

Supporter Shift: Engaging Tomorrow's Donor

Marc Chardon and Hal Williams

What's the average age of your donor pool? How many of your donors are over the age of 65, 70, 85? Do you know?

For many nonprofits, these are scary numbers, warning signs of a problem that's getting more urgent by the day. The question, for today's nonprofit leader, is this. "If a large percentage of our donations are coming from generations that are getting smaller, how will we make up the revenue when these people aren't there to support our cause anymore?"

Are we being too drastic? Research shows that, in the US alone, the silent generation (those born between 1925 and 1945) is declining by 1 million people each year. That's more than 19,000 a week. Whether you're getting a high volume of low-dollar gifts that reliably arrive every month or large annual investments from members of this generation, the simple truth is that these contributions are coming from a shrinking population.

We asked the experts at Target Analytics, which maintains a large cooperative database, to take a look at the data. They found that approximately 80% of donors to national health groups are 65 years of age or older, representing 76% of the organizations' contributions revenue. Many other groups are finding the same kind of unwelcome surprise. The question is what they choose to do about it. The hockey star Wayne Gretzky once famously said, "I skate to where the puck will be." Are you sticking with where your donors are now or are you gliding to their new locations?

These organizations – like many others in somewhat less drastic situations – are grappling with a phenomenon we call supporter shift. Supporter shift, as we define it, is the change (either current or inevitable) in the composition of the group of people who care enough about your organization to help you. They are broader than donors, who give you money, if you can successfully connect with them.

Supporter shift is, certainly, a product of time. People age. But more than that, it's a result of the ever-increasing speed of change and a generational shift in priorities. Although our grandparents and parents witnessed many incredible innovations – the airplane, the microwave oven, and the hand-held calculator to name just a few – technology innovation (and adoption) has continued to outdo itself. Consider this data from Socialnomics. It took 38 years for the radio to reach 50 million users. TV hit the same milestone

Editor's Note

*In this article, the authors share perspectives on the changing face of the donor community and donor expectations. Marc Chardon is CEO of Blackbaud, a software and services provider to nonprofits that has a division focused on analytics, and Hal Williams is an internationally respected Outcome Guide who has helped foundations and nonprofits both large and small use an outcome-based approach. They began their discussion of the nonprofit sector with *The Imperfect Storm*, an article based on a *Huffington Post* blog series that introduced five shifts affecting today's nonprofit sector.*

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in 13 years. The Internet only took 4. And Facebook, well, twice as many people – that's 100 million users – signed on within 9 months of launch.

A key question then becomes, do you really know your supporters? Do you know how they define themselves and their connection to your brand? A large, sophisticated nonprofit recently ran a trial, testing their own knowledge of their supporters. They coded, in their systems, the relationships they felt people had with the organization. Then, they reached out to the individuals themselves and asked “were we right?” No, they weren't. Between 40-60% categorized themselves differently, in their primary category, than the organization did. And in another year, these same supporters will have changed, self-defining in a new way. This is another one of those scary data points that reminds us we don't know as much as we think we do and alerts us to the need to keep up, keep in touch, to keep track of the change occurring around us. After all, if we don't know who our supporters are, how can we fulfill their search for meaning?

What does engagement really mean to today's supporters? For Boomers like us, we're focused on giving both money and expertise, teaching nonprofits the best practices we learned in our professional lives. We seek to tie donations of money with donations of time, helping to create results-driven output. In many cases we also want to learn – new awareness, new skills, new thinking. The social venture philanthropy movement is an example of this and, at its best, has strong personal discovery going in both directions.

For our children, it's about advocating, volunteering (as traditionally defined and through the rather newer concept of micro-volunteering), championing your cause, using “social currency” on your behalf by leveraging their social networks (which they may or may not tell you about), and – at some point – donating money themselves. At the core of whatever they choose to do – because it will very much be their choice – is a search for meaning.

Today's supporter seeks to engage with your organization, your brand in a new way. They will expect, in an age where their iPhones have become the nerve center of their worlds, for the experience (whatever it is) to align around them, not the other way. They will expect you to know them, to “get what they're about” and to offer them opportunities to steer the somewhat fluid form this journey will take. If you opt not to respond to them, they'll move on. This is a reality that may actually run counter to the mindset of contributor treatment, where donors are treated in classes instead of as individuals. If one donor drops out, another one is found so the class and contributions hold up. With individual supporters, the effort to know something about them personally versus by their group is what most impresses. And individuals are far more quirky than are categories.

