

Shaping Tomorrow

A Study of Young Donors' Perspectives on Charitable Giving in Southwest Missouri

A Research Summary Prepared by Habitat Communication & Culture
In Combination with the Community Foundation of the Ozarks



Table of Contents

Letter from Brian Fogle	02
Introduction	03
Who We Heard From	06
Defining Charitable Giving	11
Motivations for Charitable Giving	15
Where We Give	19
How We Give	26
Conclusions	31



A Letter from Brian Fogle

Dear Reader,

We are so pleased to be able to share this research from our great friends and partners at Habitat Communication & Culture.

The idea for this project came from a study released in the Spring of 2023 by the Lilly School of Philanthropy called “Giving by Generations.” One of the many observations of the important research was that the generations represented by those under 40 years of age were giving at a lesser rate than previous ones at that same point in life. Given the engagement and activism we have witnessed with that group, we probed a bit deeper and found the study did not include most crowdfunding platforms like GoFundMe because those don’t meet the traditional definition allowed by the IRS. We decided to dig a bit deeper, and appreciate the great work of Habitat to help us better understand giving patterns of this group - why they give, who they give to, what motivates them to give, etc.

This research, which we intend to share broadly with our nonprofit partners, will help us better understand and prepare for the next generation of donors. Along with the research, we are hosting a series of educational opportunities to learn more about strategies to reach this group, including how to engage and the types of technology to encourage. Thanks to the generosity of David and Stacey O’Reilly, we will offer implementation grants to complement the educational opportunities in spring 2024. We would also like to thank the Patterson Family Foundation for their assistance in funding this research. We are thankful for their generosity for this project, and for all of their philanthropic work.

The CFO’s mission is to enhance the quality of life of all people in our region. We can only achieve that objective through the good work of our nonprofit partners. We are grateful for the work they do each and every day to help improve our region; we hope this research and education will help strengthen our connections with future generations of philanthropists to accomplish shared goals.

We hope you find this information helpful.

Thank you,



Brian Fogle
Community Foundation of the Ozarks





Research Project Overview

Many nonprofit leaders are concerned about the future. While trying to address issues like staff turnover, board recruitment, and community challenges, they're also considering another, potentially more significant issue - what does the future of charitable giving look like? And how will it impact their organization's viability?

Recent data on charitable giving, broadly, suggests that there is reason for concern. Total giving by individuals decreased by 6.4% in 2022, or 13.4% percent when adjusted for inflation¹. So, what's at the heart of this decline in giving? Are younger Americans less charitable than previous generations?

Has a declining degree of trust in institutions spurred people to give directly to individuals rather than to registered nonprofits? Or is giving still happening but, perhaps, it just looks different than it used to?

In 2023, the Community Foundation of the Ozarks (CFO) set out to answer these types of questions (and more). The CFO helps nonprofit organizations in 62 counties south of the Missouri River fulfill their missions through fund administration, grant-making, and learning opportunities - and this research project is an important part of their work to provide agencies with the data and insights they need to thrive.

Key Learning Objectives

This study investigated how Southwest Missouri residents perceive charitable giving, focusing on definitions, motivations, and preferred methods. It particularly emphasized the attitudes of respondents under the age of 40 as compared to those 41 and older.



Defining Charitable Giving. A central hypothesis of this research was that those under 40 might define charitable giving differently than those 41 and older. This research sought to understand questions such as: does this audience define charitable giving differently than their parents and, if so, why? Do specific audience segments view participating in roundups at retailers or contributing to GoFundMe campaigns as acts of charitable giving? And, is that distinct from folks in other age categories?



Understanding Motivations for Giving. This research aimed to understand what motivates (or would motivate) respondents to engage in charitable giving. For example, participants were asked to identify the primary motivation for their giving behavior, and were also asked to rank a variety of traditional motivators often cited in empirical research about giving, including faith-based reasons, federal or state tax incentives, and personal experience(s) with a specific mission or cause.



Where We Give. When examining where respondents give (i.e., to which organizations or causes), this research asked a variety of questions to better understand if respondents have a preference between giving to a local organization or giving to a national or multinational organization, how trust impacts giving behavior, and perhaps most importantly for today's nonprofit organizations - does charitable giving have to involve a nonprofit at all?



How We Give. A consistent theme in early discussions of this research program was that those under the age of 40 may have distinct preferences regarding how they give, with a suspicion that these audiences prefer seamless, online methods over more traditional methods like writing a check. This portion of the research examined whether giving is typically planned or spontaneous, the preferred modalities for giving, and what causes participants to abandon giving behavior.



Executive Summary

This research highlights various trends in charitable giving and, specifically, the influence of key variables (including age and income) on participants' willingness to give, motivations for giving and their preferred methods for giving.

1

What Counts as Giving?

Most people agree that giving money, time, or expertise counts as charity. But, here's a twist: the younger generation sees charity a bit differently than their folks, focusing more on community needs and less on religious aspects.

2

Why do people give?

Everyone, young or old, wants to make their community a better place. That's the big push behind their generosity. Younger donors feel a strong sense of duty to give back. Transparency and ease increase donations.

3

How Do People Prefer to Give?

Younger folks are shaking things up by giving directly to individuals or families, often stepping around traditional charities. And they really like to keep it local. Trust is crucial; uncertainty about fund usage deters donations.

4

Digital Age Donors:

Online and digital methods are a big hit, especially with younger donors. These folks do more more spontaneous giving triggered by compelling stories, while older generations plan and diversify donations.

5

Income and Giving: High earners favor tax incentives and support numerous charities. Middle earners share their giving on social and seek reciprocal benefits. Lower-income individuals make smaller, frequent donations and often volunteer.

6

The Big Picture: Younger donors are changing the game. They're not too keen on traditional charities and prefer direct, local, and transparent ways to support causes. Nonprofits need to adapt to these shifts to stay in the game and keep those donations coming.



Who We Heard From

Respondent Demographics

The research program included an electronic survey featuring more than 50 questions, small- and large-format focus groups, and a series of private interviews with nonprofit development professionals. The electronic survey received a total of 431 responses. More than 75 regional residents participated in focus group conversations, and eight nonprofit development professionals from Southwest Missouri shared their perspectives in private interviews.

