

proved that we can never be prepared for what's to come. But 2020 also proved how resilient, agile and adaptable nonprofit organizations are in the face of adversity. As the nonprofit sector continues to face the lingering effects of an ongoing pandemic and economic recession, even more challenges await nonprofits in 2021. Innovation will continue to be at the forefront of nonprofits' strategic plans, but so will engagement and connectivity.

With the help of technology, nonprofits will be able to meet donors where they are: online. But organizations should also keep in mind that donors have virtual fatigue due to constant communications from nonprofits of all sizes, shapes and missions. So it's important to have a renewed focus on engagement and continue the conversation with donors all year long — not just when you're asking for money. It's time to say goodbye to transactional fundraising and hello to a fundraising model based on recurring giving.

Each year, NonProfit PRO shares 40 nonprofit trend predictions for the upcoming year in the following categories: big ideas, fundraising and marketing, up-and-coming tech tools, giving trends and relations, leadership strategies, board development, and peer-to-peer fundraising. Without further ado, here are our top 40 trends for 2021:

WHAT ARE YOUR PREDICTIONS ON SOME BIG IDEAS FOR 2021?

1. Continued Shift to Direct Marketing Channels

A continued shift to direct marketing channels to meet donors where they are (at home) will be necessary in 2021. Pivoting to digital, direct mail and virtual events will be the keys to reaching your key audiences, but having messaging and content that lets you stand out will be the key to driving results. Americans will continue to be generous with their philanthropic support, but the long-term economic impact of COVID-19 will make the need for services even greater in 2021. As the economy begins to recover, some things will not necessarily go back to the way they were as many people will continue to work from home, and companies will create more flexible working environments to accommodate that shift. Nonprofits that are not developing multichannel campaigns to reach their donors and members will have a harder time getting on the radar for those who might be willing to support their mission. — Alicia Lifrak

2. Direct Conversations Around Giving

Direct giving and radical generosity conversations will continue to arise. I hope doing so will continue to push forward how organizations and various nonprofit sectors communicate the impact



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EVP
Pursuant



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A Direct Solution

of their work. In some cases, I expect they will lead to new types of actions and ways of engaging supporters, too. - Sue Citro

3. Emphasis on Innovation

Nonprofits need to be innovative to survive. Our process here is to rethink strategies and question old methods and put a bigger emphasis on connecting donors' dollars to tangible results — the whole reason why nonprofits ultimately exist. This will be more critical than ever moving into the new year. The old mentalities will begin to die and no longer work if nonprofits won't evolve to meet future challenges. People have a tendency to retool their old successes from the past, and I don't think that will be an effective strategy anymore, because new arguments are forming and tougher questions are being asked due to economic strains, really that are pushing donors harder to examine why they're even involved, so it's a time to refine and a time to redefine. — Micah Fink

4. Experiential Marketing

I believe the Clubhouse app is going to present a forum for grassroots organizational leaders to share their missions to groups they've never accessed before. This app will definitely serve as a platform for Generation Z and millennial cause-driven leaders. Experiential marketing will be essential, as organizational leaders will continue to establish themselves as influencers in their causes and their organizations as relevant agents of change. -Lindrea Reynolds

5. More Virtual Social Experiences

We started off in March with this whole evolution into what the world of virtual events looks like, and I don't think that's going to change, at least through the first six months of 2021. At Komen, we are planning for our spring events to be virtual, and as of right now, planning for most likely fall to be as well. But we'll see what happens. I think the way that we've seen virtual events has completely changed over the last 11 months. I think that the technology and a lot of these in-person production companies have shifted to a way that they can provide their services in a virtual environment. People want something more. What I miss about conferences and professional development is being in person around other professionals who I want to network with — want to interact with vendors to catch up and say, "Hey, these are issues I'm having. How do we use the technology that you provide to solve that, to identify new vendors and just learn and grow?" In this virtual world, we're burned out. - Josh Hirsch

