

Donor Confidence Report

Issue 25, February 2013

The results in this Donor Confidence Report are drawn from an ongoing Campbell Rinker survey of donor attitudes on giving. The sample size for the February 2013 poll is 408. Details about the study methodology and audience are found on the final page of this report.

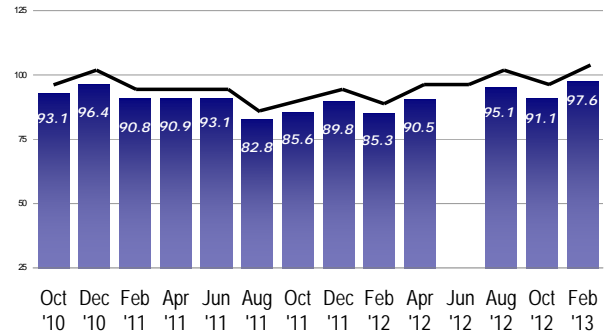
Donor Confidence Hits New High

Campbell Rinker's Donor Confidence Index (DCI) stands at 97.6, posting an increase of 6.5 points since November 2012. This marks the highest level for the Index since it was created in February 2008.

The Index takes into account donors' self-reported expectations about their giving, their view of the nonprofit sector, the nation's economic health, and several other factors.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13	4-Mo Chg
Overall	89.8	85.3	90.5	95.1	91.1	97.6	▲ 6.5
Health and Medical	90.7	84.1	90.5	94.7	90.1	101.5	▲ 11.4
Faith-based	94.0	88.0	92.2	100.7	93.0	104.0	▲ 11.0
Animal Rights	83.9	83.5	90.8	90.9	90.6	100.5	▲ 9.9
Int'l Relief and Development	97.4	90.3	97.4	98.8	94.6	103.6	▲ 9.0
Place of Worship	92.5	88.4	92.5	96.0	90.6	99.4	▲ 8.8
Hospitals & Hosp. Fnd.	94.9	90.8	92.2	95.8	92.0	100.4	▲ 8.4
Arts, Culture & Humanities	92.1	87.8	97.7	101.2	98.0	105.1	▲ 7.1
Education	94.4	90.8	94.9	98.1	95.5	101.4	▲ 5.9
Environmental	89.6	83.3	90.3	95.8	94.6	99.6	▲ 5.0
Social Service	95.5	91.2	95.8	99.1	97.1	100.6	▲ 3.5
Political and Advocacy	93.5	85.4	94.0	101.1	98.4	96.9	▼ 1.5

Index scores have risen across ten of the eleven charitable sectors since October '12. (Opinions from a donor alter the Index for any sector they recall supporting). Notably, aggregated scores from donors exceed the benchmark of 100 set in February 2008 in eight of the eleven sectors.



Trends Point to a Stronger 2013

By Dirk Rinker

Mimicking the trends seen in other measurements of U.S. consumer confidence, the Donor Confidence Index rose to 97.6 in February 2013, the highest point recorded in five years.

Among groups that make up the majority of donors, the Donor Confidence Index stands at 99.0 among women, 97.8 among pre-Boomers, and about 97.5 among households that report earning \$50-\$75K annually.

In February, the Conference Board announced that Consumer Confidence fell sharply in March following a short-term rise in February. Driven primarily by a decline in expectations, consumers were also more pessimistic in their assessment of current business conditions.

While some reports show home values and new home construction improving, these positive signs are countered by recent across-the-board federal spending cuts, persistently high fuel costs and tax increases that have further chipped away at donors' discretionary incomes.

The US unemployment rate has essentially stayed flat in 2013 falling only to 7.7%.

For instance, while the proportion of donors who intend to give the less in 2013 than they did in 2012 has dropped by 10 percentage points compared to Fall 2012. Trending upward, 54% of donors report that charities generally do good or excellent work.

