

The 2011 Online Giving Report

February 2012

Presented by Steve MacLaughlin, Jim O'Shaughnessy, and Allison Van Diest

The 2011 Online Giving Report combines findings from The Blackbaud Index of Online Giving with additional multi-year giving data to provide the most comprehensive analysis of online giving trends in the nonprofit sector. The Report includes 24 months of online giving data from 1,895 nonprofit organizations, online major giving data from 2,397 nonprofits, and both online and offline data representing \$5.1 billion in total fundraising from 1,560 nonprofits.

Significant work has gone into building the analysis model and making sure the data meets strict requirements. This includes collecting online giving data on a monthly basis over 24 months, checking and rechecking for anomalies, classifying each organization by sector using the National Taxonomy of Exempt Entities (NTEE) code, matching and retrieving reported total revenue information, and applying statistical expertise to create a three-month rolling average.

Blackbaud has been engaged with supporting online giving for nonprofits for more than a decade. The 2011 Online Giving Report is one way in which we share information with the nonprofit sector. In addition, The Blackbaud Index of Online Giving is updated on a monthly basis to show the latest trends in the sector. Visit www.blackbaud.com/blackbaudindex for additional insights.

Summary of Research Findings

In 2011, online giving was up 13% on a year-over-year basis when large International Affairs organizations are removed from the analysis. 54% of the organizations in the analysis experienced results at or above this growth rate. Large organizations grew by 8.6% and medium organizations grew 13.1% in 2011. Smaller nonprofits grew 12.8% compared to the same time period in 2010.

When large International Affairs organizations are included in the analysis the growth rate drops to 0.3%. This is because of the tremendous amount of online giving to these organizations in 2010 in response to the Haiti earthquake. Online giving to the entire International Affairs sector was down 55% in 2011. International Affairs is the only sector not experiencing positive growth in 2011.

Contents

Summary of Research Findings. . .	1
Overall 2011 Online Giving Trends	2
Trends by Nonprofit Sector	3
Trends by Month.	4
Online Major Giving Trends	6
Key Takeaways	8
How to Use this Report	9
About The 2011 Online Giving Report	12

Continued on following page

The Japanese earthquake and tsunami in March 2011 had no significant effect on the overall online giving trends. There was a year-over-year shift in the distribution of monthly online fundraising during April and May 2011. But in general, online giving towards disaster relief in Japan was significantly less than what was given towards Haiti in 2010.

End-of-year giving continues to account for most of all online donations. 34.8% of online giving happened in October, November, and December of 2011. December represented 20.3% of online giving in 2011 and was up on a year-over-year basis. January had a significant decrease in the percentage of online fundraising occurring during the month, dropping from 14.6% in 2010 to 5% in 2011, again illustrating the impact of Haiti relief giving to International nonprofits.

Online donors continue to give in more significant amounts. In 2011, 87% of organizations had at least one online gift of \$1,000 or more. The median online gift of \$1,000 or more was \$1,200 and the largest amount given online in the analysis was \$260,000. 43% of these donations were between \$1,000 and \$5,000.

The percentage of total fundraising that comes from online giving decreased to 6.3%. This percent of revenue analysis is based on a sample of 1,560 nonprofits with total funds raised of \$5.1 billion. The decrease is directly related to the drop in online giving to International Affairs organizations in 2011 compared to 2010. Five out of seven sectors increased online revenue as a percent of total revenue.

“End-of-year giving continues to account for most of all online donations. 34.8% of online giving happened in October, November, and December of 2011. December represented 20.3% of this total and was up on a year-over-year basis.”

Overall 2011 Online Giving Trends

Online giving grew 13% year-over-year for the 1,874 nonprofit organizations in the analysis. This growth trend appears when large International Affairs organizations are removed from the analysis. With those organizations included in the analysis the overall growth trend drops to 0.3%.

