



F R I D M A N

STRATEGIES

Gen What?: Generational-Centric Engagement

Nanette R. Fridman
Presented at LIFE & LEGACY™
May 2019

Goals

- To discuss. . .
 - Characteristics and traits of Traditionalists, Boomers, Xers, Millennials & Post-Millennials
 - Application of generational theory to engagement and philanthropy
 - Where to focus for legacy giving
 - Evolution of communication channels
 - Snapshot of annual giving by generations

Warm Up

- Name, title & organization
- What generation are you?
- What was one social/economic/political world experience that influenced you?

What is the Generational Mix?

Generation	Also Known As...	Influencers
Traditionalists (1900-1945)	Veterans, Silent Generation, WWII Generation, Maturists	World Wars, The Depression, Rationing, Traditional nuclear families and role of women, Rock and Roll
Boomers (1946-1964)	Baby Boomers	Cold War, Post –War Boom, Vietnam War, Civil Rights Movement, Television, Apollo Moon Landing, Woodstock
Generation X (1965-1980)	Gen X, Xers	Internet, MTV, Live Aid, Bill Gates, Friends, Rodney King, AIDS, Fall of Berlin Wall/ End of Cold War, Divorce Rates Rise, the PC
Generation Y (1981-1999)	Millennials, Nexters, Nintendo Generation	Social media, Playstation, 9/11, Invasion of Iraq, iPods (Apple), Reality TV, Google Earth
Generation Z (2000-)	Post-Millennials, Homeland	Economic downturn, Cloud Computing, Arab Spring, Obama, Internet of Things, Donald Trump, Global Warming, Produce own media, Crowdsourcing

What is the Generational Mix?

Generation	Aspiration	Marketing	Technology	Communication
Traditionalists (1900-1945)	Home ownership	Conservative imagery, legacy, family	Disengaged	Formal letter or face-to-face
Boomers (1946-1964)	Job security	Healthy lifestyle, hard work, team work	IT Early adopters	Telephone or Face-to-Face
Generation X (1965-1980)	Work-Life Balance	Inclusive, straight talk, environment images, multi-channel	Digital Immigrants	Email and Text
Generation Y (1981-1999)	Freedom and Flexibility	Multi-ethnic, green, sexier, celebrity	Digital Natives	Text or Social Media, Online and Mobile Messaging
Generation Z (2000-)	Security and Stability	Driverless cars, AI, Curate, peers, connected	Technoholics	Hand-held or integrated communication devices and Facetime

What is Generational Theory?

Civic



Reactive








Idealist



Adaptive

What is the Generational Mix?

Generation		
Traditionalists (1900-1945)		CIVIC
Boomers (1946-1964)		IDEALIST
Generation X (1965-1980)		REACTIVE
Generation Y (1981-1999)		CIVIC
Generation Z (2000-)		ADAPTIVE

Generational Experiences with Money and Attitudes Toward Giving

Generation	Early Formative	Experience with Money	Attitudes re: Giving	Stewardship Descriptor
Traditionalists (1900-1945)	WWI, WWII	Taught to be givers	Giving is public responsibility, a necessity. Money follows mission.	Sacrifice/ Commitment
Boomers (1946-1964)	Rapid growth of stock market, age of TV advertising (perceived affluence)	Post-War economic boom	Giving personal option, opportunity; not public necessity. Money does not follow mission.	Distrust
Generation X (1965-1980)	Same as Boomers	Post-War economic boom	Will trust organization if it works – does what it says it's going to do. Mission must follow money.	Ignorance
Generation Y (1981-1999)	9/11, perpetual terrorism/war	Education debt larger than consumer	Give to have impact (cause more important than organization).	Volunteer/ Involvement

Key Questions

- What is the relationship between a donor's generation and how they engage and donate?
- What **organization** or **cause** do they care about?
- What engages them? How do they engage?
- What key messages resonate? How do we make our case for giving and action?
- What type of gift they are prime to make?
- How to reach them? What communication channels to use? What's the role of letters, emails, phone calls, text messages, social media, etc.?

Where to Focus for Legacy?



At What Age Do People Make Wills and Bequests?