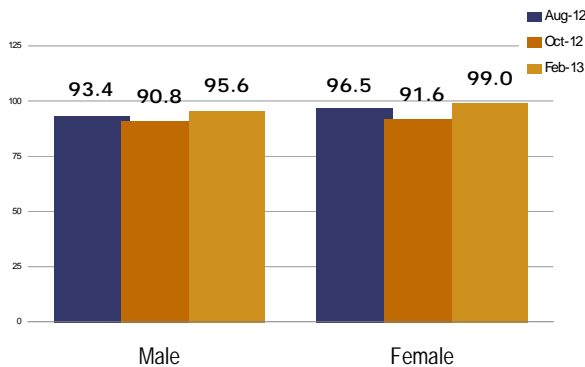
The proportion of donors who expect the economy to decline fell by 8% since October 2012. The majority of donors expect the economy to remain stable.

Of course, actually signing a check to charity is different from feeling positive enough to give, which are the perceptions at the root of this poll. Donors are more willing to give, but only time will tell whether that willingness actually translates to higher income for charitable organizations.

To capitalize on these trends charities might express cautious optimism in their donor contact. For instance, charities could tell donors that they also expect the economy to improve, and are doing their best to keep administrative costs low and make programs more efficient.

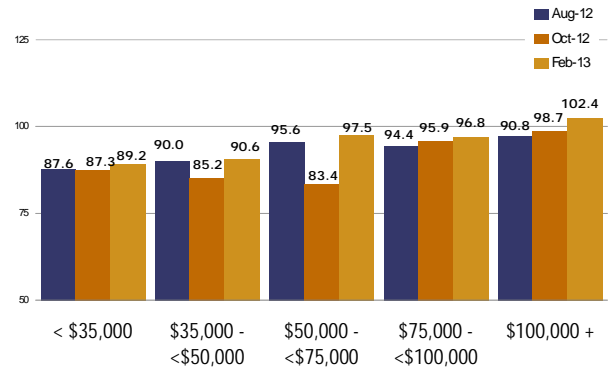
Donor Confidence by Gender, Age and Income

Since October, the DCI among women – who make or influence most of the giving decisions in any giving household – increased by 7.4 points to 99.0.

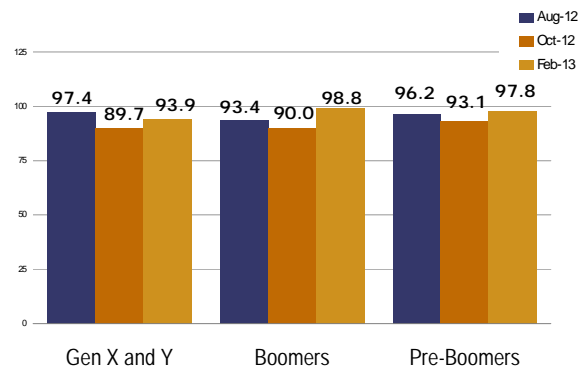


Confidence has grown among donors in all income categories. Still, donors with household

income under \$50,000 display relatively low levels of confidence contrasted with those earning greater than \$50,000 annually (slightly higher than the national median). In fact, confidence has risen 14.1 points in the last four months among middle-class earners.



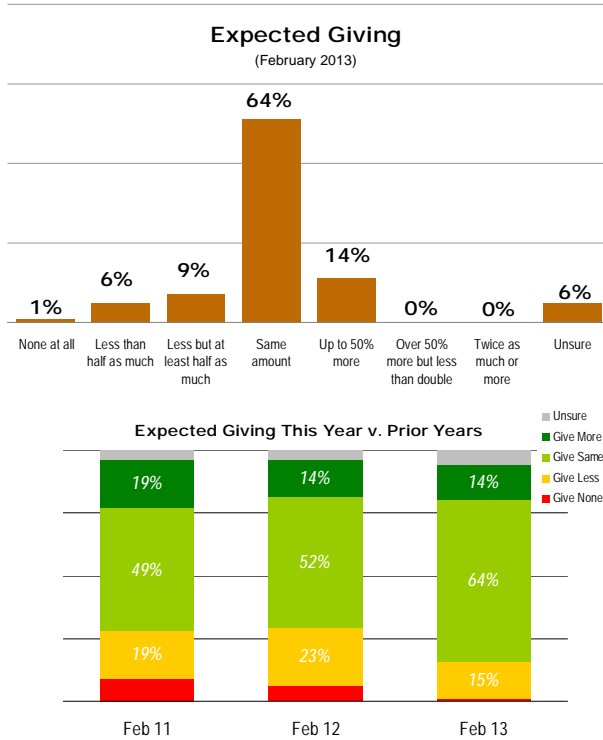
Gen X & Y continues to express the lowest level of confidence.