Online Giving Growth by Organization Size	
Size	YOY % Change
Small (Less than \$1M)	12.8%
Medium (\$1M - \$10M)	13.1%
Large (\$10M+)	8.6%
Total	13.1%

(excluding large International Affairs)

There were differences between how organizations of different sizes performed in 2011. Large nonprofits, with annual total fundraising greater than \$10 million, grew their online fundraising 8.6% on a year-over-year basis. When large International Affairs organizations are included in this group the year-over-year trend shows a 15.5% drop in online giving. Medium-sized nonprofits, with annual total fundraising between \$1 million and \$10 million had a year-over-year increase of 13.1% in their online fundraising. Small nonprofits, with annual total fundraising less than \$1 million, had online giving grow 12.8% on a year-over-year basis.

Percentage of Total Online Fundraising by Size

Size	% of Total
Small (Less than \$1M)	15.3%
Medium (\$1M - \$10M)	40.2%
Large (\$10M+)	44.5%
Total	100.0%

Large organizations raised just less than half of the total online fundraising dollars in the analysis. Medium- and small-sized nonprofits combined for more than 55% of all online fundraising.

Trends by Nonprofit Sector

Each organization in The Blackbaud Index of Online Giving is categorized by one of seven sectors using its National Taxonomy of Exempt Entities — or NTEE code — as reported on its 990 tax return. These sectors are Arts, Culture, and Humanities; Education; Environment and Animals; Healthcare; Human Services; International Affairs; and Public and Society Benefit.

Higher Education organizations, normally a subset of the Education sector, are broken out for the first time in this report. Religious organizations are currently excluded as the 990 tax data set available for this group is not considered representative at this time.

Online Giving Growth by Sector

Sector	YOY % Change
Arts, Culture, Humanities	13.1%
Education	26.3%
Higher Education	21.0%
Environment, Animals	10.0%
Healthcare	5.6%
Human Services	12.5%
International Affairs	-55.5%
Public/Society Benefit	6.0%

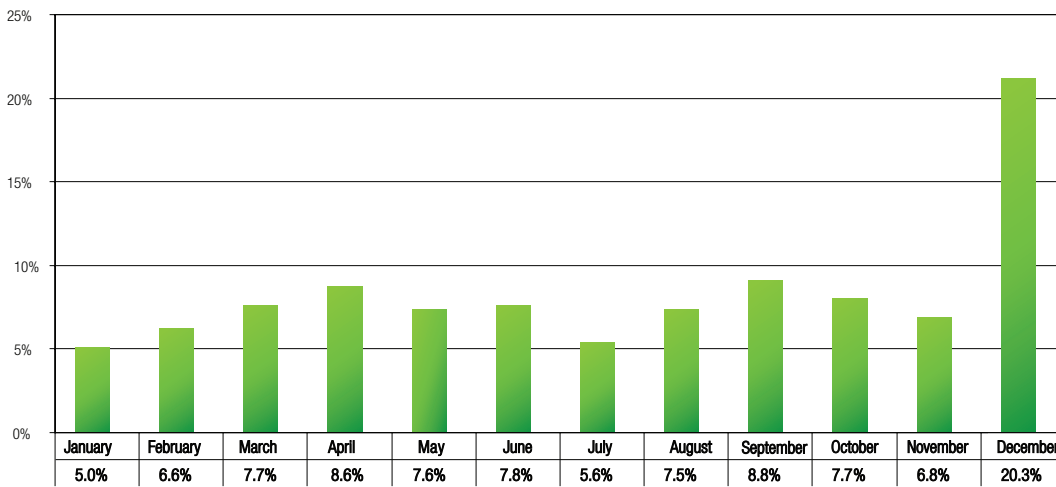
Education organizations had the biggest year-over-year growth in online fundraising. Online giving to the Education sector is up 40% since 2009. Higher Education groups had the second largest increase in online giving during 2011.

International Affairs organizations had the biggest decrease in year-over-year online fundraising. These organizations were down 55% from 2010, but are still up over 75% from online giving in 2009. Annual growth in online giving for both the Environment and Animals and Human Services slowed in 2011 when compared to 2010, but nonetheless showed positive growth of 10% and 12.5% respectively.

Trends by Month

The analysis looked at the distribution of online giving across all of 2011. The majority of online giving continues to happen in the final three months of the year. December is once again the single largest month of online giving with more than 20% of the entire year's fundraising taking place during this month.