- ▶ The most common form of a legacy gift is a bequest, and it is also typically the first gift that legacy giving donors make.
- ▶ It is generally recognized that individuals write their first wills in their early 40s.
- ▶ The average age when most donors make a will was found to be 44.
- ▶ **The average age of the first bequest is 49.**
- ▶ The Center on Philanthropy at Indiana University conducted a 2007 survey on bequest giving and found that “people with a charity named in their will tended to be between 40 and 50 years of age.” **They also found that those most likely to consider a charitable bequest commitment were between the ages of 40 and 60.**

For Legacy Giving Where to Focus

► Generation X

- There are 66 million GenXers.
- Slackers no more!
- 43% of individuals who include gifts to charity in their will are under 55 years old.
- We need to establish relationships with donors earlier than they think. Once a donor reaches age 60, if the donor does not have a good connection with the charity, it is unlikely the donor *will even consider* a legacy gift.

No Better Time to Ask than Now

- ▶ Traditionalists and Boomers who feel closely connected
 - Long-time annual donors
 - Current and past board members
 - Past honorees
 - Volunteers. Volunteers to any organization are 50% more likely to leave a gift to charity.
 - Inter-generational engagement

Don't Ignore the Millennials

- In 2036, Millennials will outnumber the current number of Baby Boomers.
 - 81 million millennials age 56 or older by 2036
 - 81 million x 7% legacy giving rate of today = 6 million legacies
 - 6 million legacies x today's average gift of \$40,000 = \$230,000,000,000!
 - Millennials are peer-influenced and social media is key.

Sources: Blackbaud - Target Analytics Blog - "Is there a generation gap to legacy gifts?" legacy Giving Tomorrow Spring 2016, Millennial Impact Report 2014

