFILES

In Summary

Midlevel donors fall into one of three psychographic profiles.



41%

All Business

As the name suggests, All Business donors are happy to be left alone, and are likely to renew their gifts with minimal stewardship efforts. It's possible that for members of this group, some stewardship outreach could be counter-productive, such as phone calls, invites to events, and other contacts. Remind these donors when it's time to renew, and send them a tax receipt, your Annual Report and possibly an additional impact report.



32%

Engagement Seekers

Of the three segments, these donors appear to have the highest potential. They are the group most likely to say they plan to increase their giving to the participating organization, and they have a considerable appetite for the kinds of engagement opportunities organizations can provide. Win them over by speaking to both their heads and their hearts.



27%

Hands-On Donors

These donors are at the opposite end of the spectrum from the All Business crew. This group is *already* personally involved in multiple ways, including as Board members, volunteers, or in other hands-on roles. This group is the most likely to be major givers to at least one organization.

PROFILE ONE: ALL BUSINESS

A closer look

Average single largest gift:

\$11,644

Average age:

71

Compared with the overall sample, these donors are less familiar with the participating organization, more likely to give annually (as opposed to monthly), and are notably uninterested in additional engagement opportunities. Only 5% of these donors, half the percentage of the overall sample, say they are inclined to increase their gift to the participating organization.

These donors, more than others, want to see a higher percentage of their gifts go to programs, and are less sympathetic to the pressures nonprofits face. Paradoxically, they are also less likely than the others to research organizations before donating. And they are the least likely of the three segments to say they are “very familiar” with the participating organization.

All Business donors are more likely to be retired and to have grandchildren, which could decrease their potential as major donor prospects or planned givers.



Gives to an average:

15 organizations

6 at the midlevel



PROFILE ONE: ALL BUSINESS

In their own words: Why I made a large donation.



“The organization's values and goals aligned with mine, and I trusted them to use the money effectively.”

“I feel the need is there, and I can see how my money is used.”

“The organization's purposes align with my beliefs, and I consider the organization effective at achieving its goals.”

“They think 'outside the box,' approach problems in novel ways, and are very effective in their mission.”

PROFILE TWO: ENGAGEMENT SEEKERS

A closer look

Average single largest gift:

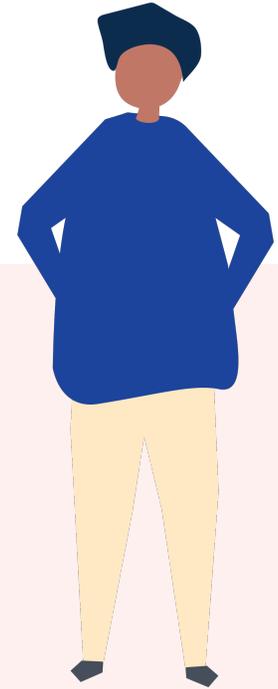
\$11,659

Average age:

66

Engagement Seekers show the greatest giving potential of the three segments. They currently donate less than the Hands-On donors, but they are the group most open to increasing their giving. Because the Hands-On donors are as deeply involved as they are with the causes they support, they are probably less available for new giving relationships.

The key to success with Engagement Seekers is to speak both to their heads and their hearts. Engagement Seekers are more interested than the other segments in a wide range of engagement opportunities, including getting regular impact updates, attending events, and receiving recognition. Analysis of the data suggests three tactics, in particular, could make the biggest difference in more deeply engaging these donors: in-person events and engagements, information about local impact, and receiving personal thanks for their support.



Gives to an average:

13 organizations

5 at the midlevel



This group is also much more likely than the other profiles to say they are interested in giving input through surveys and focus groups. More than 50% of the Engagement Seekers say this is likely to motivate deeper engagement, compared with 40% of the Hands-On donors and 14% of the All Business donors.

