

The Future of Philanthropy

As technology, culture and societal norms evolve, the way donors perceive and approach philanthropy changes, too. This report offers a glimpse of how these influences are making seismic shifts in philanthropy and answers questions like: What causes are the most important to address for the future? Who are the changemakers on the forefront of the shifting landscape? And how will they mold the future of the philanthropic sector? Our research outlined four key ideas:

1 Millennials are bringing a new mindset to giving—and expanding the definition of a philanthropist.

The up-and-coming generation is challenging the very way we think about philanthropy and incorporate giving into our lives. Their approach to philanthropy is:

Inclusive

Millennials' broad self-identification with the term "philanthropist" indicates that they are rejecting its traditional connotations and understand it to apply broadly to anyone giving time, talent or treasure to make the world a better place.

"I consider myself a philanthropist."



Millennials



Gen X



Baby
Boomers

Network-driven

Millennials pay close attention to their peers and use their voices to amplify their impact—often through social media.



46%
Donated through a social media platform



43%
Encouraged family/friends to donate to the same cause



40%
Made a donation after learning about a cause on social media

Results-oriented

Not content to contribute money and sit on the sidelines, younger donors view a donation as an investment in a solution to a problem they see. They are increasingly focused on the demonstrated effectiveness of the charities they fund.

“I track results for most or all nonprofits I support.”



66% Millennials



40% Gen X



32% Baby Boomers

2 Charitable giving has become charitable living.

While traditionally associated with giving money to 501(c)(3) organizations, philanthropy is increasingly understood as a broad spectrum that encompasses myriad ways for people to make the world a better place. Giving is increasingly integrated into our everyday decisions, and effective philanthropy is more accessible than ever to average donors—with ways to engage at our fingertips 24/7. Donors make employment, consumer and investment choices through the lens of social change.



