



THE MODERN REALITIES

A BRIEF VIEW OF TRENDS AND FORCES THAT ARE IMPACTING YOUR DONORS AND YOUR CHARITY

Research, insights, and strategies by Conor Tapp

THEPHILANTHROPICBRAIN.COM

ThePhilanthropicBrain
engage philanthropy



Consumer Behaviour
HOT TRENDS

Sharing Stories
SOCIAL MEDIA

Global Forces
DISRUPTIONS

editor's note

These pages represent some of my deepest passions - understanding the internal and external forces that influence our donors' decisions, and how we can use science to help donors create bigger impacts. I truly appreciate you taking the time to read through, and I hope that you find this interesting and useful. I hope that you will be inspired to look deeper at your own donor programs.

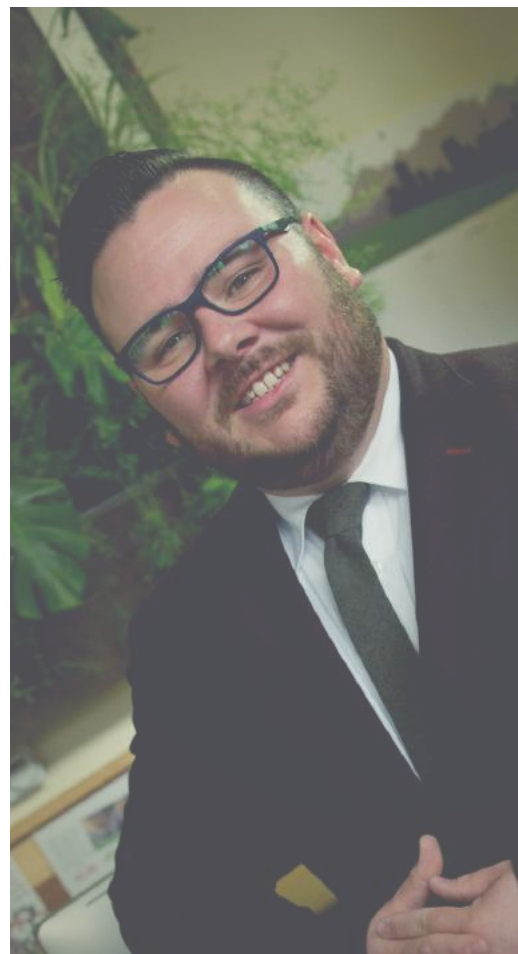
The journey to a more holistic fundraising program, one with a foundation built on donor goals and outcomes first, takes time. It takes patience. And, depending on your situation, it may take bravery. After all, we are talking about spending more time with each donor.

Once you start sharing new campaign elements with your donors, and connecting with them in new ways, your metrics will increase. Your average gift, total number of gifts, and donor lifespan will all increase.

By building a supportive community, you will create a safe space for donors to get to know the humanity in your story. You'll own fertile land where donors will grow, passion will thrive, and everyone will want to join and be a part of your world.

If you or your charity need help growing donors and their impact - please reach out to me.

I'm here.



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PHILANTHROPY

**The greatest gift that
you can give a donor
is not a cure for what
inspires them to give,
but rather a
relationship that
recognizes them as an
equal human.**

Your donors are not a means to an end. They are critical collaborators on your organization's mission to answer questions and solve problems. The best way to build lasting trust is to recognize each donor's individuality.

Digital Trend: Stories and Conversations

Your donors are changing the ways that they consume information online. Their expectations have changed, and it's no longer enough just to be present.

Let's all take a moment to mourn the Feed - the scrolling list of everything that's happened in your Facebook or Instagram world since you last logged in. It's dead, and Stories have replaced it. Bringing what was loved about Vine to the platforms that users are investing time into, Zuckerberg's team hit it out of the park when they predicted that users would be so willing to abandon text posts in favour of pictures and short videos. We are also seeing a sharp increase in the use of Live Video on social platforms.

Stories and Live Feeds are less polished, less rehearsed, and viewed as more human - more authentic - than your typical posts. They add to a feeling of connection to your brand, and help to build your community.

