

March 5, 2018

HOW GEN Z & MILLENNIALS GIVE BACK, IN 3 CHARTS

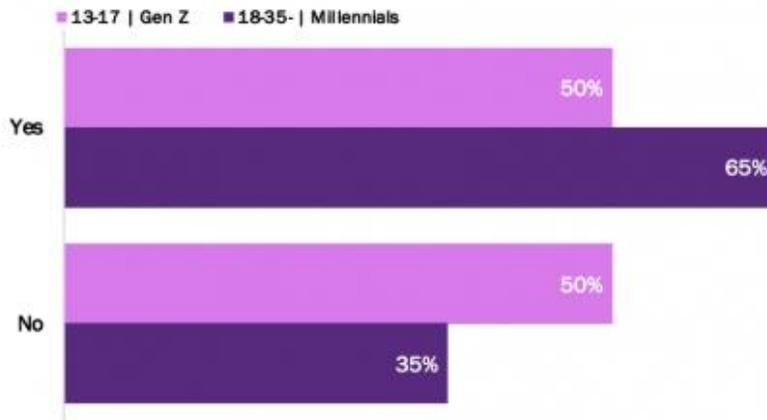
AS YOUNG CONSUMERS CHANGE THE FACE OF PHILANTHROPY, NONPROFITS NEED TO FIND NEW APPROACHES TO REACH THEM. WE ASKED 13-35-YEAR-OLDS TO TELL US HOW THEY'RE GIVING BACK...

Young consumers' passion for social good has turned the corporate world on its head. Traditionally non-partisan brands have had to [take a stance on political issues](#), companies have had to bake charity into their mission to attract employees, and marketing departments have had to scramble to weather Twitterstorms after slip-ups big and small. Despite their commitment to good however, iconic nonprofits are having trouble attracting cash and commitment from young consumers today. And that's because Millennials have transformed philanthropy: Where mass marketing, workplace collection, and brand loyalty used to draw out the checkbooks for Gen X and Boomers, 13-35-year-olds want a deeper level of involvement with the charities they're giving to—and they want it to be easier than ever.

Case in point: The American Red Cross ran an operating deficit after its worst fundraising year in over a decade in 2015, [according to Adweek](#). Meanwhile, the startup-like nonprofit Charity: Water and its donations have increased each year since its 2006 founding. The difference? "We give Millennials a low barrier to getting involved, and we make things as easy as possible with features like our online fundraising platform," Charity: Water's social media strategist told *Adweek*. [Forbes reports](#), "Millennials are getting more hands on, participating in events that allow them both to volunteer themselves and/or raise money from their friends and family to support their endeavors." And while that can take the form of dance-a-thons or crowdfunding, it can also show up as hashtags and social media stunts. Remember the #IceBucketChallenge? That [raised \\$115 million to fight ALS](#)—along with a priceless amount of awareness for the disease. More recently, the [#PuberMe challenge](#) that had celebrities posting their awkward teen photos to raise awareness and funds for the Puerto Rico hurricane relief pulled in \$1 million.

In other words, for Millennials and Gen Z, "donating" doesn't just mean sticking a check in the mail. So how are they supporting the causes they believe in? [Ypulse's recent Topline report](#) on causes, social good, and thoughts on corporate social responsibility gave us some insight into their giving habits. First, let's start with money:

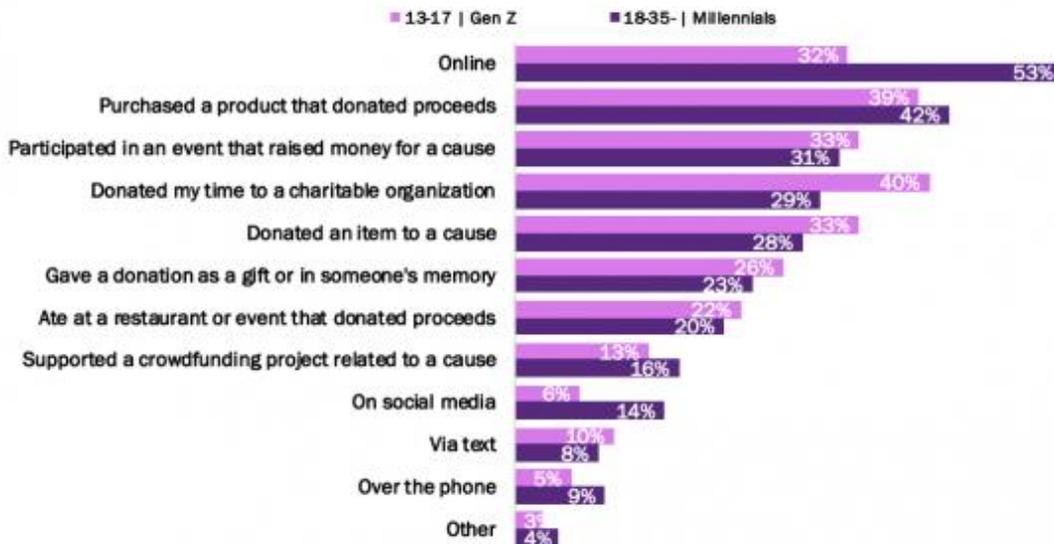
HAVE THEY DONATED MONEY TO ANY CHARITABLE ORGANIZATIONS?