2011 Online Giving Distribution by Month



Higher Education groups had the largest percentage of their annual online giving happen in December 2011. It is also worth noting that both Education and Higher Education groups reflected a spike in online giving during June. This is likely to be from their traditional end of fiscal year campaigns. The Healthcare sector had the smallest percentage of online giving taking place in the last month of the year.

2011 Online Giving Distribution by Month by Sector

Sector	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Arts, Culture, Humanities	5.6%	7.4%	10.3%	7.5%	7.1%	6.8%	4.5%	4.9%	6.7%	11.8%	6.9%	20.6%
Education	4.2%	6.2%	7.0%	7.4%	7.8%	13.2%	3.0%	4.0%	5.5%	6.9%	7.3%	27.5%
Higher Education	3.7%	4.1%	6.5%	6.7%	7.8%	15.0%	2.6%	3.7%	5.1%	6.0%	6.9%	31.9%
Environment, Animals	4.8%	7.3%	8.9%	10.2%	8.5%	8.1%	9.0%	6.2%	6.6%	6.0%	5.5%	18.8%
Healthcare	4.9%	7.2%	7.6%	10.6%	7.5%	6.6%	6.9%	9.9%	11.2%	8.2%	6.6%	12.8%
Human Services	6.4%	6.4%	7.8%	6.5%	7.1%	5.7%	5.1%	5.4%	7.7%	7.1%	7.6%	27.4%
International Affairs	3.8%	4.1%	8.2%	5.6%	8.2%	4.8%	6.0%	11.6%	8.1%	6.3%	5.6%	27.5%
Public/Society Benefit	6.5%	6.8%	7.2%	6.0%	7.9%	6.0%	4.7%	7.0%	11.0%	7.9%	7.9%	21.1%

The complete Blackbaud Index of Online Giving, inclusive of large International Affairs organizations, is represented in the chart below. The Index is based on actual revenue statistics from 1,895 nonprofit organizations using a variety of fundraising systems. **It is reported as a three-month rolling average by adding all of the giving for the prior three months and comparing this total to the same three months one year earlier to calculate the annual percent change.**

2011 Blackbaud Index of Online Giving												
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
-2.6%	-0.4%	-2.4%	7.6%	12.9%	12.7%	16.0%	15.1%	16.7%	16.6%	12.7%	12.9%	

The Blackbaud Index of Online Giving showed a downward trend on a year-over-year basis during the first three months of 2011 as compared with the first three months in 2010. This was primarily due to the decrease in giving to large International Affairs organizations over the same period. This reinforces the impact of disaster giving when 2010 witnessed unprecedented online fundraising levels.

2011 finished with eight consecutive months of double-digit growth on a year-over-year basis. This included a nearly 13% increase for the three months ending in December 2011 compared to 2010. This is very important because December also represents the largest online giving month of the entire year.

This three-month rolling average is used to smooth out month-over-month fluctuations in fundraising that frequently occur in the nonprofit sector. An index based on a moving average is less sensitive to these small timing issues and will serve as a more practical decision-making tool. The Index is further broken down by both size of organization and the main sectors of the nonprofit world.

2011 Online Giving Distribution by Month by Size												
Size	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Small (Less than \$1M)	19.9%	15.8%	13.6%	11.6%	14.7%	11.9%	12.8%	7.1%	10.0%	13.9%	16.3%	16.2%
Medium (\$1M - \$10M)	16.0%	21.4%	21.4%	17.9%	13.4%	10.7%	16.2%	11.7%	10.6%	10.1%	10.3%	12.9%
Large (\$10M+)	-27.2%	-25.8%	-29.5%	-3.1%	12.0%	14.8%	16.9%	21.0%	24.4%	23.5%	13.7%	11.8%

When broken down by size of organization The Blackbaud Index of Online Giving shows some important trends. Small nonprofits had double-digit growth in 11 of 12 months in 2011 as compared to 2010. Medium-sized organizations had very positive growth with consistent gains over 2010. Large nonprofits had a significant year-over-year drop in online giving during the first four months of 2011. The rest of the year showed very good growth but it was not enough to overcome the delta from Haiti earthquake giving in 2010.