Structured posts that share critical information remain important, but space for posts that connect audiences to humans and human stories adds more value.

On the service side, customers have an expectation that businesses will offer comprehensive customer service not only in-store or over the phone - but also online. The chat window is now ubiquitous, both on websites and Facebook pages. Social media teams are being better equipped with tools manage customer inquiries on Twitter and Instagram as well. And the reason is simple - a shoe shopper is not comparing their experience to their last shoe shopping adventure - they are comparing all of their recent customer service dealings.

The businesses that are navigating this change best are adopting an omni-channel approach to customer service. They are integrating all contact channels into a single team with consistent policies.

Customers will disengage if they are unhappy with service.

Businesses may never earn them back.



Where are your donors spending



Who else is in your donor's mind

Big brands continue to grow, even as consumer confidence is shaken and spending is declining. How many of the top ten most powerful brands do you have in your life:

1. Apple
2. Google
3. Amazon
4. Microsoft
5. Coca-Cola
6. Samsung
7. Toyota
8. Mercedes-Benz
9. Facebook
10. MacDonald's

Luxury brands Louis Vitton, Chanel, and Hermes are recognized alongside Disney, Nike, Zara, IKEA, and H&M in the retail sector.

New vehicles sales have seen a steady decline as cost and climate conscious consumers limit their reliance on single-occupant vehicles

Recent years have seen a shift in

the way that consumers are choosing to shop and spend. Amazon and Netflix are among our fastest growing brands, and Sears, Toys R Us (America) and Target (Canada) are all relics of a retail life that once existed.

The necessity of dual-incomes for many families means more working hours and less time browsing the aisles at a box store or shopping mall. Canadians still love shopping, and we are finding new ways of getting what we need.

Direct-to-Consumer is the fastest growing consumer segment. Think Endy and Casper Mattresses, or buying eyeglasses from Clearly or Warby Parker.

Canadians are also electing to order online and pick-up in store in greater numbers. Online grocery ordering is leading this shift, followed by fashion retail.

Global issues will continue to drive the growth of some trends and the brands associated with them. Climate change will afford growth in the hybrid and electric vehicle segments, as well as manufacturers and installers of microgeneration equipment. Watch for brands like Nike, Adidas and H&M to increase the volume of their sustainability efforts, and for other brands to feel challenged to join in.

What's old is new again as TerraCycle's milkman-modeled *Loop* heads into pilot phases in cities across the globe. And it's a renaissance for bicycles, vinyl, and local food producers as consumers look to savour reduced-pace moments with family and friends.

Convenience appliances and foods will continue to grow. Think Insta-Pot and Made Foods.



ROCK RETURNS

The Stones are in the studio, Latin music and Boy Bands are growing, and Kanye wants to make a comeback. Hip Hop will lose its chart dominance, with rock returning to power.



CANADIANS ARE HAVING FUN WATCHING THEIR HEALTH

Health and organic foods are projecting greater than 30% growth in 2019, and the fitness wearable market is set to grow by 150% this year. Fitness and training studios are seeing growth as they gamify personal health goals.

MILLENNIALS DISRUPTING MARKETS

Frugal, savvy shoppers who lack the brand loyalty that shopkeepers count on have taken control of the retail and online markets and are forcing innovation.

THE RISE OF A PROJECT DRIVEN WORKFORCE

THE GIG ECONOMY IS HERE. AND IT'S IMPACTS ARE HYPER-LOCAL AND GLOBAL.

On-Demand employment opportunities are big business, and they're not just for youth. While 63% of Millennials surveyed by Addison Group would be willing to work in the gig economy - the survey also found that 59% of Gen-X and 44% of Boomers would accept opportunities to enter a project focused, limited-term role. Not all of your donors and prospects have, nor are they looking for, stable bi-weekly paycheques.



PHILANTHROTIP

Behavioural Economics. It's a science - a way of understanding how and why your donors make decisions about their money and their lives.

