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Stewarding the Next Generation of Donors: Understanding and Engaging Generation Y

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Stewarding the Next Generation of Donors:
Understanding and Engaging Generation Y

by

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Abstract

Stewarding the Next Generation of Donors:
Understanding and Engaging Generation Y

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Nonprofit fundraisers tend to neglect Generation Y as a prospective target audience because they do not feel they provide a worthwhile return on investment. In reality, this age group made over $9 billion in charitable gifts in 2009, and most who made gifts expect to maintain their support in the future (Bhagat, Loeb, and Rovner 2010). Though their giving capacity ranks far behind that of the older generations that make up the majority of nonprofit donor rosters today, as the population ages, older donors will eventually vacate that position and it will be filled by younger donors as they mature in age and means. To establish strong foundations for future support within this cohort, it is important to begin building relationships with them sooner rather than later. Because Generation Y communicates and interacts in significantly different ways from

their parents' and grandparents' generations, fundraisers must develop new strategies for reaching and engaging this audience to steward them into long-term giving relationships.

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STEWARDING THE NEXT GENERATION OF DONORS: UNDERSTANDING AND ENGAGING GENERATION Y

Introduction

The United States has a long philanthropic tradition going back to the Puritan settlers who founded their new society on the ideals of Christian charity (Pallotta 2008). Over time, the informal social support networks communities relied upon for development, growth, and caring for the less fortunate have evolved into an international, professionally managed industry that seeks to serve the public good by filling the gap where there is an unmet need between what is available from the government and private sectors (Koff 2009, 5).

Since the early 1990's, the sector has expanded at a rate that outpaced the overall growth of the US economy. In 2007, there were over 1.5 million nonprofits reporting revenue of $1.93 trillion, making it the third-largest industry in America after retail and wholesale trade. The largest source of income for the sector is from fees for services, but private giving accounts for a significant portion: in 2009, that figure was over $300 billion (Crutchfield and Grant 2008; The Urban Institute 2010).

Nonprofit organizations encompass a vast array of issues, scope, and structure. Despite the diverse nature of the sector, individual organizations share the same challenges. Many, if not most, struggle to maintain staff and programs with limited resources The massive expansion of the sector means more organizations are competing for charitable dollars from private, corporate, and governmental sources (Crutchfield and Grant 2008). Economic conditions over the past two years have brought this trend into even sharper focus as state, federal, and local governments continue to cut financial support to social and other service organizations, and private donations have decreased even as the public need for such assistance has grown (Giving USA Foundation 2010). Donor recruitment and retention are becoming more expensive and less viable as response rates to broad appeals like direct mail decline (Burnett 2006, 2).

Though the vast majority of contributions come in the form of small gifts from individual donors (Mutz and Murray 2010, 105) development professionals tend to focus their energies on securing large gifts from major donors because it represents a far greater return on investment (Mutz and Murray 2010; Bhagat, Loeb, and Rovner 2010; Grace 2005; Patterson 2006). This may seem an effective strategy for organizations with limited resources, but it threatens long-term viability. Capacity is the most obvious but the weakest indicator of one's inclination to give (Grace 2005, 27) and making this a primary condition for further engagement neglects large swaths of an organization's supporters. As a result, the largest segment of the donor base has the weakest connection to the organization. Because of their limited capacity, the youngest prospects and donors fall at the lowest end of the spectrum of engagement and rarely experience the kind of individualized attention devoted to developing more lucrative relationships.

Efforts to create new pools of donors among younger audiences have generally met with limited success, and more often than not, fundraisers give up and return to their tried and true circles of support (Burnett 2006). Though younger Americans do not control anywhere near the individual wealth of members of their parents' and grandparents' generations, they represent an enormous and relatively untapped resource. Generation Y (Americans between six and twenty-four years of age) is actually quite knowledgeable and active in supporting social causes, which makes them ideal candidates for more meaningful involvement.

WHY ASK Y?

Generation Y represents a vast potential resource for nonprofit fundraisers, but the sector has been slow to direct any sustained attention to engaging this age group as new donors. There is plenty of evidence to suggest this age group is an appropriate audience to target for potential support. For instance, approximately 51 million individuals under the age of 30 gave an estimated $9.7 billion to charities in 2009 (Bhagat, Loeb, and Rovner 2010, 2). More than 30 percent of college students volunteer, which far exceeds the rate for the adult population (Dote et al. 2006) and that of Baby Boomers (adults between the ages of 46 and 64) at equivalent points in their lives (Raymond and Martin 2007, 30). A growing emphasis in schools to develop civic engagement through service-learning opportunities has increased this generation's social awareness and connection to community (Johnson 2006; Howe and Strauss 2000). Even in commercial transactions, young adults show heightened levels of social awareness. Surveys show the overwhelming majority of Gen Y-ers will consider a company's social record when making purchases, and, all things being equal, most would choose a different brand in order to support a cause (Raymond and Yastine 2007, 30).

"Giving data related to aging make clear that the country is on the edge of huge shifts in the age cohorts that represent the adult giving population (Millenium Communications Group, Inc. 2005, 6)." Though Generation Y has not yet amassed the kind of personal wealth we see among older generations, we will witness a massive transfer of wealth estimated at over $41 trillion over the coming decades (Stannard-Stockton 2007, 44). Commercial marketers understand that they must direct some of their attention to the population, generation, or market just ahead of peak of the bell curve that represents a product's best consumers to ensure there is a ready audience aging into the "sweet spot" for that product (Gronbach 2008, 21). The older generations that make up the majority of donor pools today are continuously aging out of that demographic profile, and as younger generations mature in terms of age and income they will begin to take on a more primary role. Nonprofit fundraisers would do well to devote some of their attention to the demographic that will eventually become their new “best donors” if they hope to counter natural donor attrition and maintain a viable network of friends and advocates that can eventually be stewarded into higher levels of support and participation.

Nonprofits who seek to involve younger prospects in their mission must recognize and embrace the differences that define this generation if they expect to develop meaningful, mutually beneficial relationships with them. Social interaction for younger generations is dramatically different compared to older generations, and this is not likely to change. “Baby Boomers have a tremendous amount of cash, but [younger generations are] radically changing the rules of engagement and setting the pace for how…organizations will interact with [them] (Johnson 2006, 5).”

This paper identifies key differences between Generation Y and older cohorts and presents strategies to help nonprofit organizations connect with younger constituents in a way that will foster more productive relationships. Chapter One describes the generational personas of the five cohorts alive today. The various generations do not exist in a vacuum. Though each can be defined by a common culture, social experiences, beliefs, and location in history, these attributes are directly and indirectly shaped by their elders, who are themselves products of prior generations (Howe and Strauss 2000). The overlapping life-cycles influence those that come after, thus it is useful to have a basic understanding of the more recent generations in order to develop a context for how today’s youth came to be who they are.

Chapter Two outlines the evolution of technology and the impact it has had on communication. The Internet has grown from a simple broadcast medium into a powerful conduit for interaction. Younger individuals have grown up immersed in the technology and readily embrace new advances, but older generations have a much greater learning curve and tend to be more cautious, and even dismissive of technologies they do not understand. It is essential for organizations to have a thorough comprehension of how and when to use new mediums to connect with younger audiences.

Chapters Three and Four discuss current fundraising and engagement strategies, their weaknesses, and the shifts in perspective that may be incorporated to make them more relevant and appealing to Generation Y.

Finally, Chapter Five offers suggestions for specific tools and recommendations for best practices targeted toward younger demographics which nonprofit organizations and fundraisers may incorporate into their existing strategies.

Chapter 1: Description of the Generations

A Note on the Nomenclature

An old Arab proverb says, “Men resemble the times more than they resemble their fathers (Twenge 2006, 3).” In any demographic group, there are certain shared life-experiences that can provide insight into the “generational persona” that describes attitudes across age-ranges and generations about commerce, culture, lifestyle, politics, institutions, etcetera (Howe and Strauss 2000). The differences and distinctions that define a market segment are rarely as dramatic as they are between the generations (Marconi 2001, 51). However, simplistic life-stage descriptors like Generation X, Generation Y, Baby Boomers and Matures reduce individuals to a function of their age, and do not account for all of the variations in taste, personality, attitude, and choice that are to be found across age ranges and generations (Honeywill and Byth 2006).

For the purposes of this paper (and the sake of simplicity) I rely on the stereotypical nomenclatures to refer to segments of the population that tend to share common relevant attitudes, with the acknowledgment that behavior is more important than age. The strategies I discuss below are not intended to be applied based strictly on chronology, but as a perceptual framework to inform one’s perspective and style of communication when engaging an audience who navigates their world in a markedly different way.

The Generational Personas

A generation encompasses a “society-wide peer group,” born over a period roughly based on the length of time it takes to grow into adulthood, and who, over the course of that time, come to share a set of experiences that create common persona

(Howe and Strauss 2000, 40). Depending on the source, there can be a bit of variation on when, exactly, a generation begins and ends. The general rule, however, is twenty years, give or take.

