

Millennials And Money



Three young-adult leaders share their perspectives

- **Are millennials materialistic?**
- **Are they interested solely in mercy and justice causes?**
- **Is online giving the only way they give?**
- **Why are many of them opposed to raising support?**



Join the dialog: See the end of the article for your opportunity to participate in a millennials-style, online discussion of these shifting financial issues.

These and other questions were addressed in a popular panel discussion at Catalyst's Interchange Conference last May. We're presenting an abbreviated version of that dialog here. The panel featured three young adults from, or just ahead of, the millennial generation (defined as those born ~1982-2000):

Rhonda Elgersma is ministry partner program coordinator for World Renew Canada. Previously she served in Central America, in a role for which she raised her own missionary support.

Tim Samuel is CFO of Bridgeway Community Church in Columbia, MD. He also is the treasurer for Grassroots Crisis Intervention.

Ken Warnock is Link Asia manager for OMF International-US. He works in Littleton, CO, and also raises his own personal support.



How would you describe millennials' attitudes toward money? Are they as materialistic as their parents?

Tim: I don't believe the millennial generation is any more or less materialistic than the prior one. Their parents told them they should have a better lifestyle, so they have come to expect that they will make more money and be able to give back.

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Ken: But older millennials came of age in a terrible economic environment. The market collapsed just as they were entering the work force, leaving many unemployed or at least underemployed. **As a result, they see money through the lens of a scarcity mindset, and see financial and political institutions as untrustworthy.** That history affects everything else.

As for materialism, many millennials think that things like a house, a new car, etc. would be nice but unattainable.

[Sales](#) of cars, homes, fancy weddings, etc. have all plummeted for our age group. Perhaps most importantly, they don't believe that the American Dream is real (or at least obtainable), and that changes things quite a bit for them.

Rhonda: I think that earning a big salary is less of an idol and priority for the millennial generation. **Finding/Selecting a job is more tied to what you are passionate about versus making money.**

Tim: But millennials do believe everyone deserves a fair wage. No one should not be paid less because of their gender or race. They believe that change can happen to make the quality of life better overall.

Ken: Millennials are materialistic when it comes to entertainment and new technology. [Reports](#) say millennials are the most financially conservative generation alive, and at the same time, they're the most materialistic. My best explanation is that their materialism comes in the form of low- and mid-end products (phones, computers), not large ones (houses, cars). But many millennials are shackled with student loans. A friend of mine is paying over \$2,000 a month just on loan interest.



Rhonda: Another factor is that millennials are starting families 5-10 years later than their parents. This means that their pursuit of financial stability and rootedness have been pushed back. Some of the more traditional patterns of regular giving are also postponed.



Like true millennials, (left to right) Rhonda, Tim, and Ken took a selfie after their panel presentation at Interchange.

So what does motivate millennials to give? It seems like there are just a couple of hot buttons, namely justice for the trafficked and mercy for the poor. Do you think this is true?

Rhonda: There is definitely a shift away from giving to institutions such as the church and more to causes. This is due to cynicism about "the church," but it is also due to millennials' transience. Because they are less settled, they have less dedication to one place or community.

Millennials want to know where their money goes. They want to support the cause and the action, not the infrastructure or overhead costs. Justice and mercy are obviously key issues for millennials. But it comes down to whether they are inspired and passionate about the cause.

Tim: People think that millennials do not give, but I've found that to be completely false.

Millennials just need to know the "why." They don't believe blindly in a cause; they want to see it produce transformation. If a nonprofit isn't growing or is doing the same old thing, it won't get money from millennials. They need to see their donations making an impact.

"Millennials don't believe blindly in a cause; they want to see it produce transformation."

Ken: Millennials don't trust churches and institutions. Their perspective is: "Institutions lost everyone's money. Large corporations laid our parents off and wouldn't hire us out of college." It's

also common to hear stories of someone being badly hurt by a church. So things like crowdsourcing where money goes straight to the project are much more popular than going through some sort of large organization. If it weren't for tax breaks, most people I know would much rather transfer money directly to a missionary vs. giving through an organization or church. It's not that they resent overhead—they just don't trust the organization to begin with.

Religious pluralism is another factor in the popularity of poverty relief or trafficking causes. Nobody is going to argue that ending sex trafficking is bad. But church planting? That's not universally considered good by millennials. As a result, social need becomes their definition of missions. Millennials need a clear apologetic explaining the importance of church planting.

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There is a lot of handwringing over millennials' lack of long-term commitment, and that includes ongoing giving commitments to missionaries and missions. How would you analyze the attitudes?



Tim: Millennials have short attention spans. Ask millennials to make a donation, and they will do it. Ask millennials to give a donation every month, and the odds won't be as favorable. **The key is that we haven't provided enough ways that millennials can give easily.**

Rhonda: Millennials see life and the future as unpredictable. They don't yet have stable employment, so they trend toward making one-time gifts. Since there are so many opportunities and needs, a millennial may think, "Why tie myself to just one cause?"