The Canadian Charitable Sector receives more than \$10 Billion dollars in donations annually, and our impact extends far beyond this amount. At the same time, Canada's GDP is more than \$2.2 Trillion dollars, and the Gross World Product is more than \$105 Trillion dollars.

We owe it to our donors, to our teams, and to those we serve to build an understanding of the drivers behind economies, including human behaviour.

The only fears that we all share

Dr. Karl Albrecht has written extensively about intelligence, common sense, and how humans think. The Mensa society presented him with the Lifetime Achievement Award for his work advancing our understanding of human intelligence, and he is listed as a top thought leader in business.

We grow up exposed to fears and phobias - heights, bugs, falling, confined spaces, flying, dying, and so many more. Everyone experiences fear.

Dr. Albrecht, in a piece for Psychology Today, distilled all of the millions of fears that humans carry with them down to five basic fears - Extinction, Mutilation, Loss of Autonomy, Separation, and Ego-Death.

Each of our fears can be categorized into a basic fear. For example, our fear of dying falls into Extinction, and our fear of bugs and what they can do to us is included in Mutilation. Loss of Autonomy includes claustrophobia, and also extends to social interactions and relationships.

Separation and Ego-Death - that's where we lose the essence of us. We become not wanted, not loved, not valued. We are humiliated, embarrassed, or lose our integrity.

Jealousy is an expression of fear of separation, and can also be linked to ego-death.

Fear is often the root - the base emotion - for anger. If your donor is expressing fear, about anything in your relationship with them, you need to address it properly or risk being in a situation where you are no longer able to add value.



ON THE RADAR

GLOBAL ISSUES THAT ARE
IMPACTING YOUR LOCAL
COMMUNITY



▼ It's Political

In 2019, Alberta, the Northwest Territories, Prince Edward Island, and Newfoundland and Labrador will host general elections. As a nation, we will have our 43rd Canadian Federal Election on or before 21 October. A number of municipal elections and by-elections are also planned.



▼ It's hot in here

The release of the IPCC report removed any doubt for many that the time for climate action is now, and that without action everything else is moot. The apocalyptic tone sometimes used in climate messaging is being heard, and more Canadian families and businesses are looking for ways to reduce their impact on the environment.

▼ Globally, it's a mess

2018 was no walk in the park for foreign ministers, and it's not looking like it's going to be any easier this year. The back-and-forth between a number of nations and China continues with so signs of easing off, and tensions have been mounting between the US and Russia. Political tensions within the US have the potential to further impact global markets, and only add fear for those who are invested.

The rise of the alt-right and libertarian movements, and the recent election of a number of far right leaders does pose a risk to life and liberty in some countries as well as global financial stability.



▼ Not too big to fail

The end of easy money paired with rising interest rates has created a perilous situation for global markets. Massive business failures will lead to the collapse of banks in emerging markets that are reliant on foreign capital. Institutions that are heavily invested in these markets will be hardest hit.



Transparency is cool

In a post-truth society coping with fake news and alternative facts, personalities and brands are winning with vulnerability and transparency

How does a company decide what materials to use? Who is the farmer behind the potato? How much water and energy goes into making your pants? And why should you care?

Brands looking to capitalize on the rise of social media and the increase in Canadians with post-secondary education are leveraging their own origin stories to build trust and credibility. They are sharing details about their supply chain, processes, and corporate backstory to inspire conversations and drive sales.

Consumers are willing to pay more for a product they trust or feel better

about, leading to an increase in revenue for brands that demonstrate transparency in their narrative.

Mountain Equipment Co-op (MEC) shares their entire full list of suppliers, code of conduct, we well as stories from the factories employed by the outdoor retailer. Hershey and Levi's also share their supply chain stories, and Adidas is proud to share their sustainability story and how they are innovating their manufacturing and sourcing.

