



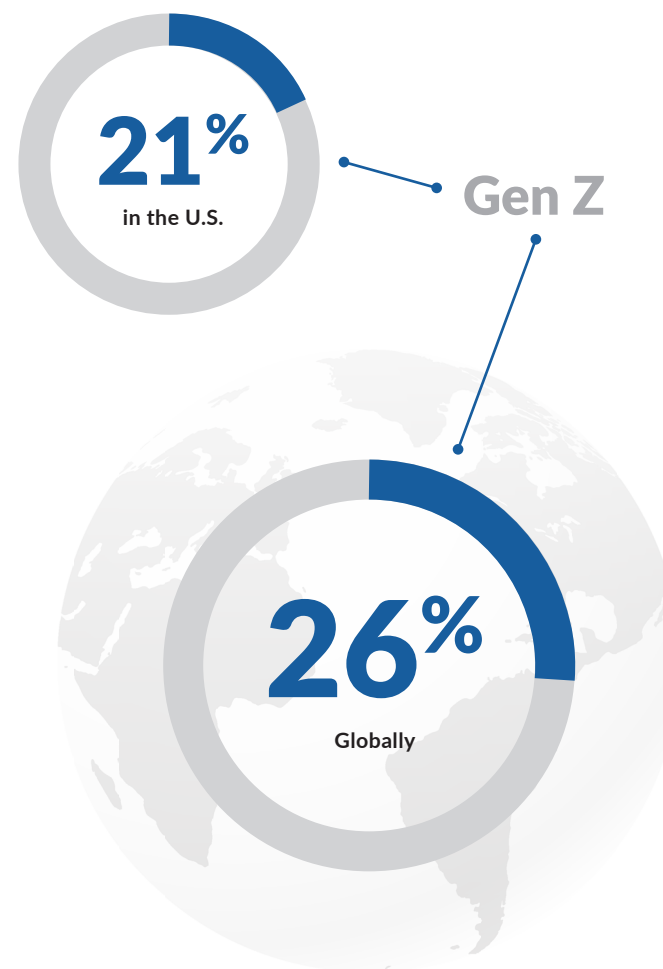
Everything You Need to Know About Gen Z:

Attracting a New Generation of Donors

Why Gen Z Needs to be Included in Your Donor Prospecting

In the U.S., Gen Z accounts for [roughly 21% of the population](#) while globally they're [26% of the population](#), around 2 billion people.¹ “Born between 1997 and 2012, Gen Z is the first generation that’s totally digitally native. Four out of five of their [favorite brands](#) are technology companies. They’re abandoning traditional corporate jobs in favor of [content creation](#), and they’ve even devised a [new vocabulary](#) inspired by algorithmic guidelines.”² While many are still under the age of 18, they’ve already earned the nickname “philanthro-kids” for their fundraising, donating, and volunteering.³

While it’s tempting for nonprofits to eke out every dollar from existing donor pools, building up a pipeline of younger, more diverse donors will pay off in the future. “This emerging cohort is showing early signs of being among the most generous and philanthropic generation in history, and it’s on nonprofit leaders to make their case to earn their support.”⁴



Trends with Gen Z Donors

These “Philanthro-kids” Want to Change the World

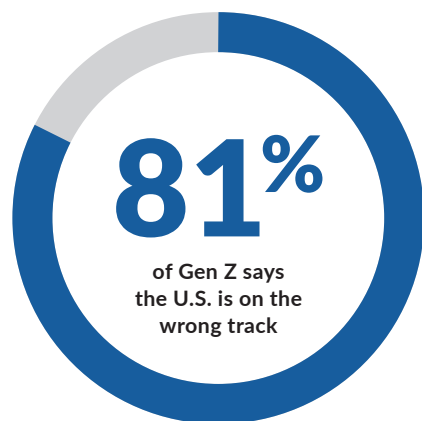
According to [Changingourworld.com](https://www.changingourworld.com), 86% of Next Gen donors (Millennials and Gen Zers) agree nonprofits need to help solve the world’s biggest challenges, and 83% trust nonprofits more than for-profit corporations.

