

A vertical image on the left side of the page showing a close-up of water splashing, with droplets and ripples visible.

2021 NONPROFIT PULSE TRACKING THE IMPACT OF COVID-19 ON NONPROFITS IN EUROPE

DECEMBER 2021

A summary report published by:



FOREWORD



The ongoing pandemic has led to worldwide uncertainty in every sector. New lockdowns, a sudden, massive shift from in-person to virtual operations, and the urgent need for technology solutions to meet the demands of remote work. Nonprofits were hit hard and doubly challenged, acting as first responders to the pandemic crisis by providing aid and support to struggling communities while at the same time adapting their entire operations virtually overnight.

While these challenges are not going away anytime soon, there is good news: Nonprofits are innovating. Far from sitting still, they ramped up their use of digital to raise funds, engage with supporters and reach beneficiaries. More than half had found new ways to deliver services. How did they do it? Their success lies in trying new approaches to current processes, measuring success and recalibrating as needed. Read on to find out how the European nonprofit sector continues to thrive no matter what external circumstances come their way.

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INTRODUCTION

Amid a global pandemic, change has become the world's new normal. But what does all this mean for nonprofits in Europe?

Building on our first nonprofit pulse study in 2020, **Salesforce.org** and the **European Fundraising Association (EFA)** have once again come together to explore the continued impact of the pandemic for nonprofits in Europe.

Surveying over **480 nonprofit representatives** online during September to November 2021, this report summarises our headline findings.


Here we identify trends, offering useful insight into how fundraising, service delivery and the broader nonprofit environment is changing.

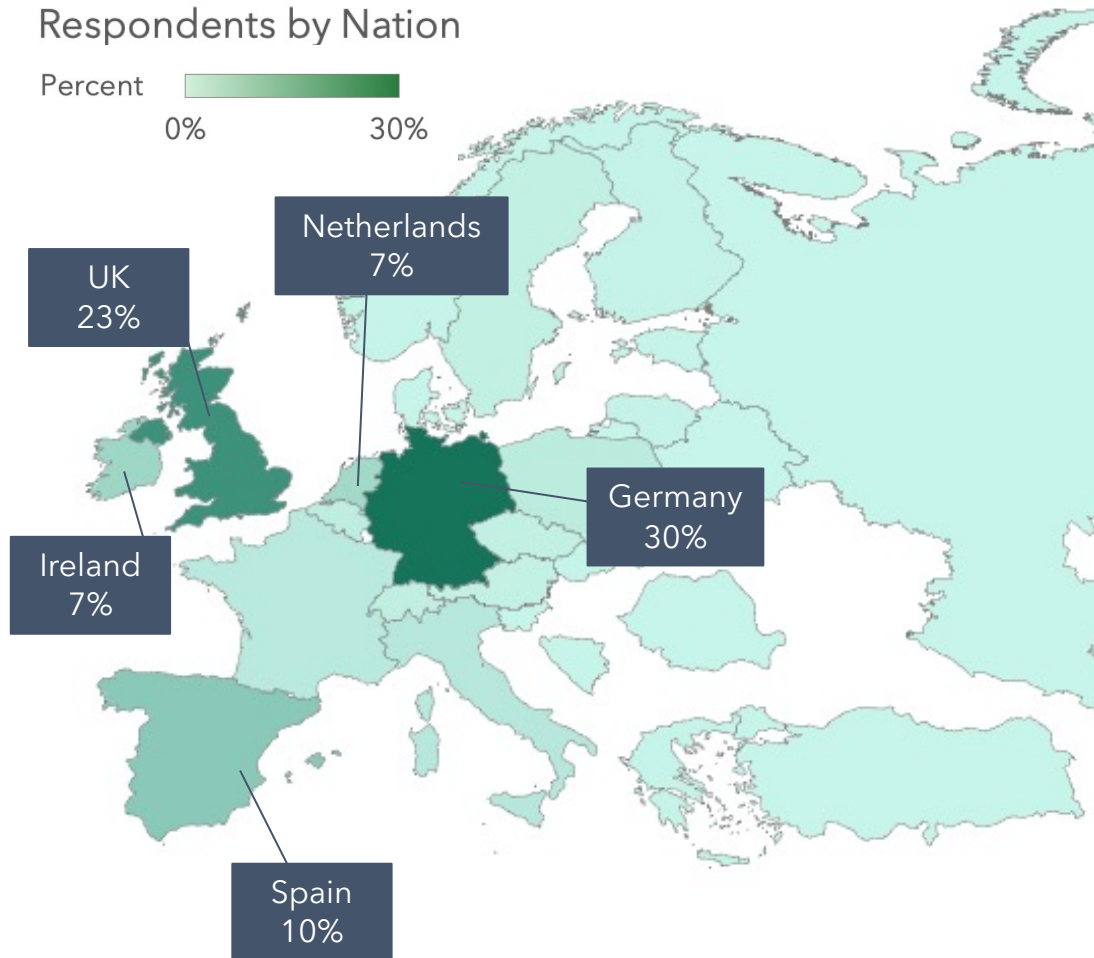


Photo by Saffu on Unsplash

SURVEY SAMPLE

Respondents by Nation

Percent 
0% 30%



The 484 survey participants represent nonprofits in **26 European nations**. More than half of those were based in **Germany** (30%) or the **UK** (23%), with the next largest groupings in **Spain** (10%), **Ireland** (7%) and the **Netherlands** (7%), enabling more in-depth analysis in these 5 nations.

Over a third of respondents were **fundraisers, communications, marketing** or **policy officials** and one in five were department heads. However, 3 in 10 served as **CEOs** or **trustees / board members**.

More than 1 in 5 (23%) worked for nonprofits with over **100 full time members of staff**, but almost 2 in 5 (38%) represented the **smallest nonprofits** with up to 10 staff.

Participants covered a **broad range of charitable causes**, with a bias towards health and children / youth organisations.

A QUICK RECAP

WHAT NONPROFITS TOLD US IN 2020*

Nonprofits had been hit hard. Countless fundraising events and activities had been cancelled and many nonprofits were struggling to reach beneficiaries or deliver services in lockdown.

Over 6 in 10 respondents had **downgraded their income projections** for 2020, and smaller nonprofits were feeling the pinch even more acutely.

1 in 3 said that income from **individual donations and services had fallen**, and that their **capacity was reduced** (with a drop in staff or volunteers).

The most common challenge for nonprofits was their **ability to raise sufficient funds**.

