



2014

TRENDS & INSIGHTS



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Photo courtesy of American Heart Association

Peer-to-peer fundraising is in the middle of a disruption — an era marked by new players, new consumer attitudes, new technologies and new tactics that are influencing the way charities raise money and volunteers support the causes they care about.

In the past year, that disruption has been on display like never before. The Ice Bucket Challenge — the viral, volunteer-organized fundraising sensation that generated more than \$220-million globally for ALS organizations — is the most notable example. It seemingly took over our summer Facebook feeds, TV newscasts, and conversations and raised unparalleled awareness about the power of peer-to-peer fundraising.

A growing number of upstart charities continued to use the peer-to-peer ethos as the central piece of their fundraising and advocacy strategies.

What do these changes mean to peer-to-peer fundraisers?

The annual Peer-to-Peer Fundraising Thirty benchmarking study reflects the growing diversity of initiatives in which participants reach out to their contacts to donate for a cause. This rich collection of survey data from America's 30 largest programs (and dozens of smaller ones) is an excellent starting point from which to explore the state of the industry.

This Peer-to-Peer Professional Forum white paper examines the state of the industry by offering this analysis of its Peer-to-Peer Fundraising Thirty — our annual survey of the largest nonprofit-led peer-to-peer fundraising programs. The survey (previously called the Run Walk Ride Thirty) reflects the growing diversity of initiatives in which participants ask their contacts to donate to a cause.

We will explore the survey's findings and include insights from some of the field's leading practitioners and thought leaders. We will also describe trends that are affecting peer-to-peer fundraising and offer ideas that will help your organization raise more money and connect with supporters in new ways.

‘A Changing of the Guard’

The Peer-to-Peer Fundraising Thirty is an annual benchmark study that ranks the top 30 peer-to-peer fundraising programs produced by U.S. nonprofits.

Collectively, these 30 leading programs raised \$1.62 billion in 2014 — a decline of 2.47 percent compared to 2013.

But this decrease doesn’t tell the entire story. In fact, it actually obscures some of the most important trends in peer-to-peer fundraising

— a field that is facing a gradual transition in which many of the longest-tenured programs are declining while many of the newer programs are gaining momentum.

“We have a real changing of the guard going on,” says Jeff Shuck, CEO of Plenty, which sponsors the Peer-to-Peer Fundraising Thirty. “Some of the great granddaddy events are fading, but there are some new, great events that are growing consistently.”



By the Numbers

\$1.66-billion: Total raised in the U.S. in 2013 by the 30 largest peer-to-peer fundraising events

\$1.62-billion: Total raised in the U.S. in 2014
by the 30 largest peer-to-peer fundraising events

\$335-million:

Total raised by Relay for Life,
the largest peer-to-peer program

\$110.8-million:

Total raised by Heart Walk,
the second-largest program

-2.47%

percentage
difference



8.3 million:

Total volunteer
fundraisers reported
to have participated
in top 30 events in 2014

