

FUNDRAISING RESILIENCE FOR FOOD BANKS

Adapting to a Changing Landscape

During economic uncertainty and shifting societal priorities, food banks are at a critical point. Traditional funding sources have changed or disappeared, and increased competition for financial support demands resilience and adaptation. As communities rely more heavily on food banks, nonprofit leaders must adopt proactive, innovative approaches to fundraising.

This white paper offers strategic insights to help food banks navigate the evolving funding landscape, strengthen their organizations, and continue fulfilling their mission of fighting hunger and promoting food security. With the right tools and mindset, food banks can overcome today's challenges and secure the resources they need to serve their communities effectively.



- The Current Landscape
- Moving Forward: Donor Marketing Truths
- Adapting to the Digital Era
- Balancing Advocacy and Neutrality
- **Exploring Alternative Funding Sources** for Food Banks
- Measuring Success:
 Defining and Evaluating Achievement
- Future-Proofing Food Banks:
 Strategies for Sustainability and Resilience



Even in the most uncertain of times, food banks and their communities are capable of finding a way to extend their hands to each other.

Megan Carder

Senior Vice President and Managing Director TrueSense Marketing



The Current Landscape

Food banks face an increasingly difficult financial environment shaped by political shifts, economic pressures, and changing donor behavior. Funding cuts, rising demand, and evolving giving patterns require organizations to adapt quickly.

The Political Climate

Government policies shape how food banks operate nationwide, and recent funding cuts have made daily operations more difficult for many food banks. Discussions with our food bank partners have illustrated how these reductions strain resources and force them to work within a politically sensitive environment: If you swing too far in either direction, you potentially isolate some donors.

Federal funding remains both necessary and politically complex. Although it's important for maintaining services, this support often comes with challenges that require careful consideration and compliance.

Disclosing reliance on federal funding is a somewhat divisive issue for food banks, which vary in their willingness to disclose that reliance. Some openly discuss it, while others proceed cautiously, concerned about potential donor reactions. Political dynamics sometimes influence public perception, framing food banks as overly dependent on government support rather than as vital community resources. This perception can deter contributions from donors who prefer to support organizations they view as independently funded.

Hesitation to address funding sources can obscure financial realities, making it harder to secure support. Transparency strengthens trust, but it can come with the risk of losing some donors. Food banks may want to communicate their funding needs without engaging in divisive discussions to avoid alienation with their donor base. To accomplish this, they can consider reshaping the narrative, emphasizing their positive impact on reducing food insecurity to garner broad-based support.

Economic Pressure

Economic shifts directly affect food banks. Families facing higher living costs, stagnant wages, and uncertain job markets are turning to food banks in ever greater numbers. Rising demand for food assistance coincides with increasing financial constraints, increased inflation, job losses within the federal workforce, and the threat of technology replacing human workers. J.P. Morgan recently elevated the recession odds to 60%.

In short, food banks must serve more people with fewer financial resources. While demand grows, traditional donor bases shrink. Therefore, food banks must find new ways to sustain operations.

All of these factors intensify the need for effective fundraising strategies to address this demand.

Funding Trends

Changing donor behavior continues to reshape food bank fundraising. Economic uncertainty has led to shifts in giving patterns. Traditional financial contributions have declined, while community-driven giving such as crowdfunding has grown in popularity.

These shifts present both challenges and opportunities. While fewer donors contribute to established organizations, many prefer direct community support. This change reflects a growing preference for immediate, localized impact rather than large-scale, institutional giving.

Shrinking Donor Pools

In the face of rapidly changing political and economic conditions, food banks continue to face the issue of shrinking donor pools — a trend that has worsened in recent years. Across the country, food banks are seeing a decline in loyal, small-sum individual donors, which raises concerns about the sustainability of their funding.

Though generosity is a long-standing part of American culture, the *way* people give is shifting. Many now prefer to donate to local causes or individuals rather than well-established nonprofits such as food banks. This change has reduced the traditional financial support on which food banks have relied.

Changing donor demographics further pressure food banks to rethink their fundraising strategies. Many potential young Millennial and Generation Z donors now favor grassroots initiatives that reflect personal



values and local ties. Food banks may need to rethink how they communicate their missions and engage with this younger demographic.