There are five distinct generations alive in the United States today: the GI Generation, the Silent Generation, Baby Boomers, Generation X, and Generation Y (Gronbach 2008).

Matures: The GI Generation and the Silent Generation

The GI Generation is the oldest living generation in the United States today. Born between 1905 and 1924, this generation was defined by the Great Depression and World War II (indeed, "GI" is a nod to the number of young men of this era who were enlisted in the military) and their numbers were significantly augmented by high rates of immigration (Gronbach 2008). Their patriotism, self-sacrifice, and civic participation are why Tom Brokaw dubbed them "the greatest generation," and social scientist Robert Putnam refers to them as America's "civic generation (Howe and Strauss 2000, 52)."

As of 2010, members of the GI Generation are 86 years of age and older. Despite being well past the age of retirement, GI-ers are still very influential due to their significant wealth (they are a generation of savers versus spenders), and their positions on many corporate and nonprofit boards (Gronbach 2008, 12).

The smallest generation of the last 100 years, the Silent Generation was born between 1925 and 1944 and today fall between the ages of 66 to 84 (Gronbach 2008, 39). Conformism, duty, and responsibility were the prevalent social norms during their youth, and always took precedence over individual wants and needs. Children were brought up to show "strict obedience, loyalty to church, and good manners," and questioning authority was not tolerated (Twenge 2006, 124).

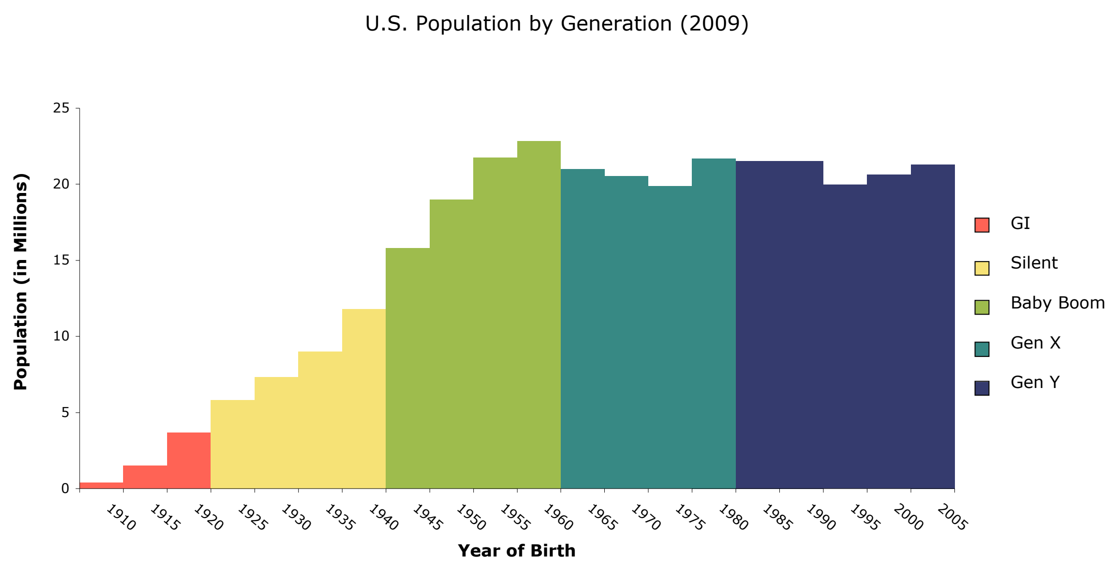
Marketers tend to lump these two cohorts together under the category of “Matures” or “Seniors.” On the whole, they tend to be conservative, “more inclined to caution, and perhaps leaning a bit to the political right (Burnett 2006, 87).” Together, they make up the largest, most active block of voters in America, which makes them quite powerful and influential despite their size relative to other generations (Marconi 2001). Moreover, though Baby Boomers represent the single wealthiest generation, the median net worth of Matures represents nearly half of the total net worth of all American families (Bucks et al. 2009). With an estimated 79 percent of them making over $30 billion in individual (non-major) gifts to charities each year (Bhagat, Loeb and Rovner 2010, 2), it is not surprising that nonprofits focus quite a bit of their fundraising efforts on this segment.

Baby Boomers and Generation X

When the soldiers returned home from World War II, a spike in the birth rate soon followed, giving rise to the Baby Boomers (1945 to 1964). They represent the single largest birth cohort of all time, and to date, still retain the majority of positions of power in politics, corporate boards, and the like (Gronbach 2008, 61). Boomers also represent the wealthiest tier of Americans, and thus command quite a bit of political and social influence. As a confluence of their wealth and numbers, Boomers make the largest proportion of individual charitable gifts, at an estimated $47.1 billion each year (Bhagat, Loeb and Rovner 2010, 2).

In reaction to their conformist Silent and GI parents, Baby Boomers placed great emphasis on individualism, creativity, and challenging conventions of the time (Howe and Strauss 2000). In their youth, they were known as “flower children” who embraced the ideals of peace, love, freedom, and changing the world (Marconi 2001, 70). Inspired by the pop psychology and self-help movements, they took an inward and individualistic focus, eschewing their parents' ideals of teamwork, collaboration, and conformity as tools of "the man." Vietnam war protests and the civil rights movement defined the times, and Baby Boomers were making up a new world as they went along to fit their generational persona. As such, many of them relied on "situational ethics" to inform their attitudes and behaviors (Gronbach 2008, 58), which, when coupled with their individualistic tendencies, gave rise to the label of the "Me Generation."

Figure 1: U.S. Population by Generation (2009)



Source: Adapted from U.S. Census Bureau, Population Division. 2009. "Annual Estimates of the Resident Population by Sex and Five-Year Age Groups for the United States." http://www.census.gov/popest/national/asrh/NC-EST2009-sa.html.

Throughout their lifetime, television captured and broadcasted the pivotal events of their youth. For the first time, people could not just hear but see what was happening in the world around them, and the medium quickly became the most powerful communication tool available. Families crowded around the television every evening to witness unforgettable images like the moon landing, Woodstock, student protests, and Ed Sullivan. Bringing explicit imagery into the homes of thousands amplified the impact of cultural milestones, and left a deep and lasting impression of shared experiences among a broad public (Tapscott 1997, 19). Even today, they are significantly more likely than their younger counterparts to use the television as their primary source of news as opposed to the Internet (Taylor and Keeter 2010, 35).

Statistically, Americans appear to become more conservative as they age (Marconi 2001, 76). Perhaps because of the sheer size of the cohort, Boomers assume their tastes and prejudices to be the majority view (Marconi 2001, 63), and they are "surprisingly intolerant of those who [do not] think like them (Gronbach 2008, 12)." Though they take their role in history very seriously, many "now downplay embarrassing images of their days of 'flower power' (Marconi 2001, 63)," and as Boomers aged out of the free-loving hippie persona, a different sort of stereotype began to emerge – that of the judgmental, narcissistic, and hypocritical adult (Howe and Strauss 2000).

After the peak of the Baby Boom came a precipitous drop in the birth rate, which marked the onset of Generation X (1965 to 1984). As products of the "Me Generation" these children were "avoided by adults more interested in self-discovery" and so were often left to their own devices by parents who wanted them to grow up to be tough and self reliant As a result, this generation did not develop close ties with previous generations, became much more individualistic and experimental, and developed in a splintered and alienated youth culture in which social rules seemed pointless (Howe and Strauss 2000).

During this time, national rates for divorce, abortion, violent crime, and drug and alcohol abuse hit an all-time high, to little public concern. Hands-off parents did not tend to shelter their children from the problems of the world, so kids were exposed at an early age to the worst of America's social ills. It is no wonder, then, that they are characterized as being apathetic, jaded, and cynical loners (Howe and Strauss 2000).

Compounding the negative stereotype is Generation X's size compared to the cohorts of their forbears. With about nine million fewer of them, X-ers grew up in the shadow of the Baby Boom generation. The infrastructure created to accommodate the vast size of the previous generation leaves impossibly large shoes to fill for a cohort that is eleven percent smaller. Boomers had to work much harder against far more competition for jobs, college admissions, and resources. But for every ten positions left open by the "graying of America," there are only nine Gen X-ers coming up from behind to fill them. With the best positions getting taken first, there is much less motivation or interest in the "leftovers". It is not that they do not like to work; they just do not have to work as hard for the same rewards as their predecessors, hence the perception that X-ers are lazy and have no ambition (Gronbach 2008).

Today, they are the "oldest segment of the population whose computer and Internet habits resemble those of [Gen Y-ers] (Tapscott 1997, 20)." Surveys show them to be avid consumers of technical gadgets, and this generation makes up two-thirds of what a report by the Pew Internet and American Life Project considers the "technology elite," or, those consumers most likely to be among the first to adopt high-end new technologies (Horrigan 2003).

