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# Generation differences in giving

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# Panelists



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Arizona State University Foundation



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Vice President, Chief  
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Pennsylvania Horticultural  
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**Hilary Stephens**

Vice President  
Development  
Woods Services, Inc.

# Learning objectives

1

Describe the trends in giving by the newer generations and how to appeal to them

2

Recommend techniques to tailor your fundraising asks to attract donors in all generations

# Agenda

1

Who are the four main generations actively donating today and how is that landscape potentially changing?

2

Generation Z: Those in their late teens and early 20s

3

Generation Y/millennials: Those in their mid-20s and 30s

4

Generation X: Those in their 40s and early 50s

5

Baby boomers: Those in their mid-to-late 50s and 60s

# Change is constant

1

Generational demographics are shaping societal changes.

2

With charitable donations potentially decreasing due to recent changes in tax legislation, it is more important than ever that generational differences in giving are considered by NFP leaders to minimize potential impact resulting from tax reform.

3

For fundraising and capital campaigns to succeed, organizations must address these differences by connecting through generation-appropriate channels.

4

The four main generations actively donating today are: Generation Z, Generation Y, Generation X, and Baby Boomers.



# Polling question #1

Has your organization changed (or considered changing) its donor appeals to suit the nuances of each of the generations actively donating to your organization?

- a. Yes, we have different donor appeals for each generation of donors.
- b. Yes, we have considered various changes in donor appeals to attract different generations of donors.
- c. No, our donor appeals are consistent regardless of demographic for fundraising or capital campaign.
- d. We have not yet changed or considered the issue of generational differences in fundraising.

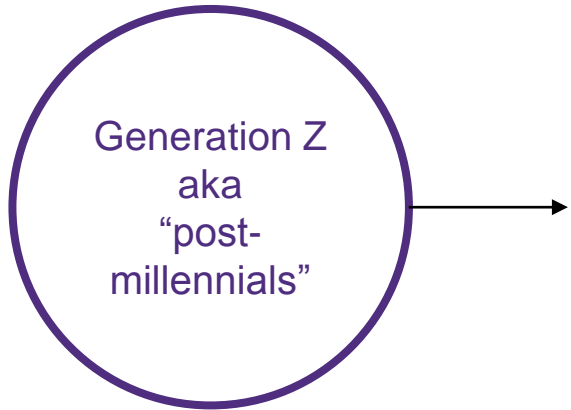
# Panel questions

1. How does your organization use social media to engage with potential donors?
2. Are you seeing the demographics of your fundraising shifting? How?
3. What are you doing to expand your donor base?





# Generation Z: Those in their late teens & early 20s



Spend as much as 10 hours a day on social media and the internet

Tend to be competitive

Despite their electronic inclination, lean toward face-to-face interaction

More cautious about money than are the millennials

‘Philanthroteens’ who exhibit a strong desire to do social good – they want to be involved

# Generation Z: Those in their late teens & early 20s



## Take advantage of Gen Zer competitiveness:

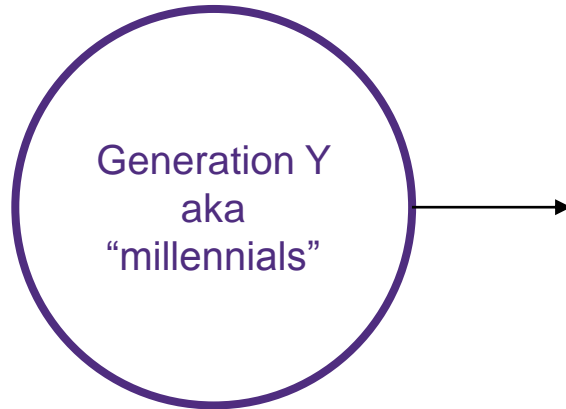
- Allow them to lead fundraising events and campaigns that include social interaction and competitions
- Encourage them to engage in philanthropy toward your organization (“junior boards” or “young friends” fundraising committees and activities)
- Leverage Gen Z social media engagement (crowdfunding)

# Polling question #2

In what ways does your organization get Generation Z donors involved?

- a. We have a junior board or an advisory board of donors in that age group
- b. We focus mostly on social media interaction with them
- c. We host or help plan fundraising events geared towards that age group
- d. We don't currently distinguish our efforts towards the Gen Z grouping

# Generation Y: Those in their mid-20s and 30s



Numbers expected to reach 73 million in 2019  
(while baby boomers are expected to decline to 72 million)

Almost half of the workforce is made up of millennials

Value collaboration and teamwork and are as electronically  
connected as Gen Z

The cause matters more than the organization  
(represent only 11% of traditional charitable giving)

They demand transparency as to where their dollars are going

# Generation Y: Those in their mid-20s and 30s

**Crowdfunding** is a great way to tap into the Gen Y's desire for collaboration and teamwork.

- Individuals/teams raise money online
- Initiatives often more cause-based than general organizational appeals

## Best practices/suggestions:

- Show millennials how their dollars will be spent and the impact their gift will have (describe it through “story telling” to create personal interest)
- Provide technology-enabled experiences
- Think specific cause rather than general fund



# Panel questions

1. Are the younger donors (Z and Y) interested in leadership roles? Do you have a junior board, advisory board or otherwise allocate regular board seats to them?
2. How do you get young donors to make their first gift?
3. How do you keep them engaged to make annual gifts?
4. Are there reasons you are aware of for younger donors not making gifts to you at all or not desiring a multi-year commitment?
5. Have you used peer-to-peer methods of cultivation?

