Women and Giving

FIDELITY Charitable®
Make more of a difference

Executive summary

Women have long been the driving force behind giving decisions in many households, but their philanthropic opportunities are on the rise as they come to control a larger share of wealth. Women are already responsible for more than a third of all wealth in North America—or $35 trillion—a number that is only expected to rise.[1] And as women build on this momentum, they will increasingly be in a position to make an even greater impact on the world through philanthropy.

But while women have been making strides toward financial equity in recent years, the COVID-19 pandemic brought with it serious economic impacts—which had a disproportionate effect on women. Between February 2020 and February 2021, a net 2.3 million women left the workforce, compared to 1.8 million men.[2] This significant economic setback could have ripple effects for some time to come.

While it is too early to understand the full impact that the crisis could have on the way women engage in philanthropy in the long-term, our data shows that women are more committed than ever to their efforts to improve the world. But what are the specific attitudes and behaviors that women bring to the table regarding philanthropy? And how did the pandemic influence their approach to giving?

To understand how women are engaging in philanthropy today, we conducted an initial survey of 3,055 charitable individuals in March 2020. We then conducted a subsequent survey of nearly 1,000 individuals in January 2021 to detect any shifts in donor attitudes and behaviors related to the COVID-19 pandemic and other events of 2020. What emerges is a picture of women's giving that is fueled by empathy—in addition to revealing the opportunity areas for women to continue to hone their approach and implement more sophisticated giving strategies.

Key findings

Fueled by a desire to make the world a better place, women are highly active and engaged in charitable giving.

- Nearly nine-in-ten women wish they could be doing more to create positive social change. And their most commonly cited motivations for giving—because the need is so great and because they want to make a difference—reflect an empathetic, heart-based approach to philanthropy.
- Women use their time, goods and buying power to participate in a wide range of charitable activities. They are more likely than men to engage in many forms of giving back, including volunteering, making non-financial donations and purchasing products from socially responsible businesses.

[1] *Boston Consulting Group, Global Wealth 2019 Market Sizing Database, 2019*
[2] *U.S. Bureau of Labor Statistics*

For both men and younger women, the pandemic made giving a greater priority.