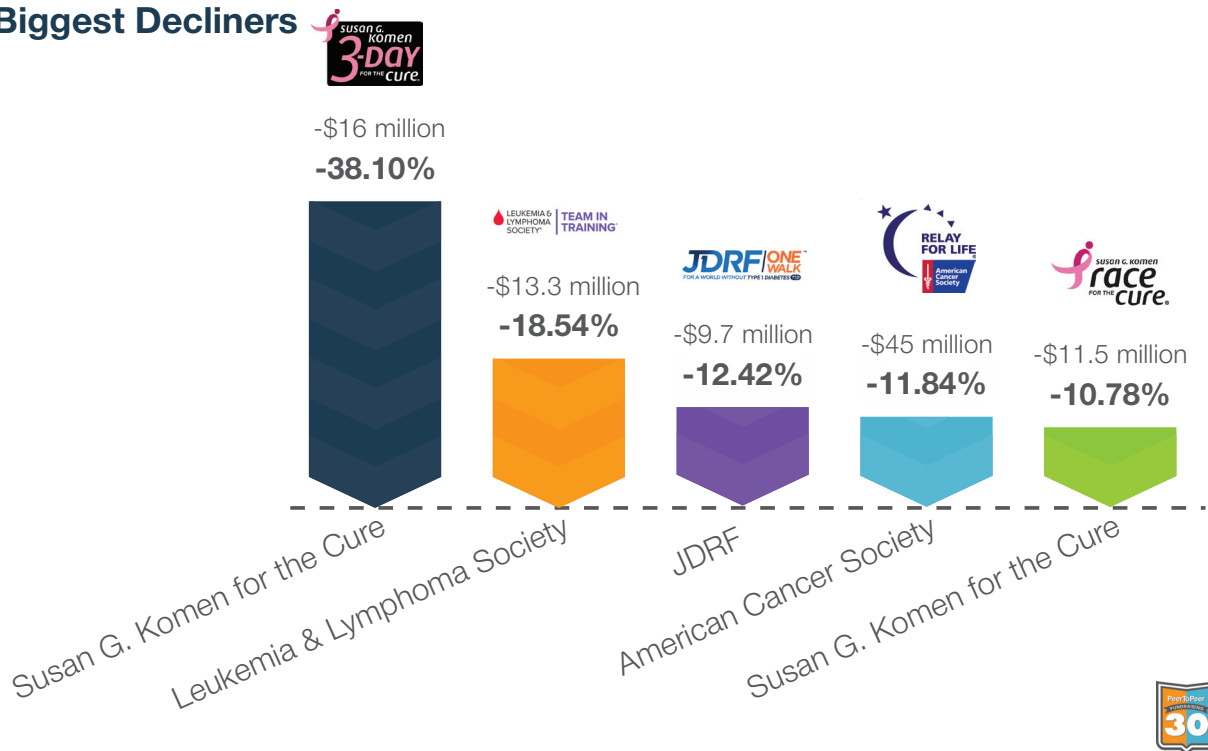


14 groups

in the top 30 that
reported fundraising
declines in 2014

The 2014 Peer-to-Peer Fundraising Thirty

Biggest Decliners



Campaigns that saw the largest percentage decreases in 2014

But even as some of the most established programs face declines, they still generate considerable revenue for the charities that manage them.

Take, for instance, the nation's largest program, the American Cancer Society's massive Relay for Life, a series of events held nationwide in which teams of fundraisers take turns running or walking around a track. Relay for Life's fundraising total declined by 11.8 percent, or \$45-million, in 2014 — a drop American Cancer Society officials say is largely the result of an organization-wide restructuring that affected its ability to properly manage the nearly 5,000 events it hosts as part of the program.

Even with that decline, Relay for Life remains the dominant player in the peer-to-peer fundraising world. To put its size in context, Relay for Life — which raised \$335-million for the charity in 2014 — is still three times larger than the next-largest event, American Heart Association's Heart Walk.

"With this being our first full year as a transformed organization, we have a lot of hope." — Steve Zamzow, vice president, American Cancer Society

In fact, if you add together the annual fundraising totals of the next three largest events — Heart Walk, March of Dimes' March for Babies, and Susan G. Komen's Race for the Cure Series — their total is still almost \$32-million less than Relay's.

Because of its size, Relay for Life's recent struggles have an outsized effect on the top 30 total. Take away Relay's \$45-million decline and the rest of the top 30 events were essentially flat in 2014.

Another peer-to-peer pioneer — **Susan G. Komen for the Cure** — is struggling due to the loss of support by people on both sides of the abortion issue following a 2012 controversy concerning the charity's relationship with Planned Parenthood. Komen's Race for the Cure series — which had long been the nation's second-largest peer-to-peer program — dropped to No. 4 on this year's list after posting a decline of 10.8 percent, or \$11.5-million. The drop was even more pronounced for a second Komen program — Komen 3-Day — which saw a steep 38.1-percent decline, from \$42-million in 2013 to \$26-million in 2014. It should be noted that the 3-Day decreased from 14 to 7 events in 2014.

Together, those two programs generated a combined \$27.5-million less for Komen than they had in our 2013 survey. When coupled with the drop at Relay for Life, that's a decline of \$72.5 million in peer-to-peer fundraising revenue at just two charities.

Still, both the American Cancer Society and Susan G. Komen remain peer-to-peer fundraising juggernauts — collectively raising

more than \$519-million through their peer-to-peer programs in 2014.