Nonprofits innovated. Far from sitting still, **they ramped up their use of digital** to raise funds, engage with supporters and reach beneficiaries. More than half had found **new ways to deliver services**.

Fundraising strategies were transformed, with nonprofits embracing digital and diversifying their approach to use a broader range of channels.

**A summary of key findings from last year's Nonprofit Pulse survey from EFA/Salesforce.org (2020)*

KEY FINDINGS

WHAT NONPROFITS ARE TELLING US IN 2021

Nonprofit income is recovering – despite the continued challenges of the pandemic, 2 in 3 respondents think their organisation's total income this year will exceed or match income from 2020.

Digital has become critical for fundraising. With half of respondents having to cancel or suspend activities in 2021, nonprofits continued to innovate. 7 in 10 increased their use of digital to reach and engage supporters.

Donations from the public are on the rise for more than 2 in 5 respondents, but the full picture is mixed. 1 in 5 have seen a fall in the amount given over the past year and 1 in 4 a drop in supporter numbers.

Supporter care has become paramount. 5 in 10 say they are increasing their focus on supporter retention, and 1 in 3 say their supporter relationships have strengthened during the pandemic.

Raising sufficient funds is still a major concern, but it's the **pressure of managing workload** that has become the most prevalent challenge in 2021 as people adapt to new ways of working and often longer task lists.

Sector capacity is being stretched, with 1 in 3 respondents reporting a **drop in volunteers** and 1 in 5 a **fall in staff numbers** over the year.

Nonprofits are improvising to meet growing demand for services. 6 in 10 respondents are making more use of digital and more than half are finding new ways to reach supporters as face-to-face services are cut back.

THE CHALLENGE NOW

BY EDUARD MARČEK, EFA

After the turbulence of 2020, few nonprofits expected this past year to be an easy one. And although the sector has become increasingly innovative, making great use of digital and stabilising income levels, the pressure of working through the pandemic and such continued uncertainty is taking its toll.

The nonprofit workforce is having to work harder than ever to raise the money needed to deliver their mission and reach beneficiaries. Remote working, reduced staff and volunteer capacity, restricted budgets and higher demand for services are all adding to the challenge of managing workload in an ever-changing environment.

Nonprofits have proved themselves to be hugely resilient and agile, but this cannot come at the expense of the sector's workforce; the people who work so hard to protect good causes and the most vulnerable communities around us. The biggest challenge ahead of us now surely is not only how to survive and thrive through the next phase of the pandemic, but how best to support and nurture our people and ease workloads. It's no easy feat but protecting our people has never been more important.



Eduard Marček is EFA's former president and head of the Slovak Fundraising Centre

European Fundraising Association



IN-DEPTH FINDINGS

2021 SURVEY CHARTS & ANALYSIS



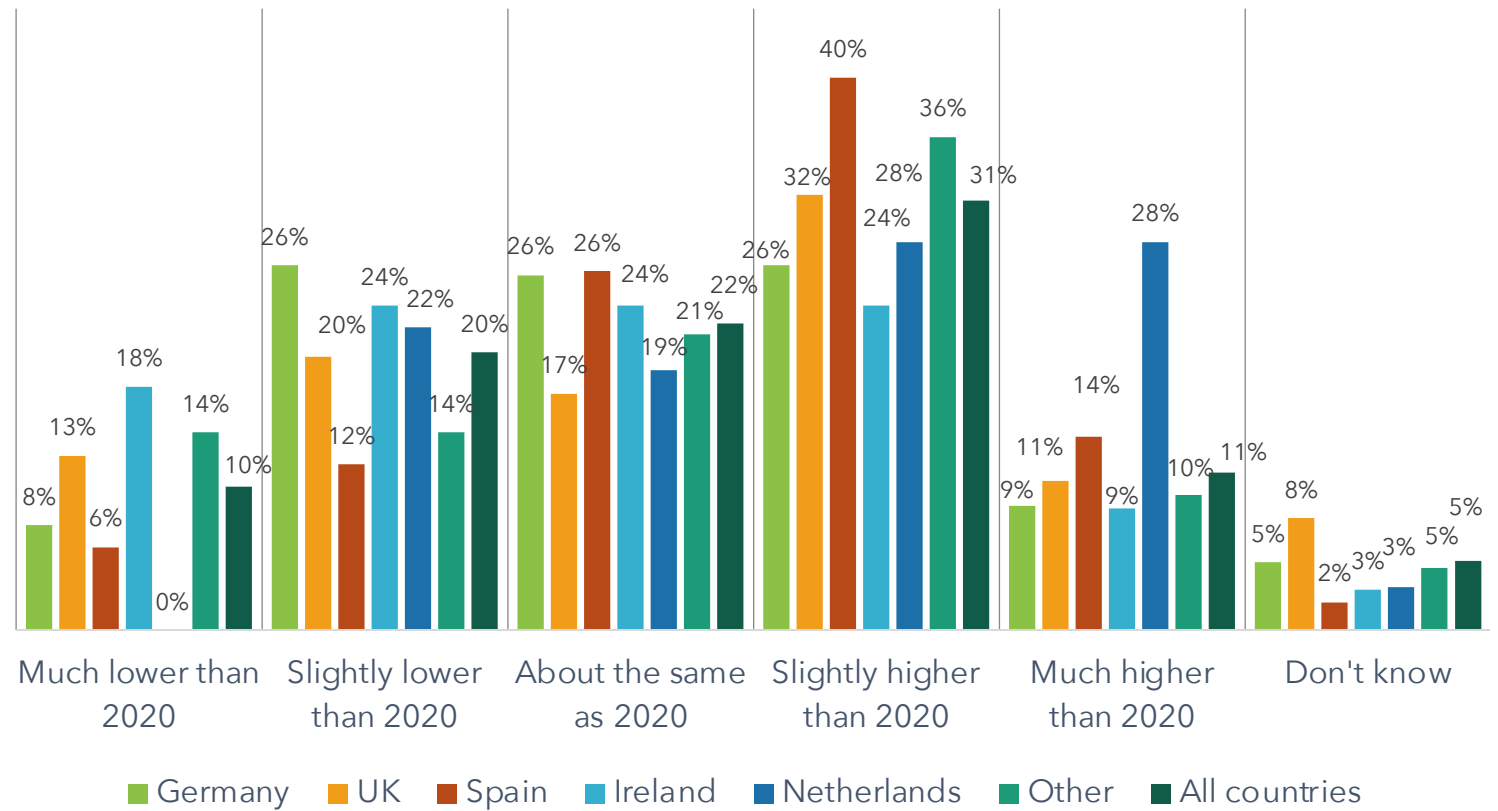
PANDEMIC IMPACT



TOTAL INCOME 2021 vs 2020

- More respondents expect that this year's total income will increase (43%) than decrease (31%)
- However, respondents tend to think that any increase, will be a small change, except for those in the Netherlands who anticipate a bigger rise
- Nonprofits in Netherlands and Spain are most optimistic about income growth, while Ireland, Germany and UK are less positive
- 41% of respondents in Ireland anticipate lower income in 2021 than 2020

Do you expect your total income in 2021 to be higher or lower than that for 2020?