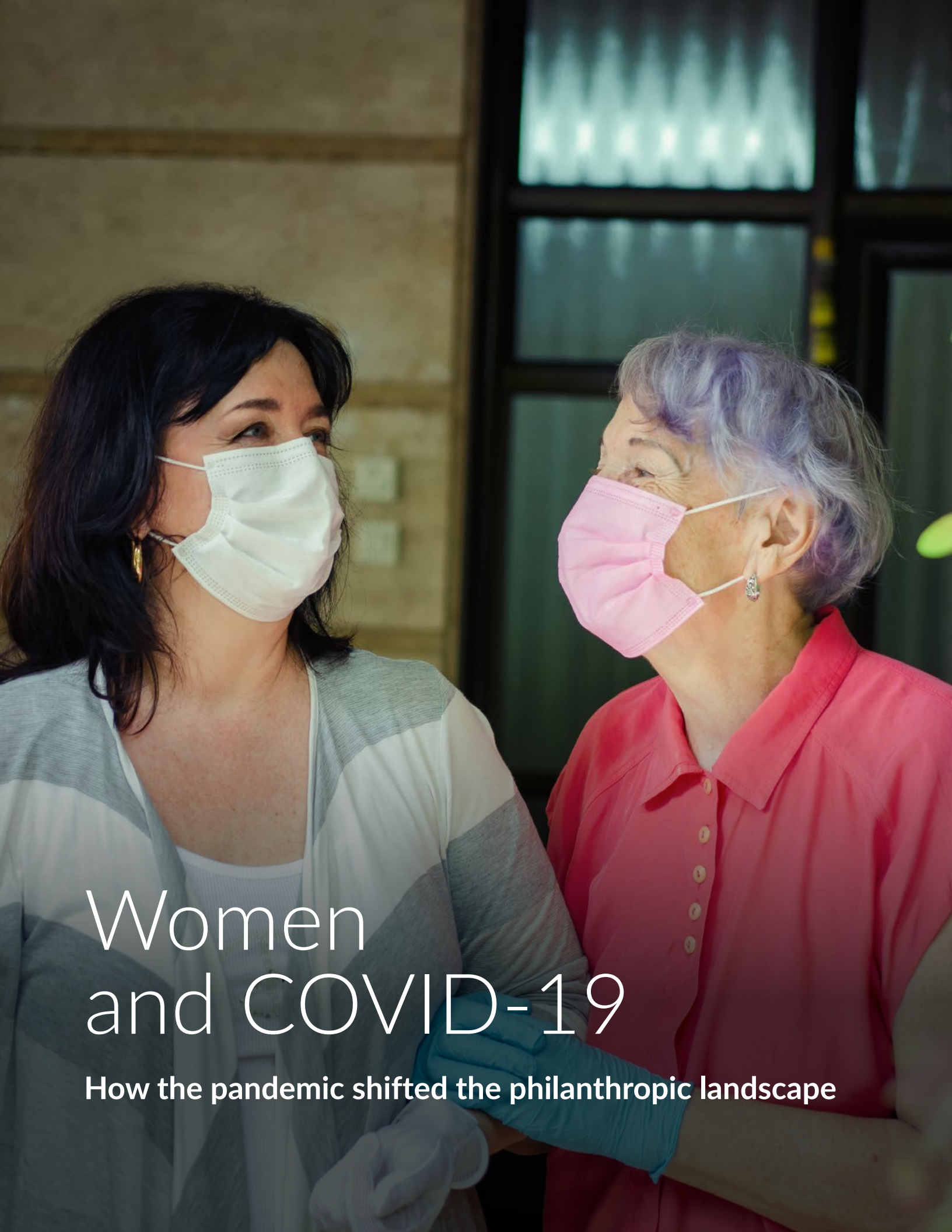
- Before the pandemic, women were more likely than men to say that giving was a significant part of their lives—but the crisis fueled men's sense of generosity. In 2021, 81 percent of men said that charitable giving is now an important piece of their lives—nearly equal with the 84 percent of women who said so.
- In addition, young women were particularly moved by the pandemic. Half of Millennial women said that the COVID-19 crisis made charitable giving a bigger priority in their lives, compared to 31 percent of Gen X women and 25 percent of Baby Boomer women.

Women lag men in participation in charitable investment strategies and knowledge about tax-savvy approaches to giving.

- Men are more likely than women to engage in charitable activities such as impact investing, supporting a business venture with no expectation of repayment or funding microloans.
- Among women who own stocks or bonds, 48 percent are aware that publicly held assets can be used to fund charitable donations, compared to 60 percent of men. Similarly, 43 percent are aware that privately held assets can be donated, compared to 48 percent of men.
- Only 14 percent of women have spoken to a financial advisor about charitable planning strategies, compared to one-in-five men.

Both age and gender are important factors in depicting how donors approach giving. Generational change is quickly shifting the philanthropic landscape—but not necessarily closing the gender gap related to charitable planning strategies.

- Millennials of either gender are more likely than the average donor population to engage in newer forms of giving back, from supporting socially responsible businesses to donating through social media. However, Millennial women still lag their male counterparts in adopting charitable investment strategies, like impact investing or microloans.
- Younger men are much more likely to have discussed philanthropic strategies with an expert. One-in-three Millennial men have had a charitable planning conversation with a financial advisor, compared to 19 percent of Millennial women.



