In reviewing expert trend predictions for this year, we were reminded of a 19th-century maxim from French critic and novelist Jean-Baptiste Alphonse Karr: “The more things change; the more they are the same.” The nonprofit industry is no exception. Some trends from last year continue, albeit for different reasons. Take a look at some of the evolving trends among nonprofits.

### 1  Tax Legislation Breeds Uncertainty

Analysts predict that some of the provisions in the new Tax Cuts and Jobs Act could reduce charitable giving by 4.6 percent or more a year. The doubling of estate and gift tax exemptions, for example, means that some wealthy donors may find it less desirable—or, for that matter, necessary—to use deductible donations to nonprofits as a tax reduction strategy. Deduction limits on state and local income taxes, including property taxes, could also have a dampening effect of charitable giving due to higher tax burdens. While nonprofits may not feel the impact immediately, forewarned is forearmed. IRS-reported donations account for less than 60 percent of total charitable donations, so it will be important to have campaigns that target the non-itemizers, such as younger donors with less disposable income. And, it will be equally important to strengthen relationships with existing donors—an area where nonprofits have much work to do—to help stave off any losses.

### 2  Politics Continue to Play a Role

Political uncertainty was a force to be reckoned with in 2017. This year, politics will continue to inspire causes. Last year’s announcement that the Deferred Action for Childhood Arrivals (DACA) program would be ended spurred organizers in cities across the country to raise funds to help applicants cover the application fee before the October 5 deadline. But nearly 800,000 people are currently protected under DACA. With the program’s end this March—and no legislative solution in sight—all would be subject to deportation on or before March 2020. ‘Immigration giving’ rose last year in response to White House policies.1 Given that protecting ‘Dreamers’ is a less partisan issue, we expect philanthropic organizations will step up fundraising campaigns related to immigrant rights, and donors will respond.
In 2017, politics led to a rise in social activism and rage donating. Some well-known organizations, such as Planned Parenthood and the American Civil Liberties Union (ACLU), benefited from that trend. We expect the trend to continue—and even accelerate—because of grassroots efforts that gained prominence in the news, such as the #metoo movement. While the movement has been around for a decade, it wasn’t until allegations of sexual misconduct by power brokers in entertainment and political arenas made headlines that #metoo gathered steam. The movement’s founder, Tarana Burke, recently told *The Chronicle of Philanthropy* that “Foundations have to think outside the box and maybe expand past the usual suspects that get all of the funding and start thinking about how to reach into communities and support community healing on a more local level.”

Burke also said, “This is a global movement to end sexual violence against women and girls, against all people, really. And the more people we have to join that movement, and the more resources we have towards that end, the more success we will have.” By championing this collaborative approach, Burke echoes another trend from last year—only instead of small nonprofits working together to compete against larger organizations, collaboration will bring together nonprofits of all sizes to address important issues in society.

Millennials have been on nonprofits’ radar since the generation overtook Baby Boomers in sheer numbers a few years ago. But older generations still donate more—in money and time—than their younger cohorts. In a year that could see declines in giving, nonprofit organizations will look to tailor their giving campaigns to meet the expectations of every generation.

For the older generations, that means maintaining direct mail or email touches, while younger generations expect mobile convenience, including digital payment options. In fact, the use of checks is declining, perhaps not among the Matures, but certainly among Baby Boomers, Gen-X and Millennials. Writing for *NonProfit Pro*, F. Duke Haddad notes, “Electronic giving is taking over. Nearly half of Millennials, Gen X’ers and Baby Boomers prefer to give solely through an organization’s website.” In addition to traditional paperless payment methods like electronic checks and credit cards, nonprofits must consider newer digital payment methods like PayPal or Apple Pay. ‘Click to donate’ convenience also allows organizations to win ‘in the moment’ with donors that act on impulse and helps nonprofits expand their donor database over time.
Data Science Gains Ground.

In certain industries, data scientists have been in high demand for years, but that hasn’t been the case for nonprofits. Last year, a Huffington Post article predicted, “The future of the nonprofit sector is one in which passionate professionals are armed with data insights to maximize their performance in critical areas.” Having seen the value of data science firsthand—in their own experiences with brand favorites like Amazon—nonprofits are making the leap in order to deliver more value for their constituents and more personalized experiences for their donors. With data analytics, nonprofits can spot trends that could translate into opportunities and leverage prospect and donor data to drive greater engagement. The biggest challenge may be the short supply of data scientists, but nonprofits can also take advantage of tools that incorporate built-in analytics dashboards to get a jumpstart on insight.

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