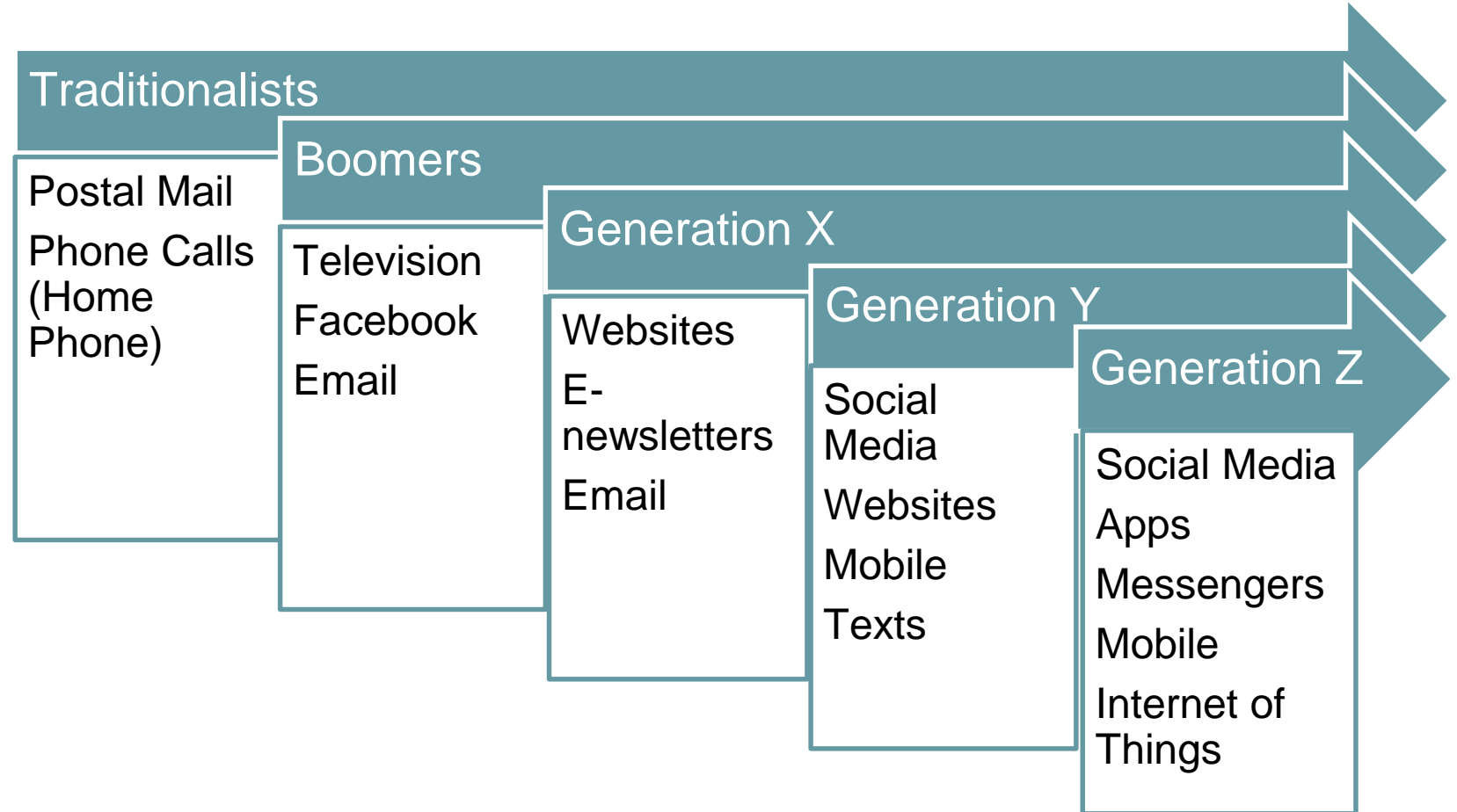
Trends

- ▶ Donors between the ages of 35-50 are the newest group for legacy gifts. These are old millennials and Xers.
- ▶ Many universities and arts and culture organizations are finding success targeting this group by soliciting beneficiary designation gifts from their retirement plans.

Reminder

- ▶ More than 80% of legacy gifts are revocable and over a 14-year period 35% of donors removed some or all charities from their estate plans.
- ▶ **Stewardship is vitally important!!!!!!!!!!!!**
- ▶ At least 4 times per year.
- ▶ Goals are to show the impact the organization is having, make sure they feel connected and feel that they have made a good investment.

Communication Evolution



Where to Focus for Annual Giving?