2011 Blackbaud Index of Online Giving by Sector												
Sector	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Arts, Culture, Humanities	14.1%	12.5%	31.1%	21.0%	18.7%	0.8%	-1.4%	-4.0%	-0.2%	8.8%	9.9%	19.7%
Education	21.7%	30.1%	47.2%	43.2%	28.7%	27.1%	23.8%	23.1%	15.4%	19.3%	18.0%	22.1%
Higher Education	31.5%	34.8%	43.9%	34.1%	34.0%	19.5%	20.0%	13.9%	7.8%	10.7%	15.9%	20.2%
Environment, Animals	23.2%	31.4%	4.1%	4.2%	-3.2%	6.5%	18.8%	21.7%	16.0%	10.7%	8.6%	13.6%
Healthcare	14.5%	17.0%	10.8%	25.8%	16.3%	12.7%	3.7%	3.5%	7.5%	8.9%	4.2%	-4.4%
Human Services	1.7%	-0.7%	-7.1%	10.9%	25.5%	25.9%	31.8%	18.3%	24.6%	22.0%	20.4%	16.8%
International Affairs	-76.9%	-79.0%	-87.3%	-48.3%	2.9%	14.0%	37.2%	46.8%	44.4%	34.9%	18.6%	18.7%
Public/Society Benefit	5.5%	9.7%	0.7%	-4.0%	-4.1%	-3.3%	2.0%	-1.1%	6.5%	8.7%	10.9%	16.1%

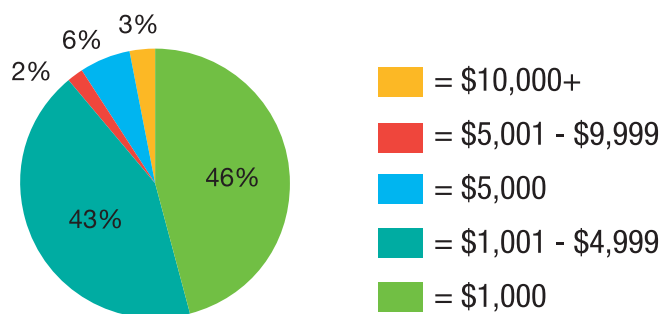
The sector-by-sector view of The Blackbaud Index of Online Giving shows variation across different types of nonprofit organizations compared to their 2010 growth rates. The Education and Higher Education sectors were the only groups not to have at least one negative growth period in the analysis. Healthcare organizations were the only group to have a negative year-over-year trend in December 2011.

Online Major Giving Trends

Blackbaud analyzed trends around significant donations made online for the third consecutive year. The online gifts of 2,397 organizations were reviewed to look trends for donations of \$1,000 or more in 2011. 87% of the nonprofits in this analysis had at least one online gift of \$1,000 or more during 2011.

The largest online gift made in 2011 was \$260,000. This was a significant increase from 2010, when the largest online gift was \$100,000. The median online gift of \$1,000 or more was \$1,200 in 2011. This was a slight decrease from 2010.

2011 Distribution of Online Gifts of \$1,000 or More



Trends by Percentage of Total Fundraising from Online Giving

Blackbaud continues to do research into the percentage of total fundraising that comes from online giving. This data is especially valuable because it allows nonprofits to benchmark online giving against peer organizations within each sector or of a similar size.

Blackbaud used data from The Blackbaud Index of Online Giving over the past year to examine percentage of total fundraising that came from online giving. We looked at total giving for 1,560 organizations of varied size and found that, on average, online donations accounted for 6.3% of overall fundraising.

Percentage of Total Fundraising from Online Giving	
Size	%
Small (Less than \$1M)	8.7%
Medium (\$1M - \$10M)	6.0%
Large (\$10M+)	6.1%
Total	6.3%

Small organizations lead the way with 8.7%, followed by large nonprofits with 6.1%, and medium-sized organizations with 6.0%. Smaller nonprofits grew their percentage of total fundraising coming from online giving while both medium and large organizations had a decrease in this area of the analysis.

Percentage of Total Fundraising from Online Giving	
Sector	%
Arts, Culture, Humanities	6.1%
Education	3.7%
Higher Education	3.2%
Environment, Animals	6.2%
Healthcare	12.7%
Human Services	4.9%
International Affairs	7.1%
Public/Society Benefit	4.7%

Healthcare organizations have the largest percentage of total fundraising coming from online giving. They are followed by International Affairs and nonprofits in the Environment and Animals sectors. Five of the seven sectors had an increase in the percentage of total fundraising from online giving. The only exceptions were International Affairs and Public/Society Benefit organizations.