Expectations for Giving in 2013

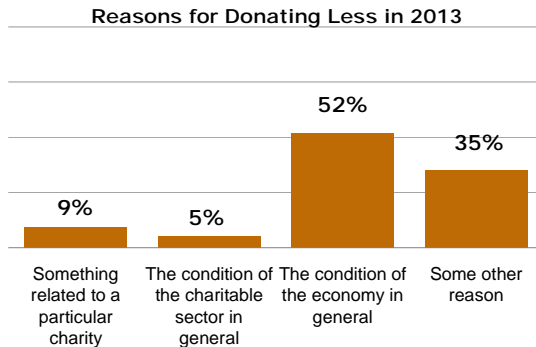
In each Donor Confidence poll, Campbell Rinker asks U.S. donors whether they expect to give the same, more, or less in the present year compared with last.

Donors expect to give at higher rates in 2013 than has been seen at any point in the last five years. Currently, only 16% of donors expect to give less in 2013; this figure was 26% in October. Nearly two in three (64%) plan to give the same amount and 14% plan to give more.



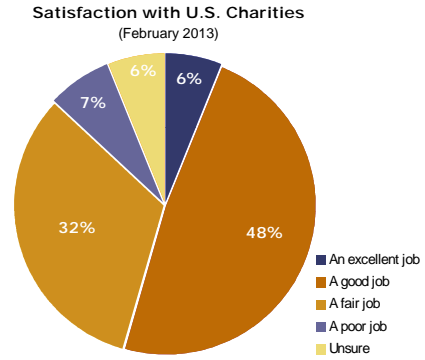
Reasons for Giving Less

Among the shrinking proportion of donors who plan to give less, fewer cite the condition of the economy as their reason for doing so (a decrease of 10% in four months). On the other hand, the percentage of people who cite 'some other reason' is growing.



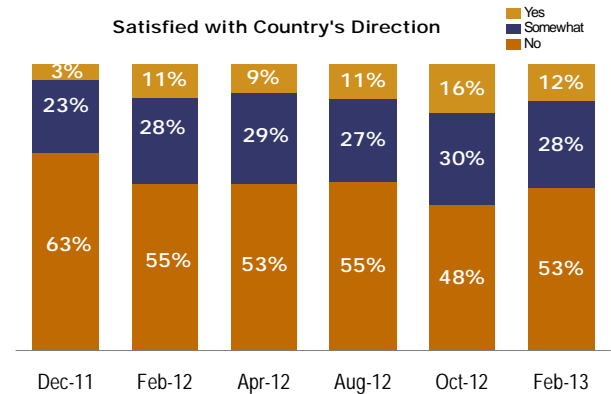
U.S. Nonprofit Approval Ratings

Approximately half of all donors consistently say U.S. charities are doing "a good job."