6. New Approaches

I predict (and hope) that 2021 will be the year where we approach our work with a lens of what's possible. In 2020, we experienced a disruption like never before. Every region, organization and person was impacted but not all in the same way. Hospitals and food banks were deemed essential and adapted to accommodate an unprecedented volume of need (and generosity). Conversely, museums, higher education institutions and many peer-to-peer events were brought to a standstill, forcing a shift to never-before-used virtual platforms to sustain engagement. In all cases, we witnessed an inspiring level of ingenuity and resilience. It forced us to replace our business-as-usual with a new approach grounded in curiosity, innovation and possibility. I think this shift served us well, and I look forward to seeing what (more) it brings in 2021! - Kelley Hecht Stewart

7. New Relationships

New relationships need to be explored in 2021 - and collaborations across spectrum lines, really - as innovators of social change, because I think in the end, we all have the same goal in mind, which is really making the world a better place. And my predictions are to get ready to be challenged and get ready for a big restructuring of how nonprofits will work. At Heroes and Horses, we use my dad's method that I call the "One Eighty Out Method." I think in 2021, we're going to find out what the world is doing, and then do the complete opposite. In 2021, that's where we'll find success. — Micah Fink

WHAT WILL BE BEST PRACTICES FOR **FUNDRAISING AND MARKETING FOR THE UPCOMING YEAR?**

8. Foundation Funding

In response to COVID-19's economic devastation, some of the largest charitable foundations publicly pledged to massively increase their grantmaking. This trend will only continue to grow for the foreseeable future for a variety of reasons, including the fact that more foundations are supporting social movements and local communities more than ever. In 2021, every nonprofit organization would do well to develop a strategic plan to approach at least a few foundations for grants. — Shari Rudolph

9. Greater Captive Audience

Not a lot is going to change with traditional fundraising. Yes, you're not having your major gifts meetings in person. You're now doing that over Zoom. Your peer-to-peer model is your email, direct mail, and that's not changing. What I think is changing is, because you're home, you have more eyeballs on your content. You have, in theory, a greater captive audience because of this. For us, we're trying some new techniques, some new acquisition using Facebook Messenger and working with chatbots. — Josh Hirsch

10. Mobile First

Digital is the future of marketing. And when it comes to online behavior, more and more of it is moving to mobile devices every day. If your website, fundraising tools and content aren't optimized for mobile viewers, you're leaving dollars and engagement on the table. You should also consider SMS marketing such as text-to-donate technology, as well as explore emerging storytelling platforms that are mobile first, especially TikTok (take a look at Tik Tok for Good). Generation Z conducts almost all of their business on their phones. If you're not thinking about the mobile experience, you're already losing ground. — Shari Rudolph

11. Passive Connectivity Income

At Heroes and Horses, I've kind of coined this term and created this phrase, and I really like the idea of what it represents. I call it passive connectivity income. And we have programs like "Adopt-A-Horse," a physical assets wish list, the "Mustang Legacy Program" and our vertical chart quarterly challenges, and we also have a monthly trailblazer program. Because of the times, we want to offer experiences, challenges and tools that we use here while connecting with the public and our base; giving those tools that are really universal; and fundraising through shared community struggle and connection. So I've taken that passive connectivity income process that I've created, and I've been able to build a community with my team around these universal tools, making people who never before even thought about donating to a nonprofit want to get involved because of the shared community struggle that we create and the universal mission and message that we have. — Micah Fink

12. Performance Evaluation

Make sure you evaluate the results from your activities last year, create your fundraising plan, and keep working on it. The elements of a plan include bringing in new donors; reactivating lapsed donors; and upgrading donors to higher levels to monthly donors, mid-level, major gifts and legacy gifts. — Erica Waasdorp

13. Personalization and Intentionality

Personalization and intentionality will be key in 2021. Email audience segmentation will need to be more intentional, as every key stakeholder has experienced the economic and social crises differently. Organizations will need to connect with audiences in a more relevant and relational way. Narrative strategies are important. Due to our current crises, a brand voice of compassion and empathy will need to be shared in all forms of communications, from beneficiaries to potential donors. With the rise of TikTok and Clubhouse, and the continued growth of Instagram, organizations will need to reimagine their social media strategies to engage Generation Z and millennials. Video marketing and data-driven video ad campaigns will need to be a part of your content marketing strategies. — Lindrea Reynolds

