

## Who is a Small Donor?

- An "everyday" donor, as distinct from a major donor or philanthropist.
- One of many donors whose combined gifts meaningfully support an organization or cause, but whose individual gifts would not have a huge impact on their own.
- There is no fixed definition of a small donor. At some nonprofits, it's anyone who gives less than \$1,000. At others, it's anyone who gives less than \$10,000. It totally varies from organization to organization.

Without a fixed definition, we might simply think of small donations as the kind of small-dollar gifts many people make throughout the year. Small donors can make a huge impact collectively, but generally don't make such an impact on their own. Grassroots fundraising campaigns or giving circles are ways to pool the resources of many small donors for maximum impact. Widespread giving by many small donors is arguably essential to democratic philanthropy and a democratic society, and is often one of the more stable forms of nonprofit revenue.

## What is the role of small donors in philanthropy?

Small donors collectively make up the majority of gifts to nonprofit organizations. Even if they don't have the kind of influence major donors have on vast national conversations, small donors' gifts are critical to nonprofits like homeless shelters, food banks, theatres, schools, libraries and other essential community organizations.

Small donors can make a big impact on a nonprofit or issue by pooling their resources—whether through a giving circle or by contributing alongside hundreds or thousands of others to a cause they all care about.

Being funded by many small donors, rather than a few major donors, means a nonprofit is less beholden to the wishes—or whims—of major donors. Small donors may also be closer to, or part of, the community a nonprofit serves—which gives them a clearer picture of what that community needs than a more distant major donor is likely to have. There's a good reason some political candidates tout a wide base of many small





donors, as opposed to a small number of mega-donors, as they can remain independent of donor influence and accountable to the people in the broadest sense.

Small donors can also make a huge impact on philanthropy, and society, as a whole. The more widespread giving is—spread among many donors, each contributing a small amount—the more democratic philanthropy and society are. When philanthropy is dominated by a handful of major donors, these few people or institutions have outsized influence on individual nonprofits, as well as entire sectors of philanthropy. In a society where philanthropy is intended to fill the gaps because the public sector does not adequately resource important aspects of life like healthcare, education and the arts, this means a relatively small number of private individuals has a profound influence in shaping society.

More small donors equals more democracy.

## How do I find small donors for my nonprofit?

Your organization's best small donors are probably members of the community or constituency you serve. People who have a direct relationship with your group and who see the impact of your work firsthand are great prospects for small donations. An end-of-year fundraising letter or email (aka an annual appeal) to your mailing list, a social-media campaign on #GivingTuesday, a "donate" button on your website, and passing the hat at your organization's events are among the many ways to connect with small donors.

## You may also want to check out:

- Who is a major donor?
- What is a giving circle?
- What is a crowdfunding platform?

