

Giving USA Special Report

Giving by Generation:

Examining the shifts in giving among donor generations.

GI

Giving
USA™

A public service initiative
of The Giving Institute

Researched and written by

Dunham+Company in partnership with Campbell Rinker

This Giving USA Special Report is published by Giving USA Foundation™

7918 Jones Branch Dr., Suite 300, McClean, VA 22102

©2023 Giving USA Foundation™ and Dunham+Company®

Print and digital copies of this publication are available at www.GivingUSA.org.

All rights reserved. No part of this document may be reproduced by any means, electronic or mechanical, including photocopying, or by any information storage and retrieval system, without written permission from the publisher. Write or email info@givinginstitute.org for permission.

Stock photos © 2023 by Getty Images

Giving USA™

SPECIAL REPORT

Giving by Generation

Examining the shifts in giving among donor generations.

Researched and written by

Dunham+Company
in partnership with Campbell Rinker



**Giving
USA™**

Shared intelligence.
For the greater good.

A public service initiative of The Giving Institute

Contents

General Findings	7
Religious Involvement	11
The Role of Technology	14
Other Findings	21
Methodology	28

Preface

Back in 2016, Dunham+Company set out to understand the differences between the various generations of donors, with a specific desire to understand the emerging generation of Millennial donors. This past year, with that generation maturing and a new generation (Gen Z) emerging, we thought it time to update this study.

What we discovered was fascinating on many levels. For example, as you will see in the findings, the Millennial generation of donors is quickly emerging as a force in philanthropy. In addition, they are highly engaged in their faith, the most likely generation to attend worship services both in person and virtually.

In addition, direct mail is becoming an increasing influence on donors' giving with Millennials emerging as a generation that prefers receiving direct mail and is most likely to respond to direct mail from the charities they support.

Finally, the smartphone has become nearly ubiquitous among all generations of donors and is increasingly used to make charitable contributions.

Thanks to the Giving USA Foundation and their leadership along with our fellow member firms of The Giving Institute for the opportunity to publish this study as a Giving USA Special Report.

Rick Dunham

Founder+Chair, Dunham+Company

Member, The Giving Institute



Introduction

Since its inception by The Giving Institute, Giving USA has sought to understand the trends driving philanthropy in America. Today, with over 50 years of longitudinal data on the sources and uses of giving, Giving USA has become the gold standard for reporting on those philanthropic trends.

However, over the years there has been a desire to understand other trends in philanthropy that Giving USA has not historically measured, hence the creation of Giving USA Special Reports. These reports include the first ever study of planned giving donors, two reports on Donor Advised Funds (which led to the creation of a permanent section on these funds in the annual Giving USA report), a unique look at giving to religion, among other studies.

In this special report, we are excited to present data on how generational giving is shifting in partnership with Giving Institute member firm, Dunham+Company. We believe this data will not only inform how you understand the differences in how generations are giving, but also provide clarity on how to approach each generation for those involved in fundraising.

Advancing philanthropy with you,

Josh Birkholz

Chair, Giving USA Foundation



GENERAL Findings

Let’s begin by setting the context for annual giving by generation by looking at how their giving compares to 2016.

As you can see from the accompanying chart, Millennial donors have significantly increased their giving from 2016 to 2022. They have now surpassed Gen X in average household giving by \$103 per annum (8 percent), having increased their annual giving by \$381 or 40 percent and Gen X having decreased by 4 percent to \$1,220.

Of note, Gen X donors gave \$323 (34 percent) more than Millennials in 2016 whereas they are now giving \$103 less. Giving by the Boomers generation has also softened, declining by 12 percent to \$2,568.

ANNUAL GIVING BY GENERATION

	2016	2022	Inc/Dec	%
Gen Z		\$747		
Millennials	\$942	\$1,323	\$381	+40%
Gen X	\$1,265	\$1,220	(\$45)	-4%
Boomers	\$2,921	\$2,568	(\$353)	-12%

Donors and Volunteering

We also wondered how volunteering had shifted by generation since our 2016 study. As you can see in the chart below, Millennial donors have given the most hours to volunteering compared to Gen X donors and Boomers donors, with Gen Z giving the second most hours at 31. Most dramatically, the number of hours Boomers have volunteered has dropped by 49% to only 21 hours, compared to 41 hours in 2016. Of note, average overall volunteer hours have dropped from 45 per annum in 2016 to 28 per annum in 2022.