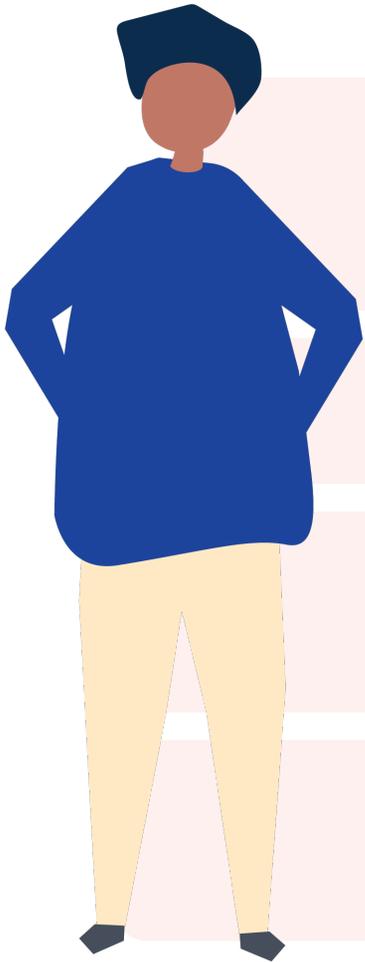
Engagement Seekers are more likely to be suburban and have no children. They are also the group most likely to say they have made a bequest to the surveying organization in their will.

More Likely To...

- ✓ Increase their giving
- ✓ Give input through surveys and focus groups
- ✓ Be suburban
- ✓ Have a post-grad degree
- ✓ Have no children
- ✓ Have made a bequest

PROFILE TWO: ENGAGEMENT SEEKERS

In their own words: Why I made a large donation.



“I support the mission of the organization and I can see that it is well run as a nonprofit, so I know it is going to make a difference. Also, certain membership level benefits compel me to donate more than I would typically.”

“I want to be considered a member of the [giving circle].”

“The impact the organization had on the group they were helping. I was also moved by their focus on sharing results and not just the need.”

“Direct visibility and reliable communication about where my donation was going and what it was used for.”

PROFILE THREE: HANDS-ON DONORS

A closer look

Average single largest gift:

\$18,728

Average age:

66

Younger than the All Business donors, these are the most generous donors of the sample, with an average largest gift of more than \$18,000. Their defining characteristic is the depth of their engagement with the causes they support. They are much more likely to be volunteering, fundraising, or serving as Board members or volunteer leaders than the other members of the sample.

Hands-On donors are more likely than the overall sample to be women, to live in an urban area, to have a post-graduate degree, and to have school-aged children. They are also the most likely to say faith is an important part of their lives.

Hands-On donors are also more likely than other segments to have a donor-advised fund.

Gives to an average:

16 organizations

6 at the midlevel



PROFILE THREE: HANDS-ON DONORS

In their own words: Why I made a large donation.



“I give a big gift to the organization where I am serving on the Board of Directors.”

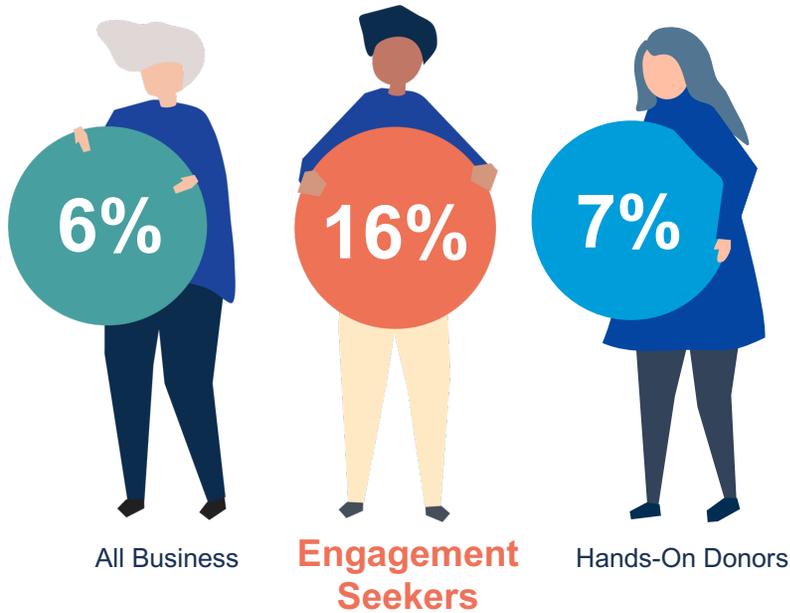
“I got my name on a plaque...”

