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Playing by the rules

This year's Charity CRM Survey highlights how the right customer relationship software can help keep charities compliant amid changes in data legislation. **Ian Allsop** analyses responses

Data protection, and the rules and regulations surrounding it, have been day-to-day concerns of charities for many years. When they get it wrong, especially when using data for fundraising, the reputational damage can be serious. Keeping up to date with the ever-changing situation can be a challenge.

Each year, the Charity CRM Survey, organised by Fundraising Magazine and Charity Finance, tracks how informed respondents feel. In 2026, 84% of the over 400 organisations which responded consider that they are aware of changes to data protection legislation (see figure 9). This compares to 56% four years ago and 64% last year.

Not only are charities more aware, their attitudes to the impact of any legislative changes have softened. For example, 61% now see the current outlook as positive, compared to only 15% in 2022. Only 1% feel it is negative, with the remainder thinking the latest changes would make no difference.

Changes to soft opt-in

One significant recent change that may have swayed this thinking has been around soft opt-in rules for charity marketing, which enables charities to use a new "charitable purpose soft opt-in". This change allows charities to send direct marketing electronic mail messages, such as emails and texts, to people who have expressed interest in

or offered to support a charity without needing their prior consent for marketing, providing they meet the necessary requirements. The change has been well received. But to take full advantage, charities also need to check that their CRM solution is set up to cope with the changes.

Sian Smith, digital marketing specialist at Adapta Consulting, says that the new soft opt-in rules are a reminder that CRM configuration is now a compliance tool as much as it is a fundraising one. "Charities that treat consent, preferences and channel rules as core CRM data – properly modelled, governed and reported on – will be in a far stronger position when the regulator, a major donor or a journalist starts asking questions."

The rules also highlight how closely CRM design and supporter journeys are linked, she says. "Charities need to ensure the way supporter data is captured across donation forms,

Figure 1: Income of respondents

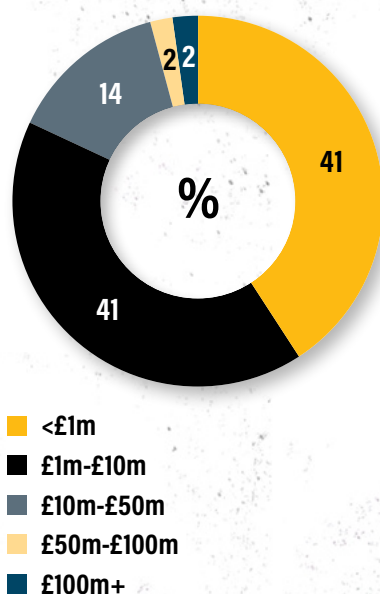


Figure 2: Years using package

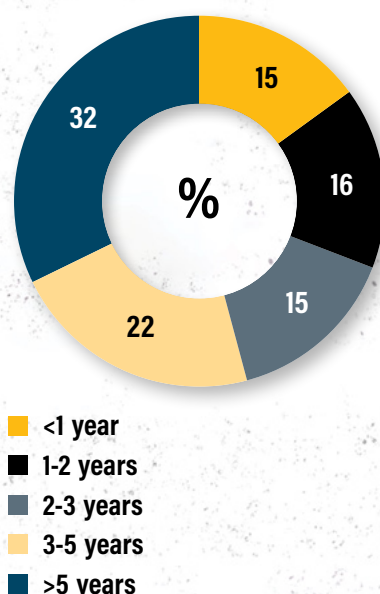


Figure 3: Packages by charity income

Software	%
£10m+	
Raiser's Edge NXT (Blackbaud)	26
Donorfy	15
Microsoft Dynamics	10
Blackbaud Enterprise Funding CRM	4
£1m-£10m	
Beacon	22
Donorfy	22
GoodCRM	14
Raiser's Edge NXT (Blackbaud)	11
<£1m	
Beacon	28
GoodCRM	24
CiviCRM	13
Donorfy	6

Market view

In terms of CRM providers, familiar names continue to dominate the market (see figure 3). While Blackbaud's Raiser's Edge NXT product is still the most prevalent among respondents with income over £10m, Donorfy is widely used by charities of all sizes. Once again, Beacon and Good CRM are popular options for charities with incomes up to £10m, and CiviCRM is well-represented at the smaller end of the market.