Corporate leaders, think Tesla's Elon Musk, are living public lives. Their



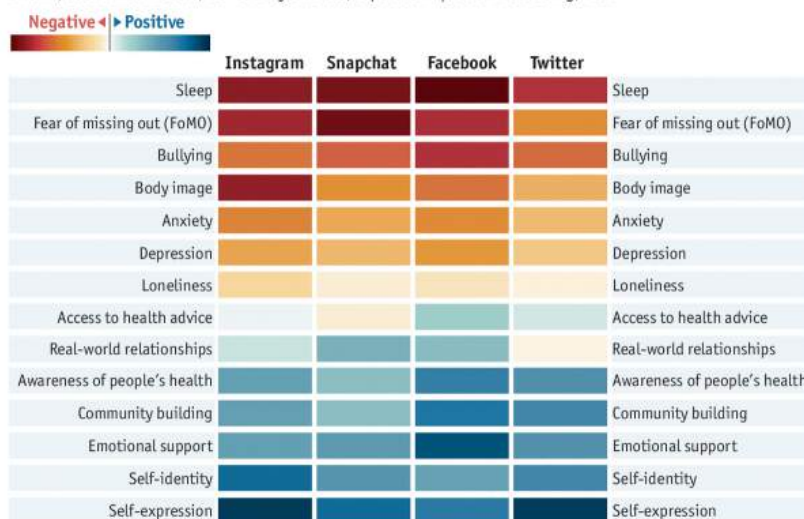
every decision, every purchase, and every indiscretion is scrutinized by a public that has a thirst for information.

And in our post-truth world, brands need to build a culture and presence that is stronger than social media's voracious appetite for the dramatic.

When home is a scary place

As people build homes, communities and families online, researchers in the UK set out to learn how heavy use of social media was linked with mental illness in youth

Like, obsessed
Britain, social media users, 14- to 24-years-old, reported impact on well-being, 2017



Source: The Economist

Despite some very positive influences and impacts, research shows that social media can have a profoundly negative effect. This is especially true for those suffering with mental illness.

Social media exacerbates fear and different forms of depression. It can worsen sleep deprivation, compounding existing struggles and creating its own unique concerns.

The individuals represented in this chart from The Economist are our next generation of donors. They are the children and grandchildren of today's donors.



REACH YOUR PEAK

She summited seven mountains, and has completed dozens of hikes and climbs.
She knows how to navigate uneven terrain.
She's six years old.

Follow her example.

Slow down. Take deliberate steps. And extend a hand when the terrain gets rough.
I'm here to help.
- *Conor*



The Primal Human Need to Belong

It's one of the most well researched and proven topics in modern psychology - the primal, instinctive need to belong.

We all - introverts and extroverts alike - need to feel like we belong, like we are not completely alone. As a basic rule, we need regular contact with people like us. We need stable and caring interactions. Relationships that include meaningful, profound bonding are crucial to our well-being.

When we don't feel like we belong, fear sets in. We enter a fight or flight mode. We may run, or we may get angry and resent the group that has rejected us.

As charity leaders, our basic training is to say "Thank You", and to make sure that our donors feel appreciated. We have policies and procedures, scripts and boilerplates, volunteer training programs, and templates. All to help us to say thank you.

Many charities communicate with donors twice: When they are asking for a donation, and when they are saying thank you.

While ensuring that donors feel appreciated is critical, appreciation does not automatically extend into belonging. And donor engagement programs that do not build belonging place a ceiling on your donors' potential lifetime impacts.

Make use of all of the tools available to you. Build a safe space online for your donors to congregate and meet. Engage in conversations, support one another, and facilitate opportunities to build deeper connections.

Talk to your donors not only about their individual contributions, but also about the community they belong to. Set goals as a group, and share collective impact.

The right questions to ask



“
*Who knows
 about your
 philanthropic
 legacy?*
 ”

Building relationships with donors is of critical importance to the success of your donor development programs.

Often charities do what the retail business calls “*feature dumping*” - letting those in their midst know everything good about what they are offering without qualifying the need for the information first.

While feature dumping may work for some, it is not a strategy for donor growth. In fact, it's insulting to donors.

