

Engaging the Next Generation of Philanthropists

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The future of philanthropy revolves around engaging our next generation of donors—Generation Z and Millennials. Understanding how to attract, retain, and grow your young professional pipeline will ensure long-term sustainability for your organization.

When considering how to engage donors across generations, demographics, or backgrounds, it is important to remember that every philanthropist is unique. While we can [study current giving trends](#) and preferred forms of communication, getting to know your donors on an individual level is essential. Take the time to understand their internal motivations and passions. Consider why they give to your organization over others, what they value, what motivates them, and how they desire to engage with your mission. Understanding your donors puts you on a path toward building strong, personal relationships across generations.

For years, many nonprofits have grappled with effective engagement strategies for young professionals when considering how to build these relationships or who to add to their donor pipeline. Organizations typically assume that given one's age, young professionals have less money to give to philanthropic causes. However, over the next two decades, we will see an unprecedented shift in wealth from Baby Boomers to Millennials and Generation Z. The projected \$30 trillion "great wealth transfer" offers additional reasoning for nonprofits to cultivate strong relationships with this next generation of philanthropists.^[1] Ahead of this shift, gifts of time and talent are equally important to the success of a nonprofit. The organizations that have taken the time to invest in the younger generations are seeing rewards and a strong pipeline for the future of their organization.

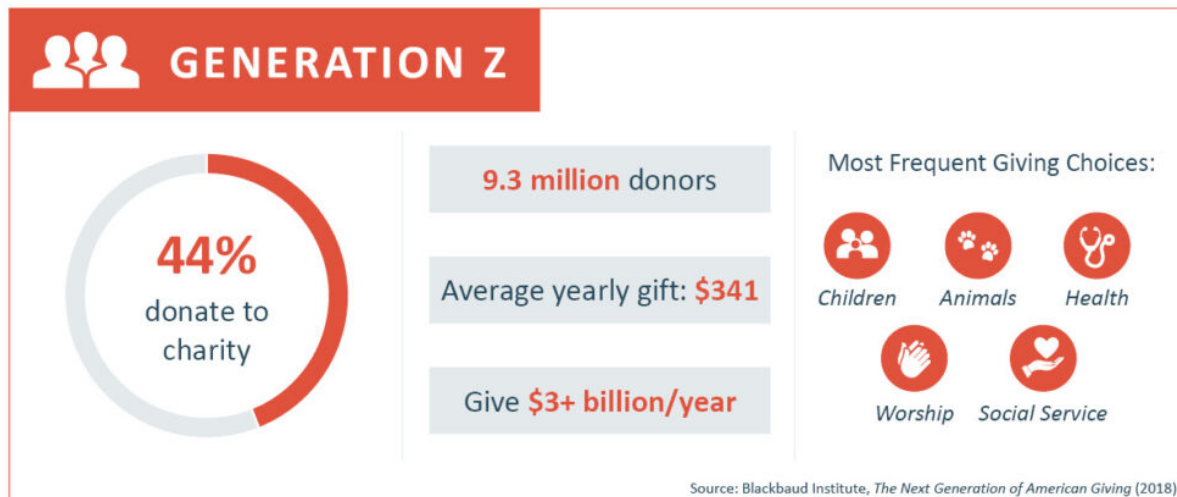
Understanding Young Professionals: Gen Z and Millennials

Generation Z

Generation Z (Gen Z) individuals were born between 1996 and 2014.^[2] Considered the most technologically advanced generation, Gen Z individuals grew up in a world where the internet and the use of smartphones were part of everyday life. They have witnessed global issues ranging from economic downturns, domestic and international safety concerns, gender inequality, racial injustice, and climate change, among others. These experiences have shaped who they are, what they believe in, and what they are passionate about, which has in turn influenced the change they want to see in the world.

Gen Z is more spontaneous with their giving and easily inspired to give by a life event or simple story that was shared with them.^[3] They look to be a part of something bigger than themselves and want others to know that they are a part of specific causes. Gen Z individuals put a greater focus on the public recognition they will receive from their actions, specifically online or in the

presence of their peers, as evidenced by their love of social media.^[4] They are our activists—willing to sign a petition, march, advocate on behalf of others, and donate to organizations that are looking to change policies they are passionate about.^[5]



Millennials Millennials were born between 1981 and 1995 and, while adaptive to technology, are much less dependent on it.^[6] Millennials make up a large percentage of today's workforce, balancing the demands of building a career, raising a family, and giving back to organizations they are most passionate about.^[7] Like Generation Z, Millennials are closest to organizations that directly reflect their values pertaining to current societal and economic issues.^[8] Millennials typically research a nonprofit or make a connection before making a gift.



