

EXECUTIVE SUMMARY

millennial donors

report **2011**

#giving

#ENGAGING

#motivators

#COMMUNICATION

#volunteering

a research project of

JCA Johnson
Grossnickle+
Associates


Achieve

millennial donors

A LETTER FROM THE RESEARCH PARTNERS

Last year, when we released our first Millennial Donors Survey, we recognized that the donors in the up-and-coming generation are generous people who appreciate technological tools but make their philanthropic decisions based more on personal connections than virtual ones.

This year we saw more evidence of these giving approaches, along with new indications that this progressive generation has some very traditional notions. Most notably, we saw that trust plays a huge role in their giving decisions, and that they are most likely to volunteer for organizations if they have already donated to them.

As we were last year, we are left with one overriding impression: That, while the Millennial generation has often been characterized as being a one-dimensional, technologically plugged-in and personally disconnected group, the fact is, this group is diverse, human and ready to give.

For nonprofits, one of the biggest lessons here is that we cannot make assumptions about Millennial donors. Instead, we need to embrace both their progressive ideas and deeply rooted values. We need to listen to them and respond, rather than making assumptions and reaching out to them according to those assumptions.

Nonprofit organizations that succeed in the future will succeed in engaging Millennial donors on their terms – and then reaping the benefits.



Derrick Feldmann
Achieve



Ted Grossnickle
Johnson, Grossnickle and Associates

#SurveyOverview

METHODOLOGY

For the 2011 Millennial Donor survey, Achieve and Johnson, Grossnickle and Associates (JGA) partnered with seven institutions. Each institution was provided a unique online survey link and the survey questions were identical across all partner institutions. The online survey was targeted at partner constituents between the ages of 20-35. The final findings from this survey represent responses from 2,953 survey participants age 20-35. Survey responses received from individuals outside the specified age category were segmented and omitted from the final survey findings and results.

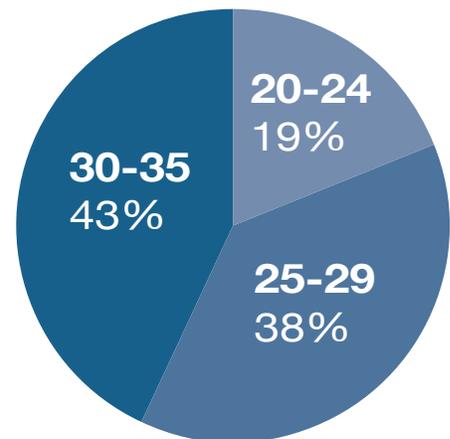
Survey partner institutions included four higher education institutions (university/college), one national fraternal organization, one arts organization, and one human service organization. All partner institutions promoted the survey online, in e-newsletters, through social media, and print between January 1, 2011, and February 28, 2011. The survey link was deactivated March 1, 2011. All survey data was compiled and analyzed in aggregate form.

THE NEXT GENERATION OF GIVERS

This year's survey – the second Millennial Donors Survey conducted by these partners – features a respondent pool that's 33% larger than last year, but it focuses on a smaller age range (ages 20-35, compared to 20-40 for the 2010 survey).

Nearly all of the study participants are college-educated: More than 90% have college degrees, and nearly half of all respondents have at least pursued graduate studies. Thirty-seven percent hold graduate degrees.

AGE OF SURVEY PARTICIPANTS



RESEARCH TEAM:

The 2010 Millennial Donor Survey Research Team consists of the following JGA and Achieve staff.



Ted Grossnickle, *Senior Managing Consultant*
Angela White, *Senior Consultant and Chief Operating Officer*
Andy Canada, *Consultant*
Deanna Lepsky, *Marketing Associate*



Derrick Feldmann, *CEO*
Joanna Nixon, *Consultant*
Justin Brady, *Consulting Associate*
Ross Smith, *New Media Assistant*

Complete bios for the research team can be found at www.jgacounsel.com and www.achieveguidance.com

#ExecutiveSummary

The more we establish the differences between Millennials and other donors, the more we also reveal the consistencies those two groups share. Last year, we recognized that, while donors want to be engaged in different ways, they still value personal contact over high-tech approaches. **This year, Millennial donors once again blended their preference for technology with a desire for something truly time-honored: trust.**

For the 2011 Millennial Donors Study, Achieve and Johnson, Grossnickle and Associates (JGA) received survey responses from nearly 3,000 people between the ages of 20 and 35 from across the United States about their giving habits and volunteer preferences. This year's survey echoed a number of questions from last year's, but also delved into new areas and offered more detail in an effort to provide new insights into the giving habits of Millennials.

The results of this year's survey support last year's thesis that, in many ways, Millennial donors want to be approached differently than their predecessors and yet with the same level of respect and the same kind of connections to leadership.

In 2010, Millennials continued to demonstrate their generosity, with 93% of respondents giving to nonprofit organizations. However, they also revealed that they are more likely to give to multiple organizations than to focus their giving on any one recipient. Like last year, Millennials said they gave most often as a result of personal, traditional giving requests, with popular technologies such as online and email giving coming in at lower percentages. However, the respondents also suggested that they prefer to give primarily through online tools. The message here? They might give more often through personal asks because many organizations have not caught up with technological giving options.

