




TAPPING INTO FUTURE WEALTH

HOW NONPROFITS CAN CONNECT WITH MILLENNIALS





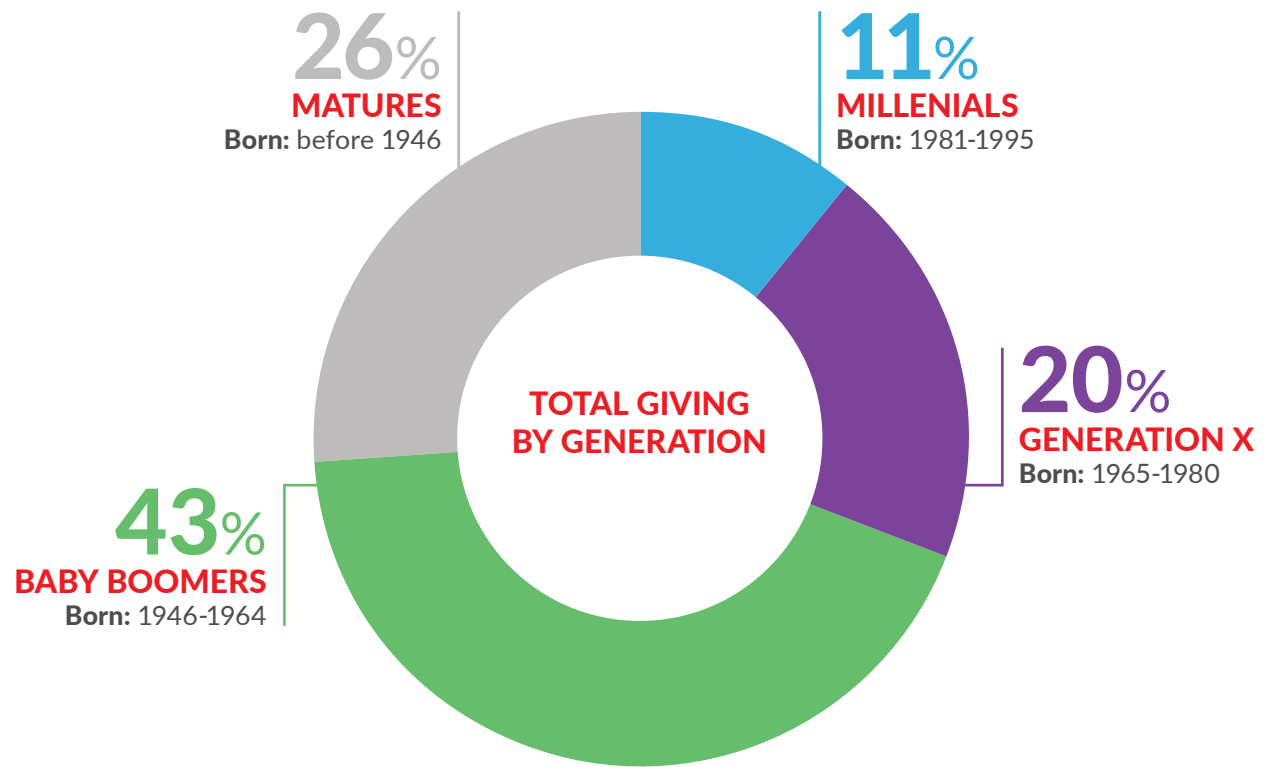
“ If you need to raise funds from donors, you need to study them, respect them, and build everything you do around them.

Jeff Brooks

Author of *The Fundraiser's Guide to Irresistible Communications*
and the Future Fundraising Now blog



What generation does your nonprofit focus on the most? If you said, “Baby Boomers,” you aren’t alone. Since Boomers represent 43 percent of total giving, concentrating on your most likely donors makes perfect sense. But just this year, U.S. Census Bureau population estimates showed Millennials passing by the Baby Boomers as the largest living generation.



While they are not top donors today, Millennials are poised to take over by 2030. Finding out more about this generation—and how to activate them to donate their time, money and voices on behalf of your organization—will be critical to your future success.

And not just because of the millennial generation's size. Sandwiched between those two generations is Generation X—a cohort that is becoming more established financially, like the Boomers they follow and that has an affinity with the digital life, like the Millennials following them. As a result, some of the strategies that appeal to either of those generations could also serve organizations well in connecting with Gen-X donors.

“With a generation of younger folks who have thrived on the success of their companies, there is a big opportunity for many of us to give back earlier in our lifetime and see the impact of our philanthropic efforts.”

Mark Zuckerberg
Cofounder, CEO and President
Facebook

Who are the Millennials?

71%



Appreciate the influence of other cultures on the American way of life.