Individual Respondent Demographics

Educational Attainment

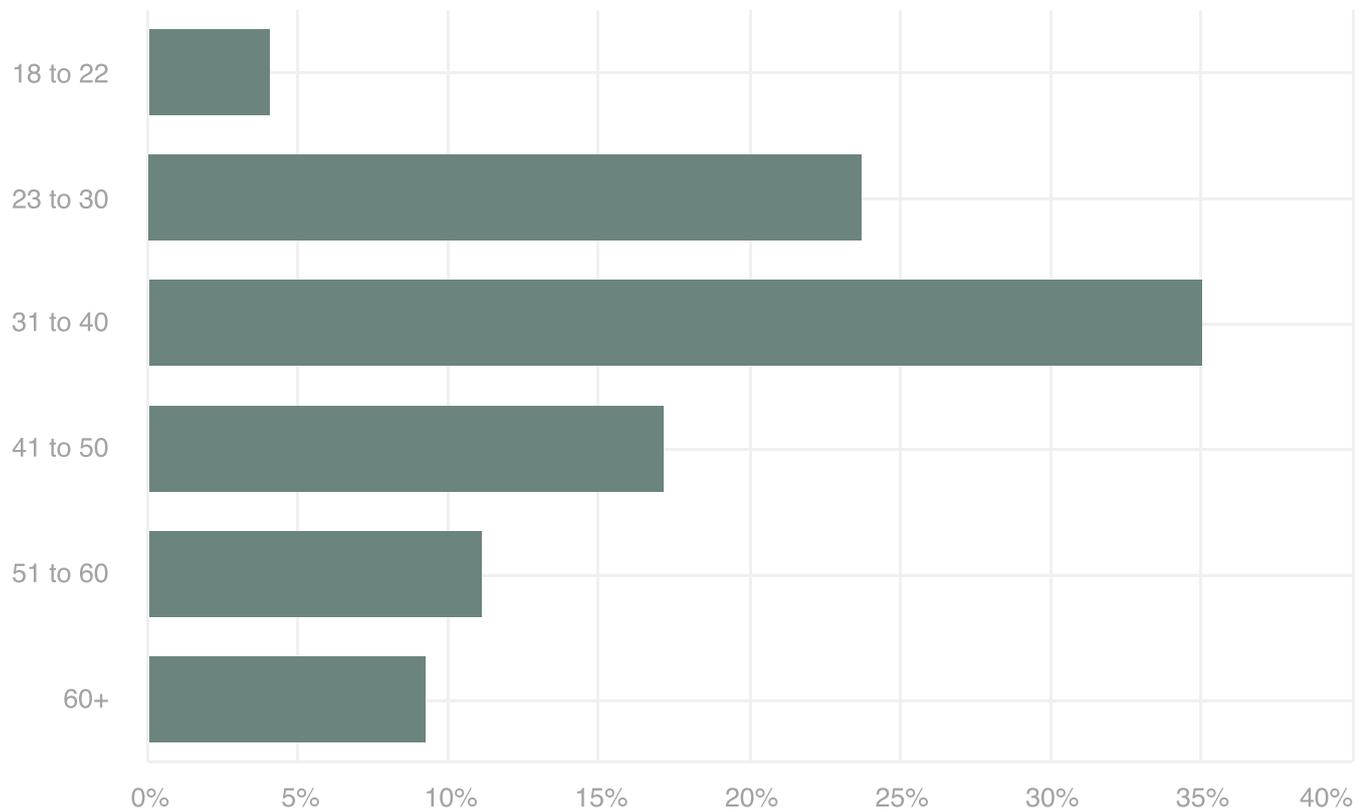
Completed Some High School	1%
Graduated From High School	7%
Completed Some College Courses	19%
Completed 2-Year College	9%
Completed 4-Year College	40%
Completed Graduate School	24%

Annual Household Income

Under \$15k	2%
Between \$15k–\$29k	7%
Between \$30k–\$49k	15%
Between \$50k–\$74k	17%
Between \$75k–\$99k	20%
Between \$100k–\$149k	21%
Over \$150k	18%