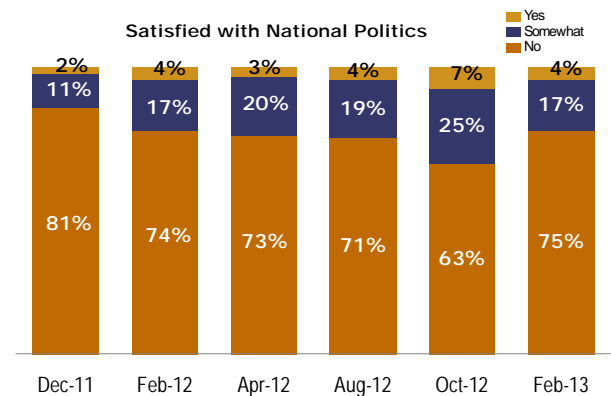


Dissatisfaction with Government Remains

More than half of all donors (53%) express dissatisfaction with the country's direction overall. Nearly three in ten (28%) say they are *somewhat* satisfied, while 12% say they are satisfied.

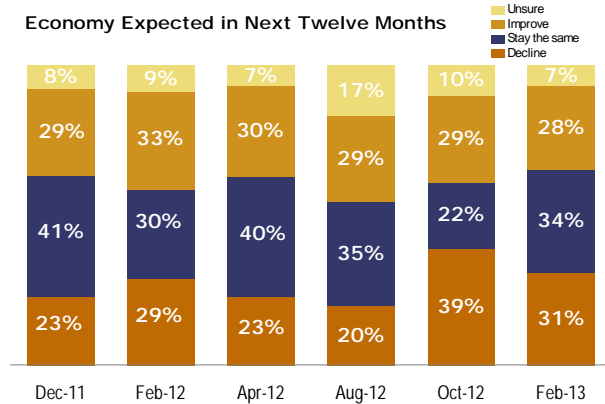


Three in four U.S. donors (75%) are dissatisfied with politics at the federal level.

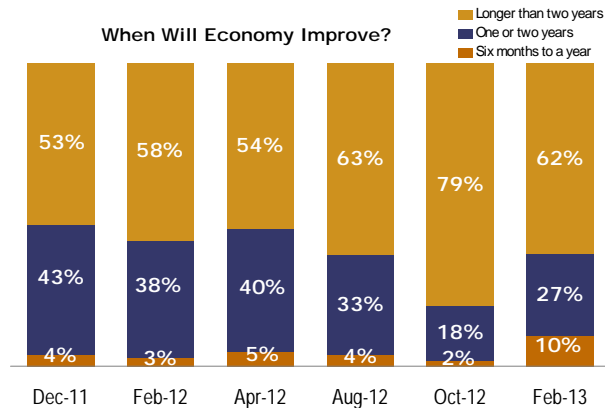


Outlook for the Economy

About one in three donors (34%) expect the economy to hold steady over the next year. Three in ten donors (31%) donors expect the economy to decline over the next year, an eight percent decrease since October.



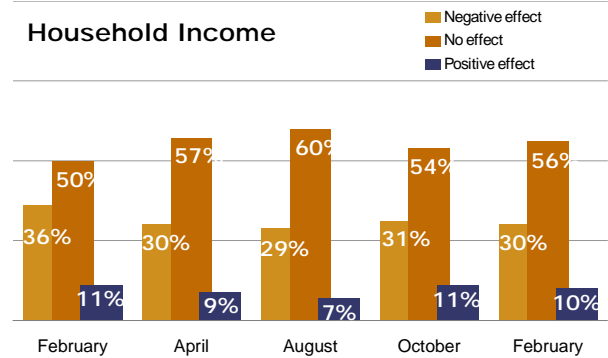
More than one in four donors (27%) say the economy will improve in one to two years, while 62% say the economy will improve in more than two years. One in ten donors (10%) anticipate the economy recovering within a year.



Income and Expenses Hurt Giving

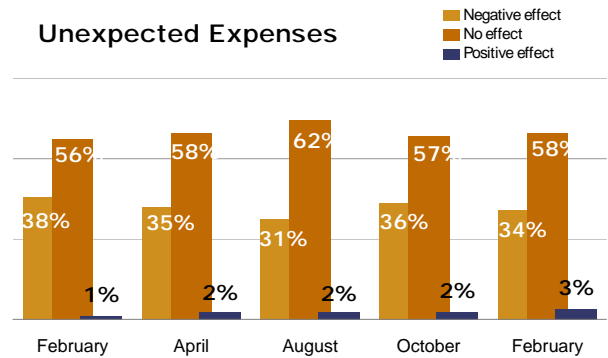
Three in ten donors (30%) continue to report changes in household income having a negative effect on their ability to donate.