Aging Donor Base
Acquisition Slowing



Traditionalists & Boomers
Giving the Most
Focus on Retention & Upgrades

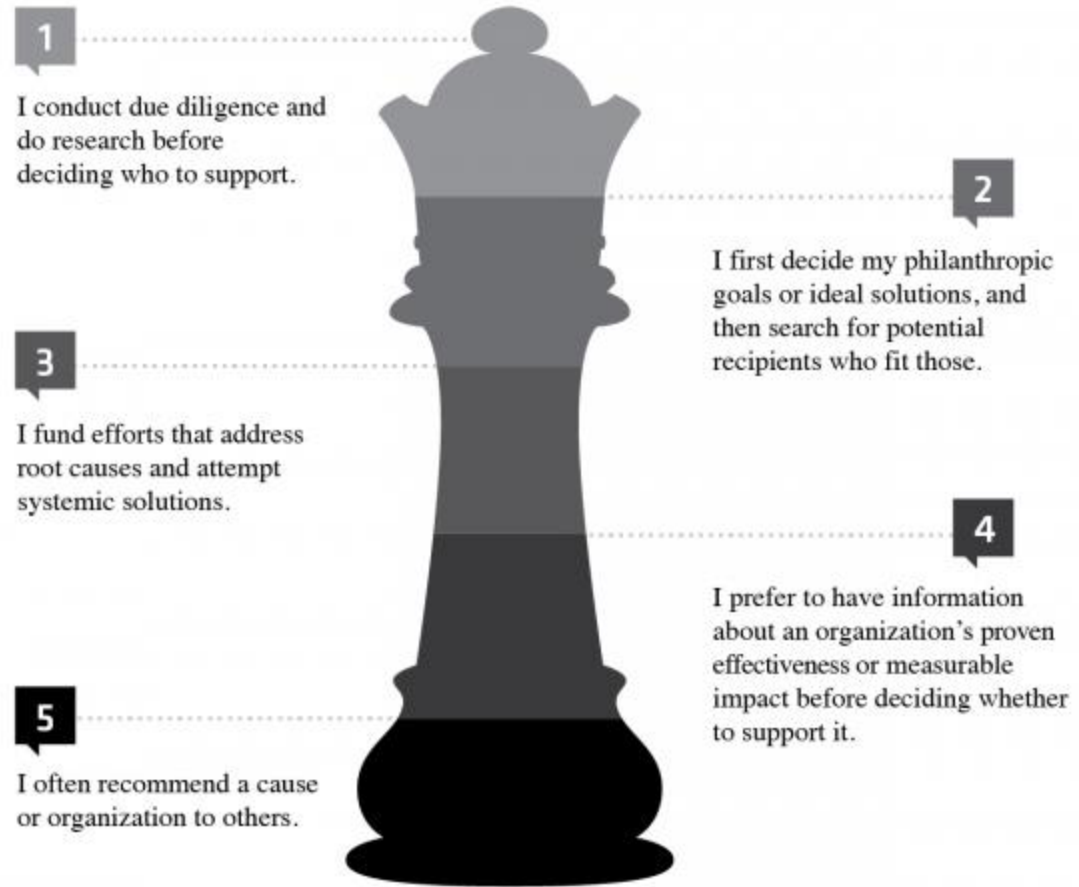


Millennials are the Future
100 Million of Them!
Focus on Acquisition

Generation	Percentage of Generation that Gave	Average Gift	Number of Charities	Note
Traditionalists (1900-1945)	78% (23.5 million people)	\$1,235	6.3	<p>The most generous generation. They gave the largest average gift and to the most charities.</p> <p>Total giving \$29 billion</p>
Boomers (1946-1964)	75% (55.3 million people), largest of generations	\$1,061	4.2	<p>Total giving represented 41% all philanthropic dollars</p> <p>Total giving \$56.6 billion</p>
Generation X (1965-1980)	55% (35.8 million people)	\$921	3.8	Total giving \$32.9 billion
Generation Y (1981-1999)	51% (34.1 million people)	\$591	3.5	Total giving \$20.1 billion
Generation Z (2000-)	43% (9.3 million people)	\$341	4.6	Total giving \$3.2 billion

NextGen Most Important Components of Philanthropic Strategy

Top Five Most Important Components of Philanthropic Strategy

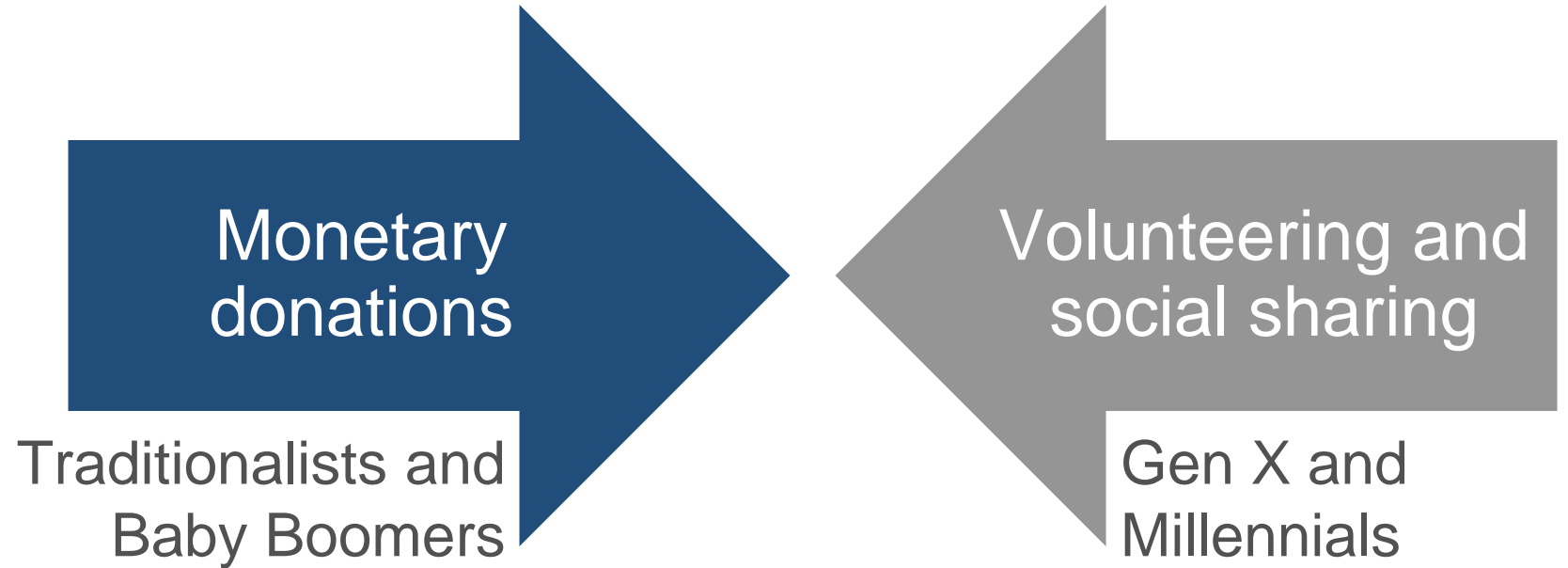


NextGen Donors: The Future of Jewish Giving, Respecting Legacy, Revolutionizing Philanthropy, 21/64, Dorothy A. Johnson Center for Philanthropy at Grand Valley State University (2013)

Millennials are More Active



Give or Act?