With their focus on local needs, food banks can concentrate on community-driven initiatives to address challenges and celebrate successes, creating stronger ties with donors. Sharing stories of local individuals and families benefiting from food banks can generate empathy and prompt action.

Shrinking donor pools create challenges, but they also open doors for innovation and growth. The path forward calls for strengthening resilience, embracing creativity, and building meaningful relationships with both current and potential supporters.

High-Value Donor Reliance

The shrinking donor pool also means that many food banks rely on a comparatively small group of high-value donors for a disproportionately large percentage of their revenue. This creates vulnerability. These donors offer significant support, but their limited number puts food banks at financial risk. If even a fraction of these donors withdraws support, the food bank could face a gap that threatens its ability to operate.

Moreover, relying too heavily on a few major contributors leads to an unbalanced funding model that doesn't reflect community needs and hampers strategic planning and innovation. That is, when funding is uncertain, food banks hesitate to take risks that could help them expand or improve services. This risk aversion can limit growth and adaptability in a rapidly changing world.

To mitigate this challenge, food banks should work to diversify their funding sources by actively seeking new donors and broadening their outreach efforts. This might include engaging local businesses, forming corporate partnerships, and developing community programs that resonate with a wider audience.

New Donor Acquisition

Acquiring new donors remains a significant challenge for food banks, especially in an increasingly competitive fundraising environment. Food banks



must carefully manage acquisition costs while ensuring that their outreach efforts yield effective results. Without a steady influx of new supporters, food banks risk stagnation and jeopardize their ability to serve the communities that depend on them.

Identifying the Best-Performing Strategies in Direct Mail

With production costs on the rise, testing direct mail strategies has never been as important for improving the ROI of direct mail acquisition costs. Direct mail remains a powerful transactional and long-form messaging channel, but success depends on balancing volume and value. Instead of the broad, generic outreach of the past, food banks must now prioritize meaningful connections with a smaller group of committed donors.



Moving Forward: Donor Marketing Truths

During challenging times, well-known donor marketing truths ring more clearly than ever:

- Data integrity is critical.
- ► **Transparency** is essential for long-term relationships.
- **Donor behavior** is changing, and we must adapt.

But when money is tight, putting these truths into play with reasonable ROIs is tricky.

In 2025, it's never been more important to experiment with direct mail strategies to boost donor acquisition without overspending on ineffective efforts. Food banks must make the most of their resources, especially considering their reliance on federal funding. The challenge lies in clearly communicating their mission while avoiding alienating potential donors, especially in light of political sensitivities surrounding funding cuts.

Establishing clear guidelines for donor engagement is important. As mentioned above, food banks must balance outreach with caution, keeping in mind the current political landscape. Understanding donor motivations and tailoring messages for specific demographics can help organizations connect to a wider audience. Segmenting outreach based on donor

characteristics can highlight specific local impact and community involvement, for instance.

Data Integrity: Essential for Decision Making

Without reliable data, organizations risk wasted efforts, missed opportunities, and ineffective campaigns.

This means focusing on both cleaning existing data and setting up systems to maintain interconnected data accuracy. It's also important to make sure all of your data is interconnected so you can access donor and volunteer data at the same time to make decisions.

Routine audits of donor databases — removing duplicates, correcting errors, and updating contact information — can ensure targeted and effective outreach. This practice will improve fundraising performance.

Accurate data strengthens fundraising efforts and ensures that food banks can use their resources wisely. It helps nonprofits build stronger connections with donors by ensuring personalized communications (which have been shown to increase donor engagement), maximizing contributions, and improving long-term support.

Donors Expect More

Food banks need to recognize evolving donor expectations. Donors now demand transparency and want to see the impact of their contributions, so clear communication regarding goals and outcomes is necessary. Sharing success stories in newsletters, social media, and community events strengthens the connection between donations and results.

Food banks must also assess the motivations behind donations. Are donors responding to urgent needs, such as economic challenges or natural disasters? Or are they driven by personal connections to the cause? Identifying these motivations will help food banks align their campaigns with their donors' values.