“To donate enough to be in the [midlevel circle], or highest category of donor.”

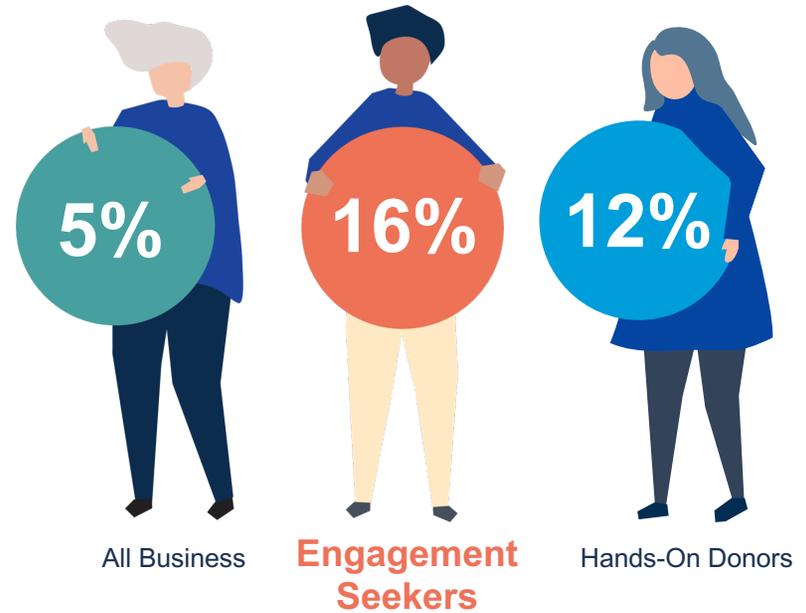
“I am on their membership committee, so I have an insider's view into the finances of the organization.”

Engagement Seekers have the most potential. They say they are more likely to increase their gift and list the participating organization as their most important group.