Source: Ypulse Monthly Surveys n=1000 ages 13-35 | Jan 2018

When it comes to cash, Millennials and Gen Z aren't shelling out the big bucks. Gen Z has an excuse, of course: 13-17-year-olds don't have much money to give (yet) but 50% have still donated. Millennials on the other hand will soon have the largest spending power of any generation (with Gen Z [not far behind](#)), but their cash donations are limited. More Millennials are giving to charity than any other generation (again, with [Gen Z close behind](#))—[Blackbaud research](#) found that 84% of people born from 1981 to 1985 give to charity—but they only account for 11% of U.S. charitable donations. On top of that, Millennials give an average of \$481 a year compared to \$732 from Gen X and \$1,212 from Boomers. But don't knock the halos off their heads just yet. Young consumers are still giving in other ways:

HOW DID THEY DONATE TO A CHARITY OR CAUSE IN THE LAST YEAR?

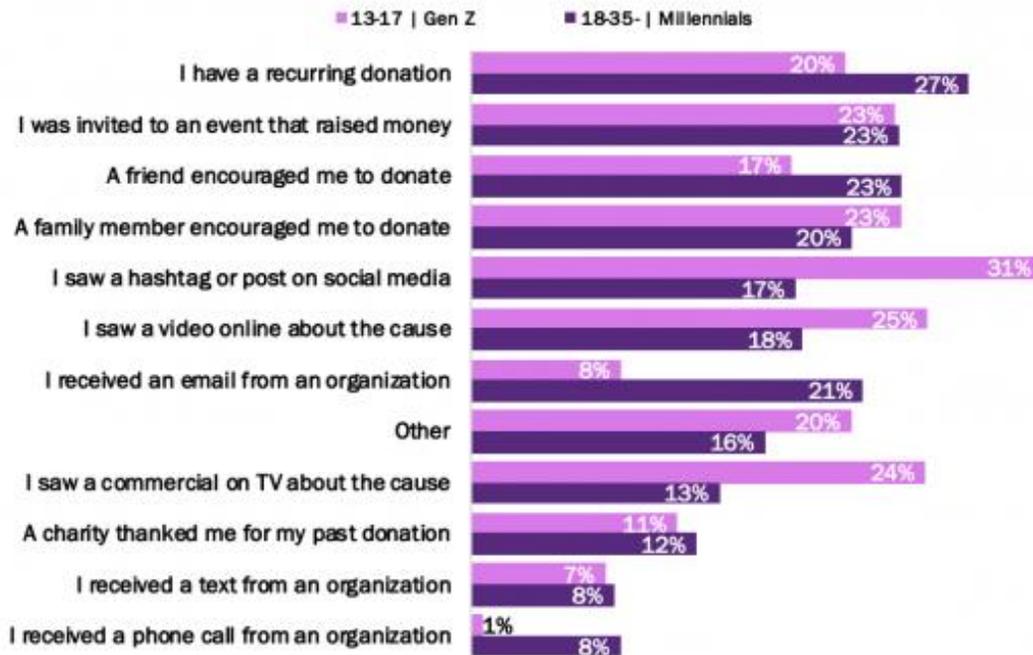


Source: Ypulse Monthly Surveys n=1000 ages 13-35 | Jan 2018

The top way Millennials are giving money? Online. Millennials and teens' social good efforts are increasingly happening in the cloud. While young consumers want to donate, reaching them through traditional platforms doesn't work anymore. Creating easy web portals and even apps is the best way to get young consumers to donate, which is why startups like Bstow have seen such success. Bstow lets Millennials donate to charities "without lifting finger," [according to Tech.co](#). After syncing up their debit and credit cards to the platform, daily transactions are

rounded up to the nearest dollar, and the difference is automatically donated to the charity of their choice. This digital solution creates the “low barriers to entry” young consumers need to be motivated to give, and it’s exceeding expectations: the nonprofit sector sees an average of 44.5% in donor retention rates, and Bstow has achieved 90%. Which brings up another driving force for Millennial charity–recurring donations:

WHAT MOTIVATED THEM TO DONATE TO A CHARITY OR CAUSE THIS YEAR



Source: Ypulse Monthly Surveys n=1000 ages 13-35 | Jan 2018

The number one motivator for Millennials to give is having a recurring donation already set up. Gen Z is on board with this method as well, but for the generation that doesn’t remember a time before Snapchat and Instagram, the biggest way to get their attention is through–you guessed it–social media. According to [one expert](#), charitable organizations are increasingly turning to social platforms to find young donors, because “if...fundraising doesn’t show up on social media, it basically didn’t happen.” According to the [2017 Global Trends in Giving Report](#), two-thirds of Gen Z were inspired to donate to charity by a message or image they saw on social media, and according to Ypulse data, teens are more motivated to donate by social media than any other medium, and were nearly twice as likely than their Millennial peers to list social media as the driving force behind their charitable giving.

Terms & Conditions: Use of this content must adhere to the Terms & Conditions, published at <http://www.ypulse.com/about-ypulse/terms>