Sustaining Long-Term Donor Relationships

Fostering trust and demonstrating impact have far more benefit than increased revenue at the campaign level. Donors want to know their contributions matter, and consistent, transparent communication accomplishes that. It also improves their retention, which strengthens their long-term commitment.

Regular updates on how donations support specific causes and programs, personalized thank-you messages, impact reports, and success stories all reinforce continuing donor value. Simple gestures, such as acknowledging past contributions and tailoring messages to known donor interests, also create more meaningful, lasting connections.

The share of U.S. households donating to nonprofits has declined 15.8% over 10 years.

Source: The Giving Institute: Generosity Commission



Analyzing Donor Behavior

Food banks must understand donor behavior, especially as they face declining donor lists and an increasing dependence on high-value contributors, and as donors face potentially new economic realities.

Although traditional donations may be on the decline, generosity remains strong in new forms. Consider viewing generosity through a broader lens. Could it be, as some studies suggest, that donors are opting for interpersonal giving through platforms such as GoFundMe over donating to nonprofit organizations? Are some traditional donor cohorts now giving through volunteer time, resources, or advocacy?

How could these generosity behaviors be leveraged? We've found, for example, that volunteer engagement offers valuable insights into donor behavior. Volunteers often become passionate advocates for food banks, and their advocacy can lead to more in-kind donations or introductions to new supporters. Building relationships with volunteers, resource donors, and advocates fosters a sense of community and inspires others to contribute in different ways, including financially.

Data from volunteer programs will provide useful information about these evolving motivations and preferences.



Adapting to the Digital Era

Food banks rely on strong donor relationships to sustain their efforts, but traditional fundraising methods alone no longer suffice. It's technology-driven strategies that will ensure long-term financial stability in an increasingly digital world.

A well-planned digital strategy presents valuable opportunities for outreach, engagement, and fundraising. Online campaigns allow food banks to reach a broader, sometimes younger audience; maintain and reinforce donor relationships; and showcase their impact. Social media, email marketing, and virtual events can also help attract new donors while keeping existing supporters engaged.

Digital Strategy Development

A strong digital strategy focuses on the entire donor journey, not just the point of donation.

In a noisy, overcrowded information ecosystem, maintaining a visible and consistent presence across digital channels is critical to ensure food banks stay connected with donors. But because of the noise and competition, attention spans are short. Therefore, organizations must regularly reinforce their mission and the impact of their donors' contributions.

That does not mean constantly asking for donations. Wise food banks foster long-term relationships by using frequent communications across channels, turning one-time donors into ongoing advocates.

Given the abundant information available to donors and their limited attention, food banks must stay adaptable. Testing different strategies helps refine outreach efforts. For example, comparing the performance of video storytelling to static images on social media can provide some insight into donor engagement. Other tactics to test include:

- Messaging
- Content formats
- Delivery methods
- Channels
- Personalization

Analyzing metrics for these tests will allow food banks to adjust their strategies with confidence.

Strengthening Donor Relationships Online

Long-term donors expect value in their relationships with their chosen food bank. This includes the food

bank honoring their preferences in tailored content, channel, and giving. Data analytics can reveal those preferences and fuel conversations that are more meaningful and relevant.

Accepting that not all donors can be convinced of the value of having a relationship with a food bank — especially a long-term one — food banks must balance donor volume with donor value to strengthen their financial stability. A continued influx of new donors matters because it ensures financial stability. Still, even within that larger, newer cohort, food banks should put their greatest focus on those who provide, or are most likely to provide, ongoing support.

For example, a food bank might use donor data and modelling to identify strong sustainer prospects to deploy targeted sustainer conversion assets, both online and offline. This ongoing, tailored approach to segmentation and messaging will curb overspend while giving donors a better experience and positively impacting retention.

Leveraging data intelligence to refine and personalize messaging can significantly enhance audience engagement and improve conversion rates. By analyzing patterns in supporter behavior and identifying high-performing segments, organizations can tailor their outreach for maximum impact. For example, using tools like lookalike audience modeling allows you to reach individuals who share characteristics with your most engaged supporters, increasing the chances of meaningful connection and long-term support.