Key Takeaways

This is the second year that Blackbaud has published a comprehensive report covering online giving trends. In 2010, the report noted the impact of online giving in support of disaster relief. Online giving in 2011 still had some lingering effects from that giving spike, but some other important trends are worth noting.

Online Giving Growth Since 2009

Sector	% Change
Arts, Culture, Humanities	21.8%
Education	40.0%
Environment, Animals	38.4%
Healthcare	13.0%
Human Services	41.8%
International Affairs	75.3%
Public/Society Benefit	21.0%

Giving Growth Big Picture: 2011 did not have the 35% year-over-year growth rate in online giving that happened in 2010. Does that mean online fundraising is losing its mojo? No. Keep in mind that every sector in the analysis has had double-digit growth since 2009. And even with a significant drop in online giving to International Affairs groups in 2011, they are still up over 75% since 2009. Healthcare organizations have the smallest growth rate over the past two years at 13%. Online fundraising is already a substantial part of overall fundraising revenue for this sector – healthcare organizations raise a higher

percentage of their total fundraising online than any other sector. As with all large numbers, the bigger the overall percentage gets, the slower it tends to grow.

Medium Maturity: Medium-sized organizations, those with annual total fundraising between \$1 million and \$10 million, grew more than large or small organizations for the first time since Blackbaud began reporting on this trend. In 2010, these organizations had the slowest growth rate in the sector and were still feeling the effects of the recession. One year later, medium organizations accounted for more than 40% of all online giving. What changed? In prior years, we asserted that large organizations were quickly growing online fundraising as a percent of total funds raised based on the ability to invest resources and to learn from success in direct mail. On the other extreme, we believed small organizations grew quickly based on lack of resources – when one cannot rely on a rich direct mail program or a large staff of solicitors to fundraise, one gravitates toward tools with low start-up costs and wide reach. So what has changed about medium organizations to make them outstrip both other groups? Likely two things:

1. Medium organizations are more deliberate with resource spend. They have formal budgets that require proof of investment so they analyze ROI before budgeting dollars or staff to bite off a new endeavor. This lag time isn't all bad because it provides time to study best practices and learn from those who have gone before. Medium-sized organizations are more likely to execute multichannel campaigns because they have multiple channels as part of their strategy and have the ability to see the whole campaign (all the moving parts) and optimize/coordinate.
2. As the market becomes more comfortable with online giving in general, more give online, improving online performance for all organizations. Online gifts are up to more than 10% of all donations, from 7% in 2007. Because more donors are giving online than ever before all organizations experience a lift, but those with the most room to grow – medium-sized organizations – grew most.

“Every sector in the analysis has had double-digit (online) growth since 2009.”

Avoiding the Year-End Giving Crunch: Yes, most of online giving happens in December. And yes, a lot of it happens in the final few days of the year. But there is risk in relying too much on year end giving because the inbox keeps getting more and more crowded. It is possible to build an online giving program that avoids the make-or-break end of year fundraising crunch. Both the Education and Higher Education groups are able to raise a significant amount in June as part of their end of fiscal year campaigns. They have created an artificial seasonality by an increased focus on fundraising in June but still have a lot of online giving in December as well. Healthcare organizations appear to have found a way to spread their online giving across the calendar year. April and September are big online giving months because of the large number of peer to peer fundraising events run during this time of year. They also have smallest percentage of online giving taking place in December compared to the other sectors. Avoiding the year-end giving crunch is important for nonprofit organizations as they build their online programs.

Better Retention Strategies are Needed: 2010 was an unusual year in online fundraising because of the dramatic influx of gifts associated with Haiti relief. As many organizations managed extraordinary volumes of gifts and program demands, it appears most did not invest in retention programs for their new donors. Obviously, not every episodic donor can be retained. But organizations such as HOPE Worldwide, who implemented a year-long multichannel campaign to keep new donors informed on progress and additional funds needed, was able to retain 15% of their new Haiti-related donors in the first year. As online giving becomes more ubiquitous and overall growth of the channel slows, it will be critically important for all organizations to have an effective retention strategy in place.

