

Fundraising Trends for Your Nonprofit

The world has been talking about millennials for years. While nonprofits should continue to account for millennials, since they are the largest part of the current workforce, it's now time to start examining Gen Z. Its members were born between 1996 and 2012 and make up an estimated 30% of the population in the United States.

A Global Trends in Giving Report noted that Gen Z members are interested in giving to many different causes. The top causes they are interested in supporting are youth, animals, and human services. Gen Z members are also quite passionate and willing to help as volunteers. Although most of Gen Z hasn't entered the workforce yet, they are very motivated to do "good" and give back.

How to communicate with Gen Z:

- **Grab their attention.** This generation is growing up with access to a huge amount of information, much of it irrelevant to their lives. To survive, they had to learn how to quickly sort through information on the internet. To get their attention, make the experience engaging and keep your message brief and compelling.
- **Mobile.** Members of Gen Z spend a lot of their time on their phones. Remember that when designing your website and donation page.
- **Visuals matter.** Gen Z spends a lot of time on visual-based platforms like Instagram. When trying to communicate with Gen Z, it's important to mimic these platforms. In addition to photos and videos, infographics are also a great tool to relay data.

Personalize your Messages

Donors expect a personalized approach. Companies like Netflix and Amazon use sophisticated technologies to make recommendations when we are on their sites. It seems that, as a society, we are also beginning to expect this same level of sophistication in our interactions with the rest of the world. It's no longer enough to use one generic marketing strategy to try to appeal to a diverse base of donors.

Know your audience:

- **Make it personal.** Don't recommend a donation of \$50 to a prospective major donor worth millions. Do your research before you make an ask, especially if you're approaching potential donors individually.
- **Pay attention to your giving/donation page.** Get to know your audience before refining your message. Choose visuals and copy that you know will most resonate with your donor base.
- **Specialize your message.** When communicating with donors, whether online or offline, specialize your message. Account for generational differences and other demographic data.

Email is not dead.

Global email users amounted to 4.26 billion in 2022. (Statista)

Email has a median ROI (Return on Investment) of 122% - over 4x higher than other marketing formats including social media and direct mail.

A study done by Dunham & Company revealed that email accounts for 26% of online revenue and that number is estimated to rise in the future.

It's also been shown that, although more people use social media and spend more time on their phones, the opposite trend is also arising. There has been a backlash against social media quietly brewing among young people. One survey of British teens found that 63% would be happy if social media had never been invented.

Young people cite reasons like wasted time, stress and pressure to be perfect, desire to form meaningful real-life connections, - as reasons why they're stepping away from or limiting their use of social media.

This is yet another reason why email is not dead. Emails aren't as distracting as social media and are easier to control. Email will be the way to reach those young people who are taking a break from social media.

Email marketing:

- **Make sure you are using email marketing strategically.** Segment your audience based on demographics, desired communication frequency, giving status, etc.
- **Pay attention to your emails.** Your emails should have a clear call to action, with an interesting subject line and sent at the right time. Although visuals are essential, don't go crazy with too many. Keep it simple.
- **Use storytelling.** Stories are one of the most powerful tools at your disposal. Use your emails to tell stories of impact.

Corporate Giving

Corporate sponsorship support is a payment by a business to a nonprofit to further the nonprofit's mission, that is generally recognized by the nonprofit with an acknowledgment that the business has supported the nonprofit's activities, programs, or special event. (councilofnonprofits.org)

In recent years, corporations have started to invest more in socially and environmentally responsible initiatives. Research has confirmed that there is a positive relationship between how employees perceive their company's contributions to the community and employees' commitment to their work.

A study by Cone Communications revealed that 58% of Americans consider a company's social and environmental commitments when deciding where to work. When partnering with a corporate organization, your nonprofit is also likely to reach new audiences.

Marketing to a Corporation:

- **Look into donation matching programs.** Companies often offer donation matching as an employee benefit. When an employee donates, they can request that their employer also donates to the same nonprofit.
- **Corporate sponsorships.** Before partnering with a for-profit organization, think about your audience and what they will think about the news of the partnership. Do your research and ensure the corporation's values match yours.