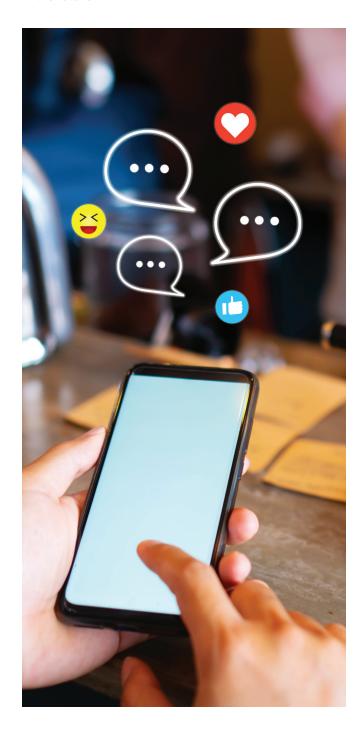
Using Social Media Effectively

Social media offers a direct way to reach broader audiences, foster community, and drive action, even if that action occurs in another online channel. It's an ideal channel to deliver compelling "stories of one" (e.g., one child, one family), rather than long-form cases for giving. Such stories create emotional connections that make statistics more personal, encourage engagement, and show the impact of support.

Relevancy plays an important role in engagement across social media. For instance, during the winter, food banks may highlight an increased demand for

food programs because of higher heating costs. Framing messaging around seasonal struggles emphasizes the importance of community support while homing in on local relevance.

Measuring social media performance should guide appropriate strategy adjustments. Track engagement metrics such as shares, likes, and click-through rates to assess content effectiveness. If a food-drive post generates high interaction, prioritize similar content in the future.





Balancing Advocacy and Neutrality

Advocacy plays a major role in securing resources, but political discussions can complicate donor relations. Striking the right balance helps to ensure that food banks raise awareness without alienating supporters.

Advocacy for Food Banks

Nonprofits often rely on advocacy to secure funding, especially during economic uncertainty and political shifts. Although government support remains a major source of funding, discussing it publicly requires careful messaging to avoid appearing partisan.

Fortunately, if done carefully, food banks can communicate their needs without alienating donors. Food insecurity is (or should be) a nonpartisan issue.

Each food bank operates within a unique environment. In the current climate of federal funding cuts, there is no one-size-fits-all advocacy strategy, but clear and consistent communication remains a fundamental commonality.

Food banks must raise awareness about funding cuts and the increasing importance of private donations while reinforcing the importance of community donations to address the specific needs of their mission and their served population.

Framing the conversation solely around political issues needlessly risks alienating donors. A more effective approach shifts the focus to community welfare, explaining how funding reductions affect food supply to local people. Shifting the focus to community needs rather than political debates avoids divisiveness, strengthens donor trust, and broadens outreach in an otherwise fraught environment.

Defining Boundaries in Advocacy

Food banks must establish clear boundaries in political discussions to maintain effective advocacy. They should honestly assess their comfort levels about discussing government funding. This varies by location, donor demographics, and regional politics. A food bank in a conservative area may take a more cautious approach and focus almost solely on local need, while one in a liberal region might advocate more strongly for local or state government support.

Setting boundaries in political discussions does not mean avoiding advocacy. Strategic communication ensures that food banks can present their funding needs effectively while keeping their mission at the forefront. Clear guidelines help build strong donor relationships and sustain operations despite financial uncertainties



Exploring Alternative Funding Sources for Food Banks

Securing consistent funding remains a top priority for food banks working to combat food insecurity. Relying on a single source creates financial instability, making it essential to explore multiple funding options. Grants, corporate partnerships, crowdfunding, and community-driven fundraising efforts provide food banks with opportunities to strengthen financial stability and expand programs.

Donor-Advised Funds

Donor-Advised Funds (DAFs) are often an untapped donation source available to food banks. Of the \$251.52 billion currently managed in DAFs in the United States, 76% of those funds are unallocated to specific charities. By specifically targeting potential DAF holders, it's possible to secure substantial donations from money that's been sitting earmarked for a 501(c)(3). Consider adding a DAF widget on your donation forms, creating a DAF page on your website, including DAFs and other investment-driven giving opportunities in a "ways to give" brochure, and training gift officers about how to discuss DAFs with high-net-worth donors.