“As online giving becomes more ubiquitous and overall growth of the channel slows, it will be critically important for all organizations to have an effective retention strategy in place.”

How to Use this Report

The intent of this report is to provide data that is useful in helping each organization understand its online giving performance and to drive conversations and analyses among organizational leadership that uncover opportunities to improve performance. The best way to evaluate your organization’s online giving performance is to compare the percent of funds your organization brings in online to the percent brought in by your peer organizations and to look for best practices demonstrated by organizations that are outperforming your peer group. To evaluate whether your organization is capitalizing on the opportunity available through online fundraising, follow these steps.

1. Select the group that best represents your organization by size or by sector:

By size:

- Small (less than \$1M in total fundraising)
- Medium (\$1M to \$10M in total fundraising)
- Large (\$10M+ in total fundraising)

Percentage of Total Fundraising from Online Giving	
Small (Less than \$1M)	8.7%
Medium (\$1M - \$10M)	6.0%
Large (\$10M+)	6.1%

By sector:

- Arts, Culture, and Humanities
- Education
- Environment and Animals
- Healthcare
- Human Services
- International Affairs
- Public / Society Benefit

Percentage of Total Fundraising from Online Giving	
Arts, Culture, Humanities	6.1%
Education	3.7%
Environment, Animals	6.2%
Healthcare	12.7%
Higher Education	3.2%
Human Services	4.9%
International Affairs	7.1%
Public/Society Benefit	4.7%

2. Calculate your percentage of online giving as related to total fundraising revenue:

Input your organization's total online revenue in 2011: _____

Input your organization's total fundraising revenue reported on your 2011 tax return: _____

Divide total online revenue by total fundraising revenue to calculate percentage: _____

3. Analyze your results:

- If you benchmarked yourself based on size, locate your organization's performance on this scale:

Size	Under Performers	Average Performers	Exceptional Performers
Small (Less than \$1M)	<8.7%	8.7%	>8.7%
Medium (\$1M - \$10M)	<6.0%	6.0%	>6.0%
Large (\$10M+)	<6.1%	6.1%	>6.1%

- If you benchmarked yourself based on sector, locate your organization's performance on this table:

Size	Under Performers	Average Performers	Exceptional Performers
Arts, Culture, Humanities	<6.1%	6.1%	>6.1%
Education	<3.7%	3.7%	>3.7%
Environment, Animals	<6.2%	6.2%	>6.2%
Healthcare	<12.7%	12.7%	>12.7%
Human Services	<4.9%	4.9%	>4.9%
International Affairs	<7.1%	7.1%	>7.1%
Public/Society Benefit	<4.7%	4.7%	>4.7%

4. Compare your percentage to your benchmark group and analyze your results. Once you have identified your online fundraising performance, refer to the chart below to start the conversation at your organization.

Under Performers	Average Performers	Exceptional Performers
<p>Frequently fit this profile:</p> <ul style="list-style-type: none"> • Traditional major gift focus • New to online giving, most gifts come in without a specific online ask • Lower online gift volume • Higher average gift amounts • Higher online donor retention 	<p>Frequently fit this profile:</p> <ul style="list-style-type: none"> • Mix of fundraising channels • Online giving is bigger focus and a strategic part of most campaigns • Moderate online gift volume • Moderate average gift amounts • New donor growth is from online 	<p>Frequently fit this profile:</p> <ul style="list-style-type: none"> • Traditional direct mail focus • Mature online giving programs • Higher online gift volume • Lower average gift amounts • Lower online donor retention
<p>If you fit this profile, consider:</p> <ul style="list-style-type: none"> • Auditing web presence: would your site design, functionality, and security win the confidence of a new donor? • Analyzing web traffic: is your site optimized for visitors to find through search engines? Do your offline marketing channels effectively promote your website? • Launching an online ask or campaign with messaging tailored to a segment that seems more likely to give online. 	<p>If you fit this profile, consider:</p> <ul style="list-style-type: none"> • Auditing online campaigns: are you embracing the opportunities provided by year-end giving spikes? Are you messaging effectively and promptly for relevant events? • Analyzing site's architecture, navigation, and content: is your site built for your visitors' priorities or your own? Can key audience groups easily accomplish their goals? • Enhancing an online campaign by using messaging and artwork that complements other information donors are receiving. Simplify the landing page and form that the email drives to. 	<p>If you fit this profile, consider:</p> <ul style="list-style-type: none"> • Auditing site and communication plan for supporter engagement and stewardship: are you providing value to motivate repeat visits? Is the impact of giving to your cause promoted effectively? • Analyzing your online ask: is it aggressive enough based on your average online gift? Does it adjust dynamically based on the giving history of the donor?
<p>Effective websites are more than passive data collectors. They are the most important way for your organization to attract new supporters and build relationships with those you have. Make sure yours is easy to find and comfortable to use.</p>	<p>To improve performance of a satisfactory website, make sure it is fully optimized to meet the needs of your audience. By removing friction from online processes, conversion rates improve and return visits and referrals become more likely.</p>	<p>To capitalize on this effective channel, you will need to explore taking your site to the next level. Consider the services provided by the leading online companies and organizations. Web users expect personalization, social experiences, and acknowledgment of their meaning to your organization with every visit and after every transaction.</p>