VOLUNTEERING HOURS BY GENERATION

	2016	2022	Inc/Dec	%
Gen Z		31		
Millennials	37	36	-1	-3%
Gen X	30	28	-2	-7%
Boomers	41	21	-20	-49%

Where Donors Give by Generation

One of the things we wanted to understand in this latest survey was the charitable giving priorities of each generation. As you can see from the following chart where we've listed for each generation the top three priorities by type of charity, places of worship dominate as the primary recipient of donor support regardless of generation. And it's of interest that all generations, except for Boomers, support some form of health charity.

Also of interest is the fact that Gen Z donors are the only donors who prioritize giving to environmental causes and not to faith-based organizations. And Boomers are the only generation that prioritizes giving to education.

All three generations surveyed in 2016 have decreased their giving to places of worship in 2022. It's interesting to note that Millennials have shifted their giving from places of worship (down \$136 per annum or 31%) to faith-based charities (up \$137 per annum or 130%) and nonprofit hospitals (up \$126 per annum or 406%).

Likewise, Gen X donors have shifted their giving from places of worship to faith-based organizations and health care charities (specifically nonprofit hospitals) while Boomers have increased giving to education and faith-based organizations while reducing their giving to places of worship.

With churches now adopting hybrid models of virtual and in-person offerings, it does raise the question of how that has impacted giving to churches.

TOP THREE TYPES OF CHARITIES SUPPORTED
BY GENERATION

	2016	2022	Inc/Dec	%
Gen Z Donors				
Places of Worship	N/A	\$239	N/A	N/A
U.S. Health/Medical	N/A	\$107	N/A	N/A
Environmental	N/A	\$85	N/A	N/A
Millennial Donors				
Places of Worship	\$436	\$300	(\$136)	-31%
Faith-based Orgs	\$106	\$243	\$137	+130%
Nonprofit Hospitals	\$31	\$157	\$126	+406%
Gen X Donors				
Places of Worship	\$737	\$432	(\$305)	-41%
Faith-based Orgs	\$105	\$159	\$54	+51%
U.S. Health/Medical	\$94	\$144	\$50	+53%
Boomers Donors				
Places of Worship	\$1,190	\$996	(\$194)	-16%
Education	\$343	\$523	\$180	+52%
Faith-based Orgs	\$155	\$307	\$152	+98%

For this survey, the types of charities donors were asked to indicate as those they support were not organized by the National Taxonomy of Exempt Entities (NTEE) code, which is the way in which types of charities are identified by Giving USA. As a result, comparisons cannot be made in most cases to Giving USA data.

In addition, nonprofit hospitals include institutions such as community and children’s hospitals and U.S. Health/Medical charities include institutions in medical research and the provision of medical care not affiliated with hospitals



RELIGIOUS

Involvement

Overall, the percentage of donors who attend church a few times a month or more has increased significantly from 38 percent in 2016 to 54 percent in 2022. And Millennials are much more engaged in their faith than the older generations.

For example, 67 percent of Millennial donors say they attend at least a few times a month, up from 49 percent in 2016. By contrast, Gen X donors have dropped from 48 percent in 2016 to 45 percent in 2022, and Boomers have also dropped from 46 percent in 2016 to 44 percent in 2022.

It's also important to note that when you ask about attending almost every week or every week, Millennial engagement is also higher than other generations. Here's how that data breaks out:



Those who say they attend in person almost every week or every week:

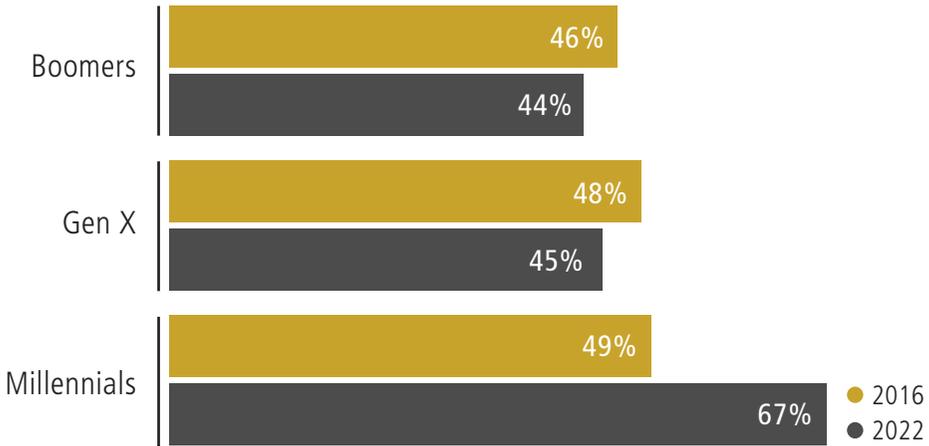
Millennials	45%
Gen X	27%
Boomers	31%



Those who say they attend virtual services almost every week or every week:

Millennials	30%
Gen X	15%
Boomers	13%

Since 2016, Millennials are the only generation to have increased attendance at worship services.