Planned Giving

During times of economic uncertainty, many donors, especially those on fixed incomes, stop giving immediate gifts. This doesn't mean they aren't making important planned-giving decisions during this time. Keep legacy communications in focus through newsletters, appeals inserts, and emails to ensure that alternative giving opportunities are highlighted within campaigns and on your website.





Measuring Success: Defining and Evaluating Achievement

Food banks need to identify and track Key Performance Indicators (KPIs), which should cover a diverse range of metrics. Bottom-line revenue is critical, but food banks should also focus on key long-term value indicators such as new donor second-gift conversion rates, retention rates by lifecycle, and donor annual value. For example, a drop in second-gift conversions may indicate the need to adjust the acquisition strategy and/or the new donor experience.

Food banks will also want to measure generosity beyond monetary donations. Tracking food donations, volunteer hours, event participation, and online engagement metrics can help you understand donors' holistic commitment, which plays a role in their long-term value.

Evaluating Fundraising Campaigns

Understanding what works and what doesn't is critical for food banks facing shrinking donor lists and growing reliance on high-value donors. To assess the impact of fundraising initiatives, food banks should use techniques such as A/B testing, especially in direct mail and email campaigns. By comparing different approaches — varying messaging, design, or timing, for example — food banks can measure response rates and refine outreach efforts for future campaigns.

But beyond that, food banks may learn larger lessons that apply to new campaigns with new offers. For example, if one version of a fundraising letter achieves a 15% higher response rate than another, this information can guide future messaging and improve donor engagement in other channels, during other seasons, and through other calls to action.

Accurate record-keeping is essential for leveraging data intelligence effectively. It allows food banks to maintain precise attribution details, which are critical for meaningful analysis and informed decision-making. For instance, using match-back processes to recode gifts can overwrite the original source of a donation, leading to inaccurate data and potentially skewed insights when analyzing giving history or building predictive models.

Evaluation should extend beyond campaign performance metrics, however. Food banks must assess how their campaigns resonate emotionally with supporters. Are they effectively conveying the urgency of their mission? Do they inspire action among potential donors? Gathering qualitative, first-party feedback through surveys or even through direct conversations offers valuable insights into donors motivations and experiences.

Future-Proofing Food Banks: Strategies for Sustainability and Resilience

Food banks must prioritize sustainable fundraising strategies that not only drive long-term impact but also use budgets wisely. That means being intentional about engaging donors of all sizes: investing in deepening relationships with high-value donors while cost-effectively expanding reach to a broader audience. An omnichannel approach helps maintain and strengthen these connections, ensuring that every donor segment receives meaningful, relevant communication. Large donors play a critical role in meeting fundraising goals, but a broad, thoughtfully built base can enhance stability and resilience — provided that it's cultivated in a way that delivers net value and supports the mission sustainably.

Building relationships with a broader base of smaller donors helps spread the financial risk and fosters a sense of ownership.

Ultimately, a multifaceted approach to fundraising will secure food banks' futures. Adaptation, innovation, and community engagement are all key in meeting the needs of those served. Agility and speed-to-market responsiveness will be imperative.

These qualities will require plentiful and reliable data, plus the analytical bench strength to extract insights from that data. Success will require planners who can use those insights to build new strategies and find new audiences directed to future growth. Success will also require creative expertise to turn those strategies into compelling stories that demonstrate impact, improve engagement, and ultimately strengthen the food banks' brand in the communities they serve.

By building sustainable models, food banks enhance their operational stability and reaffirm their commitment to alleviating food insecurity and supporting community resilience.





YOUR FULL-CIRCLE FUNDRAISING SOLUTION BEGINS HERE

Let's connect! We'd love to learn about your organization and explore how TrueSense Marketing can help you achieve your direct response fundraising goals. If you're ready to connect, contact our Director of Business Development, Patrick Cassetti, at Patrick.Cassetti@TrueSense.com or 412-526-1989.

He's ready to get the conversation started!

