
CHEAT SHEET

Generation X Philanthropy

A guide to Generation X's wealth, health care, and giving

Published - August 2020 • 10-min read

Key takeaways

- **Massive wealth accumulation is underway.** Generation X's wealth will increase by over \$21 trillion in the next decade—more than any other generation.
- **Care experiences often happen through family.** Over 75% of Gen Xers influence care decisions of their family members—children, parents, and spouses. This makes Gen X particularly important to the philanthropic aspirations of provider organizations.
- **Charitable giving is expanding in the long term.** Generation X is entering the phase of life where they will develop estate plans and long-term giving priorities.

What is it?

Generation X donors (those born between 1965 and 1980) are increasingly important to hospital philanthropy. Advisory Board's [Patient Gratitude Survey](#) found that Gen Xers exhibit higher philanthropic affinity following a significant care experience than baby boomers (those born between 1946 and 1964) or the silent generation (those born between 1925 to 1945). Gen X gifts represent 26% of total grateful patient donations. Across the greater nonprofit sector, [Blackbaud](#) estimates that 23% of American donors are part of Generation X.

Generation X includes 65 million Americans, a smaller number than millennials or baby boomers. Gen Xers are a unique generation for hospital philanthropy for a number of reasons:

- **Experience with wealth volatility:** Generation X holds roughly 17% of total American household wealth. A Pew Research Center [analysis](#) identifies Gen X as the only generation to fully recover and increase their median household net worth following the Great Recession. Gen Xers grew their wealth by building home equity, financial assets, and strong careers.
- **Interact with care as familial influencers:** Advisory Board's [Patient Gratitude Survey](#) found that 77% of Gen Xers influence care decisions of family members—more than any other generation. In contrast, Gen Xers interact less with care as consumers themselves. A recent Advisory Board [survey](#) found that 45% of Generation X have not visited a primary care physician in the last year.
- **Resonate with health philanthropy:** A Blackbaud [report](#) found that health care is Gen X's top giving priority and it's where they allocate the most dollars. In contrast, all other generations allocated the most dollars to places of worship.

Why does it matter?

Gen Xers are likely to become a significant force in philanthropy this decade. This group should be prioritized by hospital fundraisers due to four trends:

- **Generation X will accumulate \$21 trillion.** Gen X is set to [double their wealth](#) and increase their share of U.S. household wealth to 31% by 2030. Their wealth accumulation will be aided by generous bequests from their parents. Starting in 2026, Generation X will receive greater annual inheritances than baby boomers. Better wealth conditions mean Gen X will be considering new giving.
- **Generation X's family perspective raises their affinity for hospitals.** Advisory Board [research](#) has found that family members are twice as likely as patients to develop philanthropic gratitude following care experiences. Due to their age, Gen Xers are more likely than other generations to be involved in the care decisions of loved ones.
- **Generation X is increasing their gift sizes.** [Blackbaud](#) reports that Gen Xers increased their average annual donation by 25% from 2013 to 2018, and the number of Gen Xers who say they will increase their giving in the future is twice the number of baby boomers.
- **Generation X is entering pivotal giving years.** Their age—ranging from 40 to 65 years old this decade—encompass the period of life when American adults begin thinking about bequests and estate plans. According to a recent Giving USA [report](#), the average age for writing a will is 44, and the average age for making a first planned gift is 53. Since most planned gifts are preceded by at least 20 years of support, this next decade is critical for securing Gen X planned gifts.

How does it work?

Generation X's charitable giving is strategic. Gen X donors care about giving to reputable organizations and want to receive tax benefits. A recent Qgiv [survey](#) found that 60% of Gen X donors research an organization before giving and they use various sources, such as an organization's website or charity rating. The same survey found that Gen Xers are more likely to be motivated by a gift's tax deductibility than any other generation.

Generation X donors are highly interested in corporate giving programs. [Blackbaud](#) reports that 40% of Gen X are interested in a workplace fundraising walk, run, or event—more than baby boomers or millennials. Gen X is also more curious about matching donations (50%) than baby boomers (37%).

Gen Xers prefer digital and quick communication channels, similar to millennials. According to [Blackbaud](#), Gen X donors are very willing to donate via their smart phone and nearly 20% of them are open to giving over text—twice as many as baby boomers. By generation, Gen X donors saw the greatest drop in direct mail usage over the last 10 years. From 2010 to 2018, Gen X donors' utilization of direct mail giving fell from 42% to 14%.

TAX BENEFITS MOTIVATES GEN X

41%

Four in ten Gen Xers report that tax deductibility is a "big motivator" in making a giving decision.