Engagement with nonprofits can look different for different Next Gen donors:



“While elder generations are leveling out on their giving levels, we are just seeing the next generation of donors come into their own,” Soraya Alexander, Classy President and GoFundMe COO, says. **“This is especially true for Gen Zers, who are the most likely to say they donate because they feel it’s just the right thing to do.”** The top causes that inspire their giving are the environment and animals, health and disaster relief.⁶

“While they aren’t giving the same amounts older generations are, they have the largest growth potential,” says Alexander. “This shows just how important giving back is to younger generations. They **vote with their dollars** and are willing to make sacrifices to give to the causes they believe in.”⁷

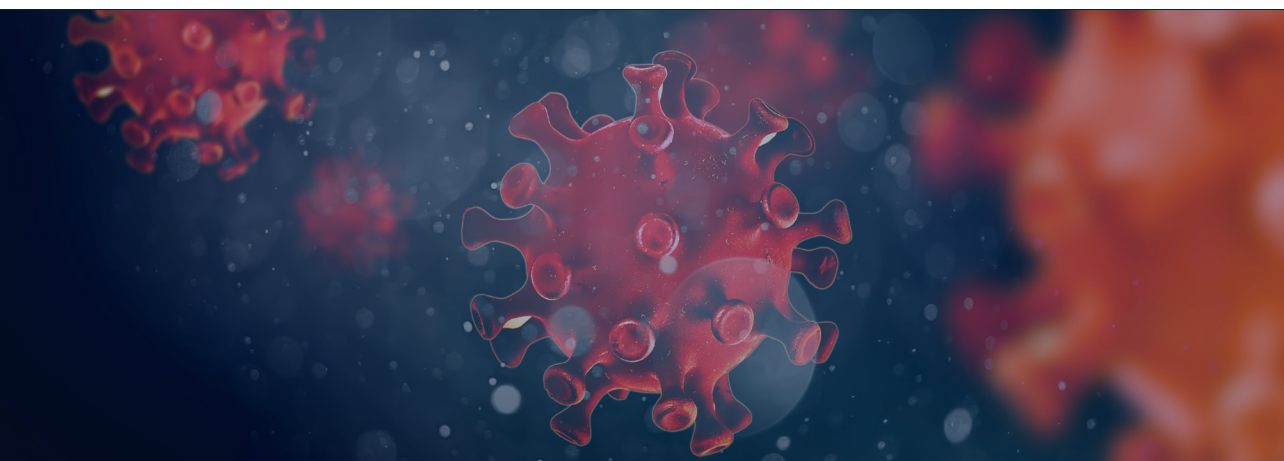


81% of Gen Z Says the U.S. is on the Wrong Track⁸

According to Morning Consult surveys done in 2020, Gen Z now sees the pandemic and the Black Lives Matter movement as the two most impactful events of their lifetimes.

75% of Gen Z respondents say the coronavirus outbreak has had a major impact on their worldview, and 68% say the same about the Black Lives Matter movement.

Trust in institutions is falling across the board, and the largest declines are with the police, the U.S. government, the criminal justice system and the news media. Despite this growing distrust, Gen Zers increasingly believe they can shape the future, with 62% of Gen Zers saying they have the potential to impact the world.⁹



Next Gen Donors Prioritize Giving

Next Gen donors are **2.4X as likely to increase donations from 2021**, with \$738 in total **expected** donations per donor in 2022. They are also more likely to make sacrifices in daily life to have funds to donate.¹⁰

Additionally, they're **3x as likely to advocate on an organization's behalf** and **2.7x as likely to host a fundraising page** on behalf of an organization they support.¹¹ "Helping those outside their immediate communities online is a part of their upbringing and will inform their future giving behaviors," Alexander says.



The Importance of ESG Messaging and Due Diligence

Gen Z Values Corporate Responsibility and ESG

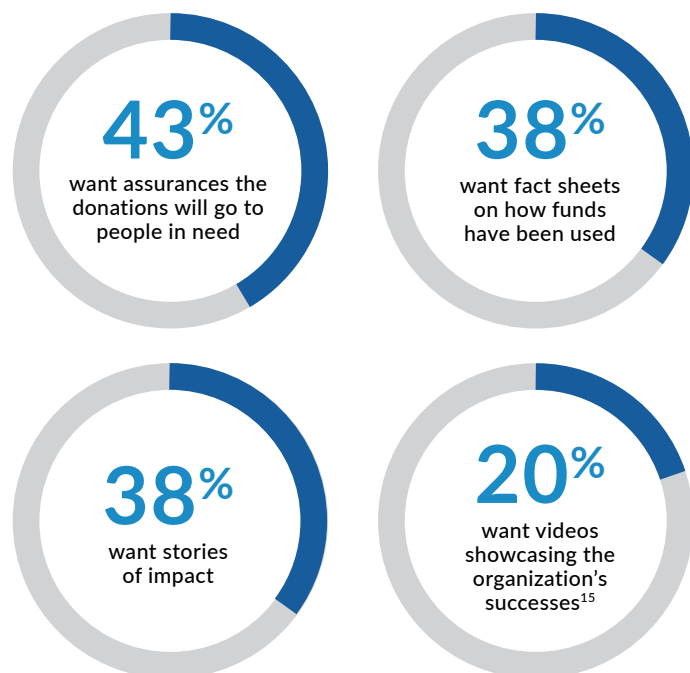
Gen Z strongly believes that corporations and their leaders play an important role in this country and should use their influence to impact political and cultural issues and enact systemic change.¹² **46% of Gen Z say that Environmental, Social and Governance is important.**¹³ When it comes to their finances, nearly 20% of Gen Zers use investment products that take ESG factors into account.

