

40 NONPROFIT TRENDS FOR 2020

A balancing act between new, fancy tech
tools and traditional fundraising strategies

BY NHU TE



As technology and innovation continue to be in the forefront of the nonprofit sector, 2020 will be about learning more about what these technologies and solutions have to offer and tying them back in with traditional fundraising strategies.

New bright and shiny objects, like artificial intelligence, bots, virtual reality and voice command, are offering what seems like limitless ways to connect with donors. But it's important to remember that donors still need human interaction, personalization and relationships, so the tried-and-true fundraising strategies (direct mail, face-to-face, phone calls, peer-to-peer, etc.) shouldn't just be tossed out the door. After all, fundraising is a human sport — fueled by emotional connections.

With that said, tradition prevails here at NonProfit PRO. This year, we brought on 10 experts from across the nonprofit sector to share their trend predictions in the following areas: big ideas, fundraising and marketing, up-and-coming tech tools, giving trends and donor relations, leadership strategies, board development and peer-to-peer fundraising.

Without further ado, here is our trend forecast for 2020.

BIG IDEAS

1. Donor Engagement

Really know your audience, and communicate to them in relevant, meaningful ways. These aren't new ideas, but they are big because we have better technologies, tools and expertise than ever before to help us execute them well. — *Rod Arnold*

2. Earned Income Through Services

Earned income through services to supplement grants will be key to keeping nonprofits growing and create a reservoir of unrestricted resources. For example, charities operating in the health care space are offering services to hospitals and specialty practices more often. Services like patient navigation, genetic counseling and clinical trial searches (just to name a few) are activities medical practices have scarce time to provide, but can improve patient outcomes and adherence to treatment. Look at other nonprofits and for-profit companies that relate to the field your charity serves and capitalize on the unmet consumer need. — *Jamie Bearse*

3. Attention to Current Hot-Button Causes

Contemporary issues — such as elections, climate control, disaster relief, immigration and hate crimes — tend to go viral and garner support through social media in a way that shifts the attention of donors frequently. Organizations, especially those who are smaller and work locally, will have to fight for the spotlight and keep their messaging compelling, their impact clear and their relationships strong to keep their donors focused. — *Rachel Cyrulnik and the RAISE team*



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The social sector will be increasingly focused on positioning its work in ways that cut across the nation's hardening political and ideological divides — and in positioning itself as an alternative to government. This will require a concentrated effort by many organizations to rethink how they talk about their missions and work — and how they engage with individuals and organizations outside of their existing networks. It will mean rethinking the words we use, the activities we engage in and our priorities. The 2020 election will accelerate this process. Regardless of the outcome in November, philanthropic organizations and nonprofits will recognize that they must play a critical role in not only helping find common ground, but also in bringing communities together to address pressing issues, such as climate change, health care and homelessness. One thing seemingly everyone agrees on is the fact that we're too divided and that our nation is at a critical point in its history. The social sector must — and will — confront the fact that it must step forward and offer an alternative. — *Peter Panepento*

4. Shifting Focus From Transactions to Experiences

Throughout the nonprofit sector, we'll see more organizations shift their focus from individual donor interactions and giving transactions to the holistic supporter experience, changing the way they plan, implement and conduct fundraising. A focus on experiences will require tighter integrations between fundraising technology supported touchpoints as well as improved collaboration between departments. — *Kelly Velasquez-Hague*

5. New Ideas and Strategies

Nonprofit organizations will need to develop new ideas and strategies for adapting to the needs of an increasingly aging population while working with governments — particularly in high-cost cities — to make them more family-friendly by supporting affordable housing opportunities and child care. — *Joe Waters*

6. More Transparency

We are in a decade of turbulence reaching and passing social and scientific tipping points. Both public and social sectors are known for resistance to change. There has been a massive push toward transparency for good reason. Generational shifts and frustration with persistent ongoing social and environmental ills have reached a point that will no longer sustain or tolerate complacency or a "good-enough" approach. — *Pete Kimbis*

