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How to Raise Money From Young Donors

By Ben Gose

Talk in young people's language

For some charities, that means addressing teenagers in ways that their parents might not approve of.

Do Something, a New York charity that encourages young people to volunteer, in July featured a campaign that it described as “11 days of 11 kick ass ways to make change in your community.”

This summer's campaign to reach young people by People for the Ethical Treatment of Animals features grisly photos and videos of animal cruelty with the tagline “WTF?!”

“It's the kind of language that young people use when they're conversing with each other,” says Ryan Huling, PETA's senior manager of college campaigns and outreach. “If we were to approach them the way that a teacher or professor might, they'd see us as outdated.”

Let donors get close

While older generations generally trust charities to take a gift and use it wisely, the younger generations want to have as much first-hand experience as possible, says Jay Steenhuisen, a fundraising consultant in Seekonk, Mass. Charities should consider making changes to meet those desires. “The donor is your client,” he says, “and your job is to create the right experience for your client.”

Explain where the money goes

People in their early 20s are the most likely of all donors to want to know details about how their money is being used, according to a new study of giving by all generations.

Charity officials fear this trend perhaps more than any other, because they worry that they won't receive enough unrestricted money to cover their general expenses.

At some organizations, finance directors, who prize the ability to move around unrestricted funds, are butting heads with fundraisers, who know they can bring in more money by allowing donors to designate how their gifts are used.

But there's a solution, says Brian Sagrestano, a fundraising consultant in New Hartford, N.Y. “Most charities can create four or five fields of interest for donors that are so broad that they can use the money to fund their operation successfully.”

Remember that Mom and Dad still have influence

A study of very wealthy Generation X and Y donors released this year found that the young donors listed their parents as their primary source for learning about giving.

“Despite public perceptions that Xers are cynical and Yers are entitled, they have a lot of respect for legacy,” says Sharna Goldseker, managing director of 21/64, a consulting firm that specializes in multigenerational giving, which produced the study with the help of the Johnson Center for Philanthropy at Grand Valley State University.

Don't go for the quick buck on Facebook

Young people don't mind the occasional appeal for money, provided the charity is primarily using its Facebook page and other forms of social media as a way to keep donors informed about events and as a venue for discussion, says Alia McKee, a fundraising consultant in Austin, Tex.

“But they sniff out hard asks,” Ms. McKee says. “If you're only using social media to ask for things for you, you're going to fall flat.”

Expect frictions on boards

When young and old people mix on boards, things can get fraught, say experts.

Mr. Sagrestano recently sat in on a board meeting at Franklin and Marshall College that highlighted the different generational perspectives.

The board was weighing whether to allow alumni to earmark their gifts to certain programs.

An emeritus board member didn't like the idea—he noted that the college had spent many years educating donors about the importance of unrestricted giving.

A Generation X board member said he made unrestricted gifts only because he felt it was his duty; he would have preferred to give to specific programs.

Finally, a current student serving on the board said he would never think of giving money to an organization if he didn't have some say in how it was going to be used. “It was a moment where you just had to laugh,” Mr. Sagrestano says. “There it was, playing out in real life.”