According to Nasdaq, “what is interesting to us about Gen Z is that for now at least, as a group, they seem more interested in the “why” than the “what.” Given the size of this cohort, it may be the catalyst pushing companies and investment product issuers to take serious steps to implementing ESG policies.”¹⁴



Gen Z Wants to Know How Their Donations are Used

Millennials and Gen Zers want hard facts on funding before donating money to a nonprofit, while emotional stories and videos of people in need are more effective in driving volunteer engagement. **Before donating...**



Authenticity and transparency are critical to gaining Next Gen support; an organization's mission, values and effectiveness must be consistent in brand messaging and donor communications.¹⁶



Gen Z Believes in Social Justice

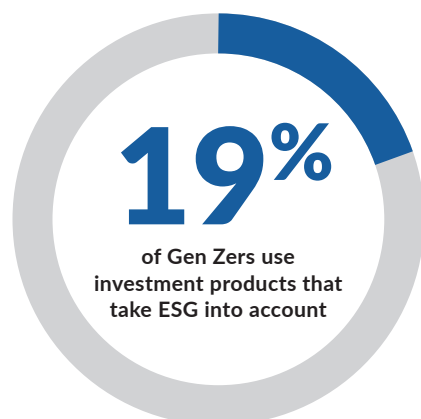


82% of Gen Z agrees that racism is a major problem in America, and 79% agree that Black Americans are frequently discriminated against. Only 5% of Gen Z “strongly” agrees that the world is a fair place, while 48% “strongly” disagree with that statement.¹⁷ Diversity, Equity and Inclusion initiatives are particularly important to this generation, the most diverse in the nation’s history, so nonprofits should make sure they appropriately meet DEI expectations and have commitments to combatting racism.

Gen Z Wants a Sustainable World



A Pew Research Center survey finds Millennials and Gen Z stand out from their predecessors because of their [high levels of engagement with the issue of climate change](#).¹⁸ It’s no surprise then that [Gen Z shoppers demand sustainable retail](#). Many Generation Z shoppers prefer to buy sustainable brands, and most are willing to spend 10% more on sustainable products. Three-quarters of Gen Z consumers state that [sustainability is more important](#) to them than brand names.¹⁹



19% of Gen Zers often or exclusively [use investment products that take ESG factors into account](#) compared to only 2% of baby boomers.²⁰ This pivot toward sustainable investing has led to the practice of “greenwashing”, when a company “claims to be environmentally conscious for marketing purposes but actually isn’t making any notable sustainability efforts.”²¹ While the SEC is making strides to correct this, Gen Zers are particularly savvy when it comes to brand marketing, and often do their own research and due diligence when investing, donating, or purchasing a product. According to [MorningConsult.com](#), “the use of social media to discuss experiences with companies is widespread among the cohort”²². Companies and nonprofits should know that any interaction with this younger demographic could generate positive (or negative) publicity.

How Gen Z gives



Gen Zers Crowdfund Cash

Crowdfunding is on the rise, with individuals using platforms like Twitter to share their needs, while they use Venmo, Zelle, and PayPal to collect cash. According to [Business Insider](#), “one college student raised \$1,500 when her father was taken into Immigration and Customs Enforcement custody; another student with a pile of rent, tuition, and medical bills received \$150 for food; and a third student has raised money several times for everything from DACA renewal fees to a study abroad program”.²³



Gen Z Gives Directly to Individuals

Despite amassing significantly less wealth than older generations, **nearly half of Gen Zers (43%) have given to an individual’s personal cause on GoFundMe or a similar platform in the last year.**²⁴ A GoFundMe page appeals to Gen Z donors for a variety of reasons. First, they know their money is going directly to an individual to help with pressing needs, and not being eaten up by overhead costs. Second, these sites often have emotional stories that draw a donor in. Lastly, “Donors normally find a GoFundMe campaign through their own networks or even have a personal connection to the beneficiaries—who are transparent about how they will spend the donor’s money, showing tangibly how much \$25, \$50, or \$1,000 will impact them.”²⁵



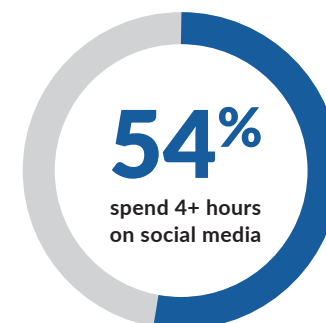
Venmo is Stepping Up Their Giving Game

According to [Techcrunch.com](#), Venmo is launching a new feature called “Charity Profiles” that will allow charities to raise funds and receive donations directly within its app. **Venmo says 61% of donors are most likely to hear about causes through word of mouth from their friends and family**, and that charity profiles will allow Venmo customers to support causes they care about. They are also developing a “Charity Hub” that will help prospective donors discover new causes to support.²⁶ Nonprofits should consider partnering with Venmo so they don’t miss out on valuable opportunities.