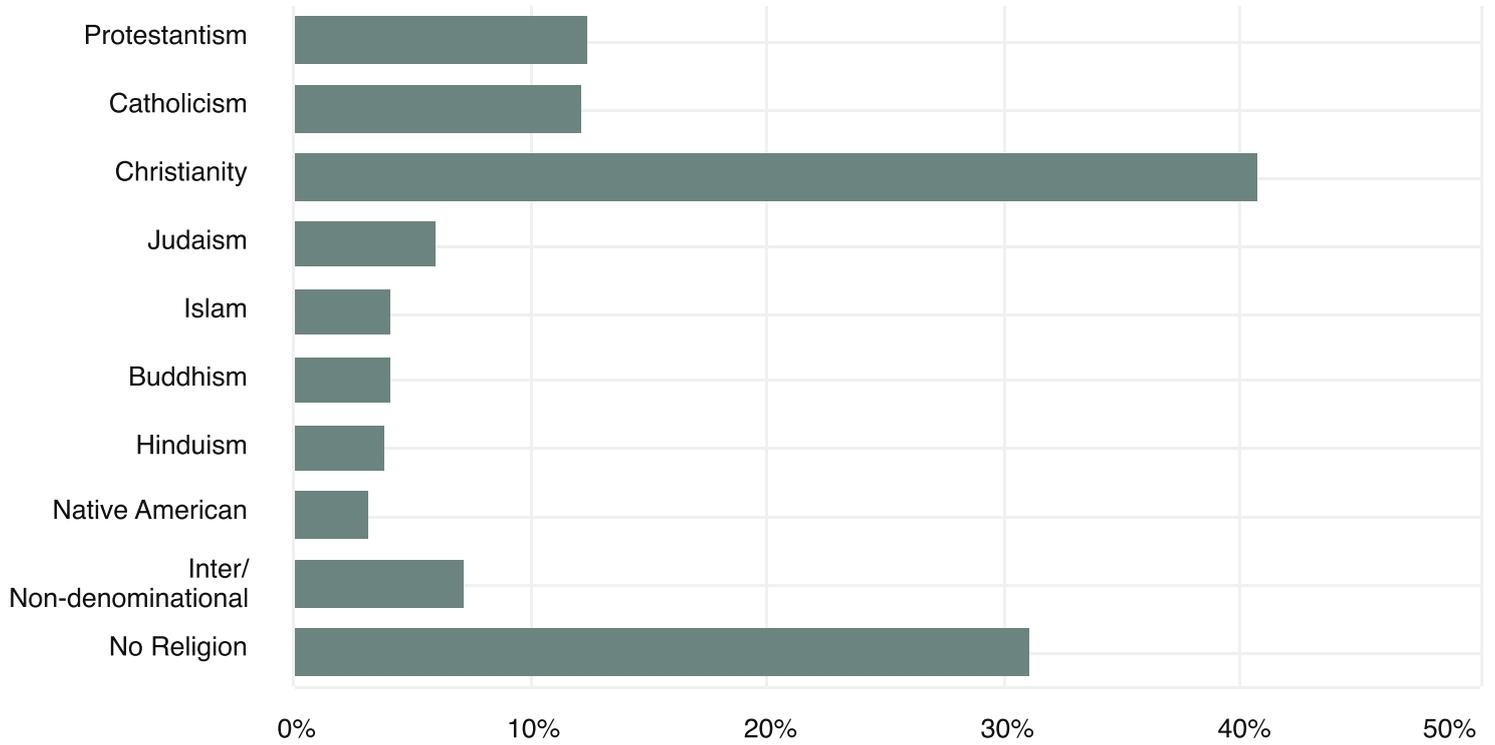
Age & Gender

♀ 56% Female
♂ 36% Male
👤 2% Non-binary
6% declined to answer

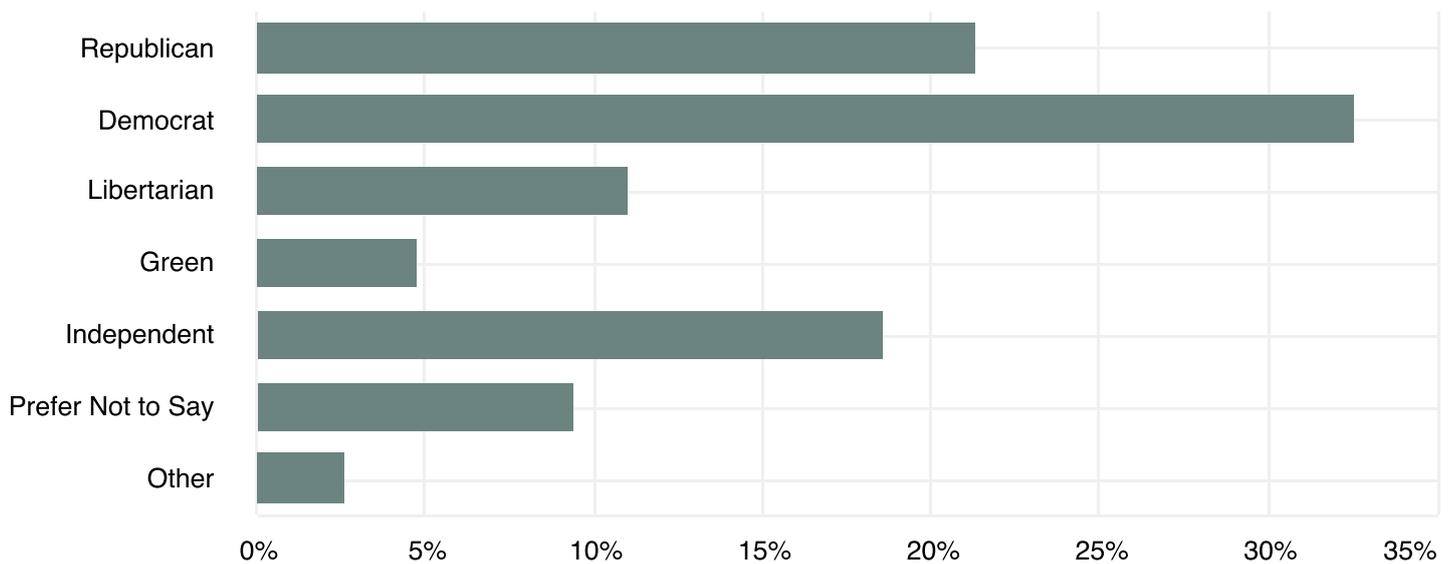


Individual Respondent Demographics

Religious Affiliation



Political Affiliation



Connecting with the Next Generation of Donors

Hearing directly from those under 40 was a crucial component of this research project. In addition to the electronic survey and several small focus group conversations, this research program also included the facilitation of one large-format focus group.

Members of The Network for Springfield's Young Professionals came together to share their perspectives into how nonprofit organizations can evolve their donor development and outreach strategies to ensure continued success. These individuals, all under the age of 40, were joined by local nonprofit executives from Springfield's Nonprofit Roundtable.

The large-format focus group aimed to uncover nuanced understandings that could inform strategies for engaging this demographic in charitable giving more effectively.

Nonprofit Roundtable Exec Feedback

"I learned why they give and don't give. I also heard what's most important for them. I used what was shared and immediately applied it to our development plan."

Participants & Structure

The session convened 60 young professionals from Southwest Missouri, representing a diverse cross-section in terms of backgrounds and industries. Participants were organized in small groups of no more than six. Each group also included one nonprofit executive from Springfield's Nonprofit Roundtable.

Personal Responses: Participants were provided with notecards to write down their personal responses to questions like "Is your definition of charitable giving different than your parents' and if so, how?" and "In your opinion, how can nonprofit agencies best connect with potential donors under 40?"

Group Discussion: Each small group engaged in discussion about each question posed, sharing their individual responses and exploring commonalities and differences in their responses. After debriefing as a small group, each group shared their key findings with the full group.

Nonprofit Professional Involvement: The inclusion of nonprofit executives in each group provided a unique opportunity for these leaders to hear first-hand insights into how young professionals in Southwest Missouri feel about charitable giving.



Key Insights

The conversation provided invaluable insights into the evolving landscape of charitable giving among young professionals. The session underscored the need for nonprofits to adapt their engagement strategies to resonate with this demographic's unique perspectives and motivations.

“Young professionals want to connect with the nonprofit's mission if they are going to give financially. Relationships matter, always.”

Personal Connection: A recurring theme was the importance of having a personal connection to the causes or organizations they support.

Transparency and Impact: There was a strong emphasis on transparency in how donations are used and the desire to see the tangible impact of their contributions.

Leveraging Technology: Participants favor easy online or QR code donations and stress the need for current websites and social media presence.

Networking and Community: Charitable activities are viewed as networking and community-building tools, blending altruism with personal development motives.

The insights gained during this large-format focus group played an important role in this research project to better understand charitable giving motivations, perspectives, and preferences of those under 40. The Community Foundation of the Ozarks would like to thank the Springfield Area Chamber of Commerce, The Network for Springfield's Young Professionals, and Springfield's Nonprofit Roundtable for their partnership and participation.



Defining Charitable Giving

Determining What Is and Is Not Charitable Giving

In Southwest Missouri, the definition of charitable giving varies among residents and across generations. This section provides detailed information on how research participants define this term, including activities not commonly featured in traditional philanthropic research. The aim of this section is to offer a nuanced understanding of local perspectives on charity.

What Is Charitable Giving?

Determining the Scope of Charitable Giving

In order to accurately assess the charitable giving habits of Southwest Missouri residents, it was important to first understand how these audiences define charitable giving, including specific types of activities that are often *not* captured in philanthropic research.

This section captures research participants' definitions of charitable giving and how these definitions differ between generations.

A Broad Definition

When asked to define “charitable giving” in their own words, three themes emerged. Participants emphasized:

- 1 Financial Contributions
- 2 Aimed at Addressing a Need or Providing Goods and Services to Those Who Have Less than Them
- 3 May or May Not Be Directed Through an Established Nonprofit Organization

Is it Charitable Giving?

These percentages reflect the number of respondents who identified the listed behaviors as “charitable giving.”

Financial Contributions to a Nonprofit Organization	82%
Contributing Time or Money to a Disaster Relief Operation	73%
Volunteering Your Time	73%
Attending an Event for a Charitable Cause	55%
Contributing Through an Employer-Sponsored Program	52%
Contributing Your Professional Expertise to an Organization	50%
Financial Contributions (i.e., Tithing) to a Religious Entity	48%
Contributing to a GoFundMe Campaign	48%
Purchasing From Companies that Donate some Amount of Money or Goods as an Outcome of Your Purchase (i.e., Tom’s Shoes, Bombas)	28%



“My parents’ definition of charitable giving was tithing at their church, while my idea of charitable giving is more community or agency based.”

New Generations, New Definitions

One method for determining age-based differences in definitions of charitable giving is to assess perceived distinctions between parents and their children. Nearly **half of all participants** said they believe their personal definition of charitable giving is different than their parents’ definition. We were curious about these differences, especially for participants under the age of 40.

When asked to describe the primary difference between their own definition of charitable giving and their parents’ definition, respondents under 40 most frequently cited religious differences between themselves and their parents as the primary distinction. Of the 27 mentions of “religious differences” in our text-based questions, 70% came from the under 40 audience.

In a similar vein, “political differences” emerged as a theme in open-ended opportunities to describe distinctions in giving behavior among children and their parents. The *only* references to political differences came from respondents under the age of 40.