Even though Gen Z and Millennials are in different stages of their lives, they each want to make an impact on the world and connect to causes they are passionate about. Young professionals understand technology and turn to social media or other online outlets for their information.^[9]

They embrace diversity, expect authenticity, and yearn to build trusting connections with others.

Both Gen Z and Millennials cite volunteering for and donating money to an organization as one of their top ways of giving back and making an impact, and in 2018, Generation Z and Millennials made up 16 percent of total giving.[\[10\]](#) It is important to young professionals that the organizations they support are creating change in a meaningful, relevant, and quantifiable way.

Young Professionals Are Impact-Oriented

While no two donors are alike, strategies to engage Generation Z and Millennials are similar. Young professionals look for connection and inclusion within all facets of their life. They want to be heard and feel that their ideas or solutions to problems have merit. Additionally, young professionals feel responsible for finding a solution to global problems and want to make an immediate impact in their daily lives and on a larger scale. Nonprofits have an opportunity to meet young professionals where they are by connecting on what is most important to them in informal settings.

Young professionals want to see impact through the nonprofits they support and desire to be included through experiences. They believe in the power of collective change by engaging their peers through events, either in-person or virtual, to experience the mission in action. Nonprofits should be transparent in their communication to build trust and engage a large population of young professionals and future donors. Consider using the impact of one's financial gift, the value of volunteer time, and personal stories to show young professionals the effect they are having on society.

Here and Now: A Snapshot of What Young Professionals Are Focused On

Below are several ways young professionals have engaged in the philanthropic space during a tumultuous year. Consider the questions below to determine how your organization can relate to what is most important to young professionals.

An Expanded Meaning of Charitable Giving

The last year has taught us that the breadth and depth of charitable giving come in a variety of forms, especially for young professionals. According to a survey conducted by the payment app Zelle, nearly 3 out of 4 millennials have sent some form of financial support to friends and family, or donated to a nonprofit, since the pandemic began.[\[11\]](#) Just as nonprofits stepped up to support their communities during extreme hardships in new ways, young professionals have done the same.

Both Gen Z and Millennials have experienced and witnessed unprecedented levels of need and have doubled down in their philanthropic support of mission-based work. Research conducted by the IUPUI Women's Philanthropy Institute found that more people under 30 were giving back in creative ways during the coronavirus pandemic, such as ordering take-out from a local restaurant to help it stay in business or paying their stylist at a time when they couldn't get a haircut.[\[12\]](#) There has also been a rise in informal mutual-aid networks.[\[13\]](#) Running errands for their elder neighbors and buying groceries for hard-hit families are two examples of how young professionals have adopted new practices of charitable giving to satisfy an unmet need.

Young professionals have expanded the way in which they approach philanthropy from straightforward monetary donations to also uniquely, and more directly, engaging the community. Some questions to ask yourself to ensure alignment with these philanthropic priorities include:

- What stewardship tactics might your organization employ to clearly articulate the direct way young professionals' contributions are uplifting the community?
- How can your organization tailor your story to showcase the ways in which you have broken standard operating norms to uplift community members?
- How can your organization utilize your existing corporate partnerships to engage young professionals at a company either in a volunteer or board capacity?

Seeking A More Equitable Future

In the wake of the death of George Floyd and the accompanying national reckoning with racial injustice, both Millennials and Gen Z have engaged in heightened reflection and action centered on racial equity. According to LendingTree, almost 18% of Generation Z and almost 14% of Millennials cited racial justice as the most important cause to them.[\[14\]](#)

Young professionals began directing their funds to media organizations focused on issues central to communities of color, healthcare funds seeking to combat the disproportional impact of COVID-19 on minority communities, and mental health organizations. In seeking to create quantifiable change, young professionals also increased their attention to organizations addressing the root causes of societal problems. As young professionals began to deploy their philanthropic dollars more strategically, they also became more aware of the diverse makeup, or lack thereof, of the staff and leadership at the nonprofits they choose to support. Some questions to ask yourself to support equity at your organization include:

- What shifts can my organization make at the leadership level to diversify staff, perspectives, and experiences?
- How can my organization reshape our case for support to better reflect the immediate needs of our community?
- What steps can my organization take to upskill our workforce around racism, bias, and inclusivity to create a more equitable and safe space for employees, while also attracting and retaining a younger donor base?