Household Income



Thirty-four percent report unexpected expenses having a negative effect.

Unexpected Expenses



Sector Spotlights

Campbell Rinker asked donors to indicate which of 11 nonprofit sectors they had supported in the last year. Within these results, ratings from one donor may contribute to the DCI in more than one nonprofit sector.

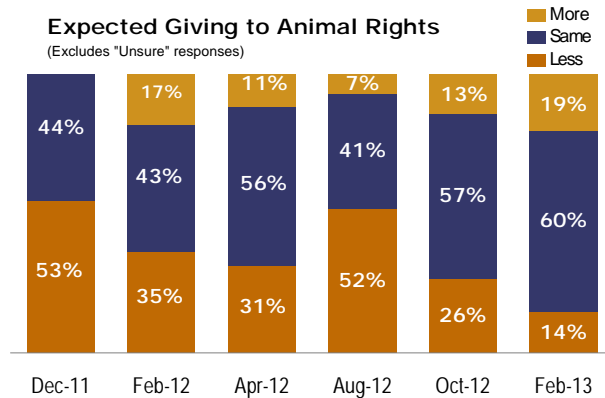
The sections below highlight the stated plans donors have for giving to each of the following nonprofit categories:

- † Animal rights, protection, and training
- † Arts, culture, and humanities
- † Educational institutions and programs
- † Environmental protection and preservation
- † Faith-based charities, excluding places of worship
- † Health and medical charities
- † International relief, education, and sponsorship
- † Not-for-profit hospitals and hospital foundations
- † Places of worship
- † Political organizations
- † Social service organizations

Animal Rights & Protection

The DCI for Animal Rights organizations has grown 9.9 points since last issue to 100.5.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Animal Rights	83.9	83.5	90.8	90.9	90.6	100.5
6-mo Avg.	82.4	83.5	86.1	88.4	90.8	94.0



Expected giving to Animal Rights continues to fluctuate, with 14% planning to give less to the sector this year, 60% planning to give the same amount, and 19% planning to give more.

Arts, Culture, and Humanities

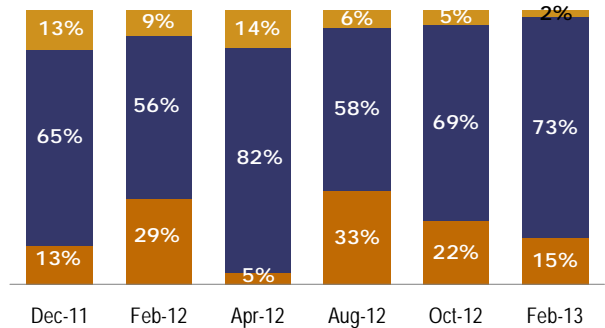
Up 7.1 points since October, the Index for Arts and Culture charities is well above the '100' mark at 105.1.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Arts & Culture	92.1	87.8	97.7	101.2	98.0	105.1
6-mo Avg.	89.1	90.0	92.5	95.6	99.0	101.4

As of February, 15% of donors plan to give less to the sector in 2013, while 73% plan to give the same amount.