Percentage of donors who say they attend church at least a few times per month (2022 includes both virtual and in-person).

As you can see, Millennials are much more likely to attend services in person or virtually than either Gen X or Boomers. And it's especially instructive that their engagement has gone up since 2016 while the other two generations have gone down.

It's also important to note that with every generation, a greater percentage attend in-person versus online or virtually.

Finally, the percentage of Millennial donors who say they never attend services has remained fairly stable at 16 percent in 2022, which was 15 percent in 2016. By contrast both Gen X and Boomers have increased in the percentage who say they never attend services, moving from 16 percent and 15 percent respectively in 2016, to 21 percent now for Gen X and 25 percent for Boomers.

In keeping with the role of faith and philanthropy, it is of interest to know how the generations differed in their expectation to support places of worship and faith-based charities in the coming year.

Giving by Generation

When asked whether they would give more, less or the same amount to faith-based charities (not including place of worship) in the coming year, donors by generation indicated the following:

FAITH-BASED CHARITIES

	None	Less	Same Amount	More	Unsure
Gen Z	26%	9%	26%	31%	9%
Millennials	26%	8%	36%	21%	9%
Gen X	37%	5%	34%	13%	11%
Boomers	38%	2%	48%	4%	8%

The younger the generation, the more likely they are to give more to faith-based charities in the coming year, while Gen X and Boomer generations are more likely to give the same amount than the other generations.

When asked whether they would give more, less or the same amount to places of worship in the coming year, donors by generation indicated the following:

PLACES OF WORSHIP

	None	Less	Same Amount	More	Unsure
Gen Z	26%	7%	29%	29%	8%
Millennials	24%	5%	40%	23%	9%
Gen X	31%	4%	41%	12%	11%
Boomers	29%	3%	54%	7%	7%

Once again, the younger the generation the more likely they are to increase their support with Gen X and Boomer generations overwhelming likely to keep giving the same.



THE ROLE OF Technology

The Millennial and Gen Z generations have grown up with technology as a part of their lives and for the older generations, it has been widely adopted. Back in 2016, the average adult checked their phone 30 times a day, and the average Millennial checked their phone more than 150 times a day. ¹

In 2022, that usage has jumped dramatically. Today, according to Zippia, “Cell phone users, on average, touch their phone 2,617 times every day. The top 10 percent of cell phone users, known as extreme cell phone users, interact with their mobile devices even more, touching their phones more than 5,400 times each day.” ²

In addition, Zippia reports that Americans spend an average of two hours and 25 minutes on the phone each day, making up somewhere between 76 and 80 times per day that a person engages with their phone. ³

1 <https://socialmediaweek.org/newyork/2016/05/31/millennials-check-phones-157-times-per-day/>

2 <https://www.zippia.com/advice/us-smartphone-industry-statistics/>

3 <https://www.zippia.com/advice/us-smartphone-industry-statistics/>

Giving by Generation

Not surprisingly, donors are highly connected to technology, with the most significant jump coming from older donors.

PERCENTAGE OF DONORS WHO USE A SMARTPHONE

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	95%	87%	70%
2022	91%	93%	96%	87%

In addition to this increase in smartphone usage, there is a fairly significant decrease in desktop use, with overall usage dropping from 55 percent in 2016 to 44 percent in 2022. Here is how it breaks out by generation:

PERCENTAGE OF DONORS WHO USE A DESKTOP COMPUTER

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	44%	53%	63%
2022	37%	36%	38%	52%

The above data once again reinforces the need for design of communications to be “mobile-first”, knowing that there is much greater usage of smartphones compared to desktop. And it’s absolutely imperative that all digital communications and platforms must be mobile-optimized.

With this information as a backdrop, we wanted to learn how the use of technology by generation impacted their giving behavior. What we discovered has direct implications for you and your charity, as your website plays a vital role with donors.

Giving by Generation

First, you better make sure it is easy for donors to give through your website or you stand to lose. Since 2016, online giving has increased by every generation.

