2025 5 Important Fundraising Metrics Your Board & Executive Need to See – and Why

THE BENCHMARKING PROJECT

INTRODUCTION

5 Important Fundraising Metrics Your Board & Executive Need to See - and Why

Boards and executives should focus on leading indicators - the numbers that predict future fundraising health, not just last year's results. These five metrics connect today's activity to tomorrow's sustainability.

The Donor Base as an Asset

Your donors are not just a source of annual revenue - they are a capital asset that generates returns year after year. Like a diversified investment portfolio, a donor base can:

- Grow in value (through retention, increased giving levels, and portfolio expansion / diversified giving)
- Depreciate (through churn or over-reliance on transactional programs)
- Be diversified (across different revenue streams and relationship maturity segments to minimize risk)“

Boards and executives have a responsibility to steward and strengthen this asset, not just chase annual income. Focusing solely on annual targets creates a short-term mindset that undermines long-term sustainability.

Organisations that prioritise hitting this year's fundraising target often resort to tactics that extract maximum value from existing supporters without investing in relationship-building or diversification. This approach may deliver short-term results but systematically weakens the very asset that generates future income - leading to diminishing returns, supporter disengagement, and ultimately, a revenue cliff when loyal supporters can no longer give.

The Tri-Future-Value View

Traditional fundraising reports rely on lagging indicators (last year’s income, current donor numbers). The Tri-Future-Value view adds forward-looking perspective by combining:

1. **Current Performance** – how the donor base is performing today (e.g., retention, conversion, payback).
2. **Replacement Needs** – how much of today’s income is at risk if older donors lapse, and the acquisition needed to replace them.
3. **Growth Potential** – the pipeline of upgrades, cross-giving, and bequests that predicts tomorrow’s upside.

Key Takeaway:

These metrics provide forward-looking business intelligence that forecasts revenue many years ahead (we recommend at least 5-years), identify where today's strategic decisions compound into tomorrow's financial strength, and frame the donor portfolio as appreciating capital that requires active management and diversification.

Understanding Estimated 5 Year Value

This foundational metric projects the total giving potential of a donor or donor segment over five years—the typical strategic planning horizon for most organisations.

Rather than attempting to calculate an unknowable "lifetime value," this metric provides actionable intelligence within your planning timeframe.

It combines historical giving patterns, retention probabilities, and upgrade potential to forecast revenue sustainability and inform investment decisions. Could be a call out box

How Traditional Metrics Create Strategic Blind Spots

The metrics most boards see - total income, donor counts, cost-per-acquisition, average gift size - weren't designed for strategic decision-making.

They create dangerous illusions of health while masking structural risks. For example, celebrating "1,000 new donors recruited" while missing that the quality metrics show these donors have half the projected lifetime value of previous cohorts, or celebrating "15% income growth" while missing that most of that growth came from peer-to-peer fundraising that only converts a low volume of donors into ongoing supporters.

These backward-looking snapshots can show growth right up until a revenue cliff appears.

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- and Why

Long-Term Donor Retention & Migration Rate (Whole Donor View)

1

What it is:

Percentage of donors from a given recruitment year still giving in any form at 1, 3, 5, and 10 years, including those who change giving type.

Look alongside:

Estimated 5-Year Value; Revenue concentration by supporter lifecycle stage.

Asset view:

High retention and healthy migration patterns grow the donor base as an asset; declines shrink future value.

New Donor Conversion to Ongoing Support (12 & 24 Months)

What it is:

Cumulative percentage of new donors who give again within 12 and 24 months of their first gift.

Look alongside:

Estimated 5-Year Value for each cohort; Product or Offer-specific retention.

Asset view:

Shows how effectively new capital inflows are integrated into the supporter base.

2

Payback Period (Path to Profitability)

What it is:

Time required for a donor segment to recover acquisition costs and generate positive returns.

Look alongside:

Estimated 5-Year Value; Post-breakeven retention.

Asset view:

Shows how quickly donor investments start producing a return; must be viewed alongside projected total value.

3

Portfolio Diversification & Gift in Will Pipeline (5 Years)

What it is:

Proportion of donors making multiple contributions within 5 years (e.g., Regular Giving + Single Giving + Event).

Extension:

Proportion who have confirmed a Gift in Will, with future value estimated from historical average bequest values.

Look alongside:

Estimated 5-Year Value for multi-givers; Estimated Gift in Will Future Value.

Asset view:

Multi-givers are high-yield assets with compounded value. Gift in Will pipeline represents long-term reserves that will mature into future income.

4

Revenue Concentration by Supporter Lifecycle Stage

What it is:

Share of income from supporters at different stages of their giving journey (<1 year, 1–4 years, 5–9 years, 10+ years).

Look alongside:

Acquisition volume & value for replacement; Estimated 5-Year Value by lifecycle stage (could use tenure).

Asset view:

Reveals the maturity profile of the supporter portfolio. Long-tenured supporters are your most valuable assets - they give the most, have higher retention rates, and often become high value gift prospects or confirm a Gift in Will.

However, over-reliance on supporters in their later years giving signals a pipeline risk: like any valuable asset class, these supporters may eventually reduce or cease giving due to life circumstances.

Without consistent 'new investor' acquisition and relationship development, organisations face a potential revenue cliff as their most generous supporters reach natural transition points.

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