Expected Giving to Arts & Culture

(Excludes "Unsure" responses)



Educational Institutions & Programs

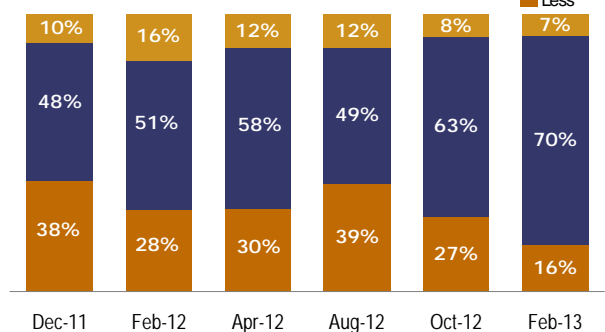
The Index for Educational Institutions has increased 5.9 points since last issue, from 95.5 in October to 101.4 today.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Education	94.4	90.8	94.9	98.1	95.5	101.4
6-mo Avg.	88.8	90.9	93.4	94.6	96.2	98.3

Seven in ten donors currently expect to give the same amount to Education throughout 2013.

Expected Giving to Education

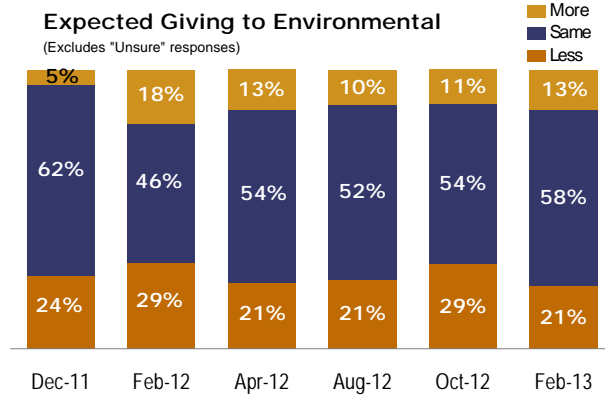
(Excludes "Unsure" responses)



Environmental Protection

The DCI for Environmental charities stands at 99.6, a five point increase since late last year.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Environmental	89.6	83.3	90.3	95.8	94.6	99.6
6-mo Avg.	87.6	87.0	87.7	89.8	93.6	96.7



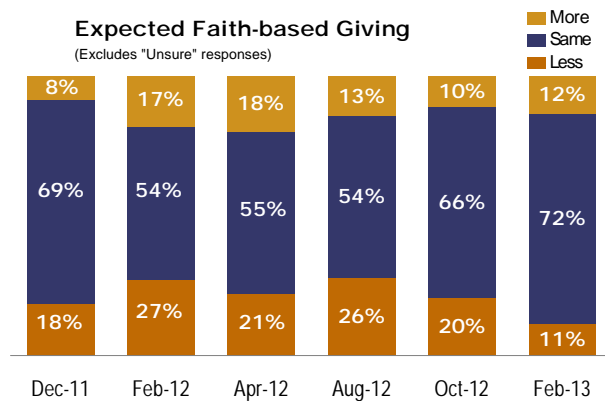
Fifty-eight percent of donors to Environmental charities report plans to give the same amount to the sector this year as last. One in five (21%) report plans to give less.

Faith-based Charities

The Index among donors to Faith-based organizations, now 104.0, has jumped 11 points higher since last issue.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Faith-based	94.0	88.0	92.2	100.7	93.0	104.0
6-mo. Avg.	89.6	90.7	91.4	93.6	95.3	99.2

This issue, 72% of donors plan to give the same amount to the sector in '13, while 11% plan to donate less and 12% plan to donate more.

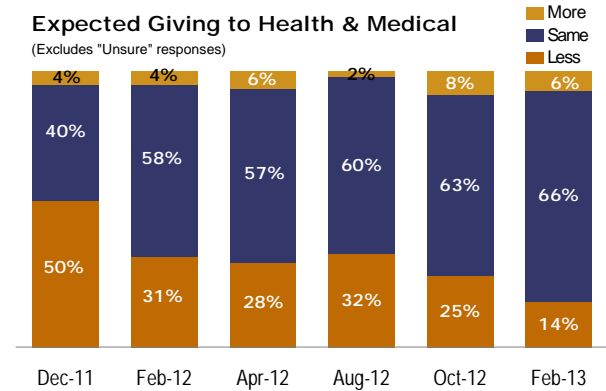


Health and Medical Charities

Up 11.4 points this issue, the DCI for Health and Medical charities stands at 101.5. This is the largest increase for any sector this issue.