Today, individuals have a driving need to be connected, to be engaged, to participate in a conversation around their lives and experiences, to drive the conversation from wherever they happen to be. To engage them, nonprofits need to take a broader view. The back office must leave “donor management” behind in place of creating and cultivating a far more complex and interactive supporter journey. Donors need to be cultivated and thanked. Supporters need to be engaged

Stepping back for a minute, you might ask what's different these days in how people are interacting and what they're expecting?



Marc Chardon

Marc Chardon joined Blackbaud as president and chief executive officer in 2005. Previously, he served as chief financial officer for the \$11 billion Information Worker business group at Microsoft, where he was responsible for the core functions of long-term strategic financial planning and business performance management. Chardon joined Microsoft in 1998 as general manager of Microsoft France. During his three-year leadership, the subsidiary remained one of the three most admired companies by French professionals and achieved increased customer satisfaction. Prior to joining Microsoft, Chardon was general manager of Digital France. He is an American/French dual national and an economics honors graduate from Harvard University.

- First, communication and the search for information are happening in real time.
- Second, the greatly shortened message size enforced by tools like Twitter leaves us little room to be abstract. Users get to the point, quickly. Conversation is more literal and honest.
- Third, responsiveness is expected, all the time. After all, if we can ask for information in real time, we also expect an answer right back.

All of this means that we can no longer treat supporters like we treated donors, as episodic participants ("It's the time of year we ask for money or send a report.") The good news is that the time spent in building and participating in engagement can pay off handsomely.

Nonprofits want donors. They depend on volunteers. They need ambassadors. And they require participants willing to change their behavior to get to the human gain they are committed to achieving. Only one kind of person can play many if not all of these roles. That person is your supporter. They are foremost your prospects for volunteering and can often help (within a careful structure) do jobs now done by paid staff, at times with more energy. They are ambassadors with not only belief but credibility. They have led by personal example. And they can become your participants. Susan G. Komen for the Cure has an annual race hosted by its Triangle NC affiliate to support breast cancer programs, research and prevention. They are about to ask all 25,000 participants to commit personally to getting a breast cancer screening annually and ask a friend to do so, as well. That's a significant number toward program success.

In the end, if you cultivate true supporters, you will end up with brand ambassadors who amplify your message, who give their time and money, and who become "fundraisers" for you. The supporter and the purpose will become intertwined, and your organization will be the beneficiary of the resulting passion.

Like it or not, the Boomers won't be in charge forever. Members of Generation X – often that lost group we fail to talk about while being so enamored of the groups that bookend it – are stepping into leadership roles as thousands of Boomers leave the work force each day. And Millennials are not far behind, beginning to show what they can do, the impact they can make, and how different they are. As this shift happens in the world, supporter shift is happening in your organization. The degree to which it will help or hurt you is up to you and the investment you make in understanding your younger supporters...and the long journey they might... could...should...make with you.

About Blackbaud

Serving the nonprofit and education sectors for 30 years, Blackbaud (NASDAQ: BLKB) combines technology and expertise to help organizations achieve their missions. Blackbaud works with more than 27,000 customers in more than 60 countries that support higher education, healthcare, human services, arts and culture, faith, the environment, independent education, animal welfare, and other charitable causes. The company offers a full spectrum of cloud-based and on-premise software solutions, and related services for organizations of all sizes including: fundraising, eMarketing, social media, advocacy, constituent relationship management (CRM), analytics, financial management, and vertical-specific solutions. Using Blackbaud technology, these organizations raise more than \$100 billion each year. Recognized as a top company by Forbes, InformationWeek, and Software Magazine and honored by Best Places to Work, Blackbaud is headquartered in Charleston, South Carolina and has employees throughout the US, and in Australia, Canada, Hong Kong, Mexico, the Netherlands, and the United Kingdom.



Hal Williams

Hal Williams is a resource for foundations and nonprofit organizations that seek to define, track, verify, and communicate the results they achieve. His clients include the Bill and Melinda Gates Foundation, American Express, Greater Kansas City Community Foundation, and Verizon Foundation. Much of Hal's career focused on creating and leading The Rensselaerville Institute, where he currently serves as Senior Fellow. The lead author of Outcome Funding: a New Approach to Targeted Grantmaking, Hal has served as lead consultant to a U.S. Presidential Commission and consults directly with governors, corporate CEO's, foundation directors, and other leaders. While an undergrad at Stanford University, he founded that school's FM radio station and served as West Coast Director of the Intercollegiate Broadcasting System.