In terms of charitable giving, 58 percent of Generation X-ers contribute an average of nearly $800 per person each year, for an estimated $28.6 billion overall (Bhagat, Loeb, and Rovner 2010, 2). Technophiles that they are, this age group makes more of their gifts online than any other generation, and though most indicate their primary means of engaging with a charity is through direct gifts, this group is much more likely to participate in non-traditional ways (i.e., volunteering, and word-of-mouth promotion) than Boomers and Matures (ibid., 10).

Generation Y

Born between1985 and 2004, this Generation marked another spike in the national birth rate Today, the majority of them are high school and college students, though the oldest among them are beginning to dominate entry-level positions (New Strategist Editors 2004).

In a counter-swing of the pendulum that characterized attitudes toward children in the 1970s and 1980s, America's societal aversion to children shifted radically to the era of the "worthy child (Howe and Strauss 2000, 58)." Children "were now to be desperately desired, to be in need of endless love and sacrifice and care – and to be regarded by parents as the highest form of self-discovery (ibid., 33)." New parents obsessed feverishly over their children's health, safety, education, and development, and with a rallying cry of 'family values' began a charge to make the world safer and happier place for their little bundles of joy (Howe and Strauss 2000).

As a result, children today are raised to believe they are unique and special. Measures of self-esteem among college-students show the vast majority to feel confident in themselves and their abilities — sometimes regardless of evidence to the contrary (indeed, measures of narcissistic tendencies among this age group have also risen relative to older generations at equivalent ages). They are inherently optimistic, with a strong belief in the aphorism that "if you believe in yourself, anything is possible (Twenge 2006, 62)."

Sensing a void in the kind of civic and community engagement that defined previous generations, parents have stressed the importance of those values to their children. There is a growing movement in schools to teach citizenship and group skills through collaboration, and more school-aged children are getting involved in service-learning and volunteerism (Howe and Strauss 2000). After bearing witness to the greed, corruption, and reckless use of resources in politics and commerce that have dominated headlines for decades, Gen Y will do everything in their power to leave the world a better place than they have found it (Qualman 2009, Gronbach 2008). They are actively involved in supporting social causes: they voted in record numbers in 2008, and many feel that helping people in need is one of the most important things in life (Qualman 2008; Taylor and Keeter 2010).

They are under much greater pressure to excel academically. Because of their massive numbers in comparison to Generation X and the small infrastructure left behind, Gen Y-ers must be much more competitive to get jobs and spots in college admissions (Gronbach 2008). Most parents expect their Gen Y children to graduate from college (New Strategist Editors 2004, 21), and in the face of increased competition, the "helicopter parent" evolved, taking an obsessive, hands-on approach to their children's education, reducing unstructured free time in favor of activities intended to give them a greater competitive edge when it comes to college admissions (Howe and Strauss 2000) More emphasis is placed on homework, extracurricular activities, and achieving ambitious academic goals. As a group, Gen Y-ers are getting better grades, meeting higher academic standards (Howe and Strauss 2000), earning higher SAT scores, and going to college (New Strategist Editors 2004) compared to recent generations, and as such, they are poised to become the most educated generation in American history (Taylor and Keeter 2010, 2).

Diversity and individualism are celebrated, and characteristics like independence, tolerance, and the idea that "being different is good" are taught to children practically from birth. Perhaps because they are more ethnically and racially diverse compared to older generations, Gen Y-ers are more racially tolerant and receptive to immigration than their elders, and perceive their tolerance and liberalism to differentiate them from older generations (Taylor and Keeter 2010). Social rules and norms carry far less weight with this generation who believes that there is no "one right way" to do things (Twenge 2006).

Generation Y is sometimes aptly referred to as the Digital Generation. Gen Y-ers are true "digital natives," having grown up steeped in digital technology and social media; 24 percent of them agree that their use of technology is what makes this generation distinctive from others (Taylor and Keeter 2010, 5). They are more comfortable, knowledgeable, and capable in their use of technology than their parents, and readily embrace new gadgets and advancements that improve connectivity and access to content, such as wireless Internet, laptops and mobile devices, "smart phones," and mp3 players (Lenhart et al. 2010). Gen Y-ers far outpace their elders in Internet and social media use. Over ninety percent of Americans under age 30 say they go online, and 75 percent maintain profiles on social networking sites (Taylor and Keeter 2010). With such a significant portion of their lives taking place in the social media sphere this generation is far less concerned about privacy compared to older generations (Qualman 2009, 2). Indeed, this generation "is being conditioned — as no previous generation has been — to feel comfortable sharing information, collaborating with distant colleagues and acquaintances…and valuing (not just tolerating) transparency (Azua 2010, 23)." As a result, they demand authenticity and transparency not just in personal interactions, but in commercial relationships as well.

When birth rates first began to spike in the early 1980s, manufacturers recognized that this population would be a boon to their bottom lines after a recession economy, and developed a host of new products targeted toward children and their families (Howe and Struass 2000, 73) that has spawned "a generation of consumers far surpassing any before it (Gronbach 2008, 63).” Gen Y consumes at a rate 500 percent higher than previous generations in adjusted dollars for age (ibid.), and teen spending in 2000 was documented at $141 billion (Allen 2002, 57).

After a lifetime of being saturated by advertising and marketing targeted toward their demographic, Gen Y-ers have become resistant to traditional “push” based marketing methods. Vast corporate empires in pursuit of volume and efficiency hold no appeal for these savvy and discriminating consumers, who can instantly spot a marketing ploy and will turn the other way. “Experienced consumers couldn’t care less about commercials, ads, banners, and other common marketing tools…” and technology like TiVo and pop-up blockers has made it increasingly easy to filter out unwanted messaging (Johnson 2006, 133). The term “marketing” (especially in its mass form) might as well be a dirty word as far as this generation is concerned. Trust, authenticity, and transparency are harder to come by in the transactional commercial sphere, and, perhaps because of their relative rarity, are valued above all else (Honeywill and Byth 2006). Gen Y-ers crave authentic interactions and spaces (both virtual and physical) that do not have any of the feel of commercialism or gimmicks. They want to be treated as peers rather than targets of marketing messages, and will reward those brands, organizations, and individuals who deliver personalization and respect with their loyalty and word-of-mouth advocacy (Johnson 2006).

Chapter 2: The Evolution of Digital Communications

> …[I]f a new technology extends one or more of our senses outside us into the social world, then new ratios among all of our senses will occur in that particular culture. It is comparable to what happens when a new note is added to a melody. And when the sense ratios alter in any culture then what had appeared lucid before may suddenly become opaque, and what had been vague or opaque will become translucent.
>
> (Marshall McLuhan, *The Gutenberg Galaxy*, 1962)

From the pen to the printing press, telegraph to telephone, radio, television, the digital age and the myriad of advancements in between and beyond, "the newest innovation [declares] all previous forms…obsolete (Marconi 2001, 20)." The definitive technological advancements of each era have precipitated fundamental shifts not only in the manner in which we communicate and interact with our fellow man, but the breadth of the audience one can reach. New technologies are often met with suspicion at best, and derision at worst, but a populace eager to simplify their lives will increasingly embrace effective and useful evolutions, eventually reaching a point where one could not imagine life without them (to bring the example a little closer to home, try to remember what life was like before the ease of email or the ubiquity of the cell phone).

In 2001, James Austin, Professor Emeritus of the Harvard Business School and authority on nonprofit organizations, wrote, "…make no mistake; the ePhilanthropy revolution is here to stay, and it will transform charitable giving in as profound a way as technology is changing the commercial world. Charities that have dismissed ePhilanthropy as a fad, or run from it in confusion, will, sooner or later, need to become reconciled to it. If they don't they risk losing touch with donors and imperiling the vitality of their work (Hart 2005, 7)." Though the Internet has the potential to revolutionize philanthropy, it is absolutely imperative for fundraisers and nonprofit organizations to have a thorough comprehension of the medium to be able to use it to their advantage.

EVOLUTION OF THE INTERNET

There are not many who will deny that the Internet is a powerful tool for accessing information and reaching immense audiences. Since the first Web page went online in 1991, it has transformed "from a passing curiosity into a useful tool…and the more people use it, the more indispensable it becomes (Ryan and Jones 2009, 10)."

Ryan and Jones (2009, 5) describe the cycle of and adoption of new technology thusly: as a new technology begins to emerge, it is "initially the preserve of technologists and early adopters;" as it "gains a firmer foothold in the market" it begins to attract more attention; more people jump on board to explore ways they can make it work for their own needs; and finally, the technology "migrates to the mainstream and is adopted into standard…practice." The emergence and adoption of social media is following just such a path. Younger generations who have grown up immersed in digital technology were among the first and are by far the largest cohort to embrace social media applications. Older users tend to be much more cautious, skeptical, and even dismissive of technologies they do not understand. Although Boomers and Matures represent one of the fastest growing populations on the Internet (Taylor and Keeter 2010), they have only recently begun to incorporate social media into their standard practices, and the oldest users are still the farthest behind in terms of adopting social media.