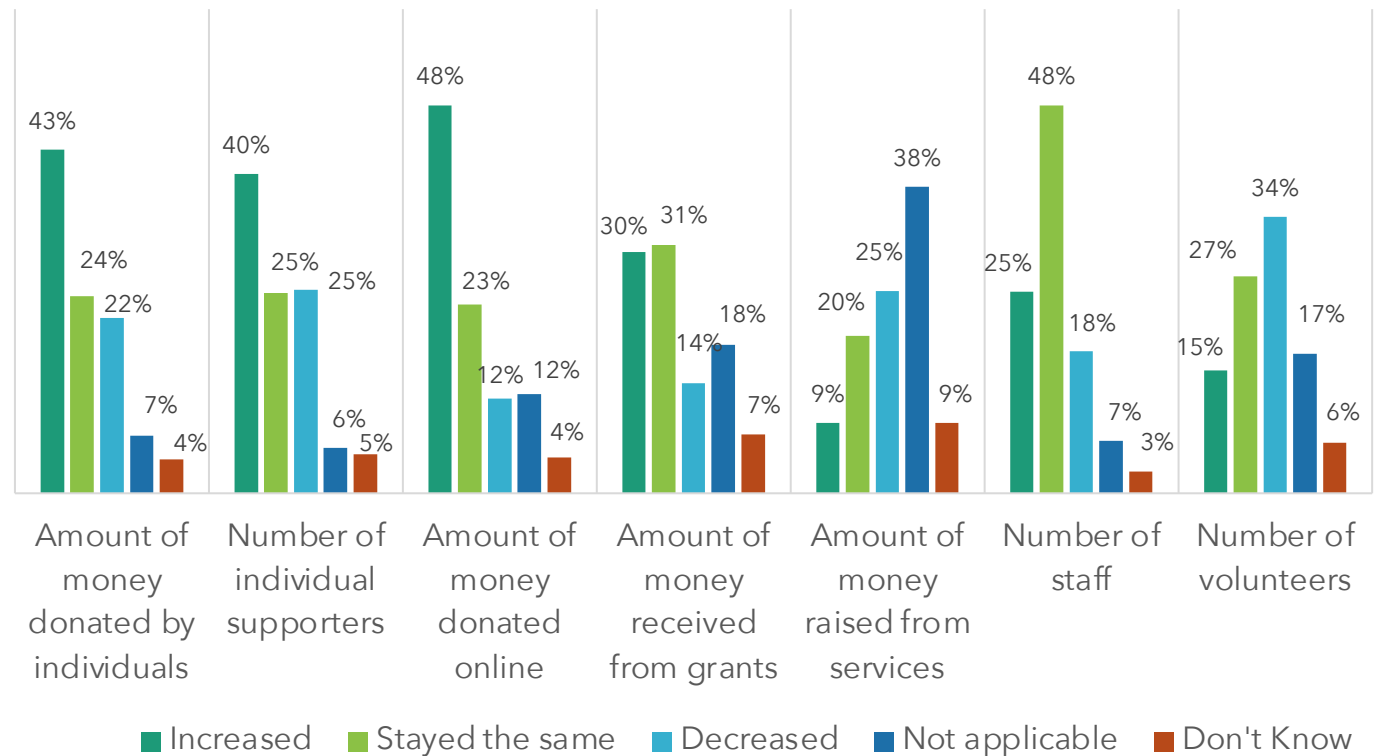


NB Sample sizes in Ireland and the Netherlands are low throughout this report.

WHAT'S CHANGED OVER THE PAST YEAR?

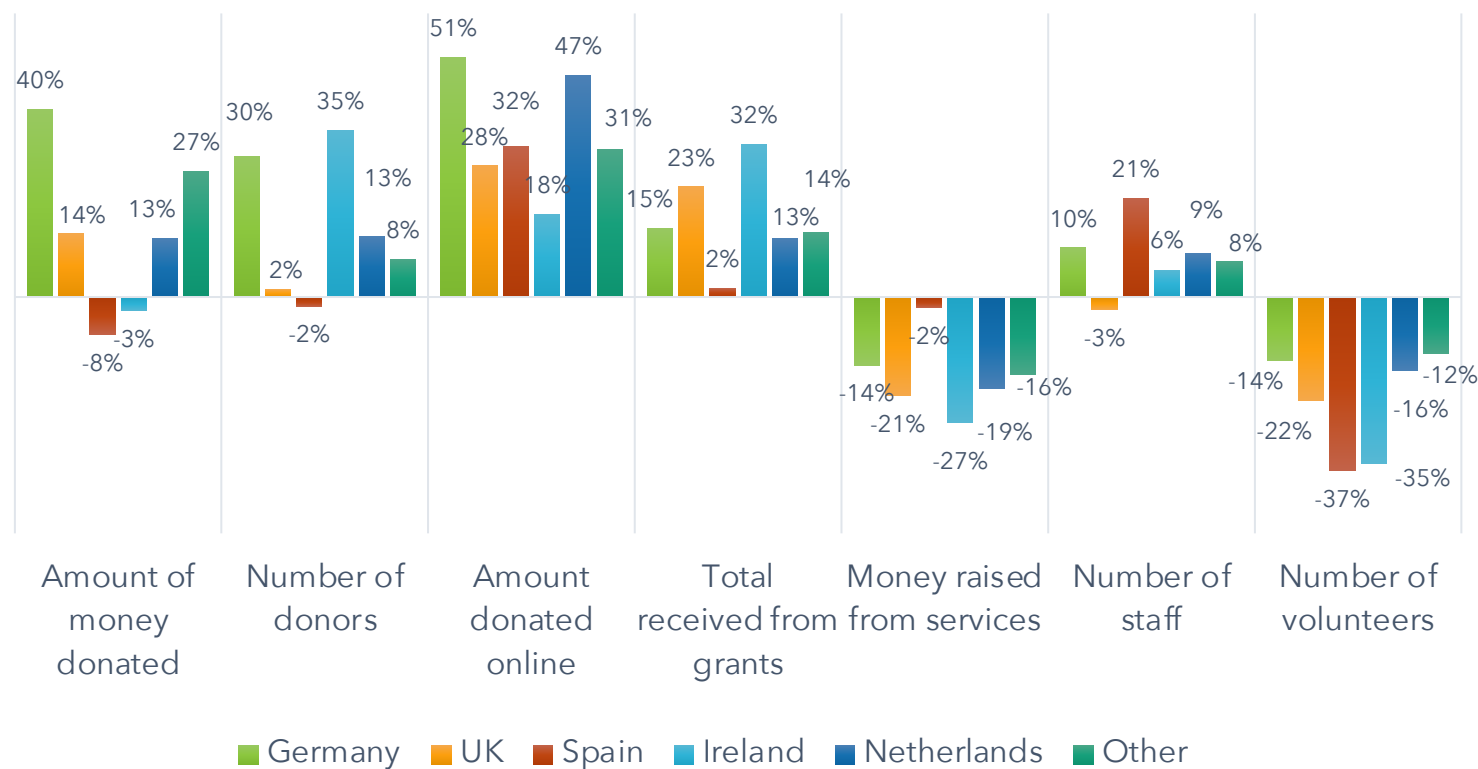
- Nonprofits are raising more money than in 2020, but capacity is becoming increasingly stretched for many
- While donations and supporter numbers have risen over the past year, and staff numbers are relatively stable, volunteering is down
- Many respondents' nonprofits don't have services revenue. But those that do are more likely to say that services revenue had decreased than increased