Millennials Do Their Homework and Donate with Purpose



Millennials are More Peer Driven



Who Influences Next Gen Donors

Who Influences Next Gen Donors



89%
PARENTS



63%
GRANDPARENTS




56%
CLOSE FRIENDS



47%
PEERS

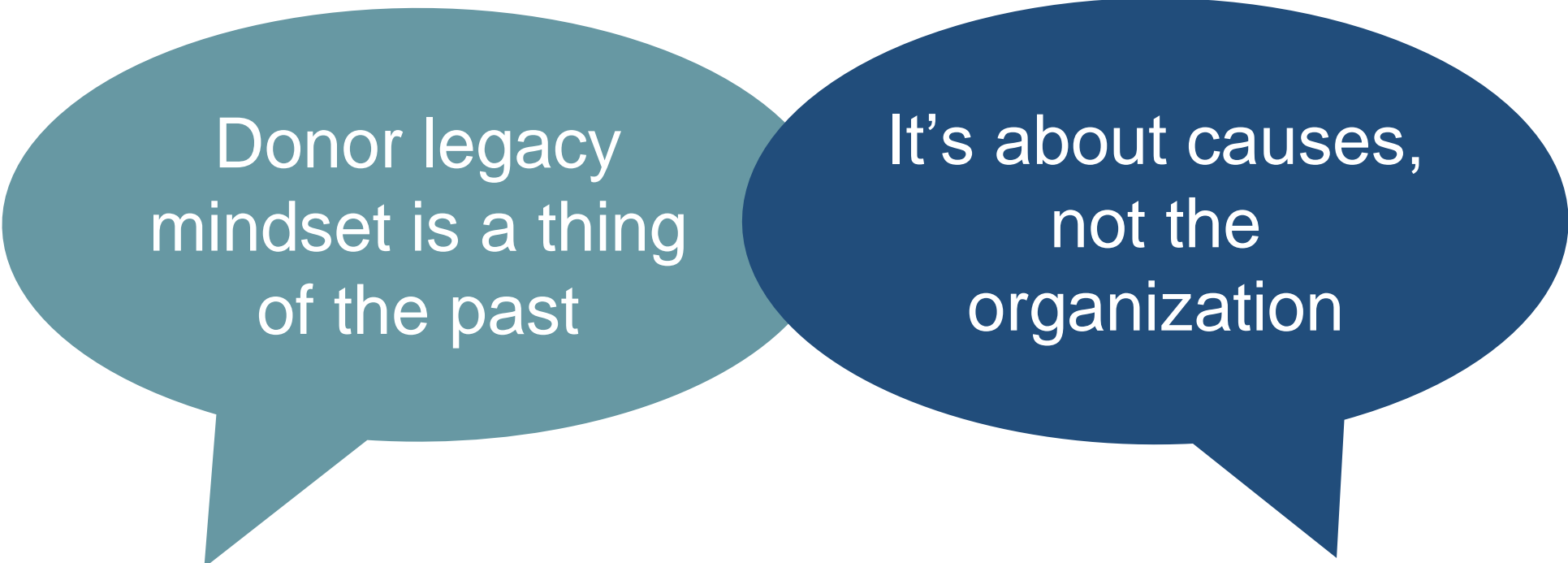
NextGen Donors: The Future of Jewish Giving, Respecting Legacy, Revolutionizing Philanthropy, 21/64, Dorothy A. Johnson Center for Philanthropy at Grand Valley State University (2013)

Millennials are
More Trust
Sensitive

A woman with long brown hair, wearing glasses and a colorful patterned scarf, is smiling and holding a large white rectangular sign. The sign is positioned in front of her, partially obscuring her torso. The background is a bright, out-of-focus indoor setting with large windows.

Why should I
trust YOU?

The Millennial Revolution



Donor legacy
mindset is a thing
of the past

It's about causes,
not the
organization

Nonprofits must earn donor loyalty
Every. Single. Day.