Satisfaction scores (see figures 6-8) are generally slightly down on previous years across the board, which may reflect the pressures charities are constantly under in the current environment, and their ability to get the most out of their CRM. Or perhaps over time they have simply come to assume high standards from many of the products being used and have adjusted their expectations of what can be done.

events and campaigns, creates the right legal basis from the start. In practice, that means thinking carefully about how data enters CRM systems, what information is captured at that point, and how it is structured and tracked over time."

She continues: "For many organisations this will introduce a new complexity of managing a mix of historic consent-based contacts alongside newer contacts who may be eligible under soft opt-in. That makes clear data, well-structured permission models and strong governance even more important, not just for compliance, but for maintaining supporter trust while still enabling effective fundraising and engagement."

Chris Houghton, CEO at Beacon, agrees that the soft opt-in rule changes are a welcome relief for the sector, giving charities more freedom to better connect with supporters. "It'll be important to embrace the benefits, but change comes with risk, and remaining compliant should always be the top priority. Your CRM should maintain an easily auditable timeline of supporter interactions, proving when and how

consent was given, or revoked."

The rules give charities a more proportionate way to stay in touch with people who've already shown they care, says Shaf Mansour, head of product – charity at Access NFP. "However, it only works if the underlying data is sound. CRMs need to accurately capture consent, record the basis for contact, and enable clear segmentation. Without that, what should be an opportunity can quickly become a compliance risk."

"Remaining compliant should always be the top priority"

He adds: "For many charities, this is also a chance to re-engage lapsed supporters and take a fresh look at their data. Not just whether they can contact someone, but whether they truly understand that person's relationship with the charity."

Jamie Novick, CEO of Compuco – a CiviCRM agency and creators of the CiviPlus SaaS platform – considers it as not only a positive but a pragmatic change. "In many ways, it brings charity fundraising more in line with the commercial world, where organisations selling products and services have long been able to rely on a soft opt-in in certain circumstances. That has always felt like an inconsistency in the rules, given that charities are often engaging with people who have already shown a clear interest

in their work or offered support."

However, he cautions: "It is not a silver bullet, and to benefit, charities need strong data governance. It is also important to recognise that it is a UK ruling and charities operating internationally cannot assume the same position applies elsewhere. For example, EU rules on electronic marketing are not automatically aligned with this new UK approach, so charities with cross-border fundraising activity, or communications that may be caught by EU rules, will need to be careful not to treat this as a universal solution."

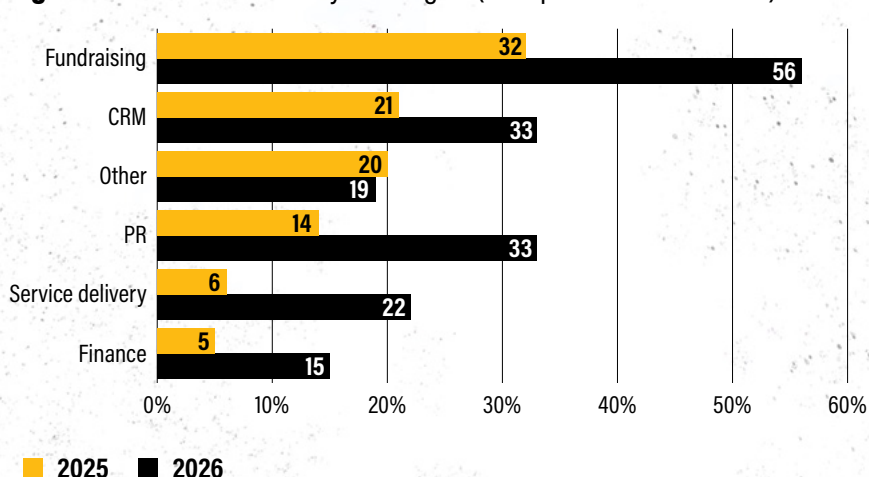
Challenging times

So, what are some of the challenges charities currently face, and how can CRM systems help?

For Keith Collins, principal consultant at Adapta Consulting, in a period of economic and geopolitical uncertainty, charities are being squeezed from both sides – falling income and rising demand for services. "They urgently need to be more effective (doing the right things) and more efficient (doing things right). Modern, automated, integrated, AI enabled CRM systems can surface the right insights at the right time and drive operational efficiency, while old-fashioned donor databases too often trap valuable data in silos and can hold an organisation back just when it needs to be at its most agile."

Steph Graham, CEO at GoodCRM, suggests that most charities are brilliant at ambition and stretched on everything else. "Charity leaders are often generalists by necessity. They are not only managing fundraising, donor

Figure 4: In what areas are you using AI (multiple answers allowed)?