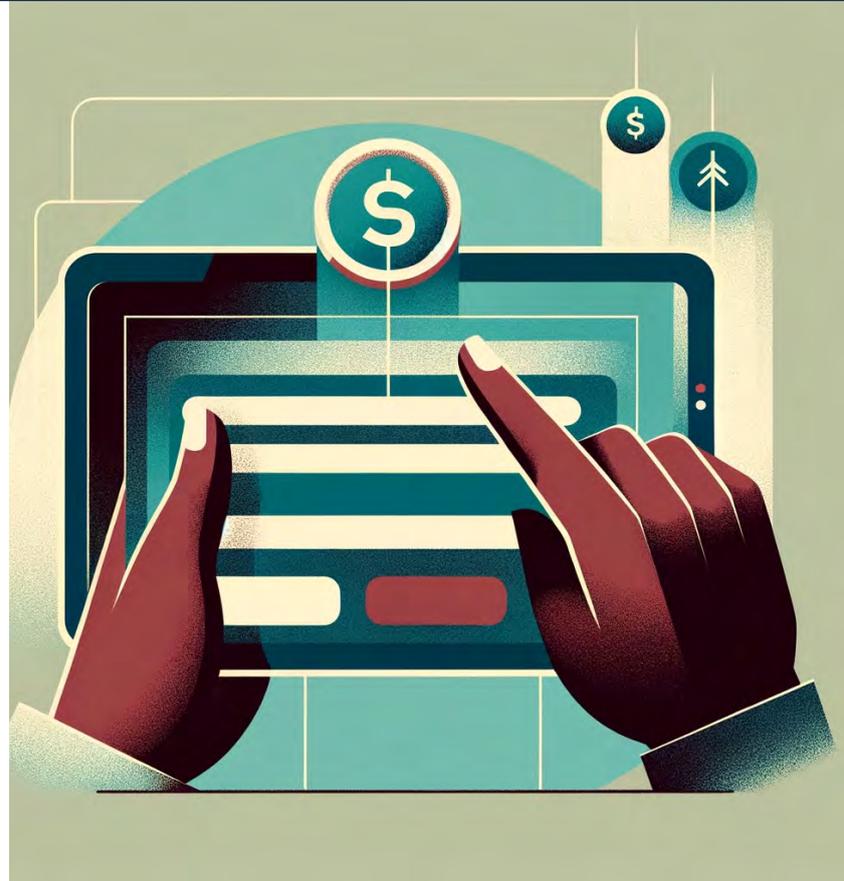
Politics and Parents: A surprising outcome of this research was participants’ willingness to openly discuss their perspectives on charitable giving as a prime illustration of the ways in which they differ, politically, from their parents. For some participants, open-ended questions about these differences served as a chance to describe *in detail* the strong tie between “charity,” as a concept, and their intra-family political preferences.



And Then There's GoFundMe

GoFundMe was a consistent topic of conversation in the early stages of this research project. The central hypothesis around GoFundMe was roughly: “younger generations are more likely to give directly to individuals through platforms like GoFundMe rather than donate through traditional, agency-based methods.” And, were that true, future research on giving methods would likely need to include measures of GoFundMe and similar platforms to accurately capture the giving landscape. Our research does suggest that **current giving-based research is likely missing key data** because of the frequency with which participants in this study either have given through that means or likely would give through that means based on their personal definitions of giving.

In addition to the broader findings about GoFundMe, this research also uncovered two key sub-themes. First, participants who identified themselves as “generally trusting” were much less likely to prefer giving via GoFundMe as compared to other methods. So, while people will use the platform, they would still prefer using other methods when making charitable contributions.



Second, and relatedly, an emergent theme during focus group conversations might explain the latent concerns around the platform. Specifically, a number of participants identified issues with GoFundMe based on experiences with “bad actors,” encounters that participants have either had or heard about that feature malicious people using the platform to raise money based on false pretenses. Many focus group participants detailed specific GoFundMe “schemes” and “scams” they were aware of, and this diminished their trust in the platform, generally. Importantly, however, it did not decrease the likelihood that they would contribute to an individual or cause to which they were personally connected (i.e., a friend, family member, or acquaintance).



Motivations for Charitable Giving

Understanding the Causes of and Reasons for Charitable Giving

This research asked a number of questions to understand what motivates (or would motivate) respondents to engage in charitable giving. Participants had an opportunity to describe their motivations in their own words, and were also asked to consider a variety of motivating factors that are frequently cited in philanthropic research as traditional motivators.

Common Motivations

Each individual's motivations for giving are different. This research aimed to uncover common themes in motivation, particularly along generational lines.

Empirical research on motivations for giving suggests that there are three primary reasons for which people make charitable contributions: personal experiences with the mission or cause, faith-based reasons, and for tax purposes. Our research indicates that those motivations still exist.

This research found there's no greater motivating factor that influences charitable giving as strongly as **personal experience** or **personal connections** to the cause or organization.

Participants 51 and over were much more likely to cite faith-based reasons, as compared to other age categories.



↑ What has motivated your giving behavior in the past?



Emergent Themes in Motivations

This research confirms that traditional motivations for giving still drive charitable behaviors among many donors (or potential donors) in Southwest Missouri.

In addition to assessing traditional motivations for giving, this research sought to uncover alternative reasons for giving. When participants were asked to answer, “What is (or what has been) your primary motivation for giving?” in their own words, a series of themes emerged.

1

Making the World a Better Place. Across the full range of responses, and regardless of age, the top motivation for giving was to make the world and/or community a better place.



“I want to live in a community where I am an engaged citizen and good neighbor. Springfield is only as good as the people who live here.”

2

Being Motivated by the Mission. Respondents who mentioned this motivating factor may have previously benefited from a similar services or are otherwise passionate about a specific mission.



“It is a cause that is close to my heart and want to give others help the same way I received it.”

3

Fulfilling a Responsibility. 63% of all text-based mentions of “responsibility” came from participants under the age of 40. They are particularly motivated by a sense of responsibility, duty, or obligation.



“I feel that I am part of a larger community and it's my responsibility to give back to support others who are less fortunate or causes that make the community stronger.”



Factors that Increase the Likelihood of Giving

Seeing is Believing

Participants were clear: transparency and visibility in all parts of the process are key. Respondents were more likely to give when they could see how their contributions were used and to what effect.

- > Seeing Someone in Need
- > Seeing Where/How the Donation Is Used
- > Seeing Success Stories
- > Seeing the Cost of Doing Business

I am more likely to give if...

The beneficiary (an org or individual) has made it clear how the gift will be used.	87%
The means of giving (i.e., website, payment platform) is easy to use.	78%
I am asked directly (i.e., from a member of a non-profit organization or trusted colleague).	71%
The organization will contribute an amount equal to some portion of my donation.	70%
I receive something tangible in return (e.g., a coffee mug, an item at a silent auction).	35%
I have the option to share with others (on social media, for example) that I have given.	15%

Experiences that Reduce the Likelihood of Giving

Participants believe giving should be easy. **Nearly half (48%) of participants report abandoning a giving behavior at least once in the past because the method (such as a website or mobile app) was too difficult to use.** If an online platform is hard to navigate or a physical form has too many fields, potential donors may walk away.



Where We Give

Individuals, Organizations, and The Role of Trust

Is there a preference for donating directly to an individual versus donating to an established nonprofit? Are small, local organizations viewed differently than large, national nonprofits? This section details the research findings related to where respondents give and the role that trust plays in making giving decisions.



“I would rather make my donation as direct as possible. I want to know it’s going to a person’s needs, not a person’s salary.”

Individuals v. Agencies

New technologies make it easier than ever to connect with and give funds directly to individuals. A central hypothesis of this research was that those under the age of 40 may prefer these “direct” means of giving over making a gift to an established 501(c)3.

This research indicates that hypothesis is at least partially true. **The younger the respondent, the greater the percentage of their total giving that goes directly to individuals or families, bypassing nonprofit organizations.** In fact, when asked to define “charitable giving” in their own terms, only 30% of responses described charitable giving as an act that necessarily includes an established nonprofit.

These generational preferences have been documented in other research, as well. GivingTuesday’s Data Commons reported in 2022 that “Older and younger people have different views of charities. Older people expressed more trust in nonprofits and were more likely to donate, while younger folks doubted ‘the efficiency and reliability of charities’ and gave more informally, which is described as direct giving to individuals or unregistered groups rather than to a registered nonprofit.”

These findings beg the question: Are younger donors genuinely less charitable than previous generations, as many publications have painted them to be? Or is much of their charitable giving simply different, in terms of mode or recipient, than the types of behaviors captured in traditional research?



82% of respondents prefer to give to a local organization or cause as compared to a national organization or cause.