How has the pandemic affected your organisation over the past year?



NET IMPACT BY NATION

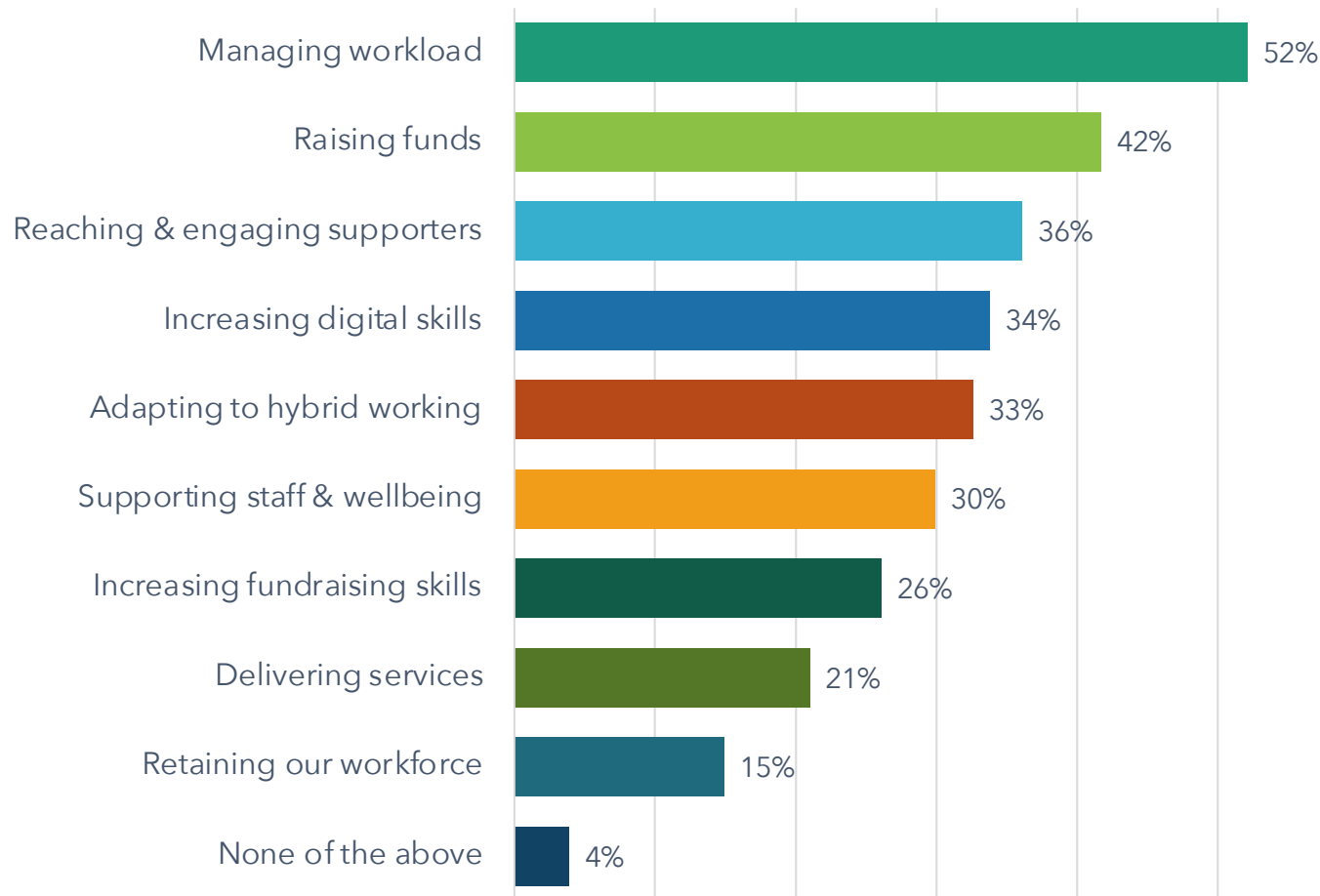
Net change: Increased-decreased from 2020 to 2021



- Looking at the net difference in the proportion of respondents seeing an increase and those with a decrease, the picture is largely one of growth, with the exception of income from services and volunteer numbers
- Respondents in Spain were most likely to see a fall in donations, but a rise in money from services
- Overall, Germany fared best in terms of raising money from individual donors
- Respondents in Ireland were most likely to have seen a rise in donor numbers
- Over one third of UK respondents said staff numbers had decreased over the year

BIGGEST CHALLENGES FOR NONPROFITS

Which of the following issues are most challenging for your nonprofit right now?