The Internet put a new degree of control in the hands of the user. Whereas traditional broadcast streams could bring one show, story, or advertisement at a time to millions of people, the Internet could bring millions of shows, stories (and maybe even some advertisements) to one person (Qualman 2002, 2). Suddenly, the individual was driving his or her experience by picking and choosing what he or she deemed relevant and interesting from an inexhaustible sea of content rather than being limited to what was offered by publishers, print editors, television programmers, and radio stations.

"Web 2.0" refers to the advent of bi-directional communication capabilities that allow users to interact within the medium. Anyone who has "shared photos on Flickr, read and commented on a blog,…watched a video clip on YouTube…or looked up an article on Wikipedia [has] used Web 2.0 technologies (Ryan and Jones 2009, 14)." At first glance, it seems like a subtle enough innovation, but the impact has been dramatic. Before this point, users had a modicum of control in that they had innumerable choices in terms of content and sources, but the Internet was still just a broadcast medium. With the social media enabled by Web 2.0 it evolved into a conduit through which, with a few clicks and keystrokes, one could gather, distribute, and publish information that has the power to connect, entertain, educate, and mobilize unprecedented numbers across geographic, temporal, and social boundaries.

Social media encompasses those "activities, practices, and behaviors among communities of people who gather online to share information, knowledge, and opinions using…Web-based applications that make it possible to create and easily transmit…words, pictures, videos and audio (Safko and Brake 2009, 6)." It may seem counterintuitive, but the millions of daily updates, posts, and bits of information contained therein are actually helping people simplify their lives. As adoption of the technology becomes more widespread, the impact becomes more evident. The following key trends illustrate how social media is changing the social landscape.

Interconnectivity

"Traditionally, democratic communities have been characterized by face-to-face encounters that bring diverse individuals together in physical places to address shared concerns (Lenhart et al. 2008, 4).” Email, instant messaging, and social networking sites like FaceBook and MySpace, and other peer-to-peer networking platforms “reinforce social networks and build new virtual communities (ibid., 5)” in which participants can engage in conversation, debate, and community life and strengthen ties with other participants, regardless of geography (Ryan and Jones 2009).

Before the advent of social media, an individual’s offline social circles were finite in that they were limited by the amount of time and attention one had available to invest in cultivating connections. Social media, on the other hand, diminishes the constraints of cost, geography, and time involved in managing relationships, allowing users to create, maintain, and enhance innumerable loose ties with others without sacrificing more important personal relationships (Kang 2010). The power of social networking lies in a combination of these strong and loose connections. The core participants with the strongest connections have more obvious, immediate value, but those on the periphery of a network can geometrically expand the reach of a message; though they may only be loosely associated with one network, they have strong ties to others, and a message that originates from one hub can thus be passed from network to network by the people that link them together (Kanter and Fine 2010).

Information is Power

Connectivity breeds power, and when groups of people band together around an issue or cause, that power is magnified. “Information is valuable in the [digital marketplace], and influence comes not from hoarding information, but from sharing it (Johnson 2006, 11).” User generated content has vastly increased the scope and depth of news, opinion, entertainment, and information available. Discussion forums, consumer reviews, blogs, and the like allow users to post their thoughts and opinions online with little to no cost. Others users can tap into this rich source of collective knowledge to compare and contrast products, services, news sources, and experiences that help inform their own decisions. Jaded consumers “do not readily believe professionally crafted messages” from institutions that habitually fail to live up to their promises; instead, surveys show they place more trust in word of mouth, direct experience, and online media (Cakim 2010, 5). The result is that the balance of power in commercial relationships is tipping toward the consumer (Ryan and Jones 2009).

Traditional wisdom once dictated that we show only our good sides, and conceal what might be less than flattering. Today, with so many people talking about products, companies, research, mainstream media, and public figures, it is increasingly difficult to hide even small blemishes. “The new market has sharp watchdogs that work to protect the integrity and authenticity of the [marketplace],” and will diligently expose shortcomings, half-truths, and less-than-authentic practices to hold people and institutions accountable (Johnson 2006, 9). The other side of the coin is that when users find examples of authentic practices, products, and behaviors, they are happy to become evangelists, spreading the word about positive experiences to their social networks. Companies that have recognized the power of consumer opinions to influence others have tapped into this valuable resource to help guide design and improvement of products so they can offer exactly what the market is asking for (Ryan and Jones 2009; Johnson 2006).

Relevance Filtering for Personalization

The size of the Internet has grown exponentially since its inception. In 1995, there were fewer than 20,000 websites; one year later, that number leapt to nearly 350,000 (Ryan and Jones 2009, 12). As of the time of this writing, the Internet hosts at least 23.79 billion searchable pages (www.worldwidewebsize.com), which only scratches the surface of what is truly available. There are literally trillions of pages and associated content in the deeper layers, making it impossible to capture any kind of accurate accounting of what is actually out there. As consumer usage has steadily increased, commercial marketers eager to reach this massive audience have spent billions on hawking products and services online, which only adds to the cacophony (Ryan and Jones, 13).

With such a mind-numbing sea of choices and information to wade through, users must sift and sort through what is available to arrive at what they are looking for. People are becoming increasingly adept at filtering out material that is irrelevant or out of context, and new technologies like TiVo, pop-up blockers, and spam filters make it even easier to avoid the distractions of "push" marketing in favor of personalizing their online experience (Johnson 2006). In an age when individuals can pick and choose what fits their needs, wants, and desires at any given moment, the mass marketing tactics of pushing a prepared, "one-size-fits-all" package to a captive audience has lost what little appeal it had to audiences in the first place (Honeywill and Byth 2006).

On Demand Availability

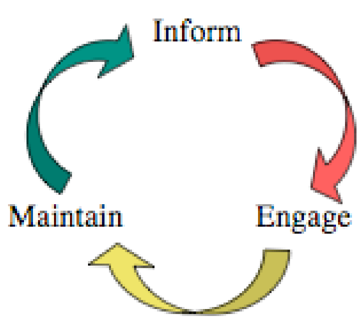
As digital technology continues to emerge and blend with existing platforms (consider the iPhone, for instance) the expectation for instant gratification accelerates (Ryan and Jones 2009,17). Users are becoming accustomed to getting information and entertainment on demand. As speed and ease of access continue to accelerate, patience, particularly in the online world, diminishes.

Chapter 3: Stewardship and Fundraising Strategies Today

THE STEWARDSHIP CYCLE: INFORM, ENGAGE, MAINTAIN

Donors are drawn to support an organization and its mission gradually, and the closer an individual comes to an organization, the more likely she or he is to make gifts of time and money in support of its mission. Fundraisers employ a strategic cycle of engagement to incrementally move donors up through the stages of involvement into increasingly generous gifts (Patterson 2006, 3). Figure 2 illustrates the pattern of stewardship one must follow to build the kind of deep connections with stakeholders that will elicit ever-greater levels of support.

Figure 2: The Cycle of Stewardship



Source: Adapted from Patterson, Sally. 2006. Generating buzz: strategic communications for nonprofit boards. Washington, DC: BoardSource and Grace, Kay Sprinkel. 2005. *Beyond fund raising: new strategies for nonprofit innovation and investment*. 2nd ed. Hoboken, N.J: John Wiley & Sons.

Individuals at each stage have different needs, and strategies must be tailored to their respective capacity and position in the stewardship cycle. Moreover, an individual's degree of involvement is not static. Even the most high-level donors are not in a constant state of readiness to act. Depending on internal and external factors, people will cycle in and out of the various stages, regardless of their capacity and history of support.

It is critical to maintain relationships with prospects at all levels of engagement so one may regularly tap into these segments to mobilize different forms of action. For instance, more highly engaged individuals can be tapped to fill volunteer roles or serve as community advocates, while individuals with less personal involvement can be relied upon to provide a critical base of financial support in the form of annual giving.

The following sections will explain the major stages of the stewardship cycle and enumerate some of the more common techniques used to leverage donor support at each point in the process.

Inform

Information is used to raise visibility and awareness within an organization's community by sharing knowledge about the institution, its mission, goals, and accomplishments to a wide range of people (Grace 2005, 119). It includes typical marketing materials such as brochures, newsletters, public service announcements, annual reports, and media coverage, but is not limited to purely educational communications. These elements lay the groundwork for establishing external perceptions about the organization and its brand (Sargeant and Sheng 2010). Broad acquisition strategies like direct mail and telephone solicitations satisfy this condition of the stewardship cycle in that they convey information about a cause and the organization's accomplishments to new and existing audiences.

The type and style of message delivery depends on the level of awareness and engagement of the target audience. Members of the general public may or may not know about or have reason to be affected by an organization and it's mission. This group can be considered "blank slates" that need basic information to promote further involvement.