Local, National, and Global Orgs

When it comes to charitable giving, the scope of an organization's operation—local, national, or multinational—is a key factor. Our research indicates a strong bias towards local initiatives, which suggests that proximity does influence altruistic choices. However, insights from focus groups add another dimension: people evaluate these local nonprofits not just by the impact they have on their community, but also by their internal culture.

These organizations are viewed as more than service providers; they're seen as employers, too. The takeaway is clear: the treatment of staff and the public depictions of your organization are becoming crucial variables in donor decisions. So, for nonprofits, building an inclusive, respectful work culture isn't just an HR goal—it's a fundraising imperative.

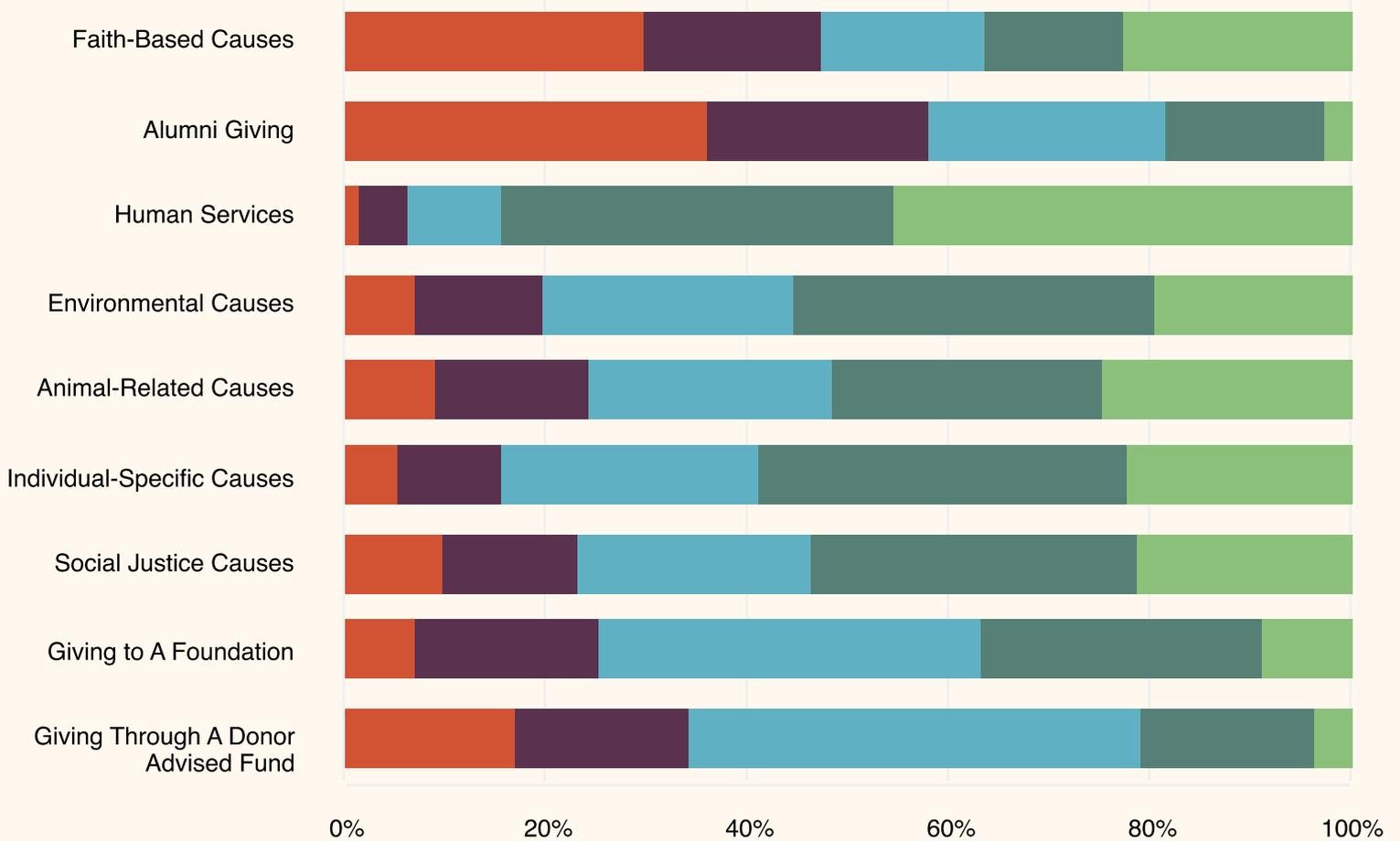
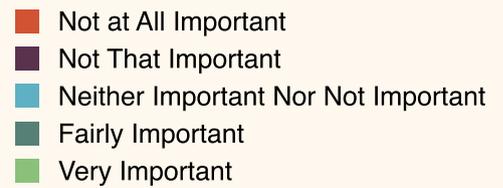


Reasons for Giving

In addition to previously discussed traditional motivations for giving (i.e., personal connection to the mission), this research sought to identify which causes were most important to donors in the Southwest Missouri region.

- 1 Human Services
- 2 Individual-Specific Causes
- 3 Environmental Causes
- 4 Animal-Related Causes

The importance of specific causes when deciding to give. ↓

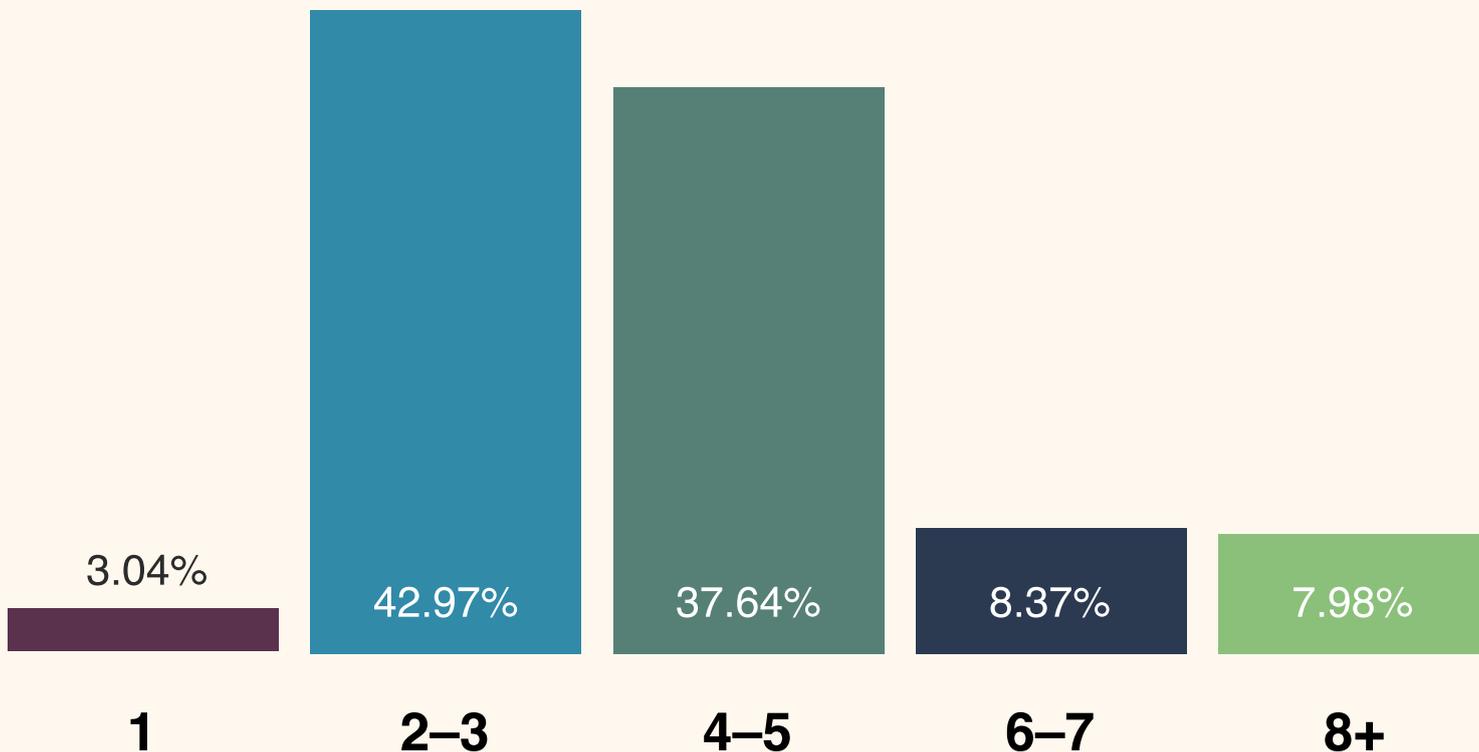


Donation Diversity

This research sought to determine if donors were likely to limit their contributions to a single organization (or few organizations), or spread their giving among multiple causes. While most donors are most likely to give to fewer organizations, **folks over 51 are more likely to give to more organizations (6+).**