Raising sufficient funds is still a major challenge for 42% of respondents, but it is noticeably less prominent than it was in 2020 (62%)

The pressure of managing workload is most prevalent at 52%, rising to 62% of respondents in the UK and Ireland

Nonprofit respondents in Ireland (41%) are most likely to say they are unable to meet beneficiaries' needs

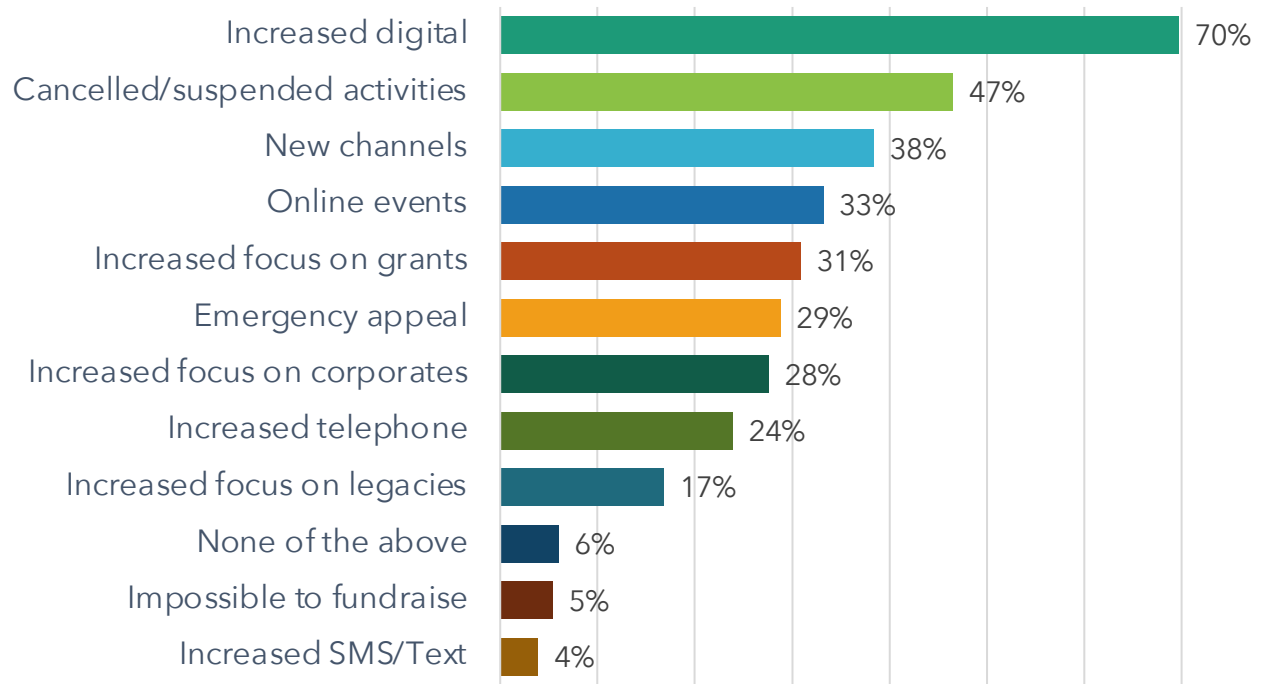
Those in Spain (63%) are most likely to say they have difficulty reaching and engaging supporters or developing fundraising skills (55%)



FUNDRAISING

CHANGES TO FUNDRAISING ACTIVITIES IN 2021

When you think about how the COVID-19 pandemic has affected your fundraising activities this year (2021), which of the following statements apply?

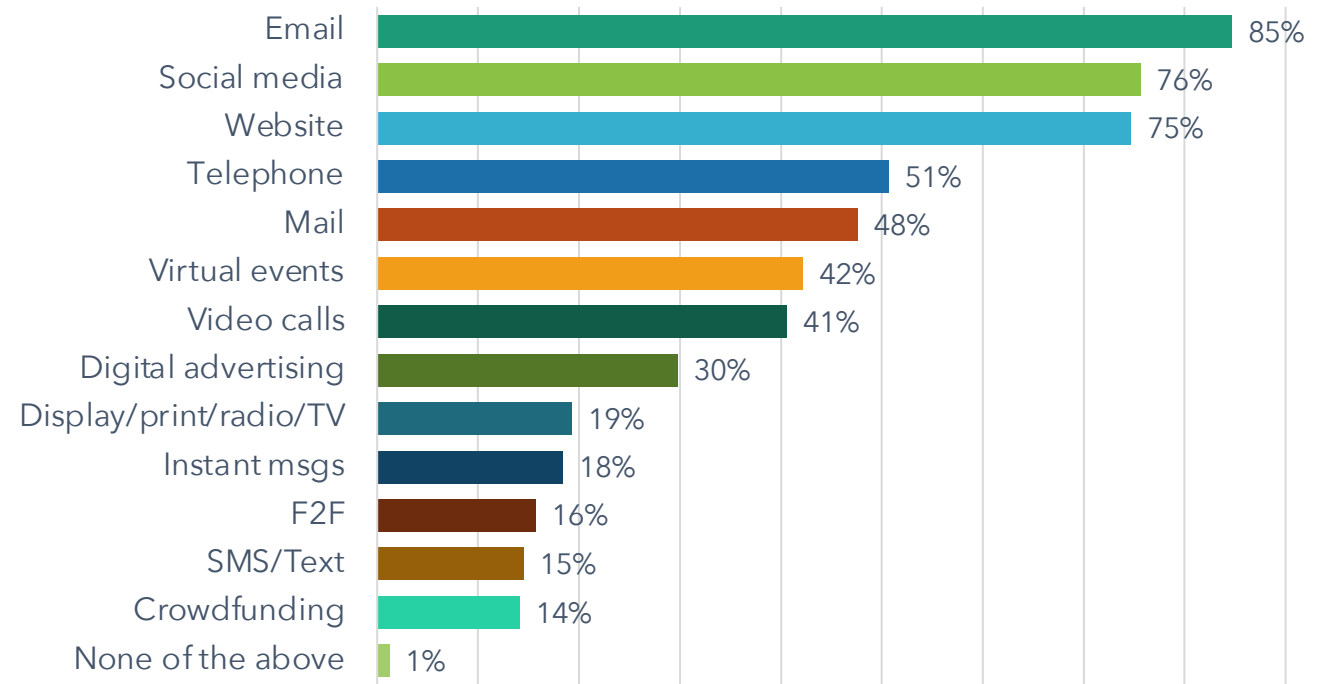


- Digital was critical, with 70% increasing their usage in 2021
- Fundraising was heavily disrupted once more, with almost half having to cancel / suspend activities, rising to 70% in Spain and 69% in Netherlands
- Innovation was key - almost 4 in 10 took to new channels (6 in 10 in Netherlands)
- Emergency appeals were less prevalent than in 2020 (29% vs 41%)
- Nonprofits in Ireland (48%) increased focus on corporate donations and online events (55%)