- **Offer volunteering opportunities.** Monetary donations are not the only way to give. More and more corporations encourage their employees to volunteer time even during work hours.

Recurring Giving

When someone sets up a recurring donation, they choose to give money on a regular basis. Most people like to give monthly, but they can give as frequently as they'd like.

Recurring giving can have a positive impact on the long-term financial stability of your nonprofit. Recurring donors are more engaged, give more, and keep giving to your organization for a long time.

However, most nonprofit organizations still struggle with recruiting recurring donors or converting one-time donors to recurring donors. It's increasingly important to offer as many different payment options to your donors as possible.

Recurring Giving:

- **Invest in online donation software** like Donorbox. There are many [software options](#) like Donorbox. They are efficient management systems that are specifically optimized for recurring donations.
- **Promote your recurring giving program.** Drive program awareness by actively promoting the program. Link to your recurring giving page in your email newsletters, share social media posts about recurring donors, and place a link to your recurring giving program on your Home Page.
- **Engage with your donors through regular emails and social media.** Design powerful social media campaigns that will clearly demonstrate the value of recurring donations by showing the impact they have.

Make it About the Community

A nonprofit should focus on community-driven development. These approaches involve a community working together on a shared vision.

There's been a lot of focus on community-driven fundraising. A lot of nonprofits have already explored peer-to-peer fundraising. While crowdfunding uses one landing page to collect donations from a large number of people, peer-to-peer fundraising invites donors and supporters to fundraise on your behalf. With peer-to-peer fundraising, fundraisers often have their own donation pages.

Community Fundraising:

- **Attempt peer-to-peer fundraising.** Ask your supporters and donors to participate in a peer-to-peer fundraising campaign by explaining its benefits, and by offering support and encouragement. Make fundraising materials easy to access for your fundraisers.
- **Offer community events.** Offer tours of your offices or your program locations. Organize events where your donors and beneficiaries meet.
- **Build a community.** Create a strong community brand. Offer leadership positions or other rewards to the most active volunteers and donors.

Artificial Intelligence

AI broadly refers to programs, computers, and machines that perform “intelligent” tasks. These include planning, learning, reasoning, problem-solving, knowledge representation, perception, motion, social intelligence and creativity.

One of the simplest uses of AI is chatbots. Chatbots are services that use artificial intelligence and interact via a chat interface. They use messaging services like Messenger, Slack, Telegram, and others. Chatbots can deliver personalized responses to donors and potential donors 24/7.

There’s a lot of potential in human-machine collaboration. Artificial intelligence can help nonprofits gather data and use it better to advance their missions. For example, a nonprofit that helps youth at risk of self-harm can use AI to label content on social media to see which young people are at risk.

Using AI:

- **Consider creating a chatbot.** Your chatbot can handle donations and give out information about your programs and services.
- **Personalize communication.** AI can personalize messages that are shown to potential donors at specific times. These messages can encourage more people to donate to your nonprofit.
- **Use AI to become a data expert.** Smart use of data can help things like looking at a potential donor’s giving history, volunteering, affiliations, and relationships.

Transparency Matters

Donors care about where their money is going. There’s a need for transparency. Donors want more personal involvement with the causes they support.

Have an “Impact” page on your website where you clearly demonstrate your social impact. Many nonprofits also produce impact reports or include the impact report in their annual report.

Impact Transparency:

- **Invite your donors to visit your location** (e.g., shelter, community kitchen, school, etc.), and let them witness first-hand how their gifts are changing the lives of the beneficiaries.
- **Live Stream.** Live streaming is one of the most immediate and genuine tactics you can employ to increase the transparency of your organization.
- **Use infographics.** Infographics help you talk about complex ideas to your audience. They’re an efficient way to show how your organization is using the donations.

Conclusion

The key is for nonprofits to understand how these fundraising trends can boost their organization’s goals and further their missions in 2024 and years to come.

Forward-thinking organizations are aware of the world around them and are constantly learning. This is essential to how nonprofits can deliver services and accomplish their missions.

Organizations that don’t do that fail. Only those nonprofit professionals and organizations that constantly learn and adapt can survive and thrive.