Key Take-Aways: Thinking Generationally

- For legacy donors, look at
 - Generation Xers for bequests
 - Boomers and Traditionalists who are already close
 - Millennials to build relationships
- Use multiple channels
- Focus on stewardship

Key Take-Aways: Thinking Generationally

- Boomers and Traditionalists are most generous annually
- Millennials need personalization
 - More regular communication
 - Be shown impact first
 - Trust is paramount
 - Want to volunteer and have experiences
 - Support causes not organizations
 - Willing to share and promote socially

Other Generational Considerations

- Leadership impact
 - Who's at the table?
- Budget impact
 - Investing in the right communication channels and developing differentiated approaches

Putting Theory into Action

- Overcome organizational and political obstacles
- ***Know donor ages!***
- Understand their philanthropic mindset
- Frame your messaging and identify key words that resonate with each segment
- Tailor communication strategies, channels, platforms and tools appropriately
- Customize engagement opportunities
- Keep an eye on all generations for leadership pipeline

Challenges?



Q & A

The background of the slide is a light blue surface covered with a complex network of thin lines and small circular nodes. The nodes are colored either blue or red. The blue nodes are primarily located on the left side of the image, forming a loose, branching structure. The red nodes are primarily located on the right side, also forming a loose structure. In the center-right area, there is a more dense, interconnected cluster where blue and red nodes are mixed together. The lines connecting the nodes are thin and match the color of the nodes they connect, creating a web-like pattern across the entire slide.

Sources

- ▶ Charitable Giving Report, Blackbaud Institute for Philanthropic Impact (2018)
- ▶ The Next Generation of American Giving. The Charitable Habits of Generations Y, X, Baby Boomers, and Matures, Blackbaud Institute for Philanthropic Impact (2018)
- ▶ NextGen Donors: The Future of Jewish Giving, Respecting Legacy, Revolutionizing Philanthropy, 21/64, Dorothy A. Johnson Center for Philanthropy at Grand Valley State University (2013)
- ▶ “Is there a generation gap to legacy gifts?”, Blackbaud Target Analytics Blog (2015)
- ▶ “We Thought Gen Xers Was A Bunch of Slackers. Now They’re The Suits,” Washington Post (March 1, 2017)



F R I D M A N

STRATEGIES

Nanette Fridman
617-504-4234
Fridmanstrategies@gmail.com
www.FridmanStrategies.com

PLAN TO SUCCEED

HOLDING THE GAVEL

What **Nonprofit Board** Leaders
Need to Know

NANETTE R. FRIDMAN

Author of *On Board: What Current and Aspiring Board Members
Must Know About Nonprofits & Board Service*

“ Nanette Fridman has written the perfect book for board chairs. She provides a comprehensive outline of the role and succinctly and smartly describes exactly how to tackle what can feel like an overwhelming job. It is the indispensable guide for a difficult job. ”

Allison Fine

National Chair, NARAL: Pro-Choice America
Foundation, co-author, *The Networked Nonprofit*

“ *Holding the Gavel* is yet another gift to the nonprofit sector from Nanette Fridman. It is a clear, easy to digest, and complete roadmap for board chairs to help ensure their success in tackling the complex challenges of the role. As a nonprofit professional, I am especially grateful for the way in which Nanette frames the partnership between board chairs and their professional leadership. ”

Laura Fish

Executive Director, Douglas Institute Foundation

"If you've just been asked to join your first board or you're on ten boards, Nanette Fridman has written the book for you. On Board tells you everything you need, from A to Z and then some—and it's so readable!"

Peter Edelman, Professor of Law, Georgetown University Law Center

ON BOARD

WHAT CURRENT AND ASPIRING
BOARD MEMBERS MUST KNOW ABOUT

NONPROFITS & BOARD SERVICE



NANETTE R. FRIDMAN

Foreword by Aaron Philip Dworkin
President, After-School All-Stars National Network

“Too often the expectations of board members and the workings of nonprofits have been vague or mysterious. Whether you are a professional or board member, On Board demystifies how nonprofits work and lays out in detail how board members can be responsible, effective and fulfilled.”

Dr. Marc N. Kramer
Executive Director, RAVSAK

“Nanette Fridman insightfully shares her experience with nonprofit boards to help individuals be more intentional, engaged and clear about their roles. Every governance committee should give this book to their new and ongoing board members.”

Nancy K. Kaufman,
Chief Executive Officer, NCJW