Donors have also grown tired of the same bland questions from fundraisers. Always assume that you are not the only fundraiser drinking tea with them, so be engaging.

Think about who your donor is

- who they really are. Are you confident that you know them? Do you know which of the seven faces of philanthropy they wear? How can you be certain?

Asking the right questions will do more for your relationship with a donor than anything else - so ask strategic and open questions that inspire your donor and build connections. Ask about their favourite philanthropic experience, what gets them excited, or who inspires them to give.

And my most important question, for a multitude of reasons, especially with planned giving donors, “*Who knows about your philanthropic legacy?*”

IMPACT WORDS

how you say it matters most

YOU

"You did this..."

"You said it matters, and so we..."

"You are important..."

BECAUSE

"Because of you..."

"Because we love..."

"Because we believe..."

DISCOVER

"Discover the most exciting advancements..."

"Discover the opportunities to drive change..."

"Discover how you can shape..."

LIFETIME

"Your donation will last a lifetime."

"This is about more than today, it's about an entire lifetime"

PROVEN

"Your donation has proven that..."

"Research has proven..."

"It is proven that..."

PROTECT

"Your donation will protect work that..."

"Together with you, we are protecting what matters most..."

INSPIRES

"Who inspires you to give?"

"You have inspired us"

"The proven results have us inspired..."

"Be inspired..."

CREATE

"Create a lifetime of..."

"Create a path to discovery..."

"Create the fuel that inspires..."

IMAGINE

"Imagine a world..."

"Imagine that..."

"Imagine you are..."

"Ten years ago, we couldn't have imagined..."

JOIN

"Join our community."

"Join the movement."

"Join together with science..."

Words are powerful.

How often have you been taken aback by negative messaging in an advertisement or political statement? You found it off-putting, or maybe even offensive,

It matters more what words you use to convey your message, than the message itself.

Buffer has a list of 189 Powerful Words, leveraging the work of scientists, psychologists and marketers around the globe. Not every word on the list applies to charity work - we shouldn't sell ourselves in the same way as a car dealership might.

But we do need to connect. Deeply.

And to build those deep connections, we need to be thoughtful about the words that we choose.

These are some of my favourite impact words. Try using them in your messaging. Test them on a colleague or your Executive Director today.

Which is your favourite? I'd love to hear from you on Twitter or LinkedIn.

PHILANTHROPY

Start building a story library today. Collect real stories from real people impacted by your cause. Sharing humanity adds value to your community.

Your voice, as fantastic as it is, is no replacement for the voice of a real person impacted by a cause. Linking a powerful impact story to your cause builds trust and increases donor engagement.

And remember - not every story has the same arc or ending. Look for variety to keep interest.

ABBREVIATE

HOW MUCH SHOULD YOU BE SAYING



GET TO THE POINT



When it comes to social media, your most well written prose will go unnoticed.

Attention spans are far too short to appreciate your work.

Abbreviate your posts, and link to a webpage - or share an image or video.

Optimal Post Length:

Twitter: 70 - 100 characters

Facebook: 40 characters

LinkedIn: 25 words

YouTube: 3 minutes

Slideshare: 6 minutes



AMPLIFY

HOW MUCH SHOULD YOU BE SAYING



HUMANIZE



Your audience will be looking for longer content away from social media.

This is where you tell real human stories and deepen your connections.

Optimal Post Length:

Blog post: 1,600 words

Blog Headline: 6 words

Podcast: 22 minutes

Ted Talk: 18 minutes





all on their own journeys.
no one alone.

Donors. Development Staff. Executives.
All perform better as part of a team.

Donor and charity journeys are not solo expeditions.
Bring the right crew for the climb.

I'm here to help.
-Conor



UNDERSTANDING IS KINDNESS

WHAT IMPACT ARE TRENDS AND FORCES HAVING ON YOUR DONORS?

Donors are managing a myriad of internal and external forces. From their own psychology and values, to being exposed to upwards of 10,000 advertisements daily and a steady flow of negative news.