"It's easy to look at the American Cancer Society or Susan G. Komen and say that their peer-to-peer campaigns are struggling. But let's not forget how many people these massive programs touch and how much money they still raise," says David Hessek, president of the Peer-to-Peer Professional Forum. "There are few nonprofits that wouldn't want to have the base of support ACS and Komen have through their peer-to-peer programs."

It should come as no surprise, then, that both groups remain bullish about the futures of their peer-to-peer programs. Now that each has weathered significant organizational changes, officials at both organizations say they are investing in their programs to ensure that they make up some of the ground they lost.

"With this being our first full year as a transformed organization, we have a lot of hope," says Steve Zamzow, American Cancer Society's vice president in charge of Relay for Life. "The number of volunteers we have on board this year look really good. We have more people coming back to Relay and we're really looking forward to a very successful 2015."

Melissa Aucoin, director of Komen's Race for the Cure Series, says her organization is working closely with its affiliates to ensure that it can strengthen the series moving forward.

Signs of Growth

The declines at some of the largest peer-to-peer programs obscure the growth that is happening at many smaller peer-to-peer programs. Only 14 of the top 30 programs reported revenue declines in 2014.

Once you get outside of the top 30, the numbers are even more encouraging. Of the 42 programs that submitted data that weren't large enough to make the top 30 list, only 5 reported fundraising declines in 2014.

That growth has been particularly strong among groups that lead events that fall outside of the traditional run, walk, ride model.

For example, St. Baldrick's Foundation, which played host to more than 1,300 volunteer-led head shaving events in 2014, ranks No. 16 on our Top 30 list this year. It raised more than \$38.9-million — an increase of 16.3 percent.

At its events, volunteers raise money for children's cancer research by pledging to shave their heads. Its model gives volunteers considerable freedom to easily organize and talk about their own events — and the organization has developed a series of fun programs that reward its fundraisers for their dedication to the cause.

For instance, volunteers with seven years of service to the charity are inducted into a society called The Knights of the Bald Table. St. Baldrick's gives leaders of its local chapters a toolkit — including a sword — and a sample script for hosting Knights of the Bald Table ceremonies. Those who are inducted as Knights get a lapel pin and certificate, along with the honor of being recognized in front of their peers.



Photo courtesy of St. Baldrick's Foundation

The 2014 Peer-to-Peer Fundraising Thirty

To date, nearly 2,200 people have achieved Bald Table status — and they’ve collectively raised more than \$20.6-million for the charity, which founded its head-shaving program in 2005.

