



A **BETTERUNITE** SECTOR REPORT & EXECUTIVE PLAYBOOK



# State of Giving

Insights, Sector Shifts & What  
Nonprofits Must Prepare for in 2026

**2025**  
*Edition*

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# 01

## Introduction: A Sector in Uneven Recovery

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The story of 2025 is not one of linear progress. It's patchwork.

Some communities regained economic stability; others continued to weather the residual effects of inflation, housing strain, and social fragmentation. Technology has created new possibilities and new inequities. Donors have stayed generous, but increasingly selective. Trust has moved downward toward local networks, mutual aid, and direct giving.

**The nonprofit sector is not recovering from just one disruption.  
It's recovering from several... all at the same time.**

This playbook blends national research, sector analysis, and aggregated BetterUnite platform data to give nonprofit leaders a clear picture of where giving stands and where it's heading in 2026.

BetterUnite sits inside this evolving ecosystem as a technology partner to **thousands of nonprofits nationwide**. Organizations across every mission vertical use our platform to run events, manage donors, activate recurring giving, engage volunteers, coordinate memberships, and automate development workflows, **all within a modern, unified system designed for today's digital donor.**

**This is what we've found.**



# 02

## Executive Snapshot: 2025 at a Glance

### The Big Picture

- **Total giving stayed strong**, rising modestly (approx. +3% nationwide).
- **Donor participation declined** for the fourth year in a row (approx. -3%).
- **Recurring giving emerged as the strongest growth engine.**
- **Online and mobile giving surpassed offline giving** across most categories.
- **Events drove significant revenue**, serving as anchor points for donor acquisition and retention.
- **The top 10% of donors accounted for over 80% of the total dollars nationwide.**
- **Small and mid-level donors declined**, continuing a multi-year pattern.
- **Communities experienced uneven recovery**, creating varied fundraising realities.
- **Significant 2026 tax changes** stand to reshape donor behavior.

### BetterUnite Platform Metrics

- % recurring giving → 7.65% across all orgs
- % YoY recurring growth → 6.15%
- % online vs offline giving → online 64%, offline 36%



○ % revenue from gifts larger than the org's median gift size	→	61%
○ % giving from top 10% of donors	→	58%
○ % donors who gave more than once in the year	→	15%
○ % org revenue that came from events	→	50%
○ % org revenue that came from events from PREVIOUS YEAR	→	55%
○ % event attendees who donated	→	10%

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***“Generosity stayed strong.  
Participation did not.  
The sector is carried by  
fewer shoulders.”***





# The Giving landscape is Shifting.

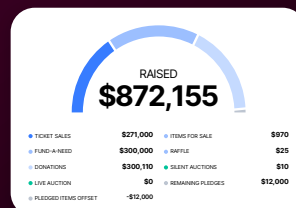
BetterUnite helps you stay ahead.

Let our team walk through your 2025 data and help you build a strong, confident plan for 2026.

**Recurring giving, event optimization, and donor automation** are the pillars of next year's growth. We can help you strengthen your base and build your plan.

**Book a Strategy Session**

Send an email to [sales@betterunite.com](mailto:sales@betterunite.com)



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# 03

## How Giving Moved in 2025

The year's giving trends were shaped by three powerful engines: recurring donors, major donors, and events. Even with fewer total donors, nonprofits were able to maintain or grow revenue through smarter stewardship, digital convenience, and deeper community engagement.

### A Recurring Giving Became the Financial Anchor

Recurring giving remained the most stable and predictable revenue stream of 2025. Nationally, recurring donations grew approximately **5–8% YoY**, outperforming one-time donations in both retention and total lifetime value. Millennials and Gen Z increasingly prefer subscription-style giving, creating a demographic tailwind.

### B BetterUnite Metrics

- % recurring giving → 7.65% across all orgs
- % YoY recurring growth → 6.15%

### Why it matters:

Recurring donors stabilize budgets in an economic and donor landscape marked by volatility.



## C Major Donors Carried More Weight Than Ever

The donor pyramid continues to compress inward. Nationwide, the **top 10% of donors now contribute over 80%** of individual giving, with the top 1% representing approximately 40%. This concentration dramatically increases reliance on stewardship and relationship-building.

### BetterUnite Metric:

○ % giving from top 10% of donors → 58%

### Implication:

Nonprofits must invest in donor journeys, personalization, and deeper impact through communication.

## D Online Giving Surpassed Offline Giving

In 2025, online giving became the dominant giving method across most subsectors. Approximately **55 – 60%** of donations occurred online as donors embraced mobile checkouts, QR codes, text-to-give, and digital wallets.

### BetterUnite Metric:

○ % online vs offline giving → online 64%, offline 36%

## E Events Reclaimed Their Place as the Most Reliable Revenue Driver

Events came roaring back, both in-person and hybrid, accounting for **25 - 35%** of



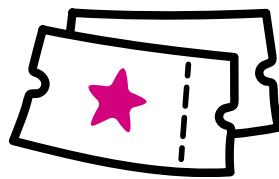


many organizations' total revenue. Peer-to-peer moments, shared emotional connection, and live experiences influenced giving behavior far more than static appeals. In real life experiences drove mission appeal and fueled donor giving.

### **BetterUnite Metrics:**

- % org revenue that came from events → 50%
  - % org revenue that came from events from PREVIOUS YEAR → 55%
  - % event attendees who donated → 10%
- 

*“Events remain the sector’s  
most dependable engine  
for acquisition, cultivation,  
and revenue.”*



# 04

## Donor Behavior in 2025: What Changed

Donors in 2025 did not behave like donors in 2020. Their expectations, motivations, and trust patterns shifted significantly.