How many organizations or causes people give to each year. ↓





67% have questioned their desire to give after seeing or hearing stories of nonprofit waste.

Building Trust

Trust in institutions, including nonprofit organizations and philanthropic foundations, is on the decline nationally. A recent survey found that only 56% of Americans express trust in nonprofits — down 3 points from 2020. Even more concerning, trust in nonprofits seems to be declining with each passing generation: Just 46% of Gen Z adults expressed trust in nonprofits compared to 67% of baby boomers³.

There are a number of things potential donors consider when determining the trustworthiness of an organization. Participants under 40 reported the following activities as signaling a high degree of trustworthiness:

Trust-building Activities

-  Having annual reports available online.
-  An updated website that's easy to use.
-  Maintaining a social media presence.
-  Having a strong visual identity or brand.
-  Publishing impact and success stories.
-  Showing the org's leadership online.
-  Being transparent about operations & impact.



Building Trust (Cont.)

Transparency Around Overhead

Respondents recognized the need for overhead costs while also frequently expressing a desire for their gift to touch the lives of those in need directly, rather than supporting back-end operations.

While there's no clear consensus from participants about the "right" overhead percentage for any given organization, there is a clear consensus that **organizations should be transparent about these costs**, and allow donors to make their own judgments. Actively shielding this information is likely to be considered worse than sharing even high overhead rates.

88% of respondents said transparency (i.e., openness about operations or overhead) is important when giving. This sentiment was more prevalent among participants reporting a household income over \$100,000.

"[I want to see] overhead, financials, and how much of my donation goes directly to the cause versus salaries."

It's a Small World

Relationships matter, and they can go a long way in building trust with an organization. Throughout this research, participants frequently expressed the power of having a personal relationship with a nonprofit staff member or board member. Respondents report being more likely to trust these organizations where friends or family members work or volunteer. Of those who have friends and family working at nonprofit agencies, **79% said these personal relationships lead them to trust those organizations more.**

On the other side of this coin, having personal relationships with staff or board members can also give individuals a "behind the scenes" look at how an organization operates. Focus group participants regularly mentioned that if they hear negative reviews about what it's like to work at a certain organization or know the agency's leadership needs adjusting, they'll actively avoid engaging with those organizations.



How We Give

Preferred Platforms and Planning (or Not) to Give

This portion of the research program sought to understand if most giving is planned or unplanned, as well as the ways in which respondents prefer to give (i.e., means, methods, and technologies).



“Social media photos will often lead me to spontaneous (but small) donations, but I still have to have some sort of personal connection to the mission or cause.”

Planned and Unplanned Gifts

This research found that budgeting for giving largely breaks down along generational lines, with older respondents indicating they're more likely to budget or plan for the majority of their charitable giving activity.

However, large numbers of participants in every age bracket say they have been moved to give “in the moment” at least once in the past. These spontaneous gifts are often spurred by a very specific, and often emotional, call to action. For example, participants said social media posts featuring images or videos along with a clearly stated need may prompt them to give spontaneously.

“Most of my giving is unplanned (i.e., in the moment decision to give) as compared to planned (i.e., budgeted for, intentionally sought out).”

- 59% of participants 40 and younger agree
- 38% of participants 50 and older agree

82% of participants between 31 and 40 years old say they have been moved to give “in the moment” after being prompted by a social media post or commercial.

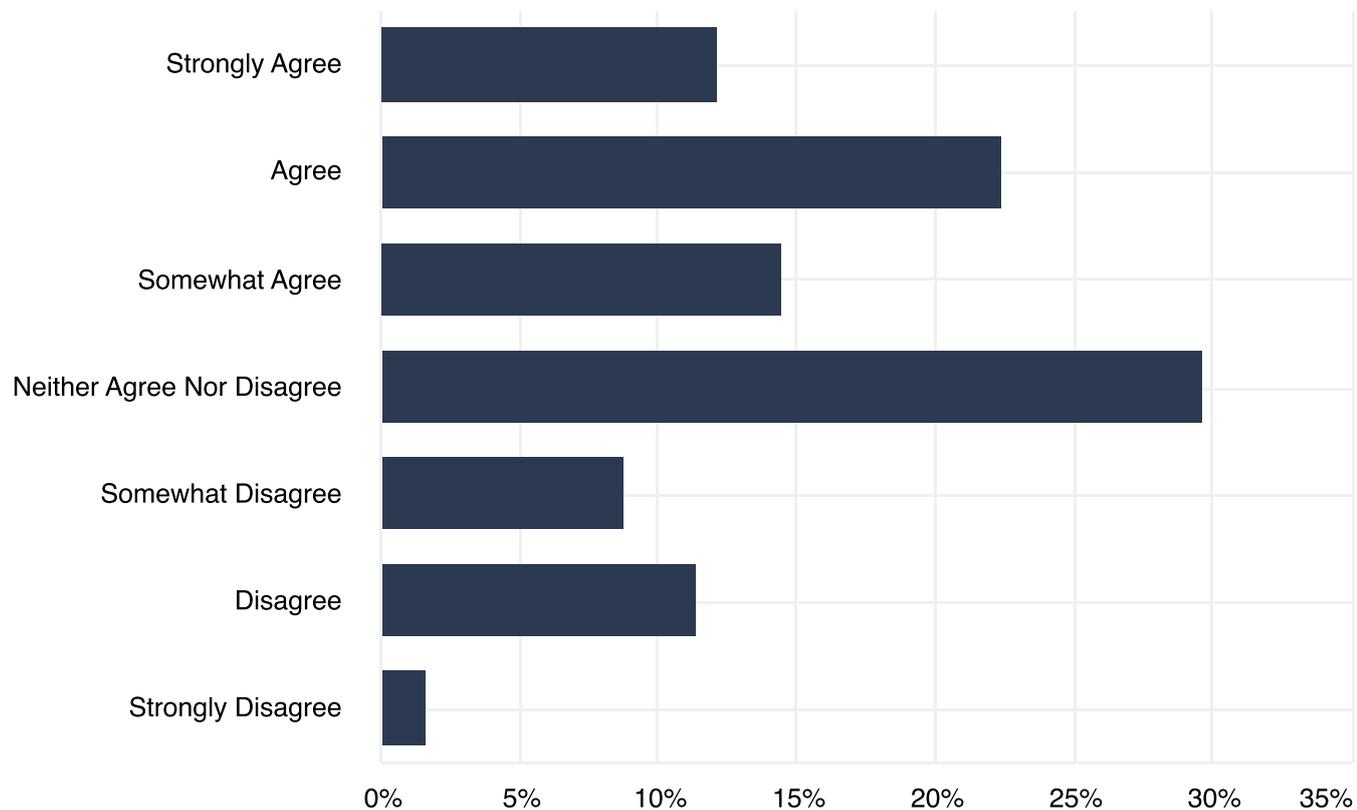


Contribution Timing Preferences

Many nonprofit agencies have expanded their fundraising strategies to include monthly, recurring gifts. This research sought to determine if that “set it and forget it” model of contributions was preferable to donors. This data shows that donors are generally more interested in one-time financial contributions, and there were no significant differences among the various age categories.