Sector	Feb '12	Apr '12	Aug '12	Aug '12	Oct '12	Feb '13
Health & Med.	84.1	90.5	94.7	94.7	90.1	101.5
6-mo. Avg.	87.3	88.4	89.8	89.8	93.2	95.4

Today, two in three donors to Health and Medical charities (66%) report plans to give the same amount this year as they did in 2012.

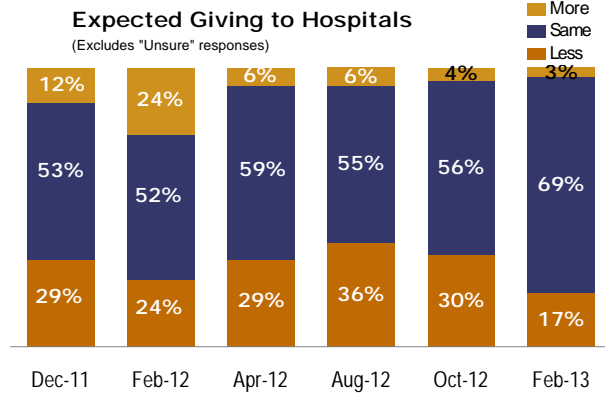


Hospitals & Hospital Foundations

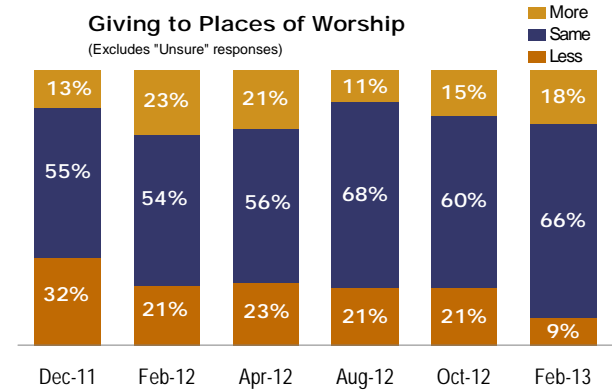
Since October, the DCI for Hospitals and Hospital Foundations has increased 8.4 points to 100.4.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Hospitals	94.9	90.8	92.2	95.8	92.0	100.4
6-mo. Avg.	87.4	90.5	92.6	92.9	93.3	96.1

Nearly seven in ten donors (69%) expect to give the same dollar amount to the sector throughout 2013. Approximately one in six donors (17%) plan to give less.



Roughly two in three donors to Places of Worship (66%) expect to give the same dollar amount in 2013 as they did in 2012.



Int'l Relief & Sponsorship

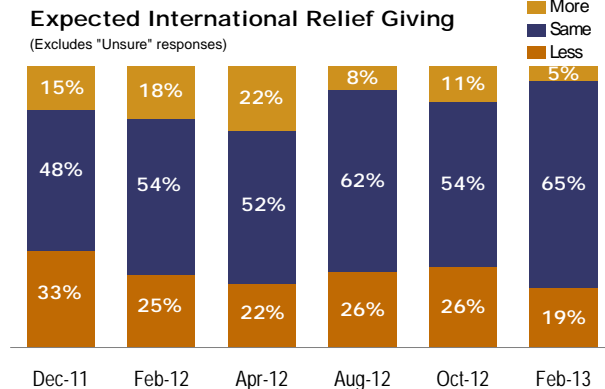
The DCI for International Relief charities is currently 103.6, up nine points since last issue.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Int'l Relief and Development	97.4	90.3	97.4	98.8	94.6	103.6
6-mo. Avg.	93.9	94.0	95.0	95.5	96.9	99.0

Political & Advocacy

Posting the only drop this quarter, the DCI for the Political sector has declined 1.5 points since October to 96.9.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Political and Advocacy	93.5	85.4	94.0	101.1	98.4	96.9
6-mo. Avg.	89.7	90.1	91.0	93.5	97.8	98.8