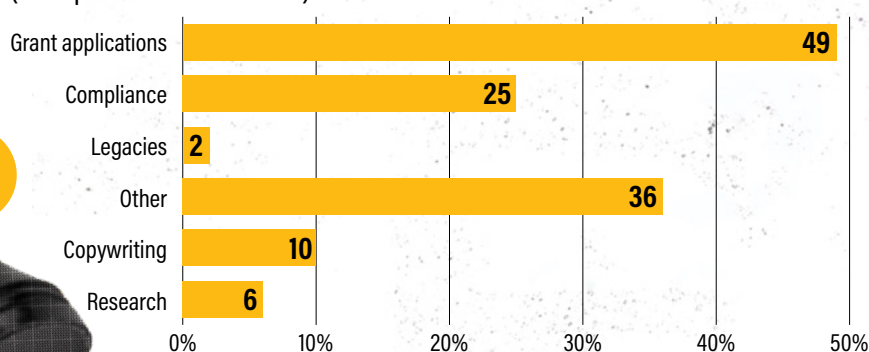
relationships and marketing, but also needing to get their heads around things such as data protection legislation. A good CRM can take off a lot of that weight. It helps organisations stay compliant, keep their data organised and work collaboratively."

Mansour at Access also identifies financial pressure as the defining challenge. "At the same time, high staff and volunteer turnover means knowledge is constantly lost. Data being fragmented across multiple systems can often be because of that turnover, so teams are spending time reconciling spreadsheets rather than supporting beneficiaries. Donor retention is also harder than ever; and personalised, relevant communication depends on having clean, connected data."

Andrew Hayes, service delivery manager at Advantage NFP, says that good CRMs can help them with these issues by streamlining operations and providing a one-stop-shop for all their donor, volunteer, communication and fundraising activities. "They create a single source of the truth and provide tools for charities to analyse donor profiles effectively and efficiently to help them understand giving patterns and present the data in an easily understandable format."

A common challenge Houghton comes across is charities struggling to use their existing CRM. "The team doesn't understand it, they don't like using it, and so it quickly gathers dust

Figure 5: If you use AI for fundraising, for what activity is it used (multiple answers allowed)?



as team members spin up new spreadsheets rather than use the CRM. Modern CRMs are designed to be powerful but crucially, simple to use, so the whole team is empowered to do their jobs and nobody is held back by technology, regardless of their ability."

"Soft opt-in rule changes are a welcome relief for the sector"

Novick at Compuco says that the rise of AI has created a new expectation, almost overnight, that organisations should be able to do significantly more with significantly less.

"That has brought with it both opportunity and pressure," he says. "In this environment, a well-

implemented CRM has gone from being important to completely essential. It provides the backbone that charities need to operate effectively by bringing together data, processes and teams in one place. Whether that is demonstrating outcomes to a funder, understanding supporter behaviour more clearly, or giving teams better visibility to make decisions faster, the right CRM creates the foundation on which charities can build resilience, efficiency and impact."

Looking to the future

CRM suppliers were asked to consider what future developments they envisage in the capability of CRM systems. Not surprisingly, AI features heavily. In terms of survey respondents, the numbers recognising that their charity uses AI in fundraising went up from 32% to 56% this year (see figure 4)

Figure 6: How do you rate your CRM software?

Software	Number of responses	Functionality	Cost	Integration with other systems	Integration with website	Ease of use	Accessibility	Security	Ability to customise	Overall
Access Charity CRM	9	3.8	2.9	3.1	3.1	3.1	3.0	4.1	3.2	3.5
Beacon	76	4.7	4.4	4.4	4.5	4.8	4.7	4.7	4.7	4.7
CiviCRM	27	4.1	4.6	3.6	4.1	3.7	3.5	4.1	4.1	4.1
donorflex	4	4.0	2.3	2.3	2.3	2.8	3.3	3.0	2.5	3.0
Donorfy	50	4.0	3.9	3.7	3.6	4.0	4.0	4.3	3.5	4.0
GoodCRM	55	3.9	3.9	3.3	3.4	3.9	3.9	4.1	3.6	3.9
Harlequin	5	3.2	4.0	3.2	2.3	3.0	3.0	3.8	2.8	3.4
Microsoft Dynamics	11	3.1	2.7	3.1	2.9	3.2	3.1	3.6	3.3	3.0
Microsoft Excel	7	3.3	4.6	2.4	2.0	3.6	3.1	2.3	2.9	3.1
Raiser's Edge NXT (Blackbaud)	39	3.8	2.6	3.1	3.0	3.7	3.6	3.9	3.0	3.6
Salesforce.com	18	3.8	3.1	3.5	3.3	3.4	3.4	4.3	4.0	3.9
Other	48	3.3	2.9	2.5	2.7	3.1	3.3	3.6	2.9	3.0
Overall	349	3.9	3.7	3.4	3.5	3.8	3.8	4.1	3.7	3.9