CHANNELS USED DURING LOCKDOWN / SOCIAL DISTANCING

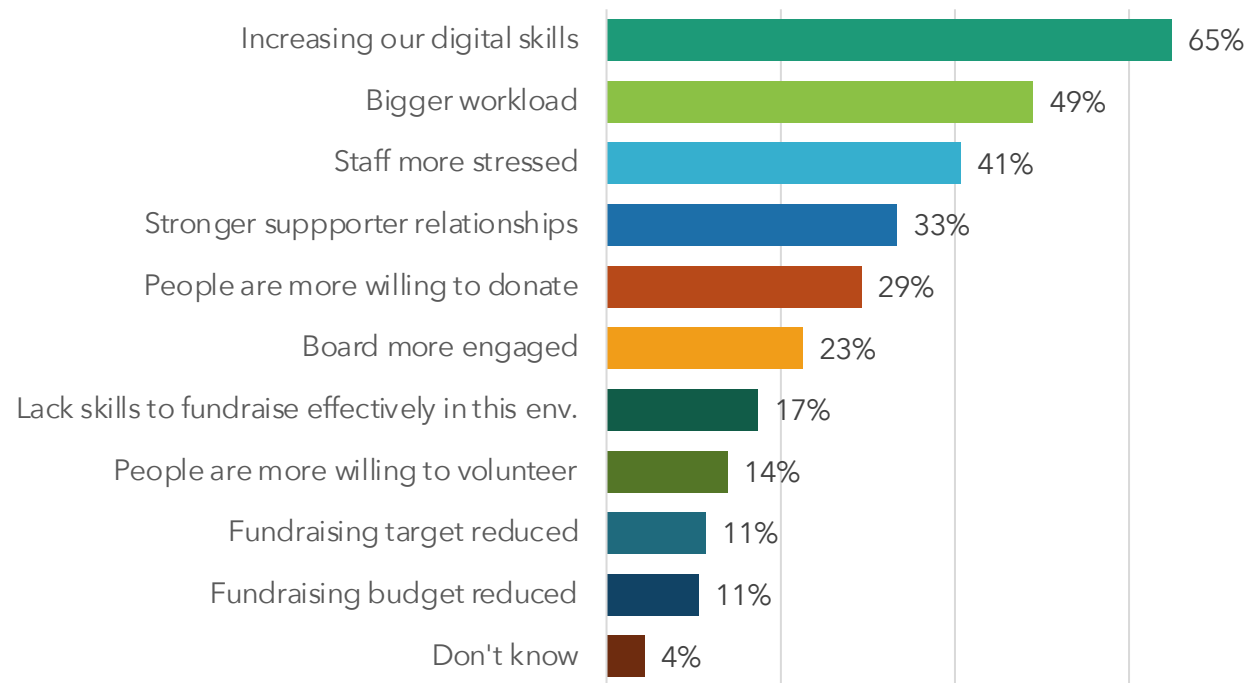
- As was the case in 2020, digital channels dominated, although there was relatively little use of crowdfunding
- Use of the phone and mail increased (from 48% and 37% in 2020), and video calling / online events are now increasingly commonplace
- Nonprofits in the Netherlands (69%) and Germany (62%) are considerably more likely to use Mail than those in Spain (38%), Ireland (38%) and the UK (35%)
- Almost all respondents in Spain used Social Media (98%) and half used Instant Messaging (48%)

What channels did you use for fundraising / supporter engagement during the height of the pandemic in 2021?



IMPACT ON FUNDRAISING

Overall, when you think about the impact of the pandemic, which of the following statements apply to your organisation's fundraising?



2021 has been stressful for employees as they dealt with new ways of working and bigger workloads

Respondents in the UK are most likely to say they have bigger workloads (63%) and that staff are more stressed (48%)

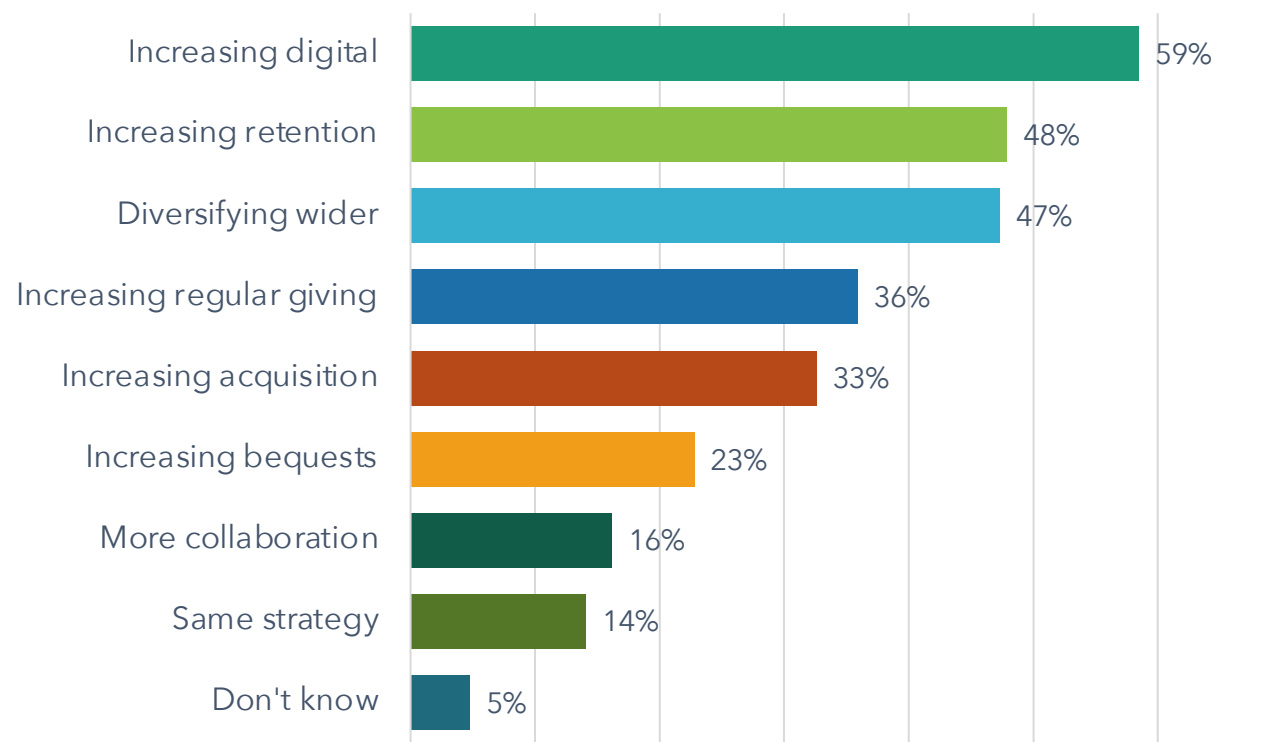
Almost half of those in Spain say they have a stronger relationship with their supporters (48%)