ONLINE GIVING BY GENERATION

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	70%	61%	57%
2022	76%	81%	69%	61%

When asked how frequently they have given an online gift over the last twelve months, this is how the generations compared.

AVERAGE NUMBER OF ONLINE GIFTS IN THE LAST 12 MONTHS

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	4.1	3.6	4.0
2022	11.4	7.7	6.3	8.3

Not only has the percentage of donors who give online increased across the generations, every generation has increased the average number of gifts given online in a 12-month period.

Here's why that's really important. Back in 2016, one out of four donors (25 percent) said they had used their smartphone or tablet to give through a charity's website. Today that percentage has jumped to 38 percent.

Giving by Generation

Here is how it breaks out by generation:

PERCENTAGE OF DONORS WHO HAVE GIVEN THROUGH A CHARITY WEBSITE VIA A SMARTPHONE OR TABLET

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	36%	26%	15%
2022	48%	47%	41%	27%

Needless to say, donors are increasingly using their smartphones (and tablets) to donate, with even one out of four Boomer donors doing so! And with the use of QR codes accelerating as a result of the COVID pandemic, one out of 10 donors say they have used a QR code to go to a charity website. And younger donors are much more likely to use a QR code to give in the future, with 47 percent and 46 percent of Gen Z and Millennials saying this, respectively, compared to just 26 percent of Gen X and six percent of Boomer donors.

Second, when asked what prompted their gift, the most influential thing for every generation except for Boomers, was something donors saw on the charity website. It's important to note that the charity website has increased in influence since 2016. This is especially true among younger donors.

PERCENTAGE OF DONORS INFLUENCED TO GIVE ONLINE BY THE WEBSITE

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	36%	27%	18%
2022	46%	39%	32%	17%

Giving by Generation

It's clear that charities must pay close attention to the content and management of their website with it being such an influential medium to motivate donors to give.

In 2016, someone asking on social media scored a plurality of Millennial donors as to what motivated an online gift. The charity's website has now overtaken that source as the highest motivator for giving among Millennials and has generally weakened among the older generations. Note that the younger the donor, the more likely social media will play a role in their giving.

PERCENTAGE OF DONORS INFLUENCED TO GIVE BY SOMEONE ASKING VIA SOCIAL MEDIA

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	36%	35%	15%
2022	42%	37%	27%	11%

(Note that it was someone asking via social media and not the organization making the ask).

One growing form of communication that is motivating donors to give an online gift is a text message from a charity. In 2016, only 1% of donors had given a gift in response to a text, whereas in 2022, 7% indicated the same. As you can see from the chart below, giving an online gift in response to a text message is growing among all generations.

PERCENTAGE OF DONORS INFLUENCED TO GIVE ONLINE BY A TEXT FROM A CHARITY

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	1%	3%	1%
2022	13%	7%	7%	3%

Giving by Generation

When it comes to direct mail motivating an online gift, we found that it has actually increased as a medium for motivating such a response from Millennials and Boomers. Not surprisingly, the Boomer generation is more likely for direct mail to motivate an online gift.

PERCENTAGE OF DONORS INFLUENCED TO GIVE AN ONLINE GIFT BY DIRECT MAIL

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	10%	12%	21%
2022	13%	13%	12%	22%

Speaking of direct mail, this current study shows that it is still a viable medium to generate a gift. In fact, as you can see from the chart below, Millennials are more likely to respond to direct mail now than they were in 2016 with nearly 6 out of 10 (59 percent) saying they are somewhat likely or very likely to respond. Here is how it breaks out by generation:

PERCENTAGE OF DONORS INFLUENCED TO GIVE BY DIRECT MAIL

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	53%	60%	53%
2022	45%	59%	52%	52%

Combined percentages of donors who indicate somewhat likely and very likely

When asked how they **prefer** to respond to a direct mail appeal, except for Boomer donors, a plurality of all other generations of donors prefer to give online. However, it's important to note that this preference has increased among Gen X and Boomer donors.

PERCENTAGE OF DONORS WHO *PREFER TO GIVE ONLINE* IN RESPONSE TO DIRECT MAIL

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	52%	41%	29%
2022	45%	48%	44%	37%

The preference to respond by mail to a direct mail appeal has decreased with both Gen X donors and Boomers. Interestingly, the percentage of Millennials who prefer to respond by mail has increased slightly (mirroring the slight decrease in the preference to give online).

PERCENTAGE OF DONORS WHO *PREFER TO GIVE BY MAIL* IN RESPONSE TO DIRECT MAIL

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	26%	37%	49%
2022	23%	30%	26%	41%



OTHER

Findings

Do donors prefer to give occasionally or monthly?