For many millennials, their phone contract is their longest commitment in their young-adult life, and that is hard enough! So their perspective is, "Don't ask me to commit long term to a cause. I'd rather just give when I can, at least until my life becomes more predictable and stable."

Ken: I would argue that many of these trends have more to do with life-stage than being a millennial. [Reports](#) tend to show that millennials' giving isn't that different from generations that preceded them, especially considering that they entered the workforce in a recession. As millennials age, they seem to become more willing and able to give, but it's going to be a long process.

Has technology permanently reengineered how millennials give? For instance, does it have to be crowdsourcing to get them interested? Is technology friend or foe to raising funds for missions?

Tim: Technology is neutral. It is what you make it. Millennials love that organizations can leverage the technology around them to change the world!

Consider shifting the way you ask for long-term commitments. Try the "Netflix model" where donors sign up for \$10/month and can cancel at any time. It looks different than a five-year pledge card, but this automatic deduction from millennials' checking accounts is as good as a long-term pledge.

Rhonda: Technology is key. E-giving is critical, and text-giving, more and more. The younger half of millennials are doing more of the crowdsourcing/GoFundMe stuff. Technology and marketing needs to be new and fresh. Present your cause in a short paragraph; communicate well in the first 10 seconds. If a millennial needs more info, they know how to find it through the web.

Millennials are totally up for "sharing" or promoting your cause if you present it via a cool tool. If the tool isn't useful there is no way they are going to share your cause. A lot of millennial donations are done from a "selfie" perspective. If they can publicly put their name on it, it helps to boost their own self-image/brand, and therefore they are more likely to

do it. Obviously this isn't the case for all millennials, but this seems to be the trend.

Ken: I don't think it *has* to be something like crowdsourcing. But I have had friends decide not to support me because they couldn't figure out how to navigate a

poor website. And I have friends who don't own a checkbook. **Millennials expect giving opportunities to be simple, straightforward, and to have an electronic option.**

One of crowdsourcing's draws for millennials is bringing

about social change **together**. Missions should be the ultimate fulfillment of this desire to pool talents, funds, and resources for the sake of the gospel. But we've never really captured this, likely because missions funding tends to be individually driven, rather than community driven.

"Millennials are totally up for 'sharing' your cause if you present it via a cool tool."



Also, crowdsourcing produces immediate results. For example, it allows me to help formerly trafficked women make jewelry, then "brag" about it online, and feel great that I helped achieve a concrete result. Contrast that to missions where I am asked to support an appointee who years down the road hopes to go to some security-shrouded place, then spend years learning the language before taking on a yet-to-be-determined role. And my gift

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will be less than 2% of their support. For a millennial, the ex-prostitute's necklaces project will win out every time over the less concrete, long-term support request!

Some millennials say, "I like missions, but I would never raise support. I'll find some other way to finance myself and still do missions." Do you find this a prevalent attitude? If so, why?



Ken: Absolutely! A big piece of living in a scarcity mindset is wanting to provide for yourself. Millennials hear *all the time* how entitled and immature they are for living with their parents. The message to guys is: "In order to be a man, you have to be able to provide for yourself." As a result, there is a negative stigma to asking for support because it runs

counter to the very thing our society says they have to do in order to "make it" as an adult. **There is no script for how to "be a man" while relying entirely on others for your financial well-being.** I'm sure women experience similar pressures.

Meanwhile, millennials know that their peers aren't making very much, so asking them for their money is incredibly difficult. Especially for those who didn't grow up in a church, the idea of raising support feels all but impossible.

Rhonda: There just isn't the same culture of missionary fundraising as there used to be. People today don't understand why missionaries don't just get a salary. Internships, exchange programs, etc., are more comfortable and acceptable than asking for support.

Tim: Raising support is hard. If you don't have the networks, it is harder. Also, support raising has gotten a bad rap because it doesn't necessarily touch the emotions, which is why storytelling is so important. If you're not telling stories, you're not getting funds.

Ken: Millennials tend to hate confrontation so to have to set yourself up for continued rejection feels like a really bad thing. Agencies and churches need to remove the missionary from the center of our funding model. If others from the church would help raise the funds, millennials would be far more open to going because it wouldn't be, "You alone are entirely responsible for raising 100% of your support."

At the same time, the BAM (business as missions) movement says that funding your own way is an option. I do think millennials would be a little more open to support-raising if BAM weren't looming as this low-hanging alternative.

Finally, support-raising makes for an easy scapegoat. "Oh I *would* do missions, but I could never ask others for support." It serves as a socially acceptable excuse.

Continuing the Discussion...

Would you like to dialog with these three young leaders and others in an online discussion of this topic? Join us on Thursday, September 8, at 2:00 p.m. EDT for a free, one-hour, online dialog..

- To participate in the dialog send a "register me" email to info@CatalystServices.org. Include questions you would like to discuss.

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