Millennials are most often motivated to give by a compelling mission or cause, and they dedicate most of their generosity to education, human services, faith-based causes or arts and culture. Trust plays a big role in giver motivation – and an even bigger role in de-motivation, it would seem, as nine out of ten donors said they would stop giving to an organization if it for some reason lost their trust.

Search engines continue to play a big role as Millennials gather information about organizations, with email and peer-contact also being favored. Once they reach an organization's website, Millennials expect to find specific information and details about the organization's history and mission, as well as a giver's guide that explains how a gift could make a difference. Young professional groups are still evolving as an option for givers, it seems, as interest in them was lukewarm, and a Millennial's interest in membership likely would rely heavily on the cost of membership.

Nearly eight out of ten survey respondents volunteered for nonprofits last year, and nearly 90 percent of those volunteered more than once. When it comes to giving of their time, Millennials' generosity can be predicted in part by the way they give their money: Those who give the most cash also give the most time. As for those who don't volunteer, the primary obstacle to giving time is a lack of time, although nearly half of those who didn't volunteer said it was because they simply weren't asked.

So, having completed our second Millennial Donors Survey, what do we think the results mean to nonprofit organizations?

Organizations must:

- Work to establish and maintain the trust of their donors
- Develop personal relationships and opportunities for donors to connect with their peers and with people from the organization
- Focus on the way the organization appears in search engines
- Help those donors who find them to understand the organization thoroughly, appreciate how a gift would help, and know how to give

millennial donors

93% OF MILLENNIALS
GAVE TO NONPROFITS

IN 2010

58% Said Their Single
Largest Gift Was Less
Than \$150



63% gave to 3+ orgs

Motivated to give by:

1. Compelling Mission/Cause
2. Personal Connection with leadership
3. Friend or peer endorsement

65% want to know how \$
makes a difference

57% gave in response
to a personal ask



#TRUST

90% WOULD STOP
GIVING IF THEY DID NOT
TRUST THE ORGANIZATION



How do we earn Millennials trust?

1. Friends or family endorsement
2. Report financial condition
3. Opportunities to meet leadership



#ONLINE

WEB SEARCH IS
WAY TO FIND INFO ON
NONPROFIT ORGANIZATIONS

#1

33% got info
about orgs
on facebook



49% gave online BUT

58% preferred
to give online



#VOLUNTEER

79% OF MILLENNIALS
VOLUNTEERED IN 2010



#1 reason
they wouldn't
volunteer
is lack of time

#KeyFindings

#GIVING

- 93% of surveyed Millennials gave to nonprofit organizations in 2010, with 21% giving \$1,000 or more during the course of the year, but the bulk of giving was distributed in small increments to many organizations. 58% of respondents said their single largest gift was less than \$150.
- 57% of Millennials gave in response to a personal ask and 49% gave online. However, when Millennials were asked how they prefer to give, online giving took the top spot, being identified as the method of choice by 58% of respondents, with personal requests dropping to 48%.
- 84% of Millennials said they are most likely to donate when they fully trust an organization, and 90% said they would stop giving if they do not trust an organization.
- 85% of Millennials are motivated to give by a compelling mission or cause, and 56% by a personal connection or trust in the leadership of the organization. Only 2% of Millennials were motivated to give by celebrity endorsements.

#COMMUNICATING

- 71% of respondents get information about nonprofit organizations through web searches, 62% want to receive information by email, and 56% get information from peers. 33% of Millennials said they use Facebook to gather information on an organization.
- On an organization's website, 70% of Millennials want to find information about the organization's mission and history, and 56% want to learn about the organization's financial condition.
- 65% want an organization's website to provide giving guides that explain how support will make a difference, and 52% want to learn about volunteer opportunities.

#ENGAGING

- 79% of respondents volunteered for organizations in 2010, with the primary obstacle to volunteering being a lack of time, which was noted by 85% of participants who did not volunteer in 2010. 45% of the non-volunteers said they simply weren't asked to volunteer.
- 19% of people who gave \$1,000 or more volunteered once a week or more, while only 11% of people who donated less than \$1,000 volunteered that often.
- 40% said they would be interested in joining a young professional organization, and 44% were unsure. Of those interested in joining such groups, only 40% said they would be willing to pay a fee or donate to join.

THE CASE FOUNDATION presents

MDS11

MILLENNIALDONORS.COM

JUNE 22

JGA Johnson
Grossnickle
Associates

Achieve

The Millennial Donor Summit is a virtual conference featuring informational sessions from thought leaders and national experts designed to help nonprofits effectively engage the next generation of donors and volunteers.

Save the Date!

- June 22, 2011
- LIVE 8am - 4:30 pm EST
- + Access presentations for 1 full year

- Perfect for Nonprofit executives, fundraisers, and technology staff
- Access anywhere you want

\$75⁰⁰
per participant

*For further information please visit MillennialDonors.com