It behooves us as charity professionals to build an understanding of the forces that are being applied to our donors, as a means of demonstrating respect to them and also to afford those who are passionate about our causes the opportunity to maximize their impacts.

Let's look at what we've discovered in this edition of *The Philanthropic Brain*, and how it impacts our donors and communities. This is by no means an exhaustive list of all of the forces being applied to people in Canada, and does illustrate just some of the factors that we as philanthropy professionals should be considering.

The Donor as an Individual

The world around your donors is changing, and that's having an impact on their moods and personality. Even the happiest donor is experiencing fear, and coping with a new social landscape. They are building homes online, in the middle of a wasteland and next to a tire fire, in the hopes that the people they love and care about will join them for shared experiences. Misogyny, racism, and fascist ideology are loud voices around all Canadians. Donors are managing anger, fear, and disgust at what they are seeing and hearing. They are dealing with uncertainty politically, financially, and in social settings. The people they were raised to trust - leaders and journalists - are openly lying, creating a sense of sadness and

loss of the comfort Canadians once had in institutions. The brands they grew up with are disappearing, and some will feel anxiety about these transitions. As more families rely on multiple incomes, you donors have less time for themselves and for the things they are passionate about.

All of this fear, sadness, and anger can cause some of your donors to be more withdrawn, more distrusting. They may take longer to engage with you, and even longer to open up. What this means is that it may take you longer to help your donor reach their potential, if they are ever able to get there.

To best manage these forces, invest time and energy in your donors. Segment your data differently. Use engaging words, and ask engaging questions. Use more voices than just yours so that trust can build with your cause as well as with you - giving your charity additional cognitive and emotional attention. Lead with hopeful messages, but don't deny the realities that may have inspired these donors to find you. If you represent a cause where the outcome is death, don't shy away from truth, but don't lead with a hard message.

If you are planning engagement events, think about your donors as whole people and not only as a remittance to your charity. Plan a family day at the zoo or a local amusement park and invite the entire family, or organize a bike tour. Knock down some of the silos that you built when every donor engagement was exclusively for the donor and the charity, and let the community come together and thrive in new spaces.





Understanding is kindness

CONTINUED FROM PREVIOUS PAGE....

It is important to remember that your relationship with your donors is an open polyamorous one. You have other donors, and they have other charities. Everyone knows this, it's no secret. Don't be shy - invite the conversation about passion, and learn more about your donor and what legacy they want to leave. When making small talk, instead of talking about your new bookshelf that you built, share one of your truths by saying a version of, "Last weekend was just boring domestic duties, but a few weeks ago I volunteered at the food bank filling hampers. I really value what they do for the community. When I was a kid my family needed the food bank a few times, and I always feel good when I'm there. How about you? What's the last charity thing you went to?"

The Donor as a Community Member

Because your donors need to belong, they are seeking people or communities that meet their values and welcome them. They are looking online, at work, the coffeehouse, gym, school, with charities, and everywhere. It's instinctive - our radar is always on, pinging off the people around us, searching for shared values and experiences, looking for a reason to connect.

Humans are building communities everywhere. Social groups share experiences in homes, nature, coffee shops, workspaces, shopping centres, and everywhere else that they spend time.

Online communities exist on social media, on websites like Reddit, and in forums hosted on all types of websites.

Without as much time in their days, donors are not searching social feeds for what you've posted. Rather, many are only seeing *stories* that are posted.

To increase engagements and start building your community, share information, pictures, and videos in short posts that invite the audience to engage. Leverage stories more than feeds, and start posting human interest content with a bit less polish and a lot more reality. Create a safe space for your community by asking questions and posting replies. Use the Facebook chat feature, and invest in an online customer service tool for your website. Train your teams to offer the same service online as if a donor was on the phone or standing in front of them. Use LinkedIn regularly, and invite users to discuss how the issue that inspires your charity - be it a health issue or social one - impacts their professional lives.

Ask people to join your community, to share their experiences, and to support one another. Ask them to help you build a family, a support system for everyone who is living just like them.

Thank You!

I appreciate you reading.
Have an adventurous week.



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