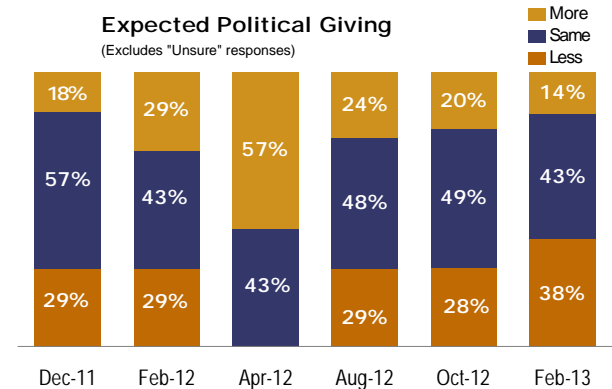
At present, 65% plan to give the same amount to International Relief charities this year as last.

As of February, 38% of donors plan to give less to the sector this year, while 43% plan to give the same amount.

Places of Worship

The Index for Places of Worship has grown 8.8 points to 99.4.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Places of Worship	92.5	88.4	92.5	96.0	90.6	99.4
6-mo. Avg.	87.9	89.5	91.1	92.3	93.0	95.3

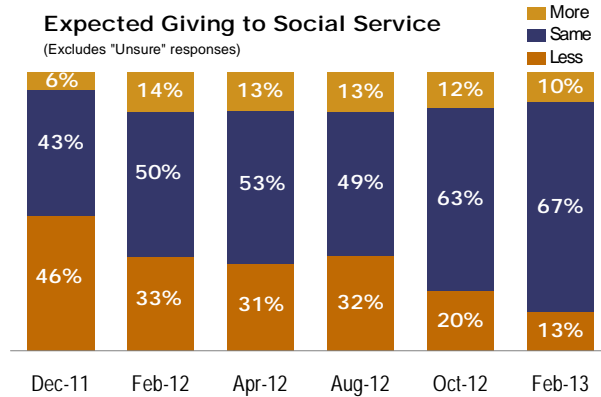


Social Service

Now 100.6, the Index for Social Service organizations has increased by 3.5 points since last issue.

Sector	Dec '11	Feb '12	Apr '12	Aug '12	Oct '12	Feb '13
Social Svcs	95.5	91.2	95.8	99.1	97.1	100.6
6-mo. Avg.	89.6	91.6	94.2	95.4	97.3	98.9

Two in three Social Service donors plan to give the same amount in 2013. Thirteen percent plan to give less and 10% plan to give more.



Methodology

This Donor Confidence Report poll was conducted March 5-7, 2013 among 408 Internet respondents who either responded to our original February 2008 study or who have demonstrated similar habits and behaviors since then.

The Benchmark study that forms the basis for the Donor Confidence report was conducted as part of Campbell Rinker's ongoing DonorPulse survey in February 2008. This hybrid study of 3,312 US donors included 29% of respondent households from random telephone calling and the balance from an Internet panel reflecting national demographics.

To qualify to take the survey, responding households must have made a charitable contribution in the previous year and be at least 18 years old. Of the 3,312 responding donors, 726 self-identified themselves as Christian and 85 self-identified as adherents to non-Christian faiths.

The Donor Confidence Index is computed at the respondent level using an algorithm developed by Campbell Rinker that takes into account a donor's propensity to give again, their opinions and attitudes about the condition of the country, the nonprofit sector, their economic outlook, and their ongoing engagement in giving. The scores presented in this report represent a true longitudinal view of donors in February 2013 compared to the same pool of donors in previous reports.

Fewer respondents answered some questions. The following table summarizes the estimate of error at the 95% confidence level at various sample sizes.

Sample Size	Estimate of Error
100	±9.8%
200	±6.9%
300	±5.7%
400	±4.9%
500	±4.4%

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