Communications at this stage represent organization's first opportunity to "introduce themselves" to new supporters by educating them about the issue and the organization's work. Aware audiences have some degree of knowledge about an issue but are not actively involved in addressing it. For prospects at this level of awareness, an organization must provide information that will translate recognition into action. Active audiences are already directly involved in addressing an issue, either as donors or volunteers. The challenge at this level of awareness is to present them with information that will maintain their interest and encourage continued support (Patterson 2006). Garnering attention from these various constituencies requires creating different messages tailored to the level of understanding and interest for each segment as it exists in a particular moment in time as opposed to a "one-size-fits-all" message reflecting where an organization might like them to be in terms of action or awareness (Burnett 2006, 15).

Marketing Materials

Newsletters, brochures, websites, news coverage and advertisements in mainstream media, and the like are the easiest way to introduce an organization to a large number of people. They should convey information about the organization and the cause using language and images that will resonate with the targeted segment, be delivered through the most appropriate vehicle for the recipient (i.e., email, traditional mail, preferred news sources), clearly convey the values of the organization, and attempt to directly connect those values to those of the audience (Joyaux 1997). Regardless of their level of affiliation, prospects and donors are far more receptive and responsive to information they want to receive. Messages should be developed with the target audience in mind; they will only be noticed, read, and remembered if they present information an individual is interested in and matches his or her level of understanding (Burnett 2006).

Direct Mail

Direct mail is the most commonly employed method for building support among new audiences. Prospect lists can be rented from mail services, exchanged with similar organizations, or come from an organization's own database. The basic formula for composing a direct mail piece is to start with an emotional appeal, describe the problem, present your solution, and explain how the reader can help (Grace 2005, 121). Additional enclosures such as brochures and fact sheets are often included to reinforce impact by appealing to other values that may not be explicitly addressed in the text of the letter. Tangible benefits such as personalized return address labels, calendars, and other token gifts may be utilized as further incentive. The Executive Director or other senior staff member usually signs the appeals to increase the perception of credibility and confidence in the organization (Sargeant and Shang 2010, 87).

"Solicitations are especially powerful when the gift amount is tied to a particular outcome…" because it helps readers form a picture of how their gift will make a difference (Sargeant and Jay 2004, 96). Moreover, framing the specific amount requested in terms of what that dollar amount will accomplish establishes a context within which they can make a mental accounting. For example, statements like "$50 will provide four families with food for a month;" or "$100 will clean oil from one mile of endangered wetlands " allow readers to evaluate the utility of their gift against the value of those outcomes. Breaking the request down into monthly or quarterly amounts further diminishes the impact of the financial sacrifice, particularly for the budget sensitive (Sargeant and Shang 2010, 91).

Securing additional gifts from existing donors strengthens their connection to the organization, so direct mail is also used to renew or upgrade support from active audiences (Ciconte and Jacob 1997). These letters are always personalized (i.e., no "Dear

Friend" or other generic salutations) and are an important means of providing feedback on the impact of a donor's support, recent accomplishments, and what further achievements lie ahead. To this end, including financial reports and statistics enhances credibility and conveys that the organization is effective in addressing the issue, spends money wisely, and honors donor intent, and is therefore worthy of further investment (Bray 2008, 93).

Telemarketing

Telemarketing is another common strategy used by nonprofits to help raise their profile among wider audiences and establish a larger base of support. Volunteer or paid callers work from scripts in which they begin by identifying themselves and the organization they represent and, after establishing that this is a convenient time for the contact, will continue by presenting some highlights of the organization's work and articulating just how a donor's support can help make a difference. They key advantage of telemarketing over direct mail is that callers have the opportunity to work through potential objections. For instance, if the contact responds that he or she cannot afford to give at the level initially requested, the caller can suggest making a pledge that can be fulfilled in smaller increments or at a later date. In addition to disseminating information about the organization, the organization has the opportunity to gather information from prospects and stakeholders on why they choose to give (or not to give), and what specifically interests or inspires them about the organization's work. Personal conversations help to establish a deeper connection with existing donors, and are far more effective for renewing and upgrading donors than pure direct mail campaigns (Ciconte and Jacob 1997).

Engage

Individuals who respond positively to information on mission and programs are candidates for further relationship development. Engagement involves moving individuals from passive to active relationships by creating dynamic opportunities to participate in supporting an organization (Grace 2005). This can take many forms, including volunteering, site tours, meeting beneficiaries and key staff, board and committee appointments, and other personalized forms of communication and interaction. An individual's level of engagement is the strongest indicator for determining proclivity for further support, and is thus the most critical to cultivate (ibid., 27).

The key to engagement is to create an emotional link between individuals and an institution by uncovering personal values, wants, and needs and providing rewarding experiences expressly tailored to satisfy those motivations and encourage them to feel as if they are involved in a partnership (Grace 2005). It should be "personal, relevant to the donor's unique interests and needs, timed to the pace and style of the donor, and delivered via each donor's preferred medium (Lindahl 2010, 144)." "Listening to donors…will allow fundraisers to connect personally and professionally with donors and will result in more committed donors and greater success in the overall fundraising process (Lindahl 2010, 27)" so it is important that the staff members or volunteers who interact with prospects spend time listening instead of doing all the talking.

Depending on the outcomes and level of commitment one seeks to engender, engagement can take months, if not years to develop and as such, can involve significant investment of resources. Thus, the most highly personalized strategies like face-to-face visits and elite volunteer appointments are reserved for those prospects with the capacity to offer the highest return on investment (Mutz and Murray 2010; Bhagat, Loeb, and Rovner 2010; Grace 2005; Patterson 2006).

Face-to-face Visits

Face-to-face visits are “the most successful and proven way to engage or reaffirm the investor relationship, reinforce previous giving, share enthusiasm and results, and convey the sense of partnership between the organization and the donor in accomplishing the mission of the organization (Grace 2005, 126).” Highly personalized contact socializes individuals into the institution based on the development of a shared identity and facilitates deeper exploration of their values, motivations, and interests and the ways “in which the values of the organization can bring that individual…satisfaction as an investor (ibid., 78).”

A face-to-face interaction can take many forms, and need not be limited to meeting with the fundraising professional; it is more effective to find out whom within the organization the donor respects, admires, or is otherwise interested in meeting. Going to the donor for a meeting conveys the importance of his or her status and place within the organization. Inviting someone to visit the organization or the place where its work takes places can be particularly powerful because it makes that person part of the story, which facilitates the process of internalizing association with the organization as part of his or her identity (Sargeant and Shang 2010).

Volunteering

Volunteers are critical to the success of a nonprofit’s mission. Making use of community partners helps organizational staff accomplish more work, expands the reach of the organization’s message to a volunteer’s personal and professional networks, and gives the most passionate among an organization’s supporters the opportunity to become personally invested in the mission and work.

Even though the organization itself has much to gain from volunteer contributions, those who become involved at this level do so as much to meet their own needs as those of the institution they are working for. To maximize the contribution for both sides, a common strategy is to ask that volunteers commit to a certain amount of time and a consistent schedule. Not only does this help existing staff to coordinate tasks and manage workload, it facilitates accomplishment of far more ambitious goals when they volunteers are working to meet expectations external to their own (Bray 2008, 27). Far from taking advantage of unpaid staff, this kind of strategy leads volunteers to learn that they are capable of achieving far more impact than expected, which in turn increases the internal sense of reward gained from the experience. To accomplish this degree of success with a volunteer program, volunteers and staff must both have clear understandings of what is expected, what each side hopes to gain from the experience, and how well they are meeting those expectations

Maintain

Finally, maintenance requires acknowledging and reciprocating an individual's contributions (Patterson 2006, 5). "When donors have made a gift in the past, whether they continue to give depends to a great extent on the quality of the relationship the organization is able to maintain with them (Sargeant and Jay 2004, 39)." Those who feel valued are more likely to continue their support. Positive and consistent feedback can establish a habit of giving within an individual over time, but it takes time and attention to develop long-term, loyal constituents (Sargeant and Shang 2008, 92).

Acknowledgment

Empirical research supports a link between the perception of adequate recognition and the level of subsequent loyalty (Sargeant and Shang 2008, 93). "A donor who does not feel appreciated is much [less likely to] renew his or her support (Ciconte and Jacob 2006, 92)," therefore, a sincere and timely acknowledgment of every contribution is critical. Thank-you notes that acknowledge the donor's caring, generosity, and other self-esteem boosting language associated with morality can be especially effective (Sargeant and Shang 2008, 92). For the sake of efficiency, many institutions choose to acknowledge donors with brief form letters or pre-printed cards up to a certain pre-established amount, at which point more special attention is given in the form of a personal letter or phone call from a director, fundraising officer, board president, or other "higher-up" within the organization (Ciconte and Jacob 2006, 92).

Feedback

Donors, particularly those who have made significant gifts, want to know that their investment has been effective. Additional feedback demonstrating that donor intent has been honored through prudent and effective investment of their gift instills a sense of accomplishment and appreciation that will ensure they remain open to further communications and appeals (Lindahl 2010). Informative updates on impact and progress are also a means of offering feedback and maintaining regular contact with existing patrons in the absence of a request for additional donations (Sargeant and Jay 2004, 93).