*Satisfaction ratings have been determined by assigning responses with values from "very good" = 5 to "very poor" = 1, and then calculating an average

Figure 7: How do you rate the ability of your CRM system to:

Software	Number of responses	Integrate with digital marketing tools	Help provide a single view of supporters/ stakeholders	Help you automate your business processes
Access Charity CRM	9	3.2	3.6	3.0
Beacon	76	4.3	4.6	4.6
CiviCRM	26	3.9	3.8	3.8
donorflex	4	1.5	3.5	2.3
Donorfy	50	3.7	3.8	3.6
GoodCRM	55	3.2	3.8	3.6
Harlequin	5	2.6	3.6	3.6
Microsoft Dynamics	11	3.5	3.0	3.1
Microsoft Excel	7	2.3	2.1	1.9
Raiser's Edge NXT (Blackbaud)	39	2.8	3.5	2.9
Salesforce.com	18	3.7	3.8	3.5
Other	48	2.6	2.9	2.5
Overall	348	3.4	3.7	3.5

and Hayes at Advantage NFP predicts that AI will continue to enable better data analyses, profiling, support and automation. "AI is also revolutionising software development so I would hope any development cost savings might be passed onto the consumer. Updates to existing software should get quicker moving forward."

AI is the obvious answer for Graham at GoodCRM as well. "We've been watching carefully, looking at real case studies, understanding where it's actually adding value in applications rather than just being bolted on for the sake of it. I do think there's still a gap to close between what AI promises and what it reliably delivers inside software products."

"When your data stops living in silos ... everything gets better"

The development she is more excited about is the ecosystem approach. "Connecting your CRM to the other platforms your organisation relies on – that's where the real step-change is. When your data stops living in silos and starts flowing between systems intelligently, everything gets better."

Mansour at Access suggests that there is a move from CRMs as simple record-keeping systems to CRMs as active assistants. "AI will increasingly

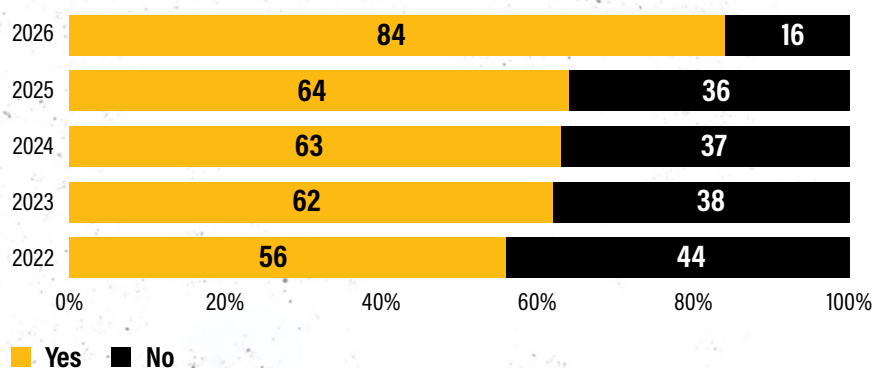
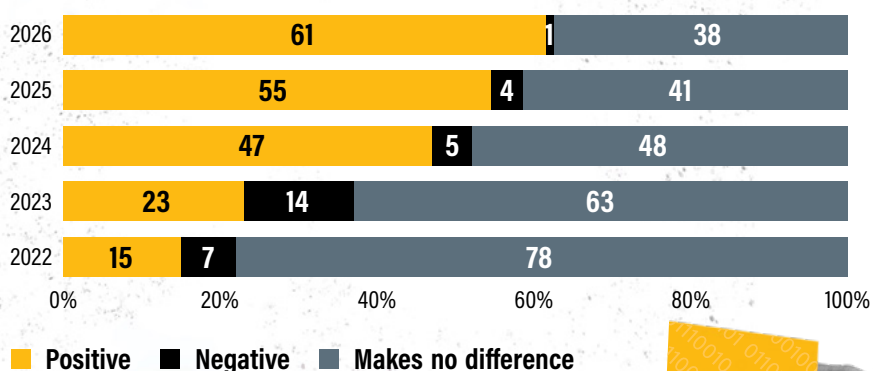
surface insights, suggest next best actions, and flag risks before they become problems. AI agents will watch for early warning signs of disengagement – such as declining email opens, reduced interactions, changed giving patterns – and trigger the right intervention automatically. The goal is to shift from humans having to spot these triggers and react, to the system anticipating and acting. This doesn't replace humans; it allows them to focus their attention where they can drive the greatest impact."