Giving to Multiple Causes: Donation-Based Crowdfunding

While crowdfunding is not a new practice, it has recently gained traction and has been proven as a highly effective tool for fundraising. According to the Blackbaud Institute, this form of giving is most popular among young professionals and its popularity has grown amongst all generations. The percentage of Millennials who say they have given to a crowdfunding campaign rose from 17% in 2013 to 48% in 2018.[\[15\]](#)

Throughout the last year, we have seen an increase in donation-based crowdfunding because it allows individuals to directly support causes they care about and engage their friends and family as well. GoFundMe, one of the most popular crowdfunding platforms in the U.S., has seen the number of campaigns skyrocket within the last year.[\[16\]](#) Donation-based crowdfunding also provides an opportunity to support a myriad of charitable causes, regardless of size or complexity, from local community-based organizations to the Centers for Disease Control and Prevention, which is managing the largest known nonprofit crowdfunding campaign, raising more than \$51 million.[\[17\]](#)

Young professionals have found a way to prioritize the immediate need of their community by giving collectively, engaging their peers, and making a large impact regardless of their gift size. Key considerations for your organization include:

- How can my organization make charitable giving more accessible to young professionals who may feel discouraged because they cannot give at high levels?
- Is my organization active on a multitude of social media platforms and encouraging online giving?
- Is my organization's online giving platform straightforward and easy to access?

How to Engage Young Professionals

Below are a few tips to consider when engaging young professionals in your organization's mission that will set you up for success.

COMMUNICATION METHODS	<ul style="list-style-type: none">• Use multiple channels to communicate• Utilize social media, primarily Instagram, Facebook, and Twitter• Think beyond just typical static posts on social media—use new features like Stories and Reels, and consider paid advertisements• Ensure your communications, website, and giving page are all mobile-friendly• Consider texting, if available, to create a sense of urgency• Leverage word-of-mouth communication through volunteers or board members to those in their personal or professional network
MESSAGING	<ul style="list-style-type: none">• Focus on the issue at hand or the problem you are looking to solve rather than the organization• Clearly articulate what action step you would like them to take (e.g.,

	<p>raise awareness, attend an event, donate, volunteer)</p> <ul style="list-style-type: none"> • Be transparent and convey impact with tangible outcomes • Build connection through storytelling; be personable • Utilize images and videos where possible • Show your appreciation—thank them for their support and involvement • Be authentic and engage in meaningful conversations
PREFERRED WAYS TO GET INVOLVED	<ul style="list-style-type: none"> • Mobile giving: giving online and text to give • Social media campaign: Facebook Fundraisers • Volunteer: personally or through place of employment
INVOLVEMENT OPPORTUNITIES	<ul style="list-style-type: none"> • Social Media Ambassadors to raise awareness and funds on behalf of your organization • Member of the Associate Board or Young Professionals Board • Peer-to-peer fundraising • Event volunteer (virtual or in-person) • Event attendee: gala, walk, happy hour, program outing, etc. • Corporate sponsorship or corporate volunteer programs • Volunteer or advocate: sign a petition, volunteer on-site
CONVEYING IMPACT	<ul style="list-style-type: none"> • Share key organization statistics • Convey how their money was used, speaking to specific initiatives or examples where possible • Publicly recognize their support and involvement via social media, email newsletters, and print • Understand why young professionals support your organization and ask them to share their story • Share a story of a participant or what positive change occurred because of their support

Final Thoughts

Nonprofits must be innovative, creative, and nimble in order to effectively engage young professionals and create long-term advocates. Young professionals are looking for a community to join and a movement to be a part of. Take the time to get to know your donors and volunteers of all ages. Find new ways to connect on your shared values, beliefs, and unique purpose. Young professionals are speaking up, wanting to help solve the world's most pressing issues. Put as much focus on your future philanthropists as you do on your traditional donor base. Now is the time to harness their passion and turn it into opportunity.

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