PASSING THE TORCH: NEXT-GENERATION PHILANTHROPISTS

2017 BNP PARIBAS INDIVIDUAL PHILANTHROPY REPORT

Written by the Economist Intelligence Unit, this report examines the motivations of the next generation, focusing on millennials in family foundations, and the shift in their approach to philanthropy. The findings are based on interviews, conducted between November 2016 and January 2017, with millennial philanthropists from Europe, Asia and the USA, as well as international experts in philanthropy.

A MASSIVE SHIFT IN WEALTH

Wealth amassed by affluent individuals is being channeled into family foundations, increasingly led by millennials.

US$ 60trn
Total wealth amassed worldwide by High-Net-Worth Individuals

US$ 30trn
Assets to be passed on to millennials over the next 30-40 years in the USA
Source: Accenture

Worldwide philanthropy is growing

THE MILLENNIAL MINDSET

The next generation is now leading family foundations. They sit at the crossroads between the forces driving the millennial generation and the weight of their families’ legacies.

FIVE NEW MOTIVATIONS OF MILLENNIAL PHILANTHROPISTS

BELIEF IN SOCIAL ENTREPRENEURSHIP
Believe supporting entrepreneurship can be a more sustainable option for achieving philanthropic goals.

A GLOBAL APPROACH
Ease of travel and technology are driving interest in global causes. Baby boomers tend to be local, focusing on a single location, whereas millennials are more dispersed and international.

A DESIRE FOR NOW
Millennials do not want to wait to start giving back. They want to start using their philanthropy for change today.

ONLINE & WILLING TO SHARE
Use social media differently from baby boomers: not only to promote their causes, but also to find grantees, donors, employees and news on sector trends.

A COLLABORATIVE CULTURE
Believe that they can be more effective with their philanthropy through international or local networks by connecting with peers, identifying co-funding opportunities and understanding best practice.

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Millennials are increasingly interested in using innovative financing tools and market models to make an impact. They are seeking digital and data-driven tools that allow them to support initiatives and social entrepreneurs in distant parts of the world to bring about real social change.

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We want our financial resources to achieve the greatest possible impact.
Lavinia Jacobs, 36 years old, chair, Jacobs Foundation

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When I joined the foundation, 40% of the portfolio was in impact investment. But I began to question why all our investments weren’t impact investments.
Stephanie Cordes, 27 years old, vice-chair, Cordes Foundation

DIGITAL PHILANTHROPY TOOLBOX

Digital technologies are being used to capture and continuously monitor key performance indicators, allowing philanthropists to measure impact.