More than one third (35%) of respondents in the UK say their board is more engaged with fundraising, but none in the Netherlands agree

INFLUENCE ON FUNDRAISING STRATEGY

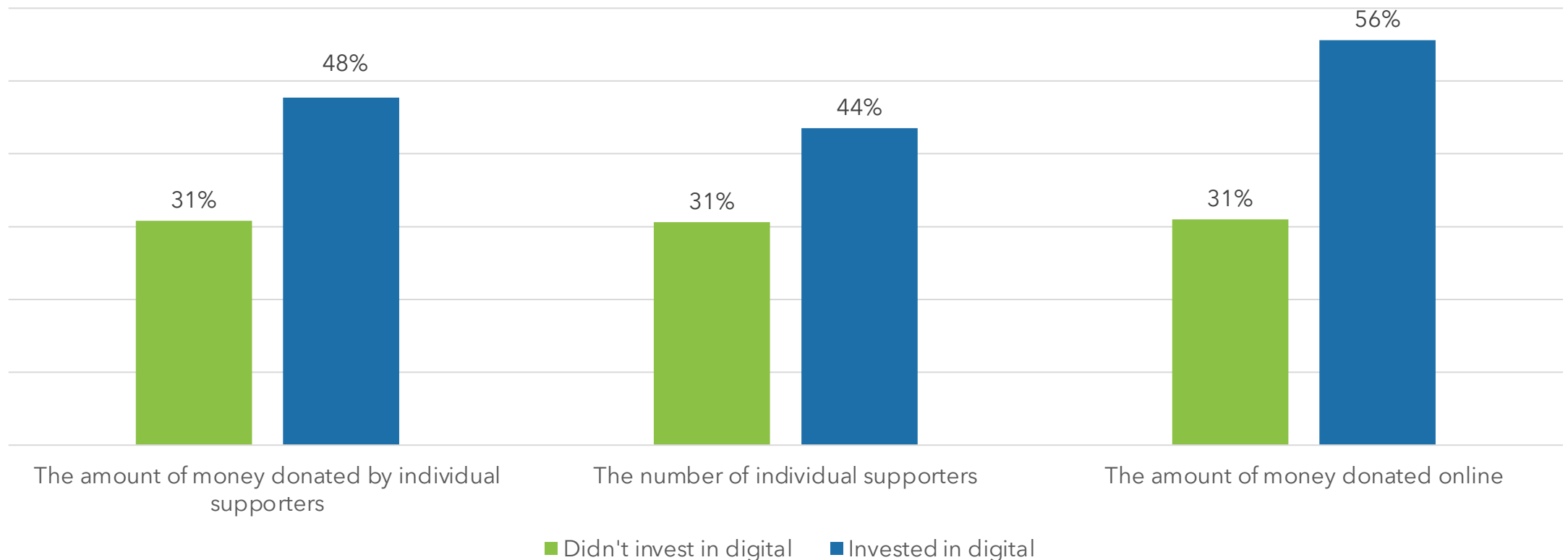
- Nonprofits are continuing to invest in technology, with a focus on supporter retention and diversifying revenue sources
- 2021 sees even greater emphasis on supporter care, with half of respondents saying they are increasing their focus on retention (up from 41% in 2020)
- Nonprofits in Netherlands (9%) is much less likely to say they are going to increase focus on regular giving vs 55% in Spain

Overall, how is the pandemic influencing your fundraising strategy?



CORRELATION IN DIGITAL INVESTMENT & DONATION INCREASES

Those who invested in digital fundraising were more likely to have reported an increase not only in online donations, but in the total amount donated and the number of supporters.