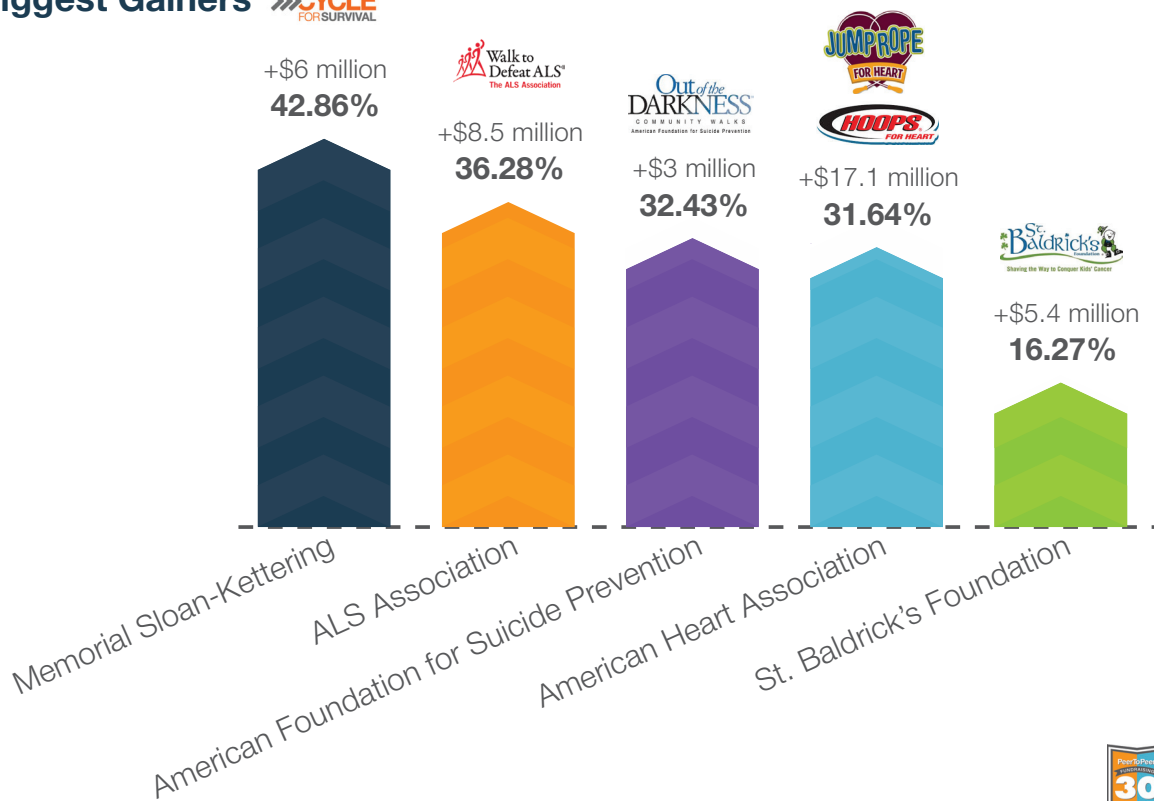
Similarly, Movember — the annual November-long fundraising campaign in which men grow facial hair to help raise money and awareness for men’s health causes — continues to post strong growth. The organization’s U.S. program raised \$23-million during its fiscal year ending April 2014 — up 9.5 percent.

Movember reports that its programs have raised \$559-million worldwide since it started raising money in 2003.

St. Baldrick’s and Movember are standard bearers for an emerging form of peer-to-peer fundraising that is driven more by self-expression among volunteers than by participation in an organized event or competition.

“There’s a big switch that organizations in this space need to make,” Shuck says. “We talk about ‘us, us, us’ — but there’s an emerging group from a new generation where they talk about the donor.”

Biggest Gainers



Campaigns that saw the largest percentage increase in 2014



The Ice Bucket Effect

In many ways, the emergence of successful fundraising models at Movember and St. Baldrick's foreshadowed the biggest peer-to-peer fundraising story of 2014: the Ice Bucket Challenge.



Photo by Anthony Quintano, Hillsborough, N.J.

Because the Ice Bucket Challenge wasn't organized and managed by a single charity (it was instead driven and directed by volunteers on behalf of a larger cause), it doesn't qualify for inclusion on the Peer-to-Peer Fundraising Thirty list. But it is difficult to assess the current state of peer-to-peer fundraising without analyzing its impact.

To put it in context, let's first explore its financial impact.

The Ice Bucket Challenge raised an estimated \$220-million globally in 2014, including \$115-million for the ALS Association. Based on those numbers, if the Ice Bucket Challenge had qualified for the Peer-to-Peer Fundraising 30, the money it generated for the ALS Association alone would have ranked it as the second-largest peer-to-peer fundraising program in the U.S. in 2014.

That \$115-million for the ALS Association would also more than offset the losses of every charity in the Peer-to-Peer Fundraising Thirty that reported a decline in its peer-to-peer fundraising programs in 2014 (the 14 programs in the top 30 that posted declines saw a collective loss of just more than \$109-million last year).

What's more, if it had qualified for the Peer-to-Peer Thirty, the Ice Bucket Challenge would have completely changed the survey's top-line results. Instead of a 2.5-percent decrease, the total haul for the top 30 peer-to-peer fundraising programs would have totaled more than \$1.7-billion — an increase of 4.4 percent over the total raised by the top 30 programs in 2013.

As it stands, the phenomenon has already helped give momentum to the ALS Association's existing peer-to-peer programs, including its Walk to Defeat ALS, which raised more than \$32-million in 2014 — a 36.3 percent increase over the \$23.5-million raised through the program the previous year.