14. Relationship-Based Fundraising

Relationship-based fundraising was, is and will continue to be a best practice. I am amazed at the results we see when organizations shift to focus their storytelling and experiences on the human — not the organization or the transaction. From traditional direct mail to major gifts, the intentional integration of fundraising (and sometimes marketing) initiatives and the complement of external data points (including, but not limited to, wealth) make a dramatic impact — for the organization and the donor. — Kelley Hecht Stewart

TELL ME YOUR THOUGHTS ABOUT THE **UP-AND-COMING TECHNOLOGIES THAT** NONPROFITS NEED TO KNOW ABOUT.

15. Data Optimization

Data optimization is going to be the greatest driver of success in 2021. Last year was such a significant disrupter to the norms of how we "always did things," but it's tremendously important that organizations can track and analyze what worked and what didn't work by reinforcing data-driven decision-making. If you are not using your data to drive strategy, you are leaving money on the table and may be wasting valuable resources on the wrong things! — Alicia Lifrak

16. Donor Stewardship Videos

A technique that I love and started using probably about two or so years ago, which is starting to come more and more to the forefront, is personalized donor stewardship videos. There are a lot of different companies out there that do it. But the whole point of a personalized thank-you is that it's personalized. The subject line personalized — and the call to action, the salutation and the greeting. You have this much higher personalized experience. I used a similar campaign for a birthday fundraiser I did last year, and I was being thanked for sending people thank-yous. I was having a 90% email open rate from this campaign, from me just sending a simple thank-you. It's amazing that at the heart of it, we're all great fundraisers, and we know that digital communications allows us to create no barriers to stewardship and no barriers to heightened storytelling. — Josh Hirsch

17. Diverse New Platforms

With technology platforms becoming more accessible and affordable, it can be hard to determine if, when and which are best suited for your organization. While I don't think there is any single must-have for all organizations, three stand out to consider:

- 1. Responsive fundraising platforms. To ensure your communication strategies are strategic in delivering timely and relevant stories (e.g., Virtuous).
- 2. Fundraising intelligence platforms. To ensure you are looking at the full person behind the gift and understanding the natural areas of interdependence across your program (e.g., Pursuant).
- 3. Visualized dashboard reporting that's integrated. To ensure you are able to break down internal silos by tracking direct and indirect correlation of key metrics (e.g., Tableau). — Kelley Hecht Stewart

18. A Focus on Video Content

YouTube has replaced Facebook as the top platform that affects consumer behavior, while video ads were the No. 1 way consumers discovered a brand they later purchased from, according to data from video maker Animoto. An older survey from Google found that online video is the most influential source in driving donations for nonprofits, with 39% of people who watch a video reporting that they look up the relevant organization within 24 hours of viewing. In short, people love watching videos, and video marketing works amazingly well. In a related trend, expect live content to continue its explosive growth. If you're not producing video content, this is the year to start investing in it. — Shari Rudolph

19. Relationship Management

For us, our focus is relationship management. There are a lot of great services that play a growing role with all these new cloud-based CRMs and provide particularly helpful resources that are keeping it all together. For example, Microsoft offers Dynamics 365, which has the ability to draw information from different data centers all in one place. And this kind of cohesion, I think, is more important as the number of giving channels, because of the pandemic, continue to grow. But my advice is to keep it simple. We don't need to take everything that we do and put it online just because tech exists. It doesn't mean don't use it, but be careful; because you can quickly dilute your brand, and you'd be spread out so far on tech in so many different ways that when things start to gear up again, you won't be able to come back from it. — $Micah\ Fink$

WILL THERE BE ANY CHANGES IN GIVING TRENDS AND DONOR RELATIONS IN 2021 THAT WILL BE DIFFERENT FROM YEARS PAST?