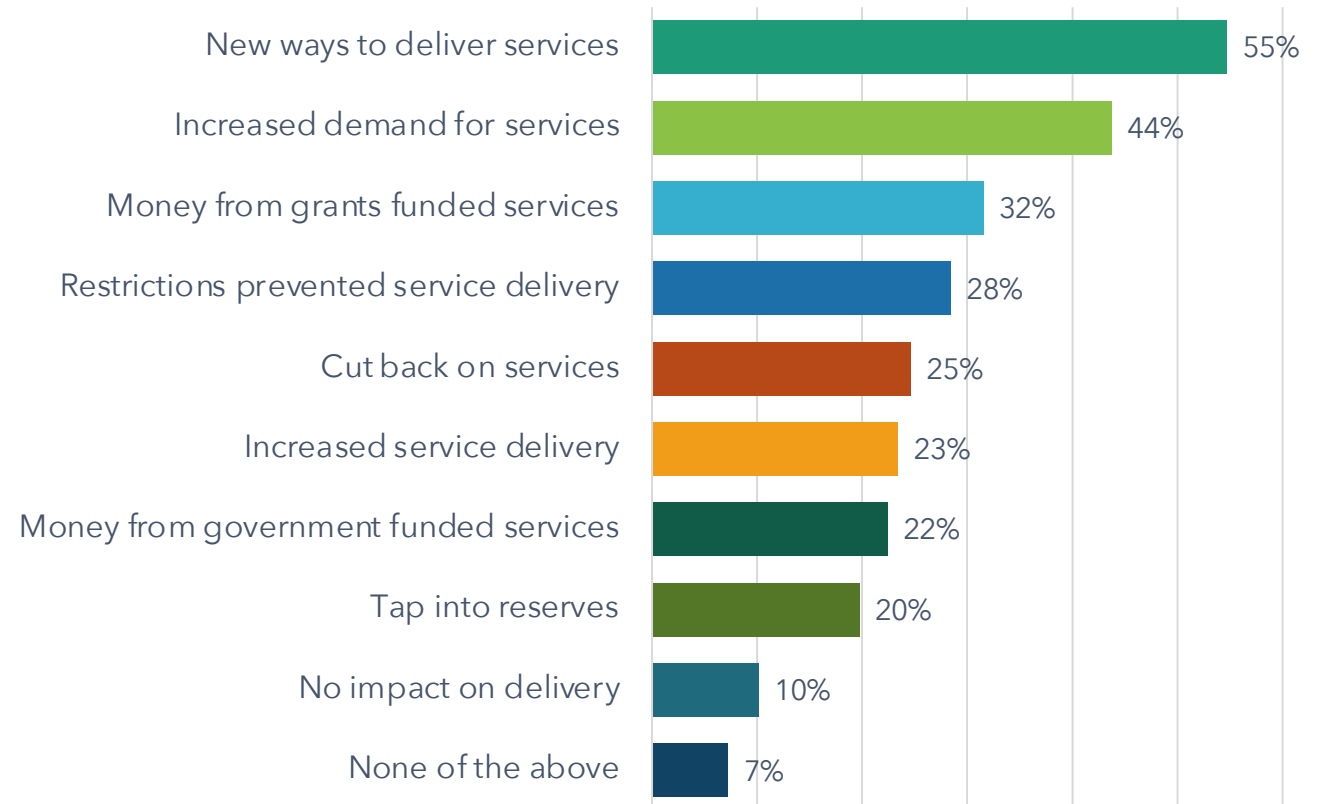


SERVICE DELIVERY

IMPACT ON CHARITABLE SERVICES IN 2021

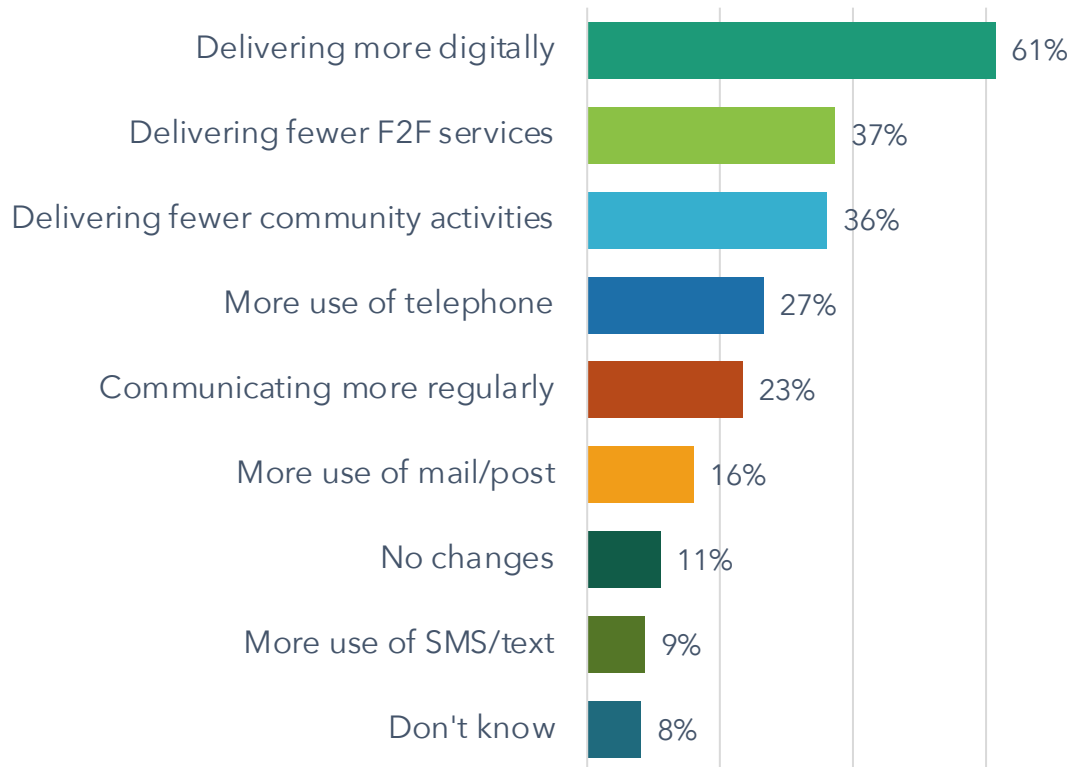
- Nonprofits have had to improvise to overcome constraints and meet increased demand
- More than half of respondents found new ways to deliver services, rising to 83% in Ireland and 75% in Spain
- Those in the UK (52%) were most likely to say that social distancing restrictions restricted their service delivery
- While those in Ireland (52%) were more likely to have received money from the government to fund services
- Almost 1 in 4 respondents increased their service delivery, while 1 in 5 organisations had to tap into their reserves to fund services in 2021

How has the pandemic has affected your service delivery this year (2021)?



APPROACH TO SERVICE DELIVERY

Overall, how is the pandemic influencing your approach to service delivery?



- Inevitably, with the shift to remote working and the pandemic still in our midst, nonprofits are delivering more services through digital
- Over a third are pulling back on face-to-face services (rising to 63% in Spain) and community-based activities
- Respondents in Ireland were most likely to say they are making more use of the telephone (38%), while those in Spain are making more use of mail/post (also 38%)
- Those in Netherlands (3%) are least likely to say they are communicating more regularly with beneficiaries

ABOUT US



The European Fundraising Association is a network of national fundraising associations and other bodies working to strengthen and develop fundraising across Europe.

Together we represent the European fundraising community with one voice, one collective body and one shared goal of facilitating better fundraising.

We certify national fundraising qualifications and support their development, deliver events, share best practice and publish news from across the continent online and in our newsletter, Fundraising Europe. Please get in touch to find out more.

www.efa-net.eu

Twitter: [@EFAFundAssn](https://twitter.com/EFAFundAssn)

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Salesforce.org is a social impact centre of Salesforce. We build powerful technology for, and with, our community of nonprofit and educational organisations to help them operate effectively, raise funds and connect.

In a world where digital-first is no longer a choice, our Nonprofit and Education and Philanthropy Clouds enable organisations to increase digital engagement, create a single source of truth, and generate actionable insights. Technology helps build resilience, maximise societal impact, and build a better world.

Together, we can close the gap between the impact created today, and the potential for impact in the future.

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