Rates Most Important Group



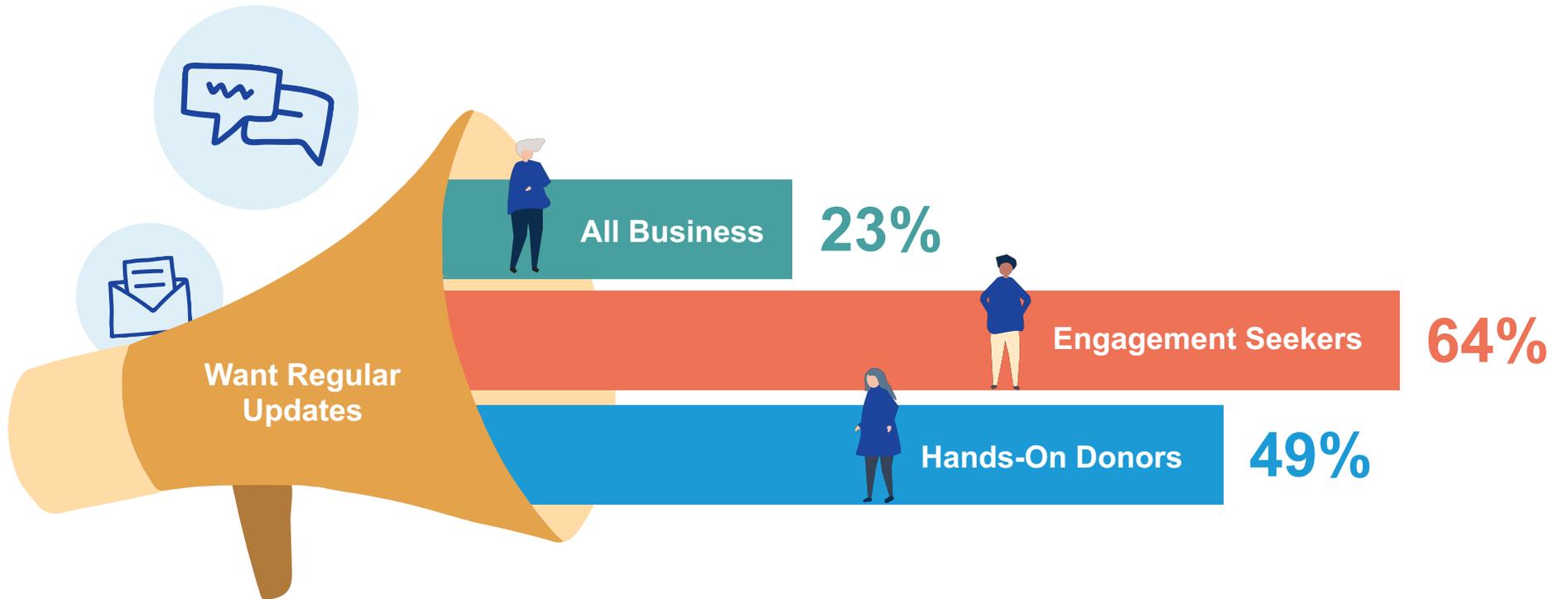
Intent to increase donation



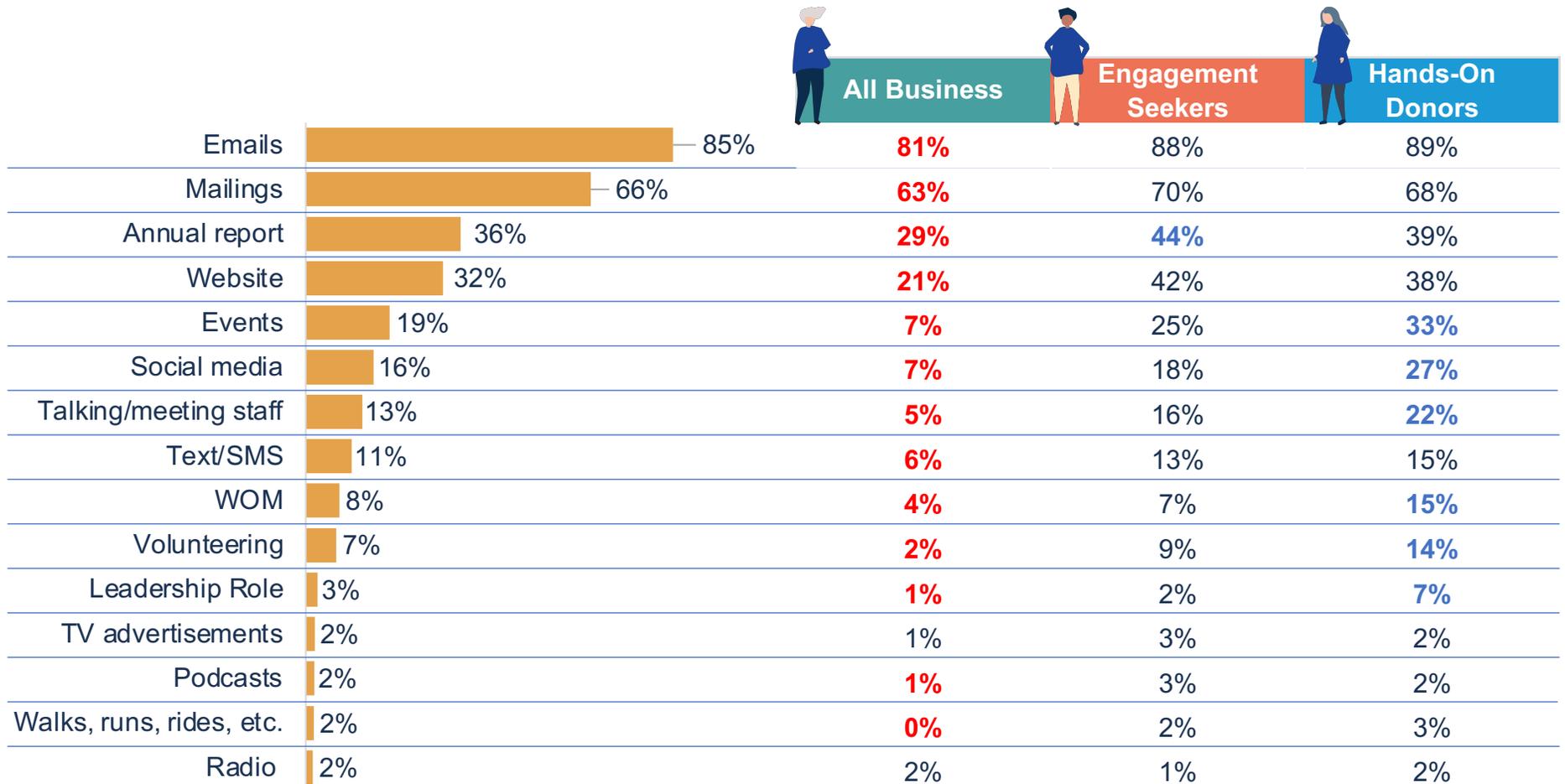
The profiles behave and think differently.