Women and COVID-19

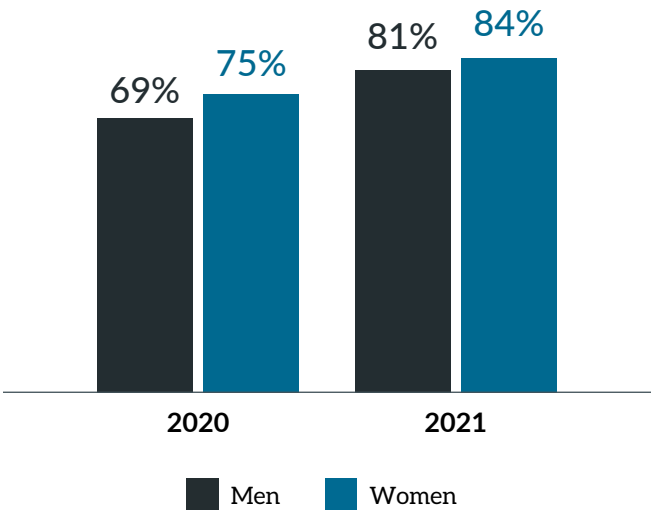
How the pandemic shifted the philanthropic landscape

After the events of 2020, women's strong commitment to giving reached new heights—while men largely erased the gender gap as giving became a greater priority.

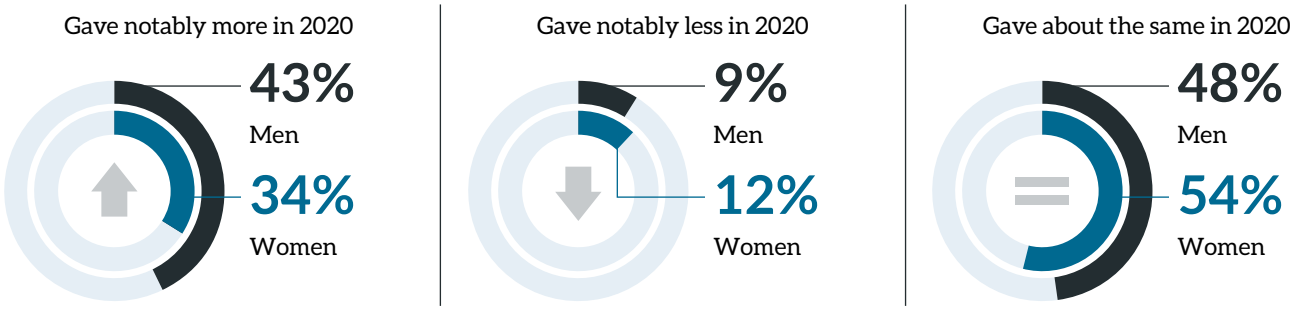
Even before the pandemic, most donors said that charitable giving was important—though women were more likely to do so. In 2021, women are still slightly more likely to say that giving plays a large role in their lives, but men surged forward more dramatically and largely closed the gap.

The increased importance of giving in men's lives corresponds to a more dramatic shift in their donations in 2020. Men were more likely than women to say that they gave notably more in 2020 than they did in 2019. Among those who increased their giving in 2020, men were more likely to cite financial or tax reasons for doing so, such as offsetting capital gains on appreciated assets (14 percent of men vs. 6 percent of women) or volatility in the stock market (11 percent of men vs. 1 percent of women).

"Charitable giving is a significant or pretty important part of my life."



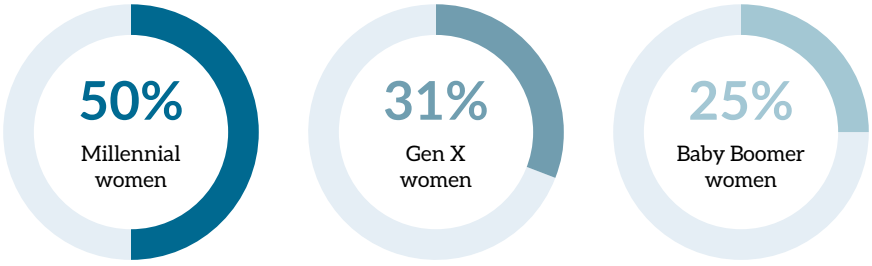
Giving level in 2020 compared to the previous year



The COVID-19 pandemic was a catalyst for generosity among all donors—but Millennial women were disproportionately moved by the crisis.