20. Goodbye to Transactional Relationships

The rise of kindness and caring witnessed during 2020 marches on and has shaped everyone's 2021 expectations. No one wants to be viewed as an ATM that dispenses money upon request; we all crave authentic conversations and real relationships. So see past transactional relationships, and connect with your supporters directly to help unleash their passion for your mission in 2021. — Sue Citro

21. How Nonprofits Are Responding

Changes in giving trends and donor relations represent one of the greatest opportunities in 2021, and success lives solely in the hands of our nonprofit leaders. When the world shifted in 2020, so, too, did giving behavior. Many organizations experienced a surge in new donors, and even more experienced increased generosity from their most loyal donors. The question in 2021 is not how these trends will differ, but how organizations respond to embrace their new reality. In 2021, organizations will have the opportunity to consider: How do new donors differ from existing donors? How will they segment audiences? What existing experiences do they offer, and which new experiences will need to be created? Spoiler alert: If you are not asking these questions, you are likely to miss the opportunity. — *Kelley Hecht Stewart*

22. Keep It Relevant

My advice is to keep relevant, say only what matters and share results. That's why nonprofits exist, and that's why they're funded. Our trends as an organization don't really line up with national analytics. For us, we'll continue to see smaller indirect public support gifts and foundation grants, and bigger gifts becoming much leaner until the economic environment stabilizes. People, foundations and grantors want to give and want to support, but I believe it's our job to articulate and show why it should be us, and not to do it in a way that it turns people off to a point where they never come back. — *Micah Fink*

23. More Monthly Giving

I hope that donor relations will only get better, and non-profits will spend the time reaching out to donors to connect and engage. I also hope that monthly giving will become even more common, as I expect more fundraisers to (finally) focus on it. — *Erica Waasdorp*

24. Pandemic-Related Relief Services

Donors and corporations will continue to increase support for organizations that provide pandemic relief and health-related services. Also, I believe organizations that have developed innovative K-12 educational experiences will see an increase in giving and support. — *Lindrea Reynolds*

25. Special Event Fundraisers

I think people still want to give, and they're still going to give to the causes they care about. Where we will see a change, and some organizations are still doing this, is the special event fundraiser. I think special event fundraising has completely altered. Yes, there are some great ways to do virtual events, but the dinner dances that we've had from years past — where people enjoy getting dressed up on a Saturday night and going to a dinner or participate in a live auction to go to a safari in Africa — that's different. And that's going to continue to be different. I know people are hungry to get back out there and socialize, do events. — Josh Hirsch

26. Unrestricted Gifts

I hope that more donors are able to see the value in unrestricted gifts to provide operating support after witnessing the challenges that so many organizations had in keeping their doors open through all of 2020. In the last decade or two, there has been a very heavy emphasis on soliciting restricted gifts and very programspecific funding. Organizations without healthy operating reserves were particularly challenged, and many were unable to tap into their own resources as the dollars were restricted from supporting general operations, and the programs that had been funded were being severely altered, or even halted in some cases. Donors need to be educated on the organizational need for unrestricted operating support, and boards and donors need to invest in an organization's ability to pivot and respond when faced with unprecedented challenges. — Alicia Lifrak

WHAT ARE SOME EFFECTIVE LEADERSHIP STRATEGIES THAT WILL BE BIG IN 2021?

27. Ambassador Strategies

Organizations will need to develop ambassador strategies for employees to effectively use their voices on behalf of their organizations. Everyone will need to lead the charge on being a key influencer for the mission. Nonprofit leaders who recognize the value of every employee's voice and thought leadership will see a decrease in employee turnover and an increase in loyalty and funding. — *Lindrea Reynolds*

28. Collaboration

Of the dozens of leaders I spoke with and counseled in 2020, there was a single trend that stood out and that I suspect will be big in 2021: collaboration. Nonprofit leaders have long been faced with extraordinary hurdles, but 2020 took those hurdles to new heights. From transitioning previously physical workspaces to virtual to making substantial reductions in the workforce - all while finding ways to increase revenue and deliver on increasing demand for mission. Simply put, many leaders survived what they would've once thought impossible — but they didn't do it alone. Leaders that thrived in 2020 were surrounded by other (often emerging) leaders who brought forth new ideas, demonstrated capabilities outside of their traditional function, learned new skills and followed through with rigor and accountability. The realities of 2020 created an environment for once-competing organizations to collaborate and for hidden talents to shine. In short, in 2020, we were better together, and the same will likely be true for 2021. — Kelley Hecht Stewart