FUNDRAISING AND MARKETING

7. Mobile Optimization

At Give Lively, we recommend that our nonprofit members optimize their digital presence for mobile. In 2019, more than half of the donations processed by Give Lively's platform came from mobile devices, a clear indication of the global shift to mobile for online transactions, including philanthropic giving. While this suggestion is hardly groundbreaking — and larger dollar donations are still made on desktop devices — we urge nonprofits prioritize efficient mobile functionality, especially with donation forms. — *Molly Trerotola*

8. Prospective Donor Research

The need for storytelling and prospective donor research will accelerate. Given the current state of the world, a continued onslaught of disasters and crises, and new communication mediums, donors are being trained to "tune out the noise" and filter out the barrage of funding requests. Unless your organization is able to finely tune both the message and the demographic of your outreach, your needs run the risk of becoming the same noise. — *Brett Meyer*

9. Empowering Donor-Centric Storytelling

The next frontier of segmentation and storytelling will rely on creating unique engagement paths for donors based on why and how they give (not the amount they give). With the availability of more sophisticated donor data, nonprofits can craft unique impact stories told through the language and voice of supporters with similar motivations and/or connections to the organization. — *Kelly Velasquez-Hague*

10. Prioritize the Fundamentals and the Trends

I don't think most best practices change dramatically from year to year — the fundamentals are the fundamentals. But we can continue to sharpen and improve how we apply them in our organizations. That being said, as a marketer and fundraiser, it's important to stay up to speed on shifting donor attitudes and behaviors, especially as Millennials and Generation Z grow in influence and spending power. — *Rod Arnold*

11. Personalized Communication

Showing the love to donors through personalized notes, phone calls from executive team members and social media callouts is becoming the premier best practice for fundraising and marketing going forward. Not only do donors want to see that their dollars are making an impact on the mission, many want to feel included and empowered to be a stakeholder in the cause. We're finding that if we designate our repeat donors and participants with a special title, they'll step up even more and act as a cause champion. — *Jamie Bearse*

Nonprofits that are able to build personal relationships always have an advantage when it comes to fundraising. The more you can invest in building personal, individual connections with donors and potential supporters, the greater chance you have at building long-term, high-value relationships. This isn't new — but the ways in which you can build these relationships has been evolving. In 2020, nonprofits that work to cultivate personal relationships via digital tools like social media direct messaging apps and streaming video will be jumping into the future and building valuable immediate relationships. These relationships, however, must be based on permission. You can't slide into a donor's Facebook Messenger, for instance, without first discovering whether he or she is comfortable communicating with your organization through that channel. But if your organization can establish trust and permission, it will have an opportunity to use digital tools much more personally in 2020. — *Peter Panepento*



12. More Sophisticated Gift Structures

Looking at holistic sustainability (beyond this year's annual fund) and how to best engage the donor, savvy fundraisers will utilize multi-year gifts and gifts blending annual, capital and/or endowment efforts. This will maximize opportunities for cultivation and stewardship. — *Rachel Cyrulnik and the RAISE team*

UP-AND-COMING TECH TOOLS

13. Artificial Intelligence

It is interesting to see how AI is being incorporated into more and more platforms and tools. Without calling out specific products, it's encouraging to see how some are using AI to create more personalized communications, increase gift sizes, etc. I'm excited to see how this trend continues in 2020. — *Rod Arnold*

Usually, presidential elections will demonstrate what technology is to come in the near future for nonprofits. One of these trends will be the use of AI, and it will be a game changer in predicting donor behavior and making it easier than ever before for donors to give to the charities they care about the most. We already have text-to-donate and the capacity to have ads to remarket our organization and our events to those who have expressed some kind of interest, and are just one step away from donating through smart devices like Alexa and Siri. — *Jamie Bearse*

14. A Shift Toward Messaging Solutions

We're seeing a massive shift, in both the nonprofit and commercial sectors, away from custom mobile apps and web platforms used for interactivity. Instead, various platforms (like Twilio and others) make it surprisingly easy to enable interactions and at-scale operations through messaging solutions, like SMS, MMS, WhatsApp and Facebook Messenger. It removes barriers and meets your donors, volunteers and recipients where they already are, while also reducing development costs and complexity. This could be collecting contact info at events through SMS and automatically adding it to your CRM, mobilizing volunteers, engaging donors, holistically replacing end-to-end engagements with program recipients and everything between. — *Brett Meyer*