“The Ice Bucket Challenge was very clearly the breakout peer-to-peer fundraising story of 2014,” Hessekiel says. “Nonprofits should not set the goal of replicating its level of viral success. It was a once-in-a-lifetime phenomenon. But it tells us a lot about how people are communicating and engaging with charities.”

Most notably, the Ice Bucket Challenge demonstrates, at a very high level, how social networks provide our volunteers and donors with tremendous opportunities to call attention to themselves in new ways. The Ice Bucket Challenge grew so quickly, in part, because it gave people the opportunity to show themselves doing something good. It wasn't as much about the cause as it was the validation that they are charitable — so charitable, in fact, that they're willing to get a bucket of ice water poured over their heads. Many of today's fastest-growing peer-to-peer programs rely on the same idea. They give their supporters a canvas to express themselves, whether it's by growing a funky mustache, shaving their heads, or taking on an extreme physical challenge.

Another reason the Ice Bucket Challenge went viral: it was based on the idea that participants were calling on their friends publicly, and by name, to accept the challenge. While this is far from a new concept, it reinforced the notion that if given the right opportunities, people will give if they are asked publicly by someone they trust.

Perhaps the biggest takeaway, though, rests with what the Ice Bucket Challenge was not — an organized appeal owned by a single charity. The campaign worked, in large part, because it didn't feel like a campaign at all. The challenge wasn't about a charity — it was about a cause and the people who support that cause. Nobody owned the message. Many traditional programs continue to put the organization at the center of the message — but that practice will likely need to change for groups and programs that want to continue to remain relevant.

The challenge wasn't about a charity — it was about a cause and the people who support that cause.

Two Wheels Rivaling Two Feet

But while the Ice Bucket Challenge showcased the power of donor-driven campaigns, a number of more traditional peer-to-peer fundraising techniques continued to prove their worth.

Cycling events were particularly successful in 2014, with a number of major bike events posting significant gains.

The Pan-Mass Challenge, for example, has increased its revenues from \$28-million in

2006 to \$49-million in 2014 — including a strong 6.5 percent increase in 2014. The long-running event — which started in 1980 — is the largest single-event fundraiser on the Peer-to-Peer 30 and leads a pack of newer rides established during the past decade that are rapidly climbing the rankings.

Pelotonia — the youngest entry in the top 30 — has vaulted to No. 23 in our rankings after posting an increase of 10.75 percent in 2014. The Ohio-based event, which was founded in

The 2014 Peer-to-Peer Fundraising Thirty

2009 and raises money for cancer research, raised more than \$21-million last year and recently hired Doug Ulman, previously the CEO of the Livestrong Foundation, as its president and CEO.

Memorial Sloan-Kettering Cancer Center's **Cycle for Survival** surged to No. 25 on the list after posting a fundraising increase of 42.9 percent, to \$20-million, in 2014. The event, which started in 2007, has more than doubled in size since 2012, when it raised just \$8.3-million.

AIDS LifeCycle, an annual ride from San Francisco to Los Angeles, has nearly doubled its fundraising revenue since 2006 — raising \$15.5-million in 2014.

Like many of its peer event, AIDS LifeCycle has been able to grow, in large part, by cultivating its most engaged participants to

raise more money. More than 10 percent of the 2,340 cyclists who participated last year raised more than \$10,000, says director Greg Sroda. And 65 of those riders raised more than \$20,000.

“These are very competitive people at the top — our very best fundraisers,” says Kristin Flickinger, associate director.

The organization attempts to appeal to that competitive nature among its top fundraisers in direct messaging to them — and offers the top 50 fundraisers each year a special jersey that they can wear during the events.

“We want to try to create a competition among our top riders without alienating everyone else,” Flickinger says. “The jerseys allow them to show the community that they are a top 50 fundraiser without being loud about it.”



Photo courtesy of the Pan-Mass Challenge

Traditional Models Can Still Work

Even as new opportunities arise and new models emerge, it is important to note that nonprofits can still raise significant money and attract thousands of new supporters through some of the tried-and-true peer-to-peer fundraising models that have endured for decades.

across the country are equipped to properly plan and execute successful walks.