When asked about how inclined they are to give an occasional gift or a monthly gift, donors overwhelmingly indicated they preferred to give occasionally... with one notable exception, Gen Z donors. As seen below, these donors are more interested in giving monthly.

PERCENTAGE OF DONORS WHO PREFER TO GIVE OCCASIONALLY VERSUS MONTHLY

	Gen Z	Millennials	Gen X	Boomers
Occasionally	57%	79%	78%	72%
Monthly	62%	58%	35%	18%

(Note: These percentages represent donors who are somewhat likely or very likely to give as indicated).

What is donor sentiment towards the effectiveness of charities?

Many have mulled over the notion of the changing role of charities in society, some even calling into question whether government might be better suited to take over the tasks nonprofits accomplish today.

Giving by Generation

Overall, donor sentiment towards charities is strong, with a majority of all donors (61 percent) believing they are doing a good or excellent job. This was 62 percent in 2016.

When looking at how that sentiment breaks out by generation, it's especially instructive that Millennials believe most strongly in the job charities are doing with 68 percent saying this, which is up from 60% in 2016. And a majority of all generations believe charities are doing a good or excellent job.

PERCENTAGE OF DONORS WHO BELIEVE CHARITIES ARE DOING A GOOD OR EXCELLENT JOB

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	60%	60%	56%
2022	52%	68%	60%	59%

Since 2016, donor belief in charities to do a better job than government in delivering important services has improved slightly among Gen X and Boomer donors and more substantially among Millennial donors whose positivity has increased 9 percent. On a scale of one to five, with one being highly negative and five being highly positive, this is how donors scored charities:

DONOR BELIEF IN CHARITIES VERSUS GOVERNMENT

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	3.4	3.5	3.5
2022	3.8	3.7	3.6	3.6

Mean score with 1 being completely disagree and 5 being completely agree.

It's important to note that these findings indicate that donors believe even more strongly than in 2016 that charities are more effective than government in delivering important services.

Is direct mail a dead communication channel?

As seen in the data, direct mail is a consistent medium to generate a response in every generation. And overall, donor sentiment towards responding to direct mail has stayed steady since 2016, with likelihood going from 3.5 to 3.4. Interestingly, Millennials are the most likely to respond, scoring an intensity rating of 3.5 compared to 3.3 for both Gen X and Boomer donors.

A finding that demonstrates the strength of direct mail as a communications vehicle is the heightened desire from donors to receive at least a monthly letter from the charities they support. Back in 2016, 40 percent of donors said this whereas in 2022 that percentage has increased to 44 percent. And the younger the donor, the greater the desire for this frequency of direct mail. Here is how this data breaks down by generation:

PERCENTAGE OF DONORS WHO WOULD WELCOME A DIRECT MAIL LETTER AT LEAST MONTHLY

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	50%	35%	27%
2022	70%	64%	44%	20%

How do email and direct mail compare in motivating a gift?

There is an inverse relationship between the age of donors and whether direct mail or email is most likely to motivate a gift. This is illustrated below:

DIRECT MAIL VS. EMAIL IN LIKELIHOOD TO MOTIVATE A GIFT

	Gen Z	Millennials	Gen X	Boomers
Direct Mail	3.1	3.5	3.3	3.3
Email	3.7	3.8	3.4	2.8

Mean score with 1 being very unlikely and 5 being very likely.

Giving by Generation

As you can see from the data, every generation of donor indicates they are more likely to respond to email over direct mail except for Boomers, who are more likely to respond to direct mail. As we saw earlier, all donor generations indicate they are likely to respond to direct mail with a gift, with Millennials being the generation most likely to respond.

What is important to point out is that Millennial donors are most likely to be motivated by both communication mediums. They are now the most likely generation to respond to direct mail as well as email.

What about text messaging?

As one would expect, the younger the donor, the more likely they are to respond to a text from a charity. However, except for Boomer donors, all other donor generations show an increase in the likelihood to respond compared to 2016, as seen below.

LIKELIHOOD TO RESPOND TO A TEXT FROM A CHARITY

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	2.9	2.6	2.0
2022	3.7	3.4	2.8	2.0

Mean score with 1 being very unlikely and 5 being very likely.

In addition to a growing likelihood to respond to a text from a charity, there is an increase in the desire from donors to receive a monthly text from the charities they support.