	All Business	Engagement Seekers	Hands-On Donors
Participate in leadership role	Low	Med	High
Volunteered	Low	Low	High
Fundraised	Low	Low	High
Advocated	Low	Low	High
Impact Nationally	Low	High	Med
Impact Globally	Low	High	Med
Impact Locally	Low	Med	High
Provides direct services	Low	Med	High
Sponsoring org in will	Med	High	Med
Charity watchdog rating motivates	Med	High	Med
Donation goes to mission vs. overhead	Med	High	Med
Family tradition/my family supports this organization	Low	Med	High
Support because of my faith/religion	Low	Med	High

The profiles differ in how frequently they want updates.



While midlevels generally stay informed via email, for the Hands-On donor segment in-person events and social media help differentiate. For Engagement Seekers, it's the Annual Report.



■ Statistically significant as lower than comparison group(s)
 ■ Statistically significant as higher than comparison group(s)

Engagement Seekers and Hands-On donors like to deepen engagement by receiving local/state information, getting insider communications, giving input through surveys and focus groups, and attending in-person events. 55% of Engagement Seekers want to give feedback through surveys and focus groups.



	All Business	Engagement Seekers	Hands-On Donors
Receiving information about the organization's work in my local area or state	58%	33%	70%
Receiving insider communications with special updates, information, and opportunities to engage with the organization	38%	10%	51%
Giving my input through surveys, focus groups, and other forums	33%	14%	40%
Attending an in-person event	32%	7%	47%
Being personally thanked for my support	31%	11%	39%
Attending special events and meetings where I can ask questions and hear directly from program staff on the organization's work	30%	6%	45%
Being recognized for my consistent and long-time support	29%	8%	38%
Participating in a webinar on hot topics	25%	6%	38%
Having direct contact with staff who check in with me and answer my questions	24%	4%	36%
Participating in volunteer opportunities	24%	6%	37%
Being part of a giving circle	17%	4%	23%
Getting branded merchandise from the organization	14%	3%	18%

■ Statistically significant as lower than comparison group(s)
 ■ Statistically significant as higher than comparison group(s)



4

RECOMMENDATIONS

Following are our recommended strategies and tactics for organizations committed to building stronger relationships with their midlevel donors.