I prefer (or would prefer) to make a one-time financial contribution as compared to spreading my contributions out over time (e.g., monthly giving).



Giving in the Digital Age

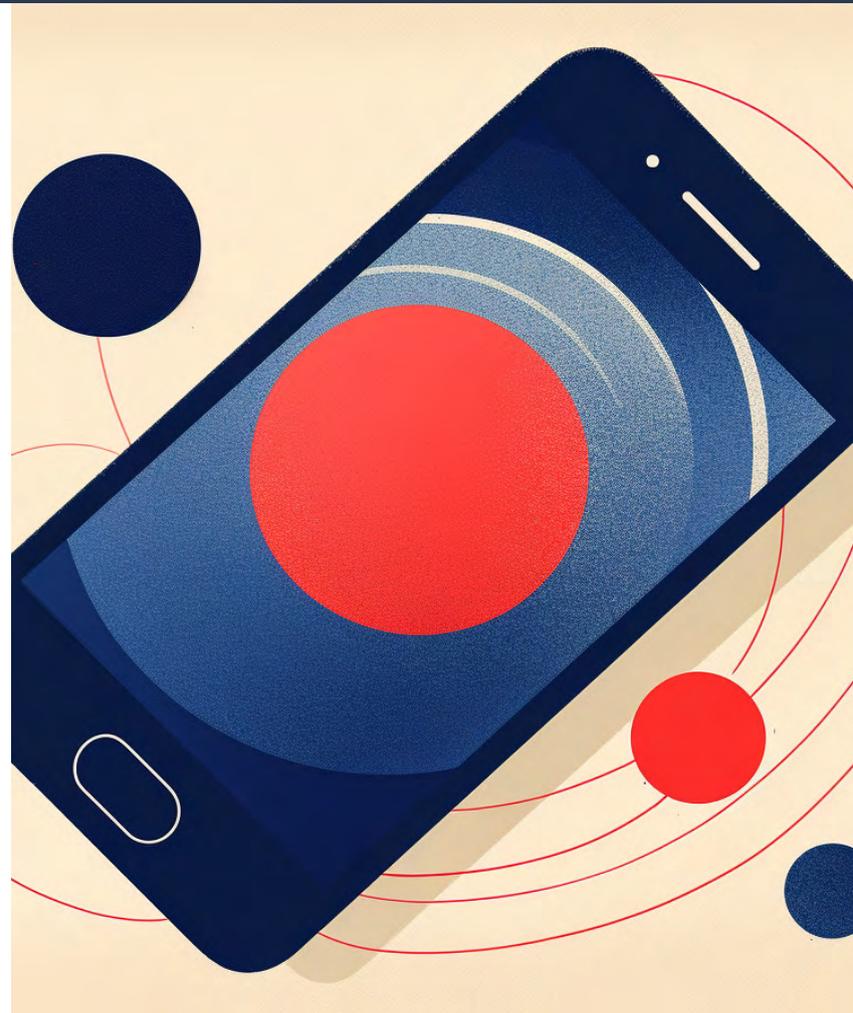
There have never been more ways to make a financial gift to a nonprofit organization. Online giving, QR codes, and good old fashioned paper checks all have their place in today's fundraising landscape.

QR Codes are Here to Stay

It's no surprise that a popular method of giving involves that little device people have within reach 24 hours a day - cell phones. Giving via a QR code is particularly popular among respondents who are 50 and younger, with a **majority of those respondents saying they'd prefer to give that way** as compared to other methods, like writing a check.

Don't Pick Up the Phone

Phone campaigns and telethons may soon be a relic of the past. Across more than a dozen possible means of giving, giving over the phone was the least favored option by far. Less than 2% of all respondents said they would prefer to give via a phone call.



Everyone's Favorite Ways to Give:

-  **18-22:** At an event
-  **23-30:** Online through a website
-  **31-40:** Online through a website
-  **41-50:** Online through a website
-  **51-60:** Online through a website
-  **61+:** Writing a check

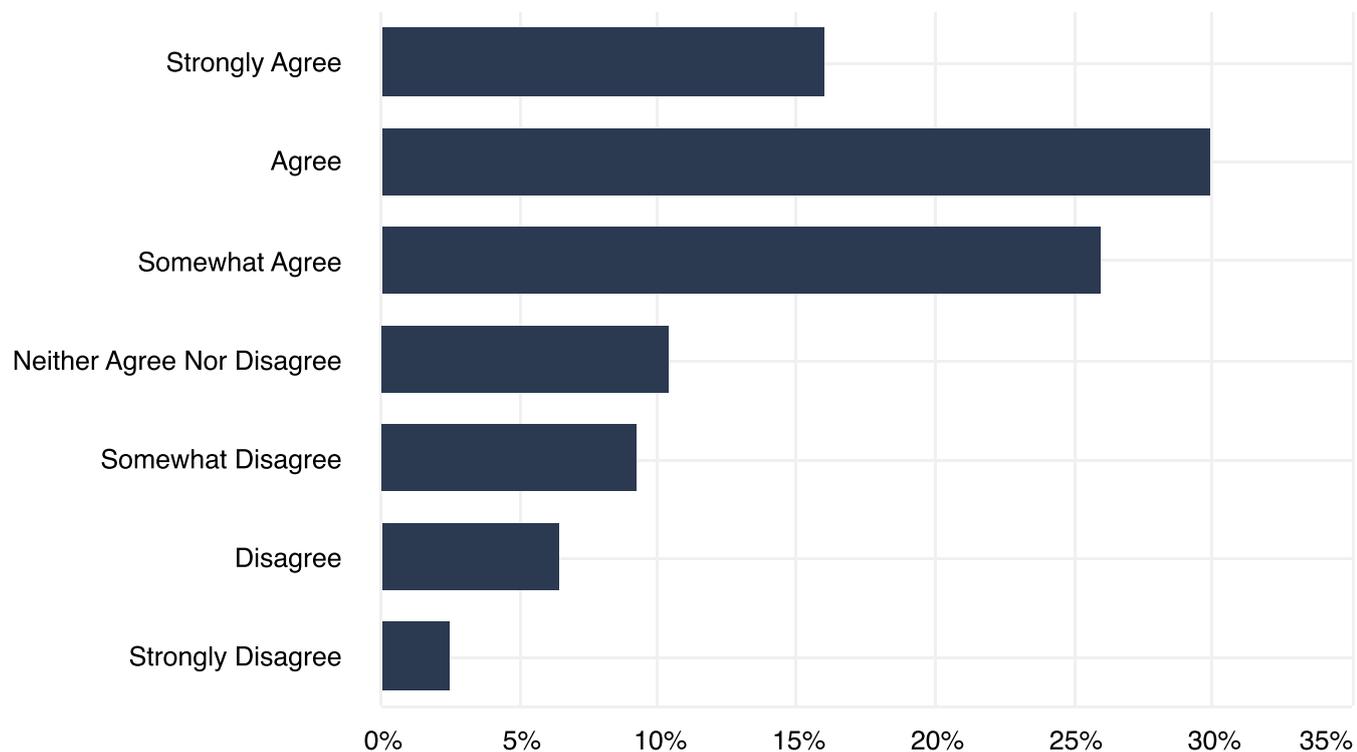


Online Payments & Platforms

Much of this research suggests the need for nonprofit agencies to offer seamless online payment solutions to ensure donors can give in the moment and with the click of a button. A central question, then, is the degree to which donors feel that those methods are safe. Broadly, participants reported being comfortable with these methods, but **donors over the age of 51 were more likely to express trepidation when using online payment platforms.**



I generally believe that online payment options and platforms are safe to use.