15. Use Tech to Bring Giving to Life

Interactive experiences are all around us, and they're easier to access than ever. Think of technology as a way to enhance the donor experience and a tool that any organization can harness. Utilize virtual reality glasses or load a device with an interactive experience for major gift prospects; provide virtual reality-quality or dimensional renderings for capital projects. — *Rachel Cyrulnik and the RAISE team*

16. Livestreaming

Streaming video isn't new, but if you haven't already entered the streaming video world, now is the time. More than 150 million people per month are using livestreaming video sites, like Twitch, to watch people play video games, cook, sing or simply hang out. With numbers that large, it should come as no surprise that livestreaming is becoming an important communication and fundraising channel for nonprofits. Ear-

ly adopters like Children's Miracle Network Hospitals (CMNH) have used livestreaming to fuel fundraising campaigns that raise millions annually. CMNH's Extra Life campaign, for example, generated \$15 million in 2019 — spawning interest among a number of other nonprofits that are looking to connect with potential donors and spokespeople. Nonprofits should also be paying attention to a number of other technologies, including those that help them better mine their donors' social networks for potential connections and tools that help them get permission to communicate with donors who have made contributions through Facebook and other sites. — *Peter Panepento*

17. Bots

Bots are a simple form of AI that I think nonprofits should start incorporating into their processes. You know when a box pops up on a website and asks if you need help? That's a form of bot. Bots are basically computer programs that automate repetitive manual work. Facebook tools such as Boundless Fundraising by Charity Dynamics, GivePanel and GoodUnited are examples of bots. Other bots, like Hustle, can help with text-to-give conversion. Consider them for your plans in 2020. They can free up staff, so they can spend less time on tedious tasks and more time focused more on your mission. — *Mark Becker*

18. Mobile Fundraising

There's a lot of exciting innovation in mobile fundraising, with advances in text-to-give/text-to-register capabilities, as well as the increasing integration of text alerts and push notifications to drive participant engagement. From recent donor studies, we've seen a growing preference for text communication, especially with opportunities for instant action, such as advocacy, giving days or live event giving opportunities. The phone is a central part of not only donors' lives, but the way they engage with nonprofits. Nonprofits need to meet donors where they are and have mobile-focused giving strategies and experiences. — *Kelly Velasquez-Hague*

GIVING TRENDS AND DONOR RELATIONS

19. Better Donor Experiences

More than ever, people have come to expect great customer experiences. Just think of your own experience with leading companies like Amazon and Netflix. Those same consumers are constituents and donors, and they will increasingly expect those same types of great experiences from the nonprofits they support. That may seem like a tall order for a nonprofit, but today's nonprofit technology provides the foundation needed to support great customer experiences. By having the right technology in place and incorporating some proven best practices for fundraising and marketing, any nonprofit can now deliver a great constituent and donor experience. — *Mark Becker*

20. New Criteria for Grants

I foresee changes in how grants are offered based on population groups and regions. Giving based on divisions of people allows for targeting genuine issues and assisting population groups that do need help. Nevertheless, giving through lenses that divide people is a

double-edged sword or multi-thorned rose. It reinforces divisions in our nation. I foresee that some key players will shift from the gifting of grants based on race, gender, ethnicity, disability and other categories to broader comprehensive, organic community-building approaches with multiple actors. — *Pete Kimbis*

21. Increased Social Connection

Over the last few years, we've seen a shift as individual donors have become more socially connected to nonprofits. Going into an election year, we anticipate a sizeable surge of first-time donors, especially among causes that align themselves with trending election and social change topics. We predict that rising social influence in giving and the issues explored during the election cycle will converge through increased advocacy and peer-to-peer fundraising activities. It will be especially important for nonprofits to have a strategic plan for first-time donor retention as they engage with this new segment of social donors. — *Kelly Velasquez-Hague*