Even before her arrival at the organization two years ago, the Walk was growing quickly (it has more than doubled its revenues from \$30-million in 2006 to \$67.9-million



Photo by Elvert Barnes

Cynics might point to the declines at some of the more established organizations — or to the fact that the long-running CROP Hunger Walk dropped off of our list for the first time this year — as evidence that traditional walks and runs are no longer en vogue.

But Wendy Folk-Vizek sees a bright future for old-school fundraising walks — particularly if they are organized well.

Folk-Vizek should know. She organizes the Alzheimer's Association's Walk to End Alzheimers, which raised \$67.9-million in 2014 — up 18.6 percent over a year ago. Under her leadership, the Alzheimer's Association has invested heavily in making sure its 80 chapters

today). But Folk-Vizek believes that it still has considerable room for growth without the need to add bells and whistles.

“It’s all about getting really strong volunteer committees in place, strong teams, and a consistent approach,” Folk-Vizek says. “We’ll continue to see really good growth by focusing on these core pieces. It’s not anything fancy.”

Ultimately, Folk-Vizek says, she has no fears about doubling the event’s revenue — as long as it continues to put strong organization first and gives its volunteers the tools they need to succeed.

“It’s not sexy,” she says. “But it works.”

Whether it’s based on growing a beard, shaving a head, or walking around a track, peer-to-peer fundraising programs have the best chances for long-term success if their sponsoring organization attracts, trains and motivates its paid staff and volunteers, leverages storytelling and smart marketing to communicate effectively, and gives fundraising participants the tools, coaching and support they need.

“Since our founding in 2007, this annual benchmarking study has been one of the key ways the Peer-to-Peer Professional Forum has helped our community of practitioners track their progress,” Hessekiel said. “We hope that this report will provide more food for thought on the changes necessary to succeed in this fast-changing field.”



Naperville, Ill., Walk to End Alzheimer's

Have questions about this report or other aspects of peer-to-peer fundraising? Visit

www.peertopeerforum.com

or contact the Peer-to-Peer Professional Forum at

info@peertopeerforum.com



2014 Peer-to-Peer Fundraising Top 30 Ranked by Gross Revenue

Produced by Peer-to-Peer Professional Forum. Sponsored by Plenty.