### A Comparison: Donor Expectations Then vs. Now

Donor Expectation	2020	2025
Ease of giving	Mobile optional	Mobile essential
Transparency	Helpful	Non-negotiable
Belonging	Emerging	Central driver
Recurring giving	Encouraged	Expected
Personalization	Generalized	Highly segmented
Direct giving	Limited	Over half of Americans participate

### B Belonging Became a Retention Driver

The 2023 U.S. Surgeon General's report named loneliness as a public health crisis.



For nonprofits, this translates into new donor behavior: people stay involved when they feel seen, valued, and connected. Identity-based donor communities, peer groups, and culturally aligned spaces grew rapidly, especially among Gen Z and Millennials.

### **Belonging beats messaging.**

Retention now depends on relationships, not campaigns.

## **C Direct Giving and Mutual Aid Surged**

According to national surveys, **more than half of Americans** now give directly to individuals or mutual aid networks before giving to traditional nonprofits. This trend is strongest among Black and Latino donors, younger generations, and lower-income households.

Nonprofits must earn trust through transparency, cultural fluency, and relational authenticity.

## **D Multi-Gift Donors Became the Most Valuable Segment**

### **BetterUnite Metric:**

○ % donors who gave more than once in the year → 15%

These multi-gift donors represent stability in a shrinking donor pool. They respond best to consistent communication, impact clarity, and tailored calls to action.





# 05

## Economic Strain Beneath the Surface

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Even with a relatively stable macroeconomy, household-level financial pressure continued to reshape giving behavior.

Approximate nationwide indicators:

- **40%** of Americans cannot cover a \$400 emergency (Federal Reserve)
- Credit delinquencies increased fastest among young adults (NY Fed)
- Housing costs reached their highest point in two decades
- Inflation cooled but is rising again and affordability concerns persisted

These pressures disproportionately impacted:

- BIPOC communities
- Immigrant households
- Younger generations
- Small and mid-level donors

**What nonprofits saw:**

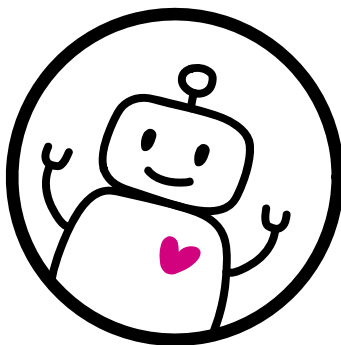
- Smaller, more consistent gifts
- Higher sensitivity to messaging
- Greater interest in non-monetary engagement
- Higher demand for clear impact storytelling



# 06 AI & Technology: Innovation with an Unequal Starting Line

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AI became routine across the sector in 2025, with roughly 64% of nonprofit leaders using it for writing, insights, or workflow automation. However, adoption revealed a widening capacity gap: larger organizations accelerated quickly, while smaller and BIPOC-led nonprofits faced barriers around cost, training, ethics, and data bias. Donor skepticism toward AI-generated content increased, particularly in communities with a history of technological inequity. In 2026, the question won't be "Are you using AI?" but "Are you using AI responsibly?" Organizations that approach AI transparently, as a support tool, not a substitution, will build trust and efficiency.



# 07

## The 2026 Tax Changes: What Nonprofits Must Know

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### A Universal Charitable Deduction Returns

Non-itemizers can deduct up to \$1,000 (single) or \$2,000 (married).

---> *Boosts small and mid-level giving potential.*

### B 0.5% AGI Floor for Itemized Deductions

Small gifts from high earners may no longer qualify.

---> *Can shift donor timing or encourage “bunching.”*

---> *For those who do itemize, a new “floor” is introduced: only the portion of charitable contributions that exceeds 0.5% of adjusted gross income (AGI) will be deductible.*

### C Deduction Cap for High Earners

Changes in after-tax gift value may affect major donor strategy.

---> *Expect more planned giving and DAF activity.*

### D Corporate Giving Deductibility Tightens

1% profit requirement before deductions apply.

---> *Corporate donations may dip.*





### Bottom line:

- 2025 is the “last normal year.”
  - 2026 will reshape donor timing, structure, and strategic giving.
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# 08

## What Nonprofits Should Prioritize in 2026 (Playbook Section)

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### 1 Promote Recurring Giving Everywhere

- ✓ Make monthly giving the default.
- ✓ Use social proof, impact framing, and low-friction signups.

### 2 Focus on the Middle of the Donor Pyramid

- ✓ Lapsed donors, mid-level donors, and new donors need tailored donor journeys.



### 3 Double Down on Events

- ✓ Events = revenue + belonging + donor acquisition.

### 4 Modernize the Donor Experience

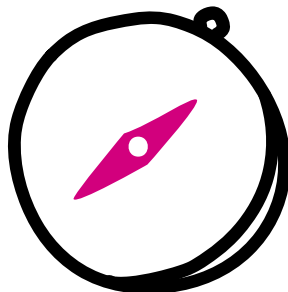
- ✓ Mobile first. Fast. Clear. Beautiful.
- ✓ Anything else loses donors.

### 5 Adopt AI Responsibly

- ✓ Use it for: writing, segmentation, donor insights, admin reduction.  
But always keep the human layer visible.

### 6 Prepare Donors for 2026 Tax Law

- ✓ Education = retention.



# BetterUnite Platform Metrics

## The Final List

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### Donations

- ✓ % recurring giving
- ✓ % YoY change in recurring giving
- ✓ % online vs offline giving
- ✓ % giving from top 10% of donors
- ✓ % donors who gave more than once
- ✓ % YoY change in donor count
- ✓ % YoY change in donation volume

### Events

- ✓ % org revenue from events
- ✓ % event attendees who donated
- ✓ % YoY growth in event revenue



# The Giving landscape is Shifting.

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