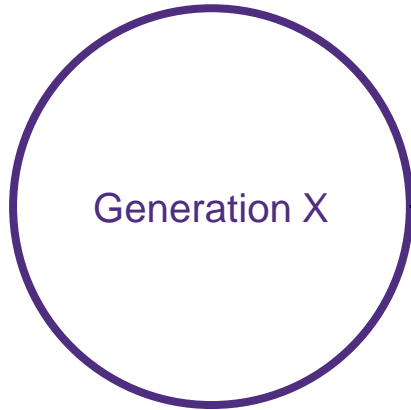


# Polling question #3

What channels of communication does your organization use specific to younger generations?  
(Select all that apply)

- a. Direct mail
- b. Email
- c. Social media outreach
- d. Phone calls
- e. Text messages
- f. None of the above

# Generation X: Those in their 40s and early 50s



Spend the most time on social media  
(even more than millennials!)

Typically conduct due diligence before making a large gift

Want to make contributions with a demonstrable impact (they want to see how their money will be used)

## Best practices/suggestions:

- Draw Gen Xers to golf outings and galas  
(and also to your facilities where programs are conducted)
- Direct messages to them on Facebook and other social media



# Panel questions

1. Considering this generation's desire for demonstrable impact what does your organization do to provide this proof?
2. With the knowledge that due diligence is important to Gen X (and others) what have you done to be transparent and make it easier for them to conduct such?
3. How have your formal fundraising events changed / evolved over the past 5 years?
4. Are your social media efforts for Gen X different than others?

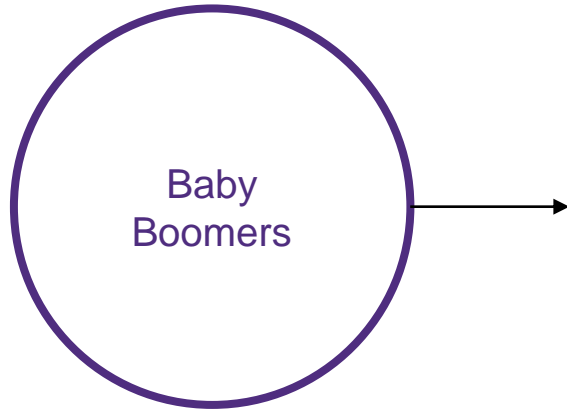


# Polling question #4

What do you consider as the most important item below to provide to a Gen X donor?

- a. IRS Form 990
- b. Information on what donations are spent on
- c. Audited financial statements
- d. Statistics showing the impact your organization has had
- e. Other

# Baby Boomers: Those in their mid-to-late 50s and 60s



Track record of generous giving  
(currently donate more than any other generation)

Want to know how their money is used and further,  
they want to direct its use

More inclined to give to capital campaigns or set up special-  
purpose endowments

## Best practices/suggestions:

- Find substantial opportunities for specific giving (this generation has a strong desire for personalization and appreciation, i.e. naming rights)
- Seek non-cash gifts (real estate, art work)

# Panel questions

1. Baby boomers have traits of the other generations as well as their own ways. They have changed over time as have your plans. Is there anything you do differently today then you did 10 years ago in regard to your long-standing donors in this generation?
2. In what ways do you actively pursue planned giving vehicles with this aging donor population? Has tax-reform changed that at all?



# Polling question #5

What percentage of your donor base is in the Baby Boomer generation?

- a. Less than 25%
- b. 25% to 49%
- c. 50% to 74%
- d. 75% or more
- e. Unsure

# Final panel questions

1. Do you have the same development staff working with multi-generations or a separate group for each? If one group are they generationally diverse or are they provided specific training?
2. What are your thoughts on the best way to expand your donor base in today's multi-generational world?



# In summary...



## Generational differences in giving

### Generation Z (late teens and early 20s)

- Live online but like live interaction
- Recession childhood, so appreciate thrift
- Volunteer
- "Philanthroteens," attracted to worthy causes
- Crowdfunding competitions
- Share experiences via social media

### Generation Y/Millennials (mid-20s and 30s)

- Now largest generation, almost half the workforce
- Value collaboration, teamwork
- Technology-adept, socially driven
  - Drawn to causes more than general appeals; crowdfunding
  - Like hearing impact of gift via personal interest stories
- Demand transparency on spending

### Generation X (40s and early 50s)

- Solid technology foundation; reach them via social platforms
- Raised by boomers
  - Strong work ethic
  - Informed decisions via due diligence
  - Give for demonstrable impact
- Like giving via enjoyable experiences, events

### Baby boomers (mid-to-late 50s and 60s)

- Strong giving track record, more than any of the other generations
  - Capable of big gifts
- Downsizers, so primed for noncash gifts
- Generation known for restricted giving – how, where funds used
- Desire personalization and appreciation
  - Targeted capital campaigns
  - Special-purpose endowments

# Find commonalities as well as differences

1

Be creative – accommodate generational differences in your special events

2

Be consistent in your overall messaging

3

Address common intergenerational expectations in all outreach actions and always specify the need, show the impact of gifts, be transparent



# Polling question #6

What is the current composition of your development team?

- a. Same development staff (not generationally diverse) working with multi-generations
- b. Same development staff (generationally diverse) working with multi-generations
- c. Separate groups of development staff members that works with each of the different generations of donors
- d. Other

# Questions/final thoughts?



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