www.peertopeerforum.com

| Rank | Organization Name | Event Name | Year Event Founded | 2014 Gross Total | 2013 Gross Total | Absolute Change | Percent Change |
|------|--|---|--------------------|--------------------|--------------------|------------------|----------------|
| 1 | American Cancer Society | Relay For Life | 1985 | \$335,000,000.00 | \$380,000,000.00 | -\$45,000,000.00 | -11.84% |
| 2 | American Heart Association * | Heart Walk | 1980 | \$110,834,885.00 | \$105,640,000.00 | \$5,194,885.00 | 4.92% |
| 3 | March of Dimes | March for Babies | 1970 | \$97,200,000.00 | \$100,700,000.00 | -\$3,500,000.00 | -3.48% |
| 4 | Susan G. Komen for the Cure | Komen Race for the Cure Series | 1983 | \$95,285,577.00 | \$106,800,000.00 | -\$11,514,423.00 | -10.78% |
| 5 | National MS Society | Bike MS | 1980 | \$82,800,000.00 | \$83,100,000.00 | -\$300,000.00 | -0.36% |
| 6 | American Heart Association * | Jump Rope/Hoops for Heart | 1978 | \$71,224,893.00 | \$54,106,000.00 | \$17,118,893.00 | 31.64% |
| 7 | Juvenile Diabetes Research Foundation | JDRF One Walk | 1980 | \$68,277,066.30 | \$77,963,790.00 | -\$9,686,723.70 | -12.42% |
| 8 | Alzheimer's Association | Walk to End Alzheimers | 1989 | \$67,931,807.00 | \$57,257,322.00 | \$10,674,485.00 | 18.64% |
| 9 | American Cancer Society | Making Strides Against Breast Cancer | 1993 | \$63,153,136.00 | \$66,200,000.00 | -\$3,046,864.00 | -4.60% |
| 10 | The Leukemia & Lymphoma Society | Light the Night Walk | 1999 | \$60,100,000.00 | \$58,500,000.00 | \$1,600,000.00 | 2.74% |
| 11 | The Leukemia & Lymphoma Society | Team In Training | 1988 | \$58,485,000.00 | \$71,799,590.00 | -\$13,314,590.00 | -18.54% |
| 12 | Pan-Mass Challenge ** | Pan-Mass Challenge | 1980 | \$49,000,000.00 | \$46,000,000.00 | \$3,000,000.00 | 6.52% |
| 13 | National MS Society | Walk MS | 1989 | \$48,000,000.00 | \$48,700,000.00 | -\$700,000.00 | -1.44% |
| 14 | Cystic Fibrosis Foundation | Great Strides, Taking Steps to Cure Cystic Fibrosis | 1987 | \$42,300,000.00 | \$43,000,000.00 | -\$700,000.00 | -1.63% |
| 15 | Avon Foundation for Women | Avon Walk for Breast Cancer | 2003 | \$40,000,000.00 | \$40,000,000.00 | \$0.00 | 0.00% |
| 16 | St. Baldrick's Foundation | St. Baldrick's Head Shaving Events | 2005 | \$38,900,543.00 | \$33,457,328.00 | \$5,443,215.00 | 16.27% |
| 17 | The ALS Association | Walk to Defeat ALS | 2000 | \$32,024,969.00 | \$23,500,000.00 | \$8,524,969.00 | 36.28% |
| 18 | American Diabetes Association | Tour de Cure | 1991 | \$28,779,000.00 | \$29,301,000.00 | -\$522,000.00 | -1.78% |
| 19 | Autism Speaks | Walk Now For Autism Speaks | 2005 | \$26,840,141.00 | \$29,761,126.00 | -\$2,920,985.00 | -9.81% |
| 20 | Susan G. Komen for the Cure | Komen 3-Day | 2003 | \$26,000,000.00 | \$42,000,000.00 | -\$16,000,000.00 | -38.10% |
| 21 | American Diabetes Association | Step Out: Walk to Stop Diabetes | 1991 | \$24,321,000.00 | \$24,100,000.00 | \$221,000.00 | 0.92% |
| 22 | Movember ^ | Movember | 2003 | \$23,000,000.00 | \$21,000,000.00 | \$2,000,000.00 | 9.52% |
| 23 | Pelotonia | Pelotonia | 2009 | \$21,049,621.00 | \$19,007,104.00 | \$2,042,517.00 | 10.75% |
| 24 | Big Brothers Big Sisters of America | Bowl for Kids' Sake | 1972 | \$20,000,000.00 | \$21,500,000.00 | -\$1,500,000.00 | -6.98% |
| 25 | Memorial Sloan-Kettering Cancer Center | Cycle for Survival | 2007 | \$20,000,000.00 | \$14,000,000.00 | \$6,000,000.00 | 42.86% |
| 26 | Junior Achievement USA | Junior Achievement Bowl-a-thon | 1982 | \$17,752,002.00 | \$18,057,392.00 | -\$305,390.00 | -1.69% |
| 27 | AIDS LifeCycle | AIDS LifeCycle | 2001 | \$15,490,142.00 | \$14,511,424.00 | \$978,718.00 | 6.74% |
| 28 | Penn State IFC/Panhellenic Dance Marathon | THON | 1973 | \$13,780,434.11 | \$12,374,035.00 | \$1,406,399.11 | 11.37% |
| 29 | National Down Syndrome Society | Buddy Walk | 1995 | \$12,750,000.00 | \$12,100,000.00 | \$650,000.00 | 5.37% |
| 30 | American Foundation for Suicide Prevention | Out of the Darkness Community Walks | 2004 | \$12,500,000.00 | \$9,439,184.00 | \$3,060,816.00 | 32.43% |
| | | | Overall Totals | \$1 622 780 216,41 | \$1,663,875,295.00 | -\$41,095,078.59 | -2.47% |

* The American Heart Association declined to provide participation numbers for its national programs so the participant numbers have also been removed from past reports to allow for year-to-year group comparisons.

^ Movember totals provided for 2014 are for fiscal year ending in April 2014, totals for 2013 are for fiscal year ending April 2013. Figures are only for the United States.

** Sponsorship \$1.5 million cash, \$4 million in-kind