The brutal effects of the pandemic inspired many donors to lean further into their philanthropic activities. Thirty-six percent of men and 33 percent of women said that the situation made charitable giving a bigger focus in their lives—but younger women were even more likely to say so. A full half of Millennial women say that charitable giving is a bigger priority to them after the pandemic, compared to one-in-three Gen X women and a quarter of Boomer women.

"The COVID-19 pandemic made charitable giving a bigger priority in my life."

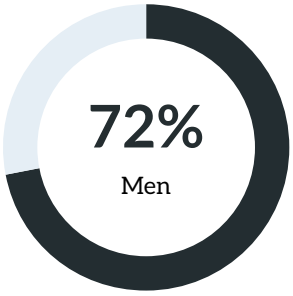


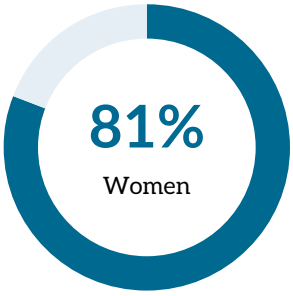
Giving motivations and priorities

The vast majority of women wish they could be doing more to create positive change in the world.

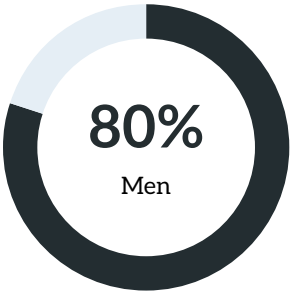
While men and women are equally likely to consider themselves philanthropists (45 percent and 46 percent, respectively), women are most likely to say that they are passionate about social change and wish they could be doing more.

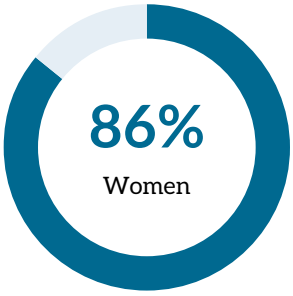
"I am passionate about creating positive social change."





"I wish I could be doing more to create positive social change."