1 Speak directly to Boomers (and don't forget the Gen Xers), **but still** build relationship with younger donors.

You are essentially running two midlevel programs. Program one should maximize revenue from older donors. Program two should build relationships with younger donors who typically start their relationship with favored causes in young adulthood. Both programs should build trust and show impact in every touchpoint. This is a core element of a smart long-term midlevel strategy.

2 Your midlevel program is likely the final destination for most of your midlevel donors.

While some midlevel donors will upgrade to major donors, you should approach your program with a primary aim of retaining midlevel donors and securing bequests, DAF gifts, and IRA distributions from them.

3 Profile your donors and treat them differently to whatever extent possible.

Unfortunately, there is no obvious shortcut for separating the reclusive All Business donors from the eager Hands-On donors or the promising Engagement Seekers.

As a starting point, we encourage you to provide options that let each midlevel donor customize their relationship with you including asking them about frequency and types of communications they prefer. Then, consider the menu of activities on the next page. Surveying donor interest in these engagement touchpoints will give you an overall idea of your profile mix, as well.

Menu of activities to

CONNECT WITH EACH PROFILE



All Business

- Send limited communications with appeals timed to annual giving.
- Share impact report showing wise spending of donations.
- Send annual tax receipt.
- Send Annual Report.



Engagement Seekers

- Communicate to engage and inform including:
 - Impact updates
 - Event invitations
 - Specifics on local impact (where applicable)
- Create special thank you notes and acknowledgments recognizing support including personal outreach from a staff member or volunteer such as phone call or handwritten notes.
- Create opportunities to offer input via surveys and focus groups.
- Send annual tax receipt.
- Send Annual Report.
- Create a more focused upgrade strategy.



Hands-On Donors

- Develop a regular cadence of communications with additional outreach around events, volunteer opportunities and advocacy activities. Focus on impact when you can.
- Create special thank you notes and acknowledgments recognizing support including personal outreach from a staff member or volunteer such as phone call or handwritten notes.
- Create opportunities to offer input via surveys and focus groups.
- Create volunteer opportunities and schedule visits to see work in action (where applicable).
- Create meaningful advocacy opportunities.
- Send annual tax receipt.
- Send Annual Report.

4 Make sure your website is a persuasive and focused fundraising tool. For today's midlevel donors, your website is far more important than your social media presence.

At a minimum, do this:

- a. User test the donation forms on mobile and desktop.
- b. Highlight strong charity watchdog reviews.
- c. Create a case for giving that has been informed by donor research.
- d. Continue to highlight low overhead in your case for giving. But experiment with engaging younger donors with messages that underscore impact instead of overhead.
- e. Simplify, streamline, and optimize the giving process, including clear guidance for DAF holders and retired persons giving via their IRAs.

5 Spend money to make money.

In our hands-on work with organizations' midlevel programs, we frequently encounter internal obstacles to the groups' potential. Underfunded programs often produce lackluster results. For medium and larger organizations, we suggest a formal midlevel department or division, rather than having a major gifts or membership person run the program as an additional responsibility.

6 Make planned giving a core part of your midlevel strategy.

Include opportunities to make a bequest—especially when talking to donors younger than 70. When you identify donors who have already made a bequest, recognize their commitment.



7 Make donor-advised fund outreach a central part of your midlevel strategy.

Include opportunities to make donations from DAFs into your outreach plan, and to the extent you can identify donors who have DAFs, engage them accordingly.

8 Diversify your donor base.

In a 2015 Blackbaud Institute/Edge Research/Sea Change Strategies collaboration called *Diversity in Giving*,⁶ we found that white people were significantly overrepresented in the overall donor population. Our study finds the same result for midlevel donors in 2024.