22. Understanding Younger Generations

The younger generations are bringing a new dynamic to philanthropy. They may be just as likely to give to a GoFundMe campaign as they are to an actual 501(c)(3). The lines are blurred, so we have to think differently when we communicate with them. Speaking their language — not just ours — is a challenge we'll need to keep working on this year. — *Rod Arnold*

23. Subscription-Based Giving Models

One important and impactful global trend is the rise of the subscription economy (think: Netflix). This has already been affecting charitable giving and donor relations for several years, and we expect the trend will continue through 2020. For instance, nonprofit supporters who make recurring donations give 42% more annually than one-time donors (Nonprofit Source). Accordingly, as subscription-based giving models are embraced by more nonprofits, with donation forms prioritizing recurring donations, more supporters will become recurring donors, or "subscribers." — *Molly Trerotola*

24. Matching Communications to Donor Identities

The more we understand donors and how their environment changes their behavior, the more effective we'll be in our causes. For example, nonprofits focused on reducing suffering from diseases and conditions are recognizing the importance of social determinants of health — which focuses on where people grow up, age, socioeconomic status and physical environment. When we can alter the way we communicate with people based on how they identify themselves, the more we can amplify their cause-driven passion. — *Jamie Bearse*

25. Taxes Continue to Impact Giving

When the standard deduction was raised starting last year, meaning far fewer donors are itemizing their taxes, we saw a dip in individual giving that was evidently driven by tax incentives. I, unfortunately, expect that to worsen in 2020, after donors complete their 2019 income taxes and realize the reduced tax-impact of their gifts. Although we always hope for selfless motivators, the reality is nonprofits will need to think more strategically about alternative paths to sustainability. — *Brett Meyer*

LEADERSHIP STRATEGIES

26. Build a Leadership Pipeline

Gone are the days of life-long board membership (mostly, and thankfully). Therefore, like your donor pipeline, your leadership needs to be regularly replenished. Train your board to take ownership of this process. Use "stepping stone" leadership opportunities to prepare younger generations for the board and get them involved sooner. Recognize the skills and knowledge of younger leadership and leverage them to fill gaps in a rapidly changing world. — *Rachel Cyrulnik and the RAISE team*

27. Working Remotely

There is a growing trend toward working remotely, which creates challenges for any leader. Personally, I think it can be an effective approach, but it requires a more proactive leadership style. It's quicker and easier to send a Slack message than to have a video chat, but at some point, you start to lose the value of a face-to-face connection. — *Rod Arnold*

28. Rethink Traditional Organizational Structures

Top-down rigid hierarchical structures do not work and are not attractive. Rethink top down managerial organizational structures that stifle innovation. Titles and organizational structures within nonprofits will need to adjust to attract talent and create space for innovation and problem-solving. — *Pete Kimbis*

29. High-Freedom Work Cultures

We're seeing a rise in the idea of high responsibility and high-freedom work cultures, which let them the power to manage themselves. This means dropping traditional workplace concepts for empowering practices. Real-time feedback embraces a high level of trust and permission to engage in healthy conflict. Organizations that go above and beyond to empower their teams turn down the office drama and find success more easily. — *Jamie Bearse*

BOARD DEVELOPMENT

30. Be Direct

If our organizations were ships, a high-functioning board would be one that is both rowing (providing and/or seeking out resources) and steering (giving strategic direction). Many board members volunteer within the scope of their personal interest or within their comfort zones. By getting specific about the needs of your nonprofits with your board members and being direct with them about doing what's best for your organization sometimes means stepping out of a comfort zone for a member to row when they're accustomed to steering. — *Jamie Bearse*

31. Diversity

One of the biggest challenges I hear leaders talking about is building a diverse board. And not just ethnically — it's also about age, gender, sexual orientation, sector, etc. I encourage boards to make diversity a priority by setting specific objectives and assigning the responsibility of identifying and recruiting the right candidates. — *Rod Arnold*