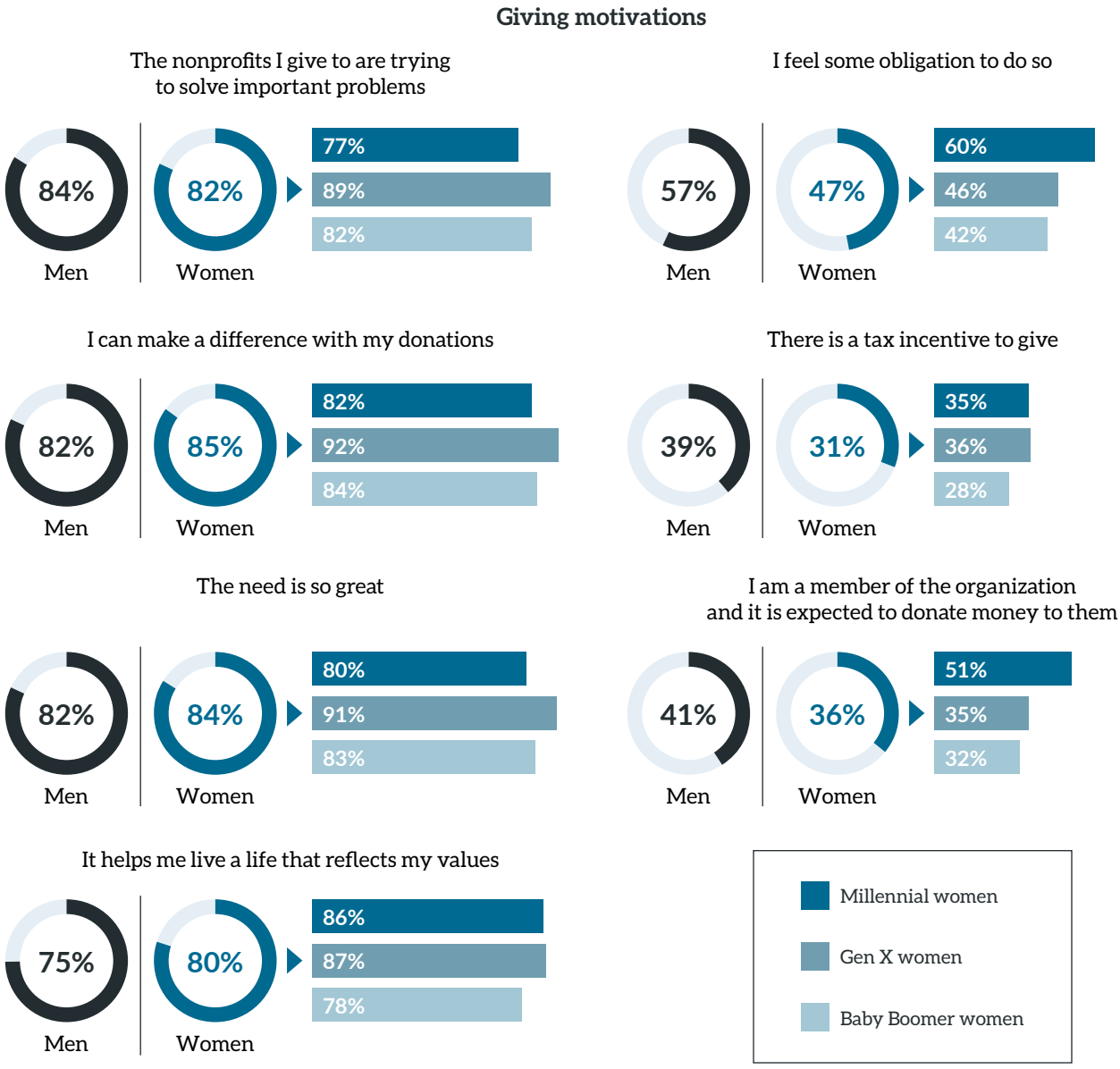


Men and women are more alike than different in their motivations for giving, but some differences remain—with men more likely to cite reasons related to obligation or self-interest.

All donors—but women, particularly—say they're most motivated to give because their innate desire to make a difference in the world. Giving is central to their lives, and they see philanthropy as a way to live their core values. These values-focused motivations reflect an altruistic and compassionate approach to philanthropy.

While men are likely to give these altruistic motivations, they are also more likely to say that they are motivated by obligation or personal benefit—such as tax-related incentives to give to charity. This could indicate a higher likelihood that men take a head-based approach to philanthropy, while women focus more fully on heart-based reasons for giving.

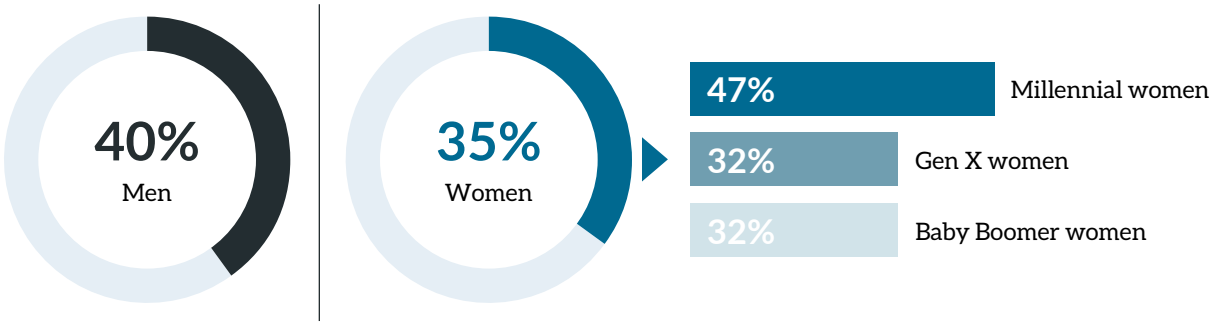
However, it is possible that generational change could make the genders' motivations for giving even more similar. Millennial women are much more likely than older women to say that they give out of a sense of obligation.



The COVID-19 pandemic made younger women embrace their reasons for giving even more.