Ideally, organizations want to bring donors to the point where an appeal automatically triggers an action without requiring much thought on the part of the donor (Sargeant and Shang 2010, 92). To accomplish this degree of involvement requires a robust engagement strategy that engenders trust in the organization. Donors must believe without having to stop to mull it over that the organization has a legitimate need and that the funds requested will be used prudently and effectively. Regular and transparent reporting that consistently links gifts to tangible outcomes should be emphasized to develop positive attitudes about the donor's efficacy and the organization's work (Bray 2008, 87).

Chapter 4: Critical Analysis

Mainly due to their limited capacity, younger audiences are most likely to fall at the lower end of the spectrum of engagement. This is not to say that nonprofits have not tried to reach this group, but efforts to create new pools of donors among younger audiences have met with limited success, and more often than not, fundraisers give up and return to their tried and true circles of support (Burnett 2006, 4). The most frequent complaints in regards to targeting this generation for fundraising are that they are fickle, difficult to reach, and too costly to maintain. They do not respond to traditional mass-marketing tactics, and they have unrealistic expectations of personalized attention that would normally be reserved for major donors. I do not discount the veracity of these claims – in fact I agree that these are qualities inherent to this cohort (recall Gen Y's individuality, sense of "specialness," and their resistance to traditional advertising as mentioned in Chapter 1). Though these traits do not mesh with traditional fundraising tools and techniques, it does not make them ineligible as potential supporters. On the contrary, reaching, mobilizing, and maintaining mutually beneficial relationships can be easily achieved by adjusting existing strategies to make them appropriate for a different target audience.

INFORMATION

Early communications for the general public as outlined above are designed to inform and build awareness. Materials tend to be print heavy, which is expensive to produce in large quantities; as a result, messages are usually broad and generic so that the pieces can be used for the widest variety of situations. The disadvantage, however, is that broad and generic language rarely spark passion or inspire action.

"The predominant style and content of direct mail today is oriented toward Matures (Bhagat, Loeb and Rovner, 3)." Complex issues are simplified into bite-sized tidbits to make them appropriate for audiences who are not familiar with an issue or organization, language is more formal to convey credibility and professionalism, and messages are somewhat conservative to match the tendencies of this generation and to avoid alienating or offending potential supporters (Burnett 2006). Prospect lists that come from other organizations are going to be populated by the people who responded to identical strategies for those institutions, namely, Matures and Boomers (Bhagat, Loeb and Rovner 2010). Even if younger contacts do make it onto these lists, a conservative message developed with an older audience in mind is not likely to resonate or inspire the passions of a much younger, more liberal, and socially aware Gen-Yer.

A common weakness is the tendency for nonprofits to design messages around what the organization wants people to know versus what the reader wants to read. This is not to suggest that they should tell prospects what they want to hear, but rather that they should seek to design these messages with the audience's degree of interest and level of understanding in mind. If a reader is not interested in what an organization has to say, messages will be deleted or tossed in the trash without ever being opened (Burnett 2006).

The greatest weakness of the traditional format is that the flow of information is unidirectional: from organization to reader (Burnett 2006). Direct mail, fact sheets, brochures, and static Web-pages talk *to* people at best, or talk *at* them at worst. They do not invite or allow for dialogue on topics, which, by their nature, have great potential to inspire passionate responses and conversations. Multi-directional communication is critical to sparking deeper interest and personal involvement. Posting news, information, and appeals to social media platforms can reach geometrically larger audiences with little or no cost, save for the time it takes to type a few lines of text and click 'share.'

Information is presented in a forum through which people can respond with their own thoughts and comments. They can converse with organizational staff and others among the general public who share their interest in the topic without the need for a formal introduction. Those who find a post or link particularly relevant or interesting can introduce it to their own personal networks with a few clicks of the mouse, which gives organizations access to new audiences they would not have been able to reach on their own without considerable expense and effort (Kanter and Fine 2010). Research has shown that "[d]onors frequently choose to support causes that are linked in some way to their formal or informal networks…[w]hen specific causes are linked to donors' networks, the likelihood that they will support those causes increases (Sargeant and Jay 2004, 38)."

Approaching information as a tool to facilitate dialogue empowers constituents to move from being passive listeners into active participants. Being part of a conversation and sharing their thoughts and opinions with others incorporates it into their public identities and breeds further ownership and interest in the success of an organization's mission.

ENGAGEMENT

Developing relationships is critical to successful fundraising, but "maintaining meaningful connections requires significant time from volunteers and staff (Ahern and Joyaux 2008, 43)." Development professionals devote substantial time to this effort with their major donors, but donors at the lower end of the giving spectrum are far less likely to get this sort of special treatment. Reserving the most personalized forms of engagement for top donors and prospects neglects large swaths of the donor base that may be equally passionate and open to increasing their level of involvement but are never given the opportunity to communicate that interest to the right people.

Furthermore, it limits relationships to a transactional nature. Surveys of lapsed donors have shown that many stop giving because they do not feel connected to an organization or its results; others expressed frustration at only being contacted when the organization wants money (Ahern and Joyaux 2004, 47). Certainly, there will be a proportion of donors who are perfectly content to simply write out a check each year. But there is just as certainly a segment that would welcome opportunities to be active participants in the causes they care about. Both types are interested in some manner of relationship, but they want it "in *their* terms and according to *their* definition (ibid.)" For Generation Y, that means meeting them where they are and delivering experiences and opportunities relevant to their interest and capacity. This generation will soon tire of a transactional relationship and go in search of more personally rewarding experiences.

As much as any nonprofit would love to have a large base of loyal and active donors, traditional methods of relationship development are simply too time consuming and costly to be applied to large segments. However, "[s]ocial media are remarkably powerful tools for nurturing loose ties over time (Kanter and Fine 2010, 29)." Relationships that are established online can be maintained with occasional emails or posts, and more importantly, requests for input from supporters. Giving younger stakeholders an equal voice engenders trust and respect for the organization and makes it far more likely that they will continue active participation. Research has shown that "social interaction around shared interests can build social networks and social skills that foster civic and political engagement (Lenhart et al. 2008, 6)." A survey conducted by the Pew Internet and American Life Project suggests that teens who actively contribute to online social communities related to a specific area of interest are more likely to be civically and politically engaged (ibid., vii). The open format of social media makes it increasingly simple for young people to "participate in community life, to become political leaders – even if only [online]," and "[e]xpanding opportunities for participation may change their self-perceptions and strengthen their ties with other citizens (ibid., 3)."

Organizations that rely on one-way messages communicate with the majority of their donor-base are missing out on opportunities to learn what constituents and stakeholders are thinking and saying about the organization, the issue, current events, and potential opportunities. Traditional strategies do not provide those outside of the inner circles of engagement with opportunities to be heard, and thus restricts what an organization learns to the perspectives and insights of a relatively small portion of stakeholders. To engender trust and respect within the largest portion of their donor base, organizations must open streams of contact to allow for input from all stakeholders, and convey the notion that their thoughts and opinions carry equal weight, regardless of their position. Listening in real time helps organizations continuously improve the experience for their constituents. Comments, questions, complaints, and accolades can be acknowledged promptly without any of the trappings of formal or institutional language, which helps the organization maintain relevance among a community that values instant gratification.

It also expands possibilities for volunteer involvement. Research has shown that the more ways a supporter is able to engage with an organization, "the greater the degree of commitment he or she will feel (Sargeant and Jay 2004, 49)." Traditional volunteer opportunities are often limited to roles that require being physically present during an organization's business hours. Adding a requirement for long term commitment and a consistent schedule may make life easier for organizational staff, but it only creates more obstacles for Gen Y-ers who want to participate on their own terms and on their own time. Online volunteering allows them to make valuable contributions that are not limited by time and space, and opens up more opportunities in line with their interests and inclination to spend time online.

MAINTENANCE

Maintaining relationships requires continuous engagement. Prospects and donors who have established a connection must be nurtured through continuous acknowledgment and feedback that is not limited to gifts and physical action. Those whose participation takes place strictly via social media must also be recognized for their contributions. This does not mean that organizations must respond to each and every post or comment, but it does require consistent and thoughtful responses that will reinforce participation.

People who get their first taste of involvement with an organization through social media channels want to feel as if they are making a difference, but they want an easy way to do it. To steward that passive interest into action requires acknowledging the value of that form of participation as a starting point to the relationship and working to find ways to encourage those individuals to increase their commitment over time.

Chapter 5: Engagement Strategies for Generation Y

Fundraisers must reexamine the techniques and tools they use to reach audiences and build relationships so they are incorporating streams and styles of engagement relevant to a younger generation. The strategies typically employed to develop and deepen relationships with existing donors have been created for an audience that communicates and interacts in dramatically different ways. The "tried and true" tactics that fill a fundraiser's tool-box were developed after years of working with Mature and Boomer audiences, and as such, are geared toward older, more affluent donors already engaged with an organization. More often than not, they are intended to facilitate involvement with an issue through the act making a gift, which is not necessarily the best place to start for a cohort that has more time and passion than money.