29. Detachment

Detachment is one of the most powerful tools a leader can have when it comes to the emotions in leadership problems. So the question is: How do you do it? And for me, the answer is practice and confidence. And both of those things, they're a choice. In times like this, leaders have a tendency to want to overlead, and that takes them from being a leader to this managerial role, and you stop innovation, and you stop thought, because you're overmanaging and overleading in a time when people need the left and right lateral limits to be creative, have responsibility and take ownership of their departments. I think this is the time to empower people, this is the time to give people the room to be creative, and I think that right there, that detachment, like I said, is the most powerful tool that you can have as a leader when it comes to growing, managing, leading through difficult times and problems. - Micah Fink

30. Focus on Mental Health

Especially with a lot of people working remotely, it's important for supervisors to make themselves available to their staff. I think that you need to reinforce the need for mental health breaks. It's really important for leaders to remind everyone that they need to take time to themselves. Something that we instituted at Komen is no-meetings Friday afternoons, so after 12 p.m., we are encouraged not to participate in or schedule any meetings. It's the time for you to get some work done; a time for you to really just finish out the week strong and not be bogged down with starting the week off with your to-do list being 10 miles long. — Josh Hirsch

31. Public-Private Partnerships

If 2020 taught the nonprofit sector anything, it's that no single group or organization can solve huge global problems like a pandemic. It takes cross-sector collaboration across government agencies, nonprofit entities and for-profit companies to move the needle. With COVID-19 still a menace to society, we all need to think creatively about forming new partnerships and relationships that can drive greater impact for our constituents and create sustainable improvements in our communities. — Shari Rudolph

WHAT ARE SOME CHALLENGES IN BOARD DEVELOPMENT, AND WHAT ARE YOUR TIPS ON HOW TO OVERCOME THOSE CHALLENGES?

32. A Clear Agenda

What I've seen is boards become stale and create more work than the value they provide. As the needs of the organization and the mission evolve and take different shapes, I think, so should your board. I often see that the executive team doesn't really know what to ask of their board because they're not really sure what they need. My advice in developing a board is really developing a clear agenda for the board, then placing the right people in the right places. So do you need a fundraising board, do you need a working board, lots of involvement or just the legal requirements? Failure to build strategically with the right people at the right times during all the various stages of growth can actually detract and hurt an organization, and I've seen that even here in the beginning. This is a big problem, and board management can drain

and create huge frustration. To avoid all these problems, make a plan in a realistic prediction for the who, what, when and why, and the rest is easy as you take those steps. And as the board evolves according to that plan, I promise you, it will save a lot of heartache. — *Micah Fink*

33. Increased Board Involvement

Board development is always a challenge, and I don't expect that to change. I recommend giving new board members a list of the top five fundraising books and be quizzed about them before they are voted in on the board. They should come in at least one day a month and look at donations coming in from donors, make thankyou calls, write thank-you notes and see the tremendous power of fundraising before they utter one single word or opinion about it. They need to empower leadership to do what they were hired to do, and, of course, every board member should make a gift — be it one-time or monthly — before they come on board. If they're not willing to do so, they should not be on your board. — *Erica Waasdorp*

34. Measurable Expectations

One of the most consistent challenges I see in board development is a lack of clear and measurable expectations. We work hard to recruit individuals who are both skilled and passionate, with the hope that they will make us (and our organizations) more effective and more impactful. Unfortunately, we often forget that they are not (yet) skilled fundraisers, so we don't provide them with training or education on the profession of fundraising. Then, we forget that passion is an emotion, and if not grounded by objective data, we make decisions based on emotions, not data. To harness the full skill and passion our board members have to consider approaching it like a staff position — write a job description, onboard them with comprehensive training and set metrics for success. With those as our foundation, you'll be able to better assess their unique capabilities, adjust the foundation to harness their known (and discovered) talents, and create a stronger partnership that adds value to the organization and leaves your board feeling like they've made a difference. — Kelley Hecht Stewart