Conversations you should be having

01

Evaluate your grateful patient program's family member engagement. Consider educating clinician allies on how to identify family member gratitude and create a streamlined process to submit family member referrals.

02

Bolster your digital image by investing time and resources into your website. Make it easy for Gen X prospects and donors to learn about your organization.

03

Evaluate your planned giving strategy. Consider how you approach Gen X donors for planned gifts and their tax benefits. Make planned giving information digitally accessible and part of your one-on-one relationship building efforts.

04

Brainstorm corporate giving programs with your community engagement colleagues. Consider if your organization has the capacity to give hospital tours, host retreats, or offer philanthropy presentations at local corporations.

These conversations can help you curate a comprehensive Gen X strategy that focuses on prospect identification, case-making, and engagement. 

Related content

 CHEAT SHEET
Millennial Philanthropy
[Read now](#)

 CHEAT SHEET
Baby Boomer Philanthropy
[Read now](#)

 RESEARCH REPORT
How to Earn Donors in a Market That's
Leaving Hospitals Behind
[Read now](#)

 DATA TOOL
Patient and Family Gratitude Profiler
[View now](#)

Project director

Nick Cericola

cericoln@advisory.com
202-568-7242

Research team

Katie Everts

Rasika Tangutoori

Program leadership

Rob Lazerow

LEGAL CAVEAT

Advisory Board has made efforts to verify the accuracy of the information it provides to members. This report relies on data obtained from many sources, however, and Advisory Board cannot guarantee the accuracy of the information provided or any analysis based thereon. In addition, Advisory Board is not in the business of giving legal, medical, accounting, or other professional advice, and its reports should not be construed as professional advice. In particular, members should not rely on any legal commentary in this report as a basis for action, or assume that any tactics described herein would be permitted by applicable law or appropriate for a given member's situation. Members are advised to consult with appropriate professionals concerning legal, medical, tax, or accounting issues, before implementing any of these tactics. Neither Advisory Board nor its officers, directors, trustees, employees, and agents shall be liable for any claims, liabilities, or expenses relating to (a) any errors or omissions in this report, whether caused by Advisory Board or any of its employees or agents, or sources or other third parties, (b) any recommendation or graded ranking by Advisory Board, or (c) failure of member and its employees and agents to abide by the terms set forth herein.

Advisory Board and the "A" logo are registered trademarks of The Advisory Board Company in the United States and other countries. Members are not permitted to use these trademarks, or any other trademark, product name, service name, trade name, and logo of Advisory Board without prior written consent of Advisory Board. All other trademarks, product names, service names, trade names, and logos used within these pages are the property of their respective holders. Use of other company trademarks, product names, service names, trade names, and logos or images of the same does not necessarily constitute (a) an endorsement by such company of Advisory Board and its products and services, or (b) an endorsement of the company or its products or services by Advisory Board. Advisory Board is not affiliated with any such company.

IMPORTANT: Please read the following.

Advisory Board has prepared this report for the exclusive use of its members. Each member acknowledges and agrees that this report and the information contained herein (collectively, the "Report") are confidential and proprietary to Advisory Board. By accepting delivery of this Report, each member agrees to abide by the terms as stated herein, including the following:

1. Advisory Board owns all right, title, and interest in and to this Report. Except as stated herein, no right, license, permission, or interest of any kind in this Report is intended to be given, transferred to, or acquired by a member. Each member is authorized to use this Report only to the extent expressly authorized herein.
2. Each member shall not sell, license, republish, or post online or otherwise this Report, in part or in whole. Each member shall not disseminate or permit the use of, and shall take reasonable precautions to prevent such dissemination or use of, this Report by (a) any of its employees and agents (except as stated below), or (b) any third party.
3. Each member may make this Report available solely to those of its employees and agents who (a) are registered for the workshop or membership program of which this Report is a part, (b) require access to this Report in order to learn from the information described herein, and (c) agree not to disclose this Report to other employees or agents or any third party. Each member shall use, and shall ensure that its employees and agents use, this Report for its internal use only. Each member may make a limited number of copies, solely as adequate for use by its employees and agents in accordance with the terms herein.
4. Each member shall not remove from this Report any confidential markings, copyright notices, and/or other similar indicia herein.
5. Each member is responsible for any breach of its obligations as stated herein by any of its employees or agents.
6. If a member is unwilling to abide by any of the foregoing obligations, then such member shall promptly return this Report and all copies thereof to Advisory Board.



655 New York Avenue NW, Washington DC 20001
202-266-5600 | [advisory.com](https://www.advisory.com)