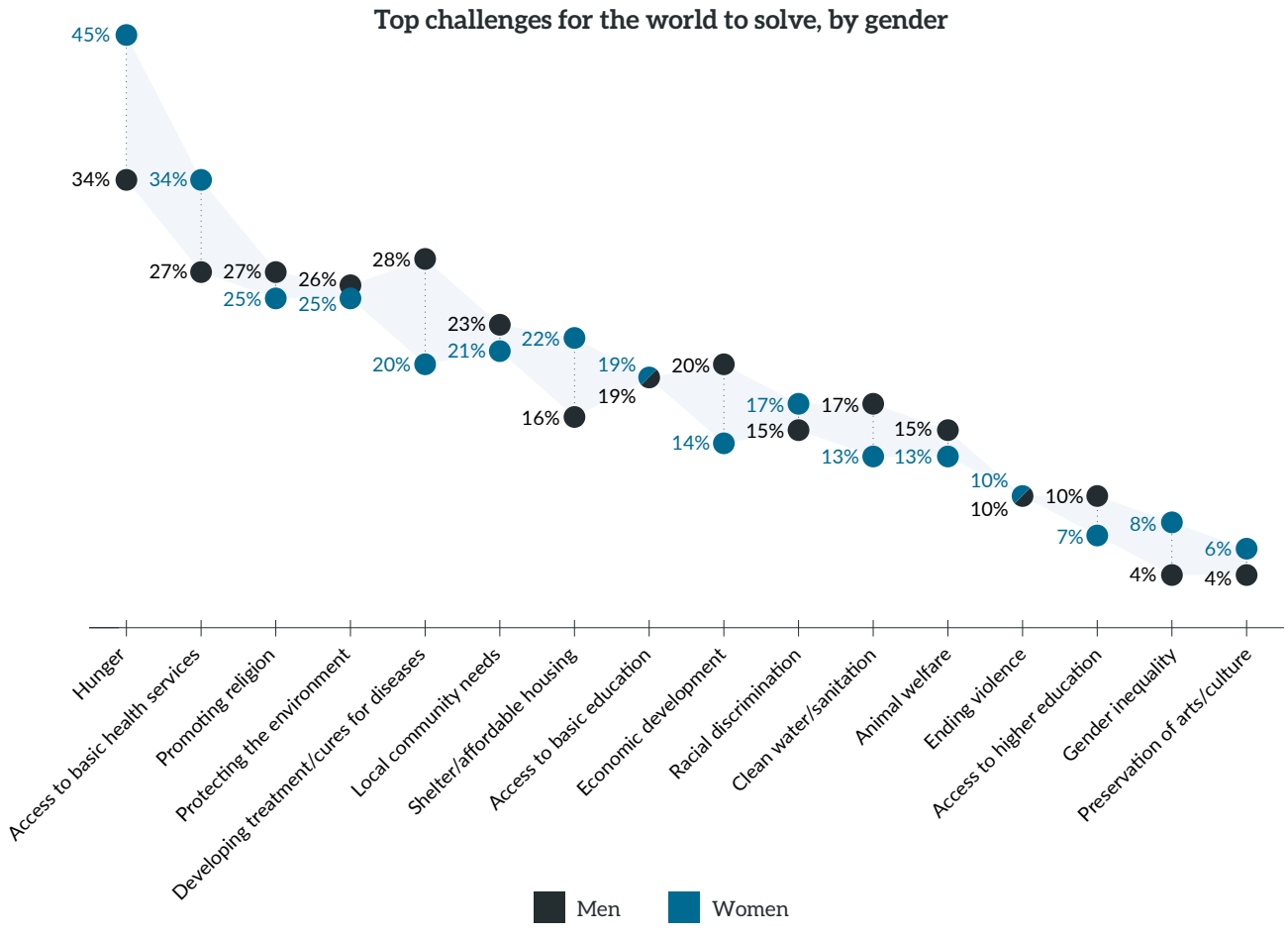
For many donors, their reasons for giving increased in importance due to the COVID-19 pandemic. Forty percent of men and 35 percent of women said that the pandemic made their most closely-held motivation for giving even more important. Younger women were even more strongly impacted by the crisis. Nearly half of Millennial women said that their reason for giving became more important to them due to the pandemic.