Conclusions

Takeaways from the Research

The data gathered during this research suggests there are meaningful differences between those under the age of 40 and those 41 or older when it comes to their motivations, preferences, and attitudes about charitable giving.

In Summary

Understanding Key Differences

National data suggests that giving is down. While that might be true in terms of amount, this research suggests that it is not true in terms of any given generations likelihood to give. **98% of participants in this research report giving at some point in the past**, with no meaningful differences between age ranges.

A key question driving this research was “Do younger audiences feel different than older generations when it comes to charitable giving, and if so, how?” The findings outlined in this report indicate yes, **audiences under 40 do have meaningfully different charitable giving perspectives and motivations.**

This audience defines charitable giving differently than their parents. Those under 40 largely reported being less religious and less conservative than their parents and grandparents, and this shift in ideology influences their charitable behavior. **These folks are more likely to give to organizations that address specific and local community needs, more likely to donate their time and expertise as an act of serving others, and less likely to give to religious entities.**



Younger audiences are also **less trusting of established nonprofit organizations**, and dedicate a larger share of their total giving directly to individuals or families.

When they do give to agencies, it's typically only to **two or three organizations in a given year**. Older donors fall on the opposite end of this spectrum. They channel the majority of their giving into established organizations, and are more likely to support eight or more different organizations annually.



Conclusions (Cont.)

The technologies that younger audiences have grown up with (including social media and online payment platforms) have fueled the sense that **donors can bypass established or “outdated” organizations, and can fund needs in their community directly.** It’s easy to Venmo someone who is struggling with finances. It’s seamless to back a GoFundMe campaign for medical needs. To remain viable, nonprofits have to ask themselves “Do we make it just as easy to donate to our cause?” and “Is our call to action as compelling as the latest viral social media video?”

And because these audiences have grown up online, they expect a strong digital presence from organizations. Younger research participants are absolutely vetting nonprofits online, and said **“outdated or dusty social media accounts and websites are a red flag.”**

These audiences say in order to earn their trust, nonprofits should have a **strong visual identity or brand, keep websites updated and easy to navigate, make annual reports available for online viewing, and showcase staff and board leadership online.**

Whereas donors over the age of 40 are more likely to plan their giving (i.e., budget for charitable financial contributions), respondents under the age of 40 are more likely to **strongly agree with the sentiment that most of their giving is unplanned,** with spontaneous decisions to give often driven by compelling online content and/or personal relationships with staff members.

Speaking of personal relationships - People are most likely to give to organizations where they have a personal connection - either to a staff member, a board member, or someone who has benefited from services. This was reinforced in focus group conversations, where younger research participants said things like **“In order to stick, an introduction to a new organization has to come from a trusted person in my life.”**

Relationships are currency. Nonprofits need to activate their staff, board members, and volunteers as ambassadors who can introduce new audiences to the organization.



Conclusions (Cont.)

Income matters. Those reporting a household income of \$150,000 or more were significantly more likely to give due to tax incentives. Interestingly, **that group was also most likely to indicate that they give because of a personal experience with the mission or cause.** Participants in this income range were less likely to prefer giving at an event as compared to other giving methods. Folks in this income range were the least likely to agree with the sentiment that large nonprofit agencies (i.e., the American Red Cross) will use their funds more effectively than small, local agencies. Finally, folks in this income category were most likely to give to 8 or more organizations/causes, annually.

Participants reporting a household income between \$50,000 and \$99,999 were significantly more likely to give if they have the option to share that they have given via social media. And, a subset of that group (those earning \$50,000-\$74,999) were much more likely to give if they could expect something in return (i.e., a mug, t-shirt, or item from a silent auction).

Participants reporting a household income between \$30,000 and \$49,999 were much **more interested in making multiple, small contributions (as compared to a single, large contribution)** than participants reporting higher incomes.

Participants were asked to rate their preferences for giving methods (i.e., via check, online). Responses to the “Giving via GoFundMe” option produced an interesting set of results related to income. 100% of participants in the bottom two income ranges (“Under \$15,000” and “\$15,000-\$29,999”) reported preferring this method less than other methods. Interestingly, the group most aligned with this sentiment was the highest category of earners, with 80% of folks in the “Over \$150,000” range also preferring this method less than other methods.

While this study certainly has its limitations, including the geographic constraints of the sample population and pool size, the findings *do suggest* that, at least regionally, nonprofits would be wise to **think about fundraising as a stratified game, with different approaches, messages, and opportunities for engagement among different age categories.**



Driving Meaningful Change

Using Data to Move Forward

Our region has a thriving nonprofit community full of organizations that are addressing critical needs. The data contained within this report is intended to be a resource for the nonprofit community and to help all organizations advance their missions.

— The Community Foundation of the Ozarks

Download This Report Online

A free download of this report summary can be found on Habitat's website at the link below:



Download this report summary at
www.teamhabitat.com/DonorReport

Action Steps

Network for Strong Communities (NSC) strengthen the impact of nonprofits by providing strategic, educational, and operational support services. NSC is an affordable, capacity building partner of the Community Foundation of the Ozarks, that works to strength nonprofits so they can increase their capacity to serve their communities. NSC can work with nonprofits to create action steps to address the findings in this report, including development of a strategic marketing and fund development plans, donor management, and organization assessment in these areas.

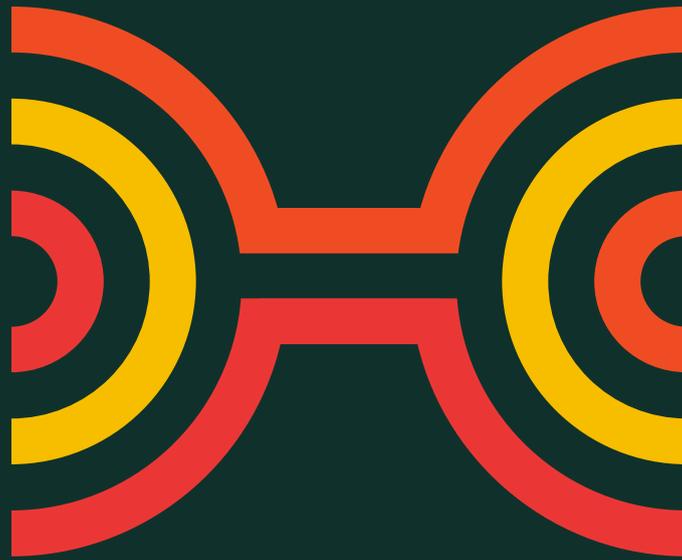
Reach out to NSC to learn more about how they can help.

Their website is nscnow.org.

Citations

1. Giving USA Foundation. (2023). Giving USA 2023: The Annual Report on Philanthropy for the Year.
2. GivingTuesday Data Commons. (2022). Rethinking Resilience: Insights from the Giving Ecosystem.
3. The Chronicle of Philanthropy. (2022). Leaders Must Confront Declining Trust in the Nonprofit World - Before It's Too Late.





HABITAT

Communication & Culture™

Organizational Needs Assessment

Strategic Planning

Management & Leadership Training

Custom Research

teamhabitat.com

info@teamhabitat.com