As the chart below demonstrates, there is a clear shift in donors embracing monthly texts from the charities they support, with 23 percent of Boomers saying so as well as a plurality of Gen X donors and a majority of Gen Z and Millennial donors.

PERCENTAGE OF DONORS WHO WOULD WELCOME A TEXT AT LEAST MONTHLY

	Gen Z	Millennials	Gen X	Boomers
2016	N/A	47%	41%	16%
2022	80%	61%	46%	23%

What role does social media play in generating gifts?

When it comes to social media generating response from donors, it is clear that just like email, social media is more likely to motivate a response from younger donors than from older donors.

SOCIAL MEDIA'S LIKELIHOOD TO MOTIVATE A GIFT

Gen Z	Millennials	Gen X	Boomers
3.8	3.7	2.9	1.7

Mean score with 1 being very unlikely and 5 being very likely.

What about QR Codes?

One of the impacts of the pandemic has been the resurrection of the QR code and its use across a variety of industries. So what's the likelihood donors will respond to a solicitation using a QR code?

Overall, 27 percent of donors indicate they are likely or very likely to use a QR code to give. However, as you can see from the chart below, Boomers clearly don't care for QR codes as a way to make a gift, whereas younger donors are much more likely to give this way.

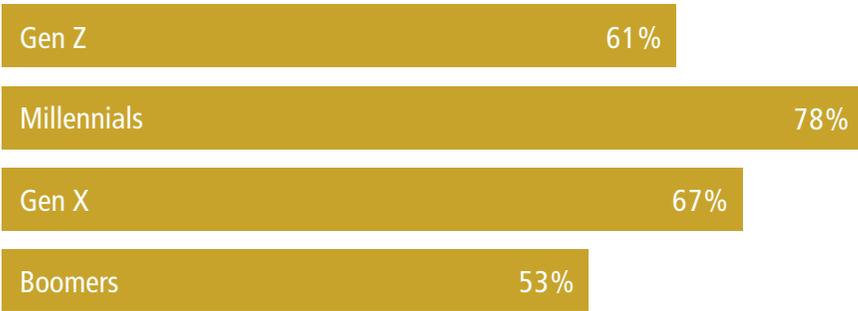
LIKELIHOOD TO GIVE USING A QR CODE

Gen Z	Millennials	Gen X	Boomers
47%	46%	26%	6%

Combined percentage of those who say somewhat likely and very likely

Do matching grants work?

Creating an incentive to give through a matching grant is attractive to donors as they say that they are motivated to give if the charity says their gift will be matched or multiplied.



Combined percentage of those who say somewhat likely and very likely

Overall, 64 percent of donors say that a matching grant is likely to motivate a gift, with Millennials more likely to be motivated by a match than the average donor.

How much communication do donors expect?

Interestingly, the younger the donor, the more they want to hear from the charities they support. As stated earlier, 70 percent of Gen Z donors would welcome a physical mailing at least monthly from the charities they support. This drops to 64 percent for Millennials, 44 percent for Gen X, and 20 percent from Boomer donors.

The same holds true for email as 74 percent of Gen Zers expect an email at least monthly, which drops to 67 percent for Millennials, 51 percent for Gen X and 28 percent for Boomer donors.

Giving by Generation

Communication by text has grown in popularity with donors, with 45 percent of donors saying they welcome at least monthly text messages, which is up from 28 percent in 2016.

The bottom line is that donors want to hear from the charities they support and welcome that communication through multiple channels including traditional channels like direct mail and newer channels like text.



Methodology

Both the 2016 and 2022 studies were commissioned by Giving Institute member firm, Dunham+Company and conducted in partnership with the research firm, Campbell Rinker. Both studies consisted of a 15-minute online survey.

In 2016, 1,391 U.S. donors participated in the survey and in 2022, the survey cohort consisted of 1,400 donors. Donors were screened to ensure they had given at least \$20 to a charity in the prior year. The researchers used a stratified random sampling methodology to proportionally recruit donors from each of the generational groups:

Gen Z (born 1997-2012)

Millennials (born 1981-1996)

Gen X (born 1965-1980)

Boomers (born 1946-1964)

The 2016 study has a margin of error +/-2.6% at the 95 percent confidence level and the 2022 study also has a margin of error of +/-2.6% at the 95% confidence level.

Giving USA Foundation™ is a public service initiative of The Giving Institute. It is supported through the generosity of member firms, other foundations, corporations, and the general public. Its goal is to advance the cause of philanthropy through research, education, and public understanding.



**Giving
USA™**

A public service initiative
of The Giving Institute