"My reason for giving became more important to me because of the COVID-19 pandemic."



Women are more focused than men on addressing issues related to immediate human needs.

Women's heart-focused approach to giving is reflected in their priorities. After 2020—a year when countless people and communities suffered—women were highly focused on providing basic care. They were more likely to rank hunger, access to basic health services and access to shelter or affordable housing as one of the biggest challenges facing the world. Men were more likely to rank treatments or cures for diseases and economic development as one of the top challenges to solve.



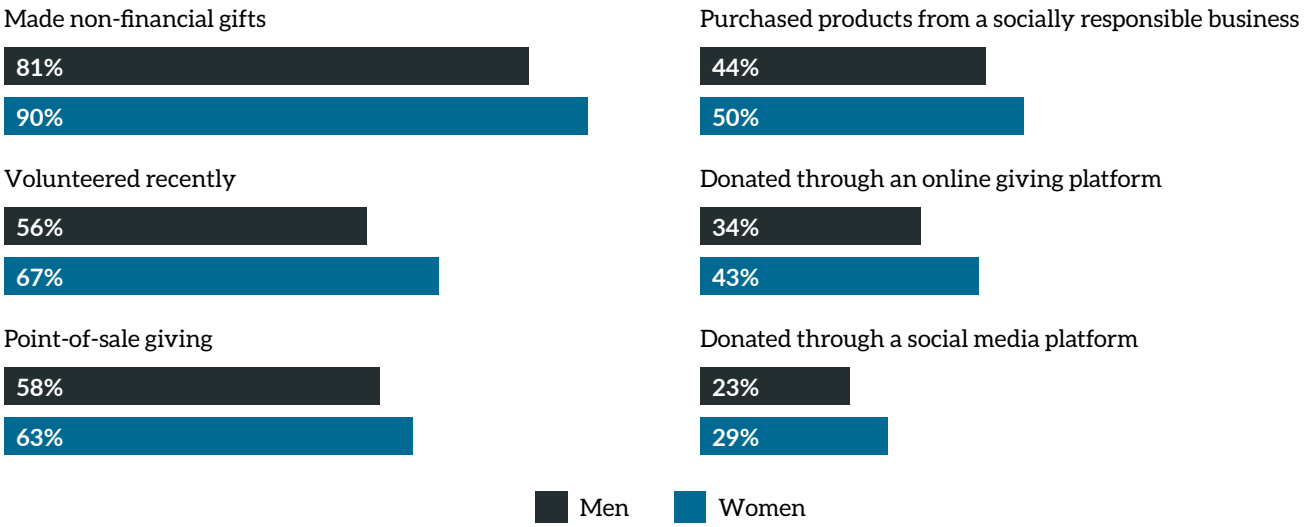
In January 2021, percentage of donors who ranked challenge 1, 2 or 3 as most important for society to address for the future.

How women give back

Women take a broad approach to philanthropy and are more likely than men to participate in multiple ways of giving back beyond simply giving money to charities.

Women integrate their values into their daily lives and are more likely to find ways to do good with their time, goods and consumer choices. This high level of engagement in alternative ways of giving back displays their commitment to making the world a better place in authentic and practical ways.

