

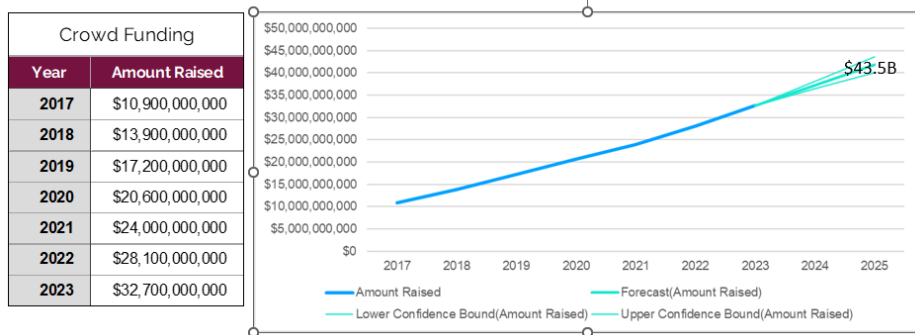
# Title: Navigating the Evolving Landscape of Philanthropy: Insights and Strategies for Fundraising Professionals

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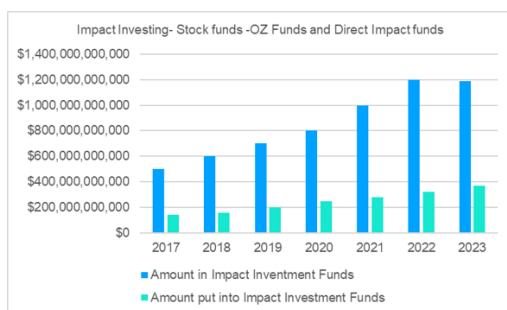
The philanthropic landscape is undergoing significant transformations, presenting both challenges and opportunities for fundraising professionals and fundraising consultants. Recent data from the *Giving USA 2024 Report* indicates that while charitable giving in 2023 reached \$557.16 billion, this figure represents a decline when adjusted for inflation. Notably, the number of donors has decreased, with small-dollar contributions (less than \$500) experiencing the most significant drop. ([Fundraising Effectiveness Project](#))

In contrast, alternative forms of giving are on the rise. Crowdfunding platforms, such as GoFundMe, have seen substantial growth, with many individuals opting to support specific causes or individuals directly, especially in response to crises like natural disasters. \$32.7 Billion was contributed through Crowdfunding in 2023 and projections are to exceed \$43 Billion in 2025.

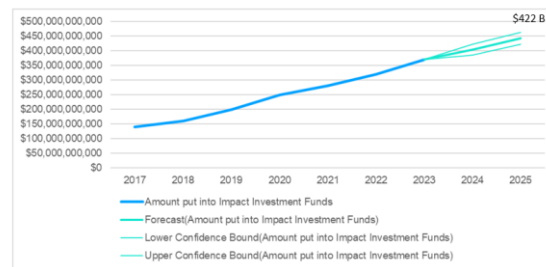
## Seven Years of Crowd Funding....



Additionally, social impact investing has become a formidable force, with over \$1.19 trillion allocated to funds focusing on social causes, including small business startups and low-income housing. While these investments generate a lower rate of return for the investor, the impact, or value proposition is that these investments provide a benefit to the community. Projections suggest that by 2025, investments in social impact funds will reach \$422 billion, further blurring the lines between traditional philanthropy and financial investment.



## Forecast for 2025: \$422 Billion To Be Invested



This shift is also evident in the behavior of donor-advised funds (DAFs). According to Fidelity Charitable, donors recommended an average of 11.8 grants per DAF in the past year, with an average grant size of \$4,000. This trend underscores a move towards more strategic and impactful giving. ([Forbes: 6 Trends Shaping Philanthropy Show the Growth of Smarter Giving](#))

Moreover, significant contributions from high-net-worth individuals continue to shape the philanthropic landscape. In 2024, the largest charitable donations amounted to nearly \$6 billion, with substantial contributions directed towards financial aid for medical schools and the establishment of foundations. Notably, Netflix co-founder Reed Hastings and his wife, Patty Quillin, topped the list with a \$1.1 billion donation to their Hastings Fund at the Silicon Valley Community Foundation to support education. ([APNEWS: Billion-dollar donation from Netflix’s Reed Hastings](#)). Yet the number of people who made gifts of \$1 Million or more to charity in 2023 declined to 386 from 435 the year before.

### Year over Year: “Gifts” versus “Donors”

Number of Gifts by 1 Individual	2022		2023	
	Number of People	Total giving	Number of People	Total Giving
1	228	\$6,639,500,000	353	\$7,236,546,140
2	124	\$7,138,670,000	20	\$1,407,124,967
3	13	\$1,336,620,000	6	\$795,750,000
4	10	\$441,800,000	2	\$225,600,000
5	2	\$131,600,000		
6	2	\$205,000,000		
7	1	\$30,000,000	2	\$492,450,000
8			1	\$8,000,000
10	1	\$18,000,000		
136			1	\$890,000,000
154	1	\$2,701,900,000		
40 (anon)			1	\$1,238,380,000
53 (anon)	53	\$1,360,900,000		
Total	435	\$20,003,990,000	386	\$12,293,851,107

We live in a generous society. Clearly donors are presented with more options to facilitate their acts of kindness. While we monitor the numbers related to charitable giving at The Giving Institute, our radar is also scanning the horizon. For fundraising professionals and consultants, these developments highlight the need to adapt strategies to align with evolving donor preferences. Embracing technology-enabled giving platforms can facilitate easier contributions, especially among younger donors who prioritize convenience and transparency. Additionally, understanding the motivations behind social impact investing and leveraging donor-advised funds can open new avenues for engagement.

In conclusion, while traditional charitable giving faces challenges, the rise of alternative giving mechanisms indicates a transformation rather than a decline in generosity. We cannot focus on the few mega donors and neglect the many in the middle and those at the base of the giving pyramid. By staying informed and adaptable, fundraising professionals and those who advise them, can effectively navigate this evolving landscape and continue to foster impactful philanthropy.