63%

Believe they have a responsibility to care for their parents as they age.

75%

Have donated to a nonprofit.



57%

Have volunteered for a nonprofit.

They've been dubbed the "Me, me, me" generation—a job-hopping, selfie-obsessed group that values fame while eschewing civil and political engagement. Such harsh characterizations don't come solely from people outside the millennial generation. According to Pew Research, 59 percent of Millennials say that "self-absorbed" describes their generation. That isn't the whole story, however. As a group, Millennials are:

- **Hyper-connected**—Millennials grew up with the internet and go through life with a smartphone in one hand. They engage with family, friends and brands via Facebook, Twitter, Instagram and a host of other digital platforms. They prefer chat and text over phone calls and email.
- **More ethnically diverse**—71 percent of Millennials say they "appreciate the influence of other cultures on the American way of life." Not surprising given that 43 percent of Millennials claim Hispanic, African-American, Asian or another racial or ethnic heritage.
- **Family oriented**—While only 21 percent are married—which is half the percentage of boomers at that age—63 percent believe they have a responsibility to care for their parents as they age, perhaps because Millennials tend to live with their parents much longer than previous generations.
- **Committed to social responsibility**—Despite having more limited financial resources than older generations, 75 percent of Millennials have donated to a nonprofit and 57 percent have volunteered for a nonprofit. In addition, 70 percent say that they consider a company's social responsibility as a factor in both employment and spending decisions.

Clearly, there's more than smartphones and social media on the minds of these digital natives. In a 2013 article for Time magazine, Chelsea Clinton touched on misperceptions, saying, "Millennials are often portrayed as apathetic, disinterested, tuned out and selfish. None of those adjectives describe the Millennials I've been privileged to meet and work with."

She went on to talk about one millennial trait: impatience. Certainly the always-on media landscape and the ability to download songs, call a cab or order shoes with a tap has contributed to low tolerance for waiting, but Clinton sees this as an advantage. "It's urgency not arrogance that drives their impatience, their frustration with the status quo," she said.

Wouldn't you like to see that sense of urgency fired up on behalf of your cause?

How Do Millennials Want to Engage with Nonprofits?

Brands across a wide range of industries have focused on customer-centric experiences in recent years. The rise in experience-driven marketing is closely linked with the rise in smartphone usage. Consumers tend to leverage multiple devices throughout the customer journey, and they expect brands to deliver the right message, at the right time, in the right moment. Nonprofits are not immune to such expectations. As a result, they must think beyond the traditional approach of direct mail—or even email—to reach digital natives.

WHAT DO NONPROFITS NEED TO DO?



1 SUPPORT ONLINE GIVING.

In 2015, overall donations to charitable organizations grew by 1.6 percent, but online donations grew by 9.2 percent. While online donations reflect only a small portion of overall donations, the difference in growth rates suggests that you need to focus on creating mobile-friendly websites that support a click-to-donate approach.

2 TELL GREAT STORIES.

Your nonprofit's mission statement won't inspire action. Millennials want to see results. The popularity and success of crowdfunding platforms—where individuals and start-ups alike tell their stories and pull in donations—shows how important it is to personalize your mission. Sharing about the people who benefit from successful projects offers a more concrete view that Millennials can get behind.

3 CREATE SHAREABLE CONTENT.

When you connect with a Millennial, you have the opportunity to expand your connections exponentially. *Nonprofit Quarterly* notes that Millennials, "... use their emotional and social media currency to alert others of causes that resonate with them. Like a ripple through still water, they are brand ambassadors and fundraisers that energize groups and individuals encountered in the virtual and face-to-face worlds." Make it easier for Millennials to spread the word by providing videos and images tied to your stories and statistics.

4 INCENTIVIZE SUPPORT.

While people often bemoan the use of incentives to encourage donations, plenty of organizations do it—from the address labels that come with a donation solicitation to gift selections based on the size of the donation to a local public radio station. For Millennials, says HubSpot, "What can't be undervalued is providing incentives that are both intangible (like making someone feel special) and tangible (like offering matching funds or a trip to see the work for the winner)."

**Last year,
online donations
grew by 9.2%**



Conclusion



Derrick Feldman, CEO of Achieve and researcher for The Millennial Impact, offers this advice: “What motivates Millennials is a desire to affect THEIR cause through YOUR organization with their friends.” When nonprofits reach out to Millennials through their employers, their role models and their social networks—and tell compelling stories about creating change—they can cultivate relationships that last a lifetime.

“Stewardship at its best engages donors with the impact and outcomes of their investments of time, wisdom, expertise, connections, and money.”

Karen Osborne

President of The Osborne Group and recognized philanthropy consultant and thought leader

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