



The Future of Fundraising: Why Philanthropy is in Trouble – and How to Save It

Session Host: Lisa Greer



Hello!

I am Lisa Greer.

I am an Author, Philanthropist, Fundraising Coach, &
Nonprofit Changemaker

Follow me at **@lisazgreer** on LinkedIn & Twitter



Meet the Donor

- Studio Executive, Serial Entrepreneur, Volunteer & Donor, MBA, Mother of Five
- Joined the 1% overnight after IPO
- Attempted to give TWO major gifts to causes with personal meaning and then...



The TWILIGHT ZONE



State of the Nonprofit Industry

- 1.8 million nonprofits in the U.S. as of 2022
- In 2022, the nonprofit sector remained the third-largest nongovernment employer in the U.S., more than even the manufacturing sector.
- 80% of all giving is from individuals
- Overall philanthropic giving in terms of dollars is relatively stable



So Why is Philanthropy in Trouble?

- Number of donors overall continues to decrease
- Donor retention continues to drop every year, from 18% to 20%, and decreasing
- Billions of \$\$ are sitting in DAFs and increasing -- \$167B to \$234B last year alone
- In 2021, \$485B to charities in the U.S. -- Flat over the previous year
- The great wealth transfer has begun, \$68T over the next two decades



So Why is Philanthropy in Trouble?

- Standard methods of fundraising have become largely antiquated and even inappropriate.
- Donors come in all shapes and colors, but fundraising continues to focus on the usual suspects - relying on the same donors is unsustainable.
- Many donors, both new and existing, are being turned off for good.
- The rate that fundraisers are leaving the sector is accelerating.



We're leaving
money on the table.



The Solution is to Change

Our reticence to change is
turning off future donors
every day.



Thinking about Change

- We can't use the same methodology for everyone.
- We need to realize that many potential donors are different than “traditional” donors.
- “All donors think...” and “all donors want...” is wrong.
- We tend to ignore the potential donors right in front of us.
- Repeat donors will continue to decline if we don't adapt



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How do we Fix it?

We're all trying to argue about the same parts of the pie, but here's the good news....we can increase the size of the pie.



How do we Increase the Size of the Pie?

- Recognize that *it's okay to lose a donor*
- Start focusing on the donors that we aren't acknowledging
- Realize donors are human beings and human beings want authentic relationships
- Stop focusing most of your time on the usual suspects -- 60% of wealthy people in the U.S. are first-generation wealthy



Let's look at some of the
missed opportunities
evident right now.



How many Millennial Millionaires are there in
the U.S. today?



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Answer: **Approximately 618,000!**



Millennials & Gen Z

- 82% of 18 to 34-year-olds who know about Giving Tuesday participate
- Many younger people are volunteering before giving in order to “check out” the organization
- Causes are now taking precedence over institutional loyalty



“Fundraising has been handed down from universities to hospitals to other nonprofits, and everyone learned the way to fundraise, and the way to fundraise works really well for the donor it was designed for back in the ‘70s... the prototypical donor of that time was mainly male, mainly white, and mainly straight.”

- Kathleen Loehr (fundraising consultant & expert on women’s philanthropy)



Women & Philanthropy

In 2010, Dartmouth's capital campaign received 4 donations of \$1MM or more.

In 2018, they launched a new campaign that included a women's component.



How many women made gifts to Dartmouth
of \$1M or more from 2018 to 2022?



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Answer: 104 women gave donations totaling
\$386M *plus* over \$60M in legacy giving



How did that happen?

- *Willingness to change on the part of donors*
- *Willingness to change on the part of the University*
- *A fed-up Dartmouth alum – in this case, Elizabeth Cogan Fascitelli*



Women & Wealth

- Women control 32% of world's wealth and add \$5 trillion to the global wealth pool every year
- In 2020 in the U.S. alone women, controlled \$10.9 trillion to men's \$24 trillion.
- Currently, 45% of millionaires in the US are Women.



Many Groups are Being Ignored

- Of all racial or ethnic groups analyzed, black families have contributed the largest proportion of their wealth to charity since 2010.
- Studies have found that Latino households are more likely to have a generational history of giving traditions when compared to other ethnicities.



Other Missed Opportunities

- Recurring Gift Programs
- Legacy Programs
- Understanding your Donor as an Individual Human Being



Understanding your Donor as a Human Being

- Throw your assumptions out the window
- Surveys
 - How do you like to be addressed?
 - How do you prefer to be communicated with?
 - How often would you like to know about our impact?
 - How do you want to be thanked?
- Personalizing the interaction (on both sides of the table)



Thank You!

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