32. Inactive or Low-Performing Boards

Without clearly-set expectations, regular training and opportunities for self evaluation, nonprofits cannot expect their boards to effectively do their jobs. Share expectations in advance of onboarding and stick to the criteria. Start the year with board members drawing up their own performance plans and offer board training and the chance to self-reflect. Know when it's time to cut your losses and transition ineffective board members to other roles. — *Rachel Cyrulnik and the RAISE team*

33. Board Incentives

The significant challenge in board development is the very nature of a nonprofit board. There are no financial incentives to perform well. This is by design. Board members need fuel to run on. If money is not the fuel, it has to be emotional fuel. Nonprofit leaders should continually recruit those who are active, connected and driven by personal experience with the organization's reason for being. — *Pete Kimbis*

34. Ambassador Fundraising

One of the biggest challenges for nonprofits can be getting boards engaged in fundraising. An innovative trend that nonprofits of all sizes will continue to leverage is ambassador fundraising. Ambassador fundraising provides an easy way to harness loyal supporters and turn them into active fundraisers by pairing social fundraising with signature events. The ambassadors (aka board members) are set up with personal fundraising pages to drive ticket sales and pre-event donations, and spread the word about the mission, increasing engagement, awareness and bottom-line results. — *Kelly Velasquez-Hague*

PEER-TO-PEER FUNDRAISING

35. Analyze the Data

Taking your peer-to-peer fundraising campaigns to the next level is easier than you might think. By gathering, analyzing and using data from your past campaigns and events, you can uncover trends and find new opportunities to improve your fundraising results. For example, using data, you can determine where to target your peer-to-peer recruiting efforts and how to motivate participants to raise more. — *Mark Becker*

36. Shift to Individual Promotion of Causes

In the past few years, peer-to-peer fundraising has become even more driven by the individual. In its early stages, organizations enlisted volunteers to advocate for their missions, providing training and coaching to prepare them. Now, individuals are proactively starting campaigns, contributing to their social media personas. In addition to walks, runs and challenges, people use Facebook Fundraisers in honor of their birthdays and other special occasions. Organizations can capitalize on this trend by providing their supporters easy, replicable messaging, even visuals, that they can use in their own personal fundraisers for the organization. — *Rachel Cyrulnik and the RAISE team*

37. Personalizing Swag

All donors are unique. When it comes to peer-to-peer fundraising around events, most organizations provide a fundraising page for donors to personalize with a message and photographs, as well as setting fundrais-

ing goals. I'd like to see more organizations take the idea of freedom of personalization to incentives and swag they offer their participants. For example, many of the teams that participate in our runs and walks create team shirts, but if we offered a template for them to create their shirts through our websites, we're able to capture additional income while continuing to strengthen the bonds we build with our donors and team captains. — *Jamie Bearse*

38. Social Fundraising

Peer-to-peer has moved beyond just traditional run/walk/rides. We're seeing lots of success with organizations leveraging the power of social fundraising to launch virtual peer-to-peer events or campaigns. Adding a peer-to-peer element to an existing fundraising campaign or signature event can be just what's needed to re-energize a plateauing program and empower the creativity and reach of your supporters. — *Kelly Velasquez-Hague*

39. Resonating With Supporters

I believe there is still power and potential in peer-to-peer! I think it's different for every organization — we have to identify what's important to our supporters and build programs that are specific to them. It's not enough just to give them a platform to use; we need to develop a community and campaigns that really resonate with them. — *Rod Arnold*

40. Team-Based Fundraising

We encourage all Give Lively nonprofit members to incorporate peer-based fundraising into any style of campaign, whether events, virtual fundraisers or ongoing appeals. After all, nearly one-third of all online donations are made through peer-to-peer campaigns. While neither new nor unique, team-based peer-to-peer fundraising campaigns are things we're very excited to see our members employ in 2020. Team-based fundraising provides a way for groups of people with shared values to make collective appeals to the generosity of others, all in support of a nonprofit's mission. — *Molly Trerotola*

How many of these trends are you applying to your strategic plan this year? Are there others not on this list that you're going to try? Stay tuned as we uncover new trends, ideas and strategic fundraising approaches throughout 2020. *NPPRO*

WHO WE ARE

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