Use Technology to Attract and Engage Gen Z Donors

Meet Gen Z Donors Where They're At

According to [MorningConsult.com](https://www.morningconsult.com), 54% of Gen Zers said they spend at least 4 hours daily on social media, and almost 2 in 5 (38%) spend even more time than that. Nearly **9 in 10 (88%) said they use YouTube**, making it the generation's most-used social platform by a wide margin.²⁷ TikTok usage by Gen Zers is up 21%.²⁸ It's clear that sharing information in small, easily digestible videos, is one of the best ways to reach this younger demographic.

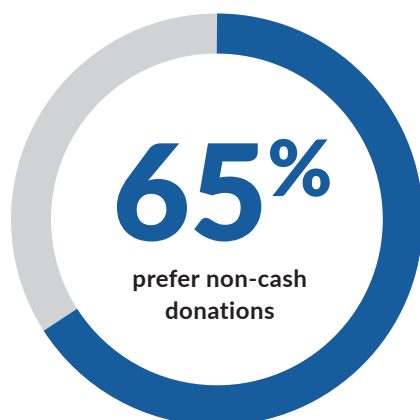


Instagram, TikTok and Snapchat are all used by at least two-thirds of Gen Z respondents, while Twitter and Facebook are used by a little less than half.²⁹ Nearly all members of Gen Z (94%) said they interact with peers through text messages each week. Phone calls (89%) and social media (88%) followed closely behind as the next most frequently used methods of socializing.³⁰



Gen Z Does Their Homework

Influencers are a huge source of information on social media, and Next Gen donors are 4x as likely to learn about causes from influencers and celebrities than traditional donors.³¹ According to [Changingourworld.com](https://www.changingourworld.com), “40% of Millennials and Gen Zers conduct significant research into a nonprofit/ charity before they feel comfortable donating money. More than one-third of respondents said that they began their research on social media before moving onto the organization’s website. This means that telling a powerful story is critically important, as is emphasizing ways that Gen Zers and Millennials can personally identify with your cause.”³²



Make Donating Easy

Gen Z spends a large part of their day online. Once they research a nonprofit and decide to give, make donating as easy as possible. “32.6% of them are most likely to want to give as a result of social media posts, so explore adding a donate button or link to your donation form to your posts. 29.1% of them want to donate via a text message or app, so consider creating a text fundraising keyword they can use to make a gift on their phones.”³³ The America Gives Report shows that Next Gen donors are **1.6x as likely to donate following a news event or crisis** than traditional donors,³⁴ so nonprofits should consider using text messaging for urgent needs.

While cash is a popular way to give to charity, 65% of Gen Z respondents prefer some form of non-cash option. Ideally multiple methods of non-cash donation should be offered to this generation, whether it be credit/debit cards, or online payment methods like PayPal or Venmo.³⁵

There are Many Ways for Gen Z to Get Involved

Qgiv reports that 62.4% of Gen Z have stopped long-term support of their favorite nonprofits. One of the most common reasons was limited funds, with the next most common reason being that they received no updates about how their money was used or were simply never asked to give again.³⁶

Keep Gen Z donors engaged and come up with creative ways to include them in fundraising when donating is not an option. **82.4% say they're very willing to raise money** for their favorite organizations by asking friends and family for support³⁷ and compared to other generations, Gen Zers are 2.7x as likely to host a fundraising page on behalf of an organization they support.³⁸ Encourage them to share your content on social media or coordinate an online fundraiser. There's substantial benefit to engaging their networks.

Gen Z is the Future

Gen Z is, quite literally, the future of fundraising. Understanding their world view, their online habits, and their relationship with nonprofits, companies, and brands, is essential to keeping them engaged for years to come.

Learn more about Next Gen giving with Nexis for Development Professionals

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[Briggs, "Gen Z is Extremely Online." \(2, 12, 22, 27, 29, 30\)](#)

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[Malloy, "Win Over Gen Z." \(4, 24, 25\)](#)

[Changing Our World, "Understanding the Next Generation." \(5, 15, 16, 32, 35\)](#)

[Perna, "One of the Most Charitable Generations." \(6, 7\)](#)

[Morning Consult, "Gen Z's Worldview." \(8, 9, 17\)](#)

[Classy, "America Gives Report." \(10, 11, 31, 34, 38\)](#)

[Gurchiek, "ESG Strategies Rank High." \(13\)](#)

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