70% Prefer to work for a company that engages in corporate social responsibility



47% Purchase products from socially responsible businesses

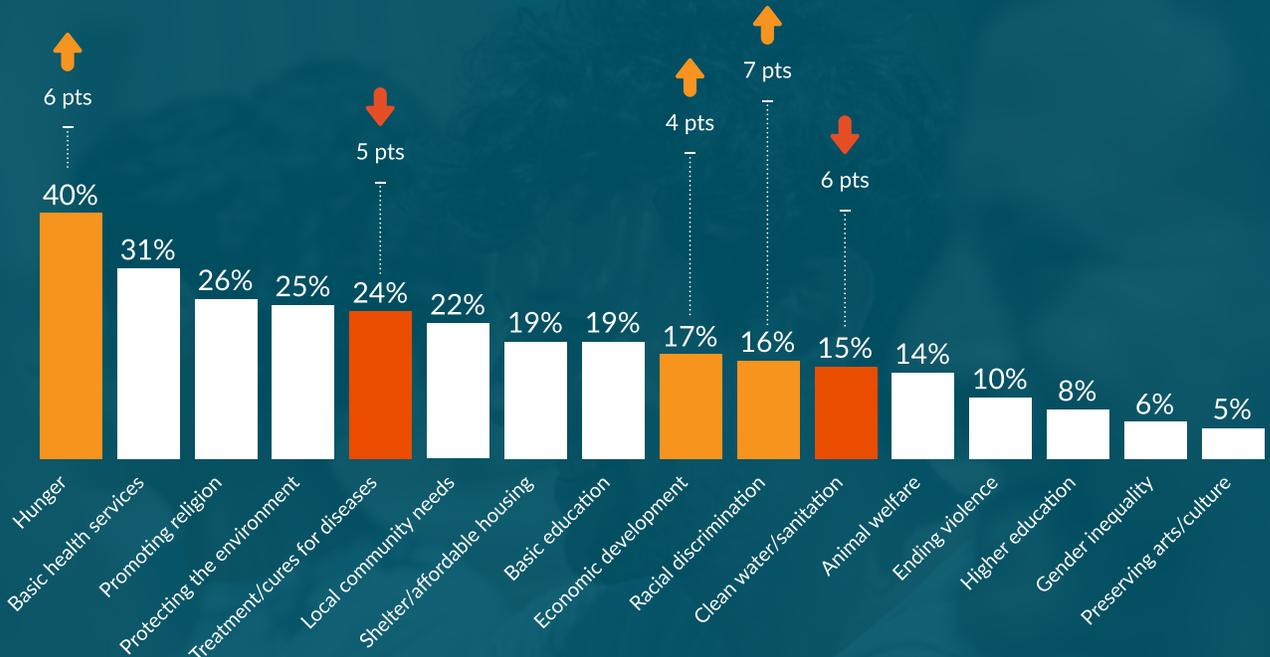


20% Engage in impact investing

3 The events of 2020 changed how donors prioritize the world's greatest challenges.

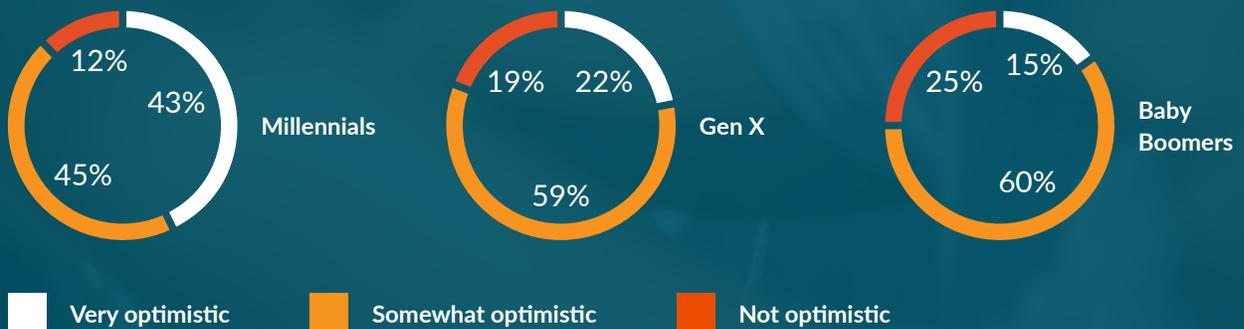
As the world becomes more complex, the social, environmental, political and economic challenges facing society become even more complicated—particularly after a worldwide health crisis. Donors consistently identify basic human needs as their greatest concern for the future—while year-over-year shifts in their priorities reflect the events of 2020.

Top challenges for the world to solve



Percentage of donors who ranked challenge 1, 2 or 3 as most important for society to address for the future. Based on January 2021 survey, with change from 2020 where statistically significant.

Because solutions to the world's greatest challenges are so complex, it's no wonder donors show only tepid optimism that they can be solved. This lack of conviction may stem from the intractability of these problems. However, there is a stronger concentration of optimism among the younger generation.



4 The COVID-19 pandemic accelerated the digital transformation of philanthropy.

The lightning speed evolution of technology has transformed every aspect of our daily lives—how we work, learn, shop and communicate. Technology and social media make it easier than ever to discover, support and share new charitable causes.



39%

Donate through an online giving platform

(GoFundMe, Patreon, DonorsChoose, etc.)



26%

Donate through a social media platform



24%

Made a donation after learning about a cause on social media

As our lives became increasingly virtual due to the COVID-19 crisis, charitable giving followed suit. The pandemic increased our reliance on virtual tools and accelerated digital trends in philanthropy.

Made a donation on a charity's website



Used online resources to research a cause or charity



Shared a charity's post on social media

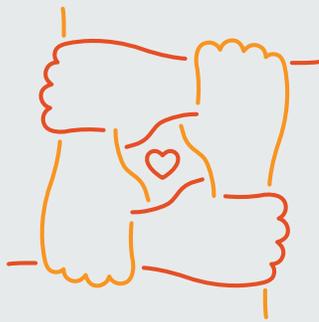


■ Participated in 2020
 ■ Participated more frequently in 2020 than in the past

What it all means: Implications for the future

Giving back is deeply entrenched in daily living.

Social responsibility is a filter through which donors make all of their everyday decisions. Their daily choices are a direct reflection of the changes they wish to see in the world.

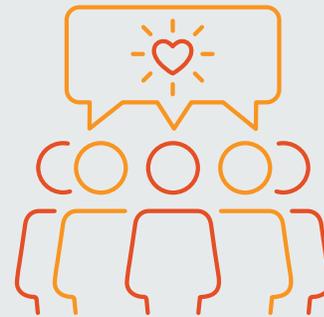


The new definition of philanthropy includes any act of social good.

Philanthropy is no longer defined by giving money to a charity. As more donors think holistically about how giving can be intertwined in their daily lives, the definition of philanthropy extends to include charitable activities that bypass traditional nonprofits and modes of giving—and the term “philanthropist” can apply to anyone working to make a difference.

Peer-to-peer influence drives donor activity.

An influencer culture develops around giving as donors embrace the power of their voices to advocate for causes they care about. From sharing on social media to leveraging major milestones like birthdays and weddings to fundraise for organizations they care about, every interaction is an opportunity to make more of a difference.



Digital trends continue to revolutionize giving methods.

Technology will give donors access to a new menu of options as they increasingly turn to online tools to research their grantmaking choices.

For all of the data and what it means for the future,
visit the [2021 Future of Philanthropy](#) report.

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