About The 2011 Online Giving Report

The findings in this report are based on online giving data from 1,895 nonprofit organizations in The Blackbaud Index of Online Giving across 2011 and 2010. To be included in the analysis, these organizations needed to have 24-months of complete online giving data with no gaps or missing information. Each organization was then classified by sector using their NTEE code as reported on its 990 tax return.

If you are not sure what sector your organization is classified as, you may refer to your 990 to find your NTEE code. Visit <http://nccs.urban.org/classification/NTEE.cfm> for a complete listing of sectors.

Organizations were then grouped into three size categories: total annual fundraising less than \$1 million (small), total annual fundraising between \$1 million and \$10 million (medium), and total annual fundraising exceeding \$10 million (large). This is based on recorded giving in their fundraising systems, reported fundraising in IRS Form 990 data, and matching done through the National Center for Charitable Statistics.

Organizations without all the research criteria were not included in this analysis. Organizations based outside the United States were excluded from this analysis. We do not include the unfulfilled portion of pledge gifts or recurring gifts that are processed offline. This is the same criteria used for The Blackbaud Index of Online Giving.

The online major giving trends research is based on online donation data from 2,387 organizations. This is part of a data set Blackbaud has been measuring on a longitudinal basis since 2008. Only 2,096 organizations with at least one online gift of \$1,000 or more are included in this analysis.

The percentage of total fundraising trends research is based on 1,560 nonprofits in The Blackbaud Index of Online Giving. These organizations represent \$5.1 billion in total fundraising.

About Blackbaud

Serving the nonprofit and education sectors for 30 years, Blackbaud (NASDAQ: BLKB) combines technology and expertise to help organizations achieve their missions. Blackbaud works with more than 25,000 customers in over 60 countries that support higher education, healthcare, human services, arts and culture, faith, the environment, independent K-12 education, animal welfare, and other charitable causes. The company offers a full spectrum of cloud-based and on-premise software solutions and related services for organizations of all sizes including: fundraising, eMarketing, social media, advocacy, constituent relationship management (CRM), analytics, financial management, and vertical-specific solutions. Using Blackbaud technology, these organizations raise more than \$100 billion each year. Recognized as a top company by Forbes, InformationWeek, and Software Magazine and honored by Best Places to Work, Blackbaud is headquartered in Charleston, South Carolina and has employees throughout the US, and in Australia, Canada, Hong Kong, Mexico, the Netherlands, and the United Kingdom. For more information, visit www.blackbaud.com.

© February 2012, Blackbaud, Inc.

This white paper is for informational purposes only. Blackbaud makes no warranties, expressed or implied, in this summary. The information contained in this document represents the current view of Blackbaud, Inc., on the items discussed as of the date of this publication.

All Blackbaud product names appearing herein are trademarks or registered trademarks of Blackbaud, Inc. The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

> Visit www.blackbaud.com/blackbaudindex for further data on The Blackbaud Index and additional industry subsets, for monthly updates on the 15th, or to subscribe to email or text alerts. Please share your feedback at bbindex@blackbaud.com.