In this day and age, it is critical for nonprofits to establish an online presence, but simply having a Website is not enough. Although it is capable of delivering information to millions, the number who access it will remain limited unless there is a compelling reason to "tune-in (Irish 2005, 69)." Users need something of value, which may be delivered in the form of interactive content with utility and purpose that allows them to personalize visits according to their tastes.

TOOLS AND TECHNIQUES

The following sections provide suggestions for optimizing Web-based strategies to make them relevant to the "Connected Generation."

Websites

In the early days of the Internet, Websites were simply another form of static content delivery. Transactional capabilities, such as making gifts online, were a first step toward increasing the value of the medium to organizations who could made it much more convenient for individuals to make financial contributions. It significantly lowers transaction costs compared to more traditional channels (Powell 2005, 17) and is much more convenient to a donor who can skip the steps of writing a check, locating a mailing address, affixing a stamp, and putting it in the mail. In fact, the average online gift is larger than through other channels (ibid., 18). Although this is an essential component for nonprofits to include in their online offerings, the rest of the website must be optimized to drive traffic to the site and, more importantly, keep it there. 'Brochureware', or "descriptive, static pages that [provide] information but [do] not allow for any supportive actions or community interactions," is no more engaging than standard print materials, and will not appeal to younger, more tech-savvy audiences (Haji and Neichin 2005, 84). Gen Y wants entertaining content, immediate gratification, the ability to connect with others, and a menu of options through which they may personalize the experience.

The home page is most likely to be the first place people land when searching for information on an organization or the cause it addresses. It should convey information about the brand in an attractive, appealing, easy to digest manner that invites further exploration. It should not host every bell and whistle, but those elements should be easy to navigate to. The home page is merely the cover of [the] book;" the information prospects are looking for and the tools that will keep them interested and engaged in the rest of the story will be found inside (Safko and Brake 2009, 124)." Eye movement tracking studies show that the first place people direct their attention is to the top left corner of the screen, so this is where the most important messages, images, or logos should sit. Other key messages should find a place in the first pane of the browser screen; one cannot assume readers will always scroll down for more information (ibid., 126). Every element should be designed to encourage further action in the form of clickingthrough links to learn more, make a gift, leave feedback, and the like. Research shows that people take less than two seconds to decide if a headline or link is worth further attention; if they do chose to move forward, one has only another five seconds to capture their attention with the next page or article (ibid., 105). Headlines and opening sentences must immediately capture attention, or the users will surf right on by.

"Human psychology is such that the more robust or stimulating the experience, the more engaging it is, and the better we comprehend and retain that experience (Safko and Brake 2009, 237)." The nature of the issues nonprofits address gives them the opportunity to present powerful images and stories through inexpensive audio and video components that can bring audiences closer to the issue and make the need more real, immediate, and compelling. These components are also compatible with mobile technology that is becoming more prevalent on cell phones, which further increases the convenience and immediacy of sharing information, particularly among young audiences who are the heaviest users of this vehicle for sharing information (Lenhart et al. 2010). These elements do not need to be slick or professionally produced to achieve an impact. Go out into the field and collect stories from those the organization seeks to help. Show their plight and examples of success stories and post them to external sites like YouTube to make them more findable. Invite contributions from constituents – both those who use the organization's services and those who want to be involved in the solution. Keep comments open to learn about reactions and interest.

The San Francisco Symphony hosted an online contest in which members of the community could win tickets to an opening gala with a renowned musician by submitting stories and videos that conveyed their passion for classical music. Not only did the contest generate interesting and personal content for their website, "the competition sparked conversation about the importance of music in people's lives (http://mashable.com)." Entertainment became a pathway to engagement. The SF Symphony gained a higher profile in the community, brought new audiences to their site, and got them to start thinking about music in a unique way and talking about it with others they never would have connected with otherwise.

Facebook

Facebook is probably the most well known and widely utilized of the social media applications. Developing a network of support through Facebook makes it easy for organizations to connect and maintain relationships supporters in a medium that they already access on a daily basis by adding fan pages and cause pages that people can incorporate into their social networks.

Fan pages are basic profile pages organizations can use to present their identity. Rather than "friending" organizations, followers "become a fan" and the organization's page is added to their list of friends, and any posts become a part of newsfeed they see when they log in to their Facebook accounts. Individuals may comment on posts just as they would those of an individual profile, and anyone who visits who visit the profile pages of a fan will also see the conversation taking place, thus the size of the audience reached can grow exponentially.

Facebook Causes supports user-created advocacy groups with additional tools that help organizations mobilize supporters. Cause administrators can use the forum to communicate with constituents by posting bulletins to the newsfeed, and have the option to send them as notifications or emails. Members of a cause can discuss the issues with other supporters, share their own experiences and stories through posts on the page, sign petitions, and even make donations. Organizations can

Organizations are encouraged to maintain both kinds of pages. Most of the information they want to share can be posted in both places, but a cause page requires a bit more of a strategic approach. Newsfeeds can (and should) be updated frequently, but the email feature on cause pages should be limited to the most important messages and utilized no more than once a week to avoid overwhelming supporters.

The Friends of the World Food Program raises money for the United Nations World Food Program, which provide meals for $.25 apiece to children in third-world countries. To date, their Facebook cause page has raised over $60,000 from its 70,000 online supporters, which was matched by a dollar-for-dollar contribution from the Prem Rawat Foundation to make the small donations made via Facebook even more powerful. With such a large and dedicated base of support, when Haiti was devastated by an earthquake in January 2010, the Friends of the World Food Program was able to raise $15,000 (http://exchange.causes.com).

Blogs

Blogs are online journals through which people can report, vent, opine, "share visions and experiences, unleash their creativity and generally wax lyrical about their passions…[and] is *the* home of Internet buzz (Ryan and Jones 2009, 164)." In addition to news and text-based content, most also incorporate images, audio, video, and links to other relevant sites.

To leverage a blog as an engagement tool for younger audiences, it must go beyond simply reporting news and current events. Posts should take a more conversational tone and offer personal insights along with information. This helps put a human face on the organization and its work, achieves greater transparency in the eyes of readers, and provides more insight into the organization's work.

"One of the most important features is the reader's ability to interact with the author [and other readers] through comments (Safko and Brake 2009, 166)." Invite commentary by asking open-ended questions readers can respond to in the comments section. An active commentary is an unparalleled opportunity for an organization to learn what constituents are thinking and saying about the organization, its work, and the relevant issues. Responding in turn to their comments and questions will help establish a personal connection that can be built upon over time. Readers who comment regularly and thoughtfully may be candidates for further relationship development.

The best way to increase the reach and visibility of one's own blog is to become an active participant in the blogosphere. "Bloggers read each other's posts, they comment on them, they link to each other prolifically, and the best of them have a massive following of avid and loyal readers (Ryan and Jones 2009, 164)." Prominent blogs carry enormous weight and influence in the online world and can drive significant traffic to other sites by mentioning them in their own forums. Building relationships with other bloggers by commenting on and linking to their posts will help establish and raise one's online profile.

Finally, post frequently so readers have a reason to continue visiting (and linking to) the site. At a minimum, a blog should be updated on a weekly basis, but more often than this is preferable where possible. It helps maintain relevance, which is important for a generation with a short attention span.

Wikis

A wiki is a Web-based platform that hosts volumes of user-generated content in the form of articles on a diverse array of relevant topics that establishes an encyclopedic collective knowledge base. The word "wiki" comes from the Hawaiian word for "fast" or "quick," though they are sometimes referred to with the clever "backronym" (developed after the fact) of "What I Know Is…" Users can quickly and easily find and contribute information on a variety of topics, and links within each article provide meaningful topic associations between different pages. Any user may edit, update, or create new pages making it a constantly evolving source of knowledge (Safko and Brake 2009).

Wikis are an easy means of attracting attention from and disseminating information to large audiences by providing useful information on every aspect of an organization and its work, but the format goes a step further by engaging people in a constructive and rewarding form of interaction. "Strong wiki communities encourage conversations that enrich understanding and provide value at the individual and at the group level (Azua 2010, 35)."

Populating a wiki is less of a daunting task than it might seem. Existing articles and research pertaining to an organization's issue area provides an enormous wealth of information to use as a starting point. Add to this pages about the organization's history, mission, and programs, staff and board members and their work. All staff members should be invited to contribute according to their areas of expertise (but should also be welcome to develop content in other areas that may interest them). To increase reach and visibility, it should be open for passive access (i.e., reading or browsing), but those who wish to edit or contribute content should be required to log-in so organizations can more easily track changes and identify the highly active participants that may be candidates for increased involvement. In the early stages, participation will be entirely internal to the organization but as people external to the organization find its wiki to be a source of valuable, interesting, and useful information, the community will expand in a self-perpetuating cycle: as more people become involved as both active (generating content) and passive (browsing content) users, the quantity and value of the information increases, which in turn attracts more users.