Novick at Compuco argues that we are possibly experiencing one of the most significant inflection points in the history of technology. "The pace of change is extraordinary, arguably faster than most organisations have ever experienced before. Only a few years ago, most conversations about AI were centred on prompts, chatbots and simple content generation. Today, the picture is much broader. We are now seeing the rise of AI agents that can work across multiple steps, connect to external tools and data sources."

Novik also says that AI is only part of the story. "CRM is also fast becoming the data layer in a connected network of systems. Modern CRM platforms are increasingly acting as the foundation for workflows, portals, reporting, integrations and automation across the organisation. They are also becoming powerful no-code tools, enabling users to design workflows, manage different kinds of data, and tailor systems to their needs without writing code."

Figure 8: How do you rate your CRM software supplier?

Supplier	Number of responses	Technical support/ customer service	Provision of updates/ upgrades	Knowledge of charity sector	CSR	Investment in development	Overall	% that would recommend supplier
Access	9	3.3	3.5	3.8	3.6	3.5	3.3	33
Beacon	75	4.8	4.7	4.8	4.6	4.8	4.8	97
Blackbaud (Enterprise Funding CRM, Raiser's Edge 7/NXT, eTapestry)	48	3.6	3.5	4.0	3.3	3.4	3.6	65
Compuco (CiviCRM)	24	4.1	4.3	4.3	4.1	4.2	4.2	87
donorflex	4	4.5	3.0	4.0	3.5	2.5	3.3	25
Donorfy (an Access company)	47	4.1	3.9	4.3	4.1	3.9	4.1	93
GoodCRM	52	4.3	3.9	4.3	3.9	3.9	4.0	83
Harlequin	5	3.8	3.6	4.4	3.8	3.6	3.8	60
Microsoft (Dynamics, Excel & Outlook)	20	3.0	2.9	2.4	2.5	2.5	2.7	40
Salesforce.com	18	3.7	3.7	3.5	3.5	3.8	3.8	72
Other	34	3.3	2.9	2.9	2.8	2.8	3.2	29
Overall	336	4.0	3.9	4.1	3.8	3.8	3.9	74

Figure 9: Are you aware of changes to data protection legislation?**Figure 10:** If yes, do you regard these changes as:

Taken together, these developments give even relatively small organisations the opportunity to operate with a level of sophistication that would have been out of reach only a few years ago. The rigid CRMs of the past are fast giving way to more fluid and flexible platforms, enabling organisations to bring their ideas to life and support their causes.

For Houghton at Beacon, the future of CRM will be defined by choice. "Charities will have the freedom to choose the best-of-breed technology for each function, knowing that their

"The best platform today might prove restrictive next year"

CRM can integrate seamlessly with those tools. As charities evolve, their needs will change. The best fundraising platform today might prove restrictive next year. Having the

Survey methodology

The questionnaire, comprising of 30 questions in total, was sent out to charity subscribers and contacts of Fundraising Magazine/Charity Finance in March 2026, as well as separately by CRM suppliers and vendors to their own clients and contacts. Once the data had been crosschecked, there were 405 usable and unique responses.

freedom to switch ensures that charities can always access the most effective tools to engage supporters, personalise communications, and optimise their fundraising strategies."

High-quality tech for charities

Graham at GoodCRM concludes that the charity sector deserves the same quality of tools as the commercial world. "Too many organisations have been making do with software that wasn't built for how they work or is priced in a way that puts it out of reach entirely.

I genuinely believe that purpose-led organisations should have access to brilliant technology, not a cut-down version of it.

"What I notice most is how much ambition there is in this sector, and how hard people work to make things happen with limited resources. The least we can do is make the technology feel less of a struggle." ■

Ian Allsop is a freelance journalist and editor of the Charity Finance Yearbook