35. Reconnecting Passion

With kids home from school, stress in the workplace and everything else, it can be hard to keep your board engaged, especially coming off a challenging year like 2020. Take steps to reconnect your board members with their passion, and get them talking about why they joined the board and what inspires them about your organization. Also, don't forget to invite them to roll up their sleeves and help during the most challenging times — because when you make them part of your frontline team, more good things happen. — Sue Citro

WHAT UNIQUE PEER-TO-PEER STRATEGIES CAN NONPROFITS USE TO RAMP UP THEIR PROGRAMS?

36. Experience and Community

I started my career in the peer-to-peer event space, and nearly 20 years later, I can summarize their greatest value in two words: experience and community. Peer-to-peer events have long provided a one-of-a-kind experience and have allowed people with a shared passion

for a mission to build a strong and authentic community to navigate their journey with. Their financial success shifted our focus to fundraising strategies, but at their core, they are still about experience and community. These two qualities propelled a new style of fundraising that often eclipsed the more traditional strategies, like monthly partner Facebook groups, interactive virtual paddle raises, online care packages and "distance connect devices." So as leaders look for unique ways to ramp up their programs, I would pose two questions: 1) what experience(s) are your constituents looking for in today's environment, and 2) how can you build a stronger sense of community? — *Kelley Hecht Stewart*

37. Fundraise Creatively

As we all do more from the comfort of our homes, it's a great time to lean on peer-to-peer fundraising for your organization. It's an easy way to show up for a friend during a time when in-person meetups are a no-go. Encourage supporters to embrace peer-to-peer creatively to celebrate their upcoming birthday, replace a networking event or whatever fun thing they miss doing in real life. — $Sue\ Citro$

38. Hybrid Event Models

To alleviate virtual fatigue, organizations should develop a hybrid event model — intimate, safe, in-person events and virtual events. Also, organizations will need to host ongoing quarterly or even monthly events, beyond the usual annual gala or drive. This continues to engage donors and supporters and keeps the organization top of mind. Organizations will need to develop strategies that show how they serve their supporters as well. Perhaps it's young professional development opportunities, volunteer training, health and nutrition forums, etc. — Lindrea Reynolds

39. Networking

Extending your nonprofit to reach across the traditional lines really creates a culture and a force for good. And I see that becoming really apparent in a lot of people who I work with moving into 2021. To be able to continue your mission, you're going to have to think way outside the box, and in 2021, you can no longer just go at it alone. Ultimately, what is your goal for being here? Alone doesn't really answer that question, and I don't believe it will work anymore. So I think reaching out, thinking outside the box, being innovative and collaborating to build a larger network of people, and to stop thinking only about donations but to think about goals as well. Then the resources will follow. — *Micah Fink*

40. Peer-to-Peer Challenge Facebook Groups

Besides Facebook Messenger — which has been a lot of fun the way we've been doing it to deliver both brand messaging as well as a fundraiser acquisition - something we're doing to beta test is a peer-to-peer challenge Facebook group. What that is, is working with a company — they determine a challenge based upon the market. For example, you might see one organization that does a squats challenge. And a Facebook group has started around that. They have these groups regionally based. The members participate in the daily challenge and are encouraged to start a Facebook fundraiser. So I joined one of these groups almost just to research to see what's happening before our organization starts our own campaign, and the one group I'm in has about 5,000 people. But you have these regionally based groups, and you might have 30 or 40 of them all around the country, in which you're having, on average, each person raising \$150 through their Facebook fundraiser. You're raising some serious dollars through this really unique concept of peer-to-peer using the Facebook groups, and there's a challenge mentality. So I'm really excited to see what that does for our test markets here early in 2021 and see if it is something that we can adopt and roll out on a much larger national scale. — Josh Hirsch NPPRO

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