⁶ *Diversity in Giving: The Changing Landscape of American Philanthropy*, Blackbaud Institute, 2015.



5

CONCLUSION

PARTING THOUGHTS

Given the state of philanthropy, we are more committed than ever to the study and practice of midlevel giving.

Alia grew up in Texas admiring Jim Hightower who famously said, “There's nothing in the middle of the road but yellow stripes and dead armadillos.” Sorry, Mr. Hightower. We have to disagree.

Midlevel donors may lack the luster of major donors and may not stack up in sheer number to grassroots supporters, but they are the foundation of a healthy and robust fundraising program.

We sincerely hope this study will inspire your organization to develop a strategic, creative and responsive midlevel strategy for your midlevel donors.

They are there for you.

Finally, we offer this study as the opening of a conversation with, and among, the philanthropy community on how best to foster a richer and more satisfying giving relationship between organizations and their supporters. Please share with us your own experiences, and don't be shy in offering your critiques, concerns and suggestions for the next round of research.





6

APPENDIX

PARTICIPATING ORGANIZATIONS

This study would not be possible without the trust and support from the following participating organization. Thank you!

The ACLU	The Marine Mammal Center
All-Options	MAZON: A Jewish Response to Hunger
American Friends Service Committee	Minnesota Zoo Foundation
American Rivers	The Nature Conservancy
Amnesty International	No Kid Hungry
National Audubon Society	NRDC
Best Friends Animal Society	Palos Verdes Peninsula Land Conservancy
CARE	Planned Parenthood of the Rocky Mountains
Center for Reproductive Rights	Planned Parenthood of Greater Texas
Cystic Fibrosis Foundation	Planned Parenthood Federation of America
Disabled American Veterans	Rainforest Foundation US
Easterseals	Save the Children
EDF	Sierra Club
Fòs Feminista	Texas Freedom Network
Free Press	The Trevor Project
Global Communities	Women's Refugee Commission
Human Rights Campaign	WWF
Christopher & Dana Reeve Foundation	YIMBY Action

About the

STUDY SPONSORS

Edge Research

Edge Research is a full-service, custom research firm that helps nonprofits and corporations meet their strategic objectives. We forge strong partnerships with a select number of clients, learn their business, and continue to provide smart, insightful research and analysis over time. Our team has spent their careers helping NGOs reach audiences through effective marketing and communications; partnering with organizations to optimize branding and messaging, raise awareness, improve communications, and increase donor acquisition and retention.

For more information, please visit edgeresearch.com.

Sea Change Strategies

Sea Change Strategies is a boutique consulting practice recognized for helping nonprofit leaders make transformational shifts in fundraising and leadership. We have been pioneers in the midlevel space since 2008 and have extensive expertise supporting organizations in maximizing this important, yet often undervalued, group of donors.

For more information, please visit seachangestrategies.com

METHODOLOGY

Objectives

Engage the NGO community across verticals in a study of midlevel donors, to get a deeper understanding of these donors' mindsets, demographics, and behaviors. Specifically, how can the sector effectively reach, retain, and upgrade this critical audience?

This study was designed as a way for the sector to pool resources and learn about this important audience. The results will be shared broadly to inform the sector's strategies and tactics around midlevel cultivation and retention.

Methodology

- Online survey of active **midlevel active donors from 36 different organizations**. The full list of participating organizations is in the Appendix of this report
- Organizations define "midlevel" in different ways, but typically they are donors with **cumulative gifts to a single organization over a 12-month period of between \$1,000 and \$9,999**
- Sample size **n=4647-5919** (number of responses vary by question)
- Field dates: **August 8-October 31, 2023**
- **Data weighted**, taking into consideration size of midlevel donor universe and number of responses for each sponsoring organization
- **Caveat:** This is a convenience sample of donors who agreed to take the survey, from across the 36 organizations who participated in this study. When the term "midlevel donor" is used, it refers to the donors who participated in this survey