Contributing to a wiki can be a unique and meaningful volunteer opportunity for tech-savvy youth who are less amenable to the constraints a standard eight-hour workday often puts on volunteerism. The nature of a wiki allows them to participate from virtually anywhere across the globe, on their own time. A hand-picked selection of trusted volunteers are prime candidates to tap for reviewing content and protecting the integrity of the site. Inaccurate information, whether intentional or not, is bound to appear at some point, but when the community itself does not correct it, a site's editors can easily revert to previous editions to eliminate unwelcome changes.

The U.S. Peace Corps started its own wiki to "create a free, interactive, and up-to-date source of information about serving as a volunteer (www.peacecorpswiki.org)." The site is open to anyone, and to date has over 7,000 pages of information contributed by Peace Corps volunteers and friends. Current volunteers stationed throughout the world have access to volumes of information and ideas they can use to help further the development projects they are working on in their own countries, and can use it to connect and collaborate with others who have or are currently working on similar projects. They can also post video journal entries on their experiences and create specific pages about themselves, and the most popular among these personal stories are posted on the wiki's home page, along with news stories, Twitter feeds, and links to the Peace Corps more formal pages and resources. People who are considering joining can peruse pages on requirements, the application process, timelines, training, and get a much more complete and honest picture of what the Peace Corps volunteer experience is really like. Having all of this information compiled in one easy to navigate location is creating an valuable institutional memory bank and putting a human face on a very complex organization.

Tweetups

Tweet ups are offline gatherings that are organized through Twitter. Organizers send out a message to their personal networks inviting friends and followers to participate in a gathering at a predetermined time and location. Invitations are forwarded (or "re-tweeted") by recipients to their own networks, thereby dramatically increasing size of the audience that can be mobilized for a cause.

When individuals organize events on their own, they can activate their own social networks to participate in supporting a cause. People who do not have existing relationships or connections to an organization are much more likely to respond to an invitation from a friend as opposed to an impersonal announcement from the institution. Organizers are free to design a gathering into whatever is most meaningful and fun for their group. They can gather at a place and time that is relevant and convenient – a friend's home, a favorite restaurant, even a bar. Conversation is not structured or impeded by what the organization wants to focus on. There may be talking points, but the dialogue that takes place is not driven by an outsider and is free to develop organically. Participants are less inhibited when they are surrounded by their own friends and are more likely to contribute in a relaxed and conversational forum. Conversations are more likely to resonate and come up again among groups of friends, so the impact can extend far beyond the temporal event.

In 2008, a group of young, tech –savvy professionals in London organized a tweetup to bring some of their friends together to support a local soup kitchen. They invited their followers to join them at a local pub where they could make a contribution and enjoy a night of karaoke with friends. The results far surpassed what any of them expected – more than 250 people attended and they raised over $1,000 that night (Wortham 2008). Encouraged by that initial success, they engaged their network and launched Twestival. In less than three weeks, volunteers from across the globe organized more than 200 local events to support charity: water, an organization that develops clean water projects in third-world countries. After all was said and done, Twestival raised more than $250,000 for charity:water, at zero cost to the organization (Kanter and Fine 2010, 17). Today, "Twestival is the largest global grassroots social media fundraising initiative to date, raising over $1.2 million within fourteen months for 137 nonprofits (http://twestival.com)."

BEST PRACTICES

Listen and Learn

Organizations must not rely on tools over technique – offering up the most cutting edge and advanced applications, widgets, or technologies will be a waste of time and money if they are not in line with what the audience wants. The specific examples presented in the section above are merely suggestions for consideration. They were successful endeavors for the organizations that utilized them because they spent time learning about who their constituents were and what they wanted.

Any foray into the world of social media should begin with listening to what external audiences are saying. As much a possible, audience needs should drive an organization's offerings to ensure relevance. Scan the landscape, get involved in existing communities, and gather information on their wants, needs, questions, and concerns so that they may be addressed appropriately, effectively, and with sincerity. Audiences will not be the same across all social media platforms, so content, participation, and opportunities should be tailored for each network to fit the people who gather there.

Be Transparent

The organization does shoulder some responsibility for maintaining a safe and respectful environment that welcomes contributions and values accuracy and consistency, but this can be achieved without harming trust and transparency. There will inevitably be posts and commentary that conflict with or may be considered less than favorable to your organization, particularly those whose work touches on politically or socially sensitive issues. In some cases it may be necessary to remove specific comments or content, but consider that it may well be in one's best interest to leave room for healthy debate – being open to alternate perspectives and insights enhances trust and one's reputation for authenticity. Further, members of the community who participate in dialogue and debate are experiencing a deeper level of engagement with the organization (and who knows – the organization itself might even learn something useful in the process). Establish clear guidelines for responsible use that codify an expectation of respect for users and the organization. Make it known from the beginning the kinds of behaviors and content that will not be tolerated and could result in removal of a post or blocking a specific user.

Be Authentic

Social media is not a forum through which an organization should attempt to promote a carefully crafted and controlled image – such an approach would only undermine trust and therefore participation. The key to earning credibility with the public is not in achieving perfection; it is more important to consistently deliver what is promised, without deception, spin, or gimmicks (Marconi 2001, 8). Institutions no longer control the conversation about their products and brands. Whether or not they choose to publicly acknowledge short-comings, it is almost certain that the online community has. A "warts and all" approach that acknowledges flaws breeds far more trust than trying to sweep them under the rug. Messages from a trustworthy source are far more powerful because consumers do not feel the need to gird themselves slick marketing tactics; rather, they believe those messages can accepted as the honest truth (Johnson 2006, 148).

Integrate

Web-based strategies should be integrated with standard communications as opposed to taking place in a silo. For example, tout the Website in all forms of communication (print, radio, etc) so people who hear your message in alternate channels can visit at their leisure to find specific information (Hart 2005). When someone lands on one site or page affiliated with your organization, any other options should be linked there so he or she can choose which medium or application is most appropriate or interesting, be it Facebook, Twitter, Flicker, or just the organization’s home page. Email messages should include links to interactive streams so that messaging (and conversations) are not one way.

Chapter 6: Conclusion

It is fallacy to assume that if one simply waits long enough, today's youth will come around, that they will eventually leave behind all of these silly 'fads' and foreign habits to adopt the behaviors and attitudes modeled by older generations. The experiences unique to any generation's lifetime mean they grow up in a very different world, and into very different people than their predecessors. Generation Y will not one day wake up and be just like Boomers or Matures are now. Their radically different attitudes, priorities, and cultural landscape, coupled with incredible technological advances, ensure that today's youth and young adults will continue navigating the world in an entirely different way. To engage this "new breed" of donor, fundraisers will have to meet them where they are instead of waiting around with the expectation that Y-ers will begin responding to the methods of engagement and stewardship developed to appeal to an entirely different persona.

The most effective fundraisers seek to gain a deep understanding of their prospects so they can better serve their wants and needs and help them meet their philanthropic goals in personally meaningful ways. The time and resources involved in developing this kind of intimate connection means that the most personalized stewardship strategies are reserved for major donors in order for the return on investment to be worthwhile, thereby ignoring substantial portions of their donor bases who are quite capable of making valuable, albeit nontraditional, contributions. Nonprofits must learn that nontraditional is not equivalent to non-fungible – the trust and goodwill that can develop by taking an authentic, inclusive approach to one's supporters are a critical step toward building lasting success built around a vibrant and powerful network of activists.

Generation Y has plenty to offer, but one must be willing to listen to what that is and give them opportunities to provide it in the way that makes the most sense for them.

A critical challenge for fundraisers is to let go of their own expectations, not just of what a donor looks like, but how they behave, and what they respond to. It is easy to see that different audiences have fundamentally different motivations, needs, and expectations, but mere recognition is not enough. One must be willing to act on this information by delivering experiences designed to meet those needs. Social media provides a powerful tool for effectively reaching and engaging much larger audiences than ever would have been possible with traditional media. It allows organizations access to the places where young people congregate, and allows them to communicate with those audiences on their terms. Putting control of the relationship in the hands of constituents and allowing them to personalize the experience alleviates much of the responsibility of relationship management from the fundraising professional and ensures that connections are developing at the pace and level of commitment most appropriate for each person. By providing platforms from which individuals are not just welcomed, but encouraged to take part in constructive interactions on their own time and tailored to their specific interests, individuals are able to participate in a way that breeds ownership in the progress and success of an organization that seeks out and values their contributions.

Though the Internet has the potential to revolutionize philanthropy, it should not change the fundamental emphasis on developing relationships as the primary strategy to achieving a gift (Powell 2005, 17). Just as in traditional communication and engagement strategies, the online experience must be designed with the supporter in mind, which involves identifying relevant values, attitudes, and behaviors, and responding with content and services tailored to their needs and interests (Powell 2005). One must be consistent, coherent, and above all, strategic in using technology to provide the kinds of positive experiences that will optimize results (Powell 2005, 18).

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