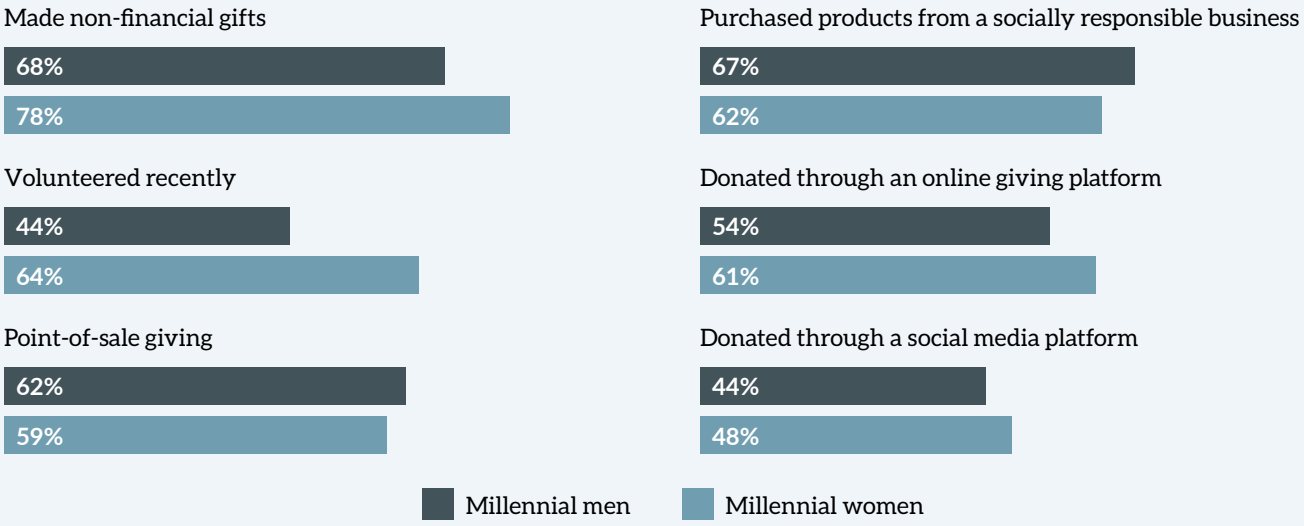
Giving methods



MILLENNIAL DEEP DIVE

Millennial women are more likely than Millennial men to have engaged in more traditional giving methods, such as donating non-financial goods or volunteering their time. Overall, age is a bigger driver for participation in digital giving, with Millennial donors more likely to give through online giving platforms like GoFundMe, Patreon or DonorsChoose or through social media—though Millennial women are still more likely than their male peers to participate in these ways.

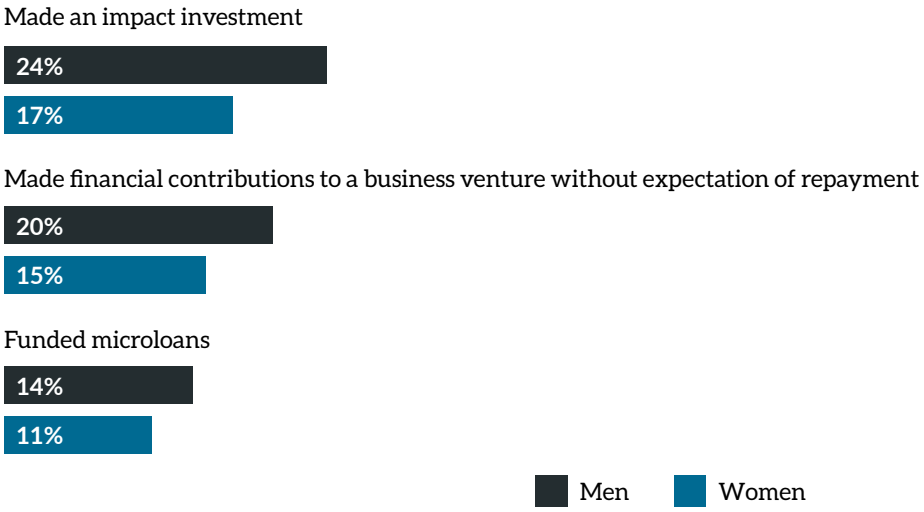
Millennial giving methods, by gender



However, men are more likely to implement charitable investment strategies.

Research shows that women are less confident than men about managing investments[3]—a confidence gap that persists when looking at philanthropic strategies related to investing. For example, a quarter of men have made an impact investment—the practice of making purposeful investments that generate financial returns, while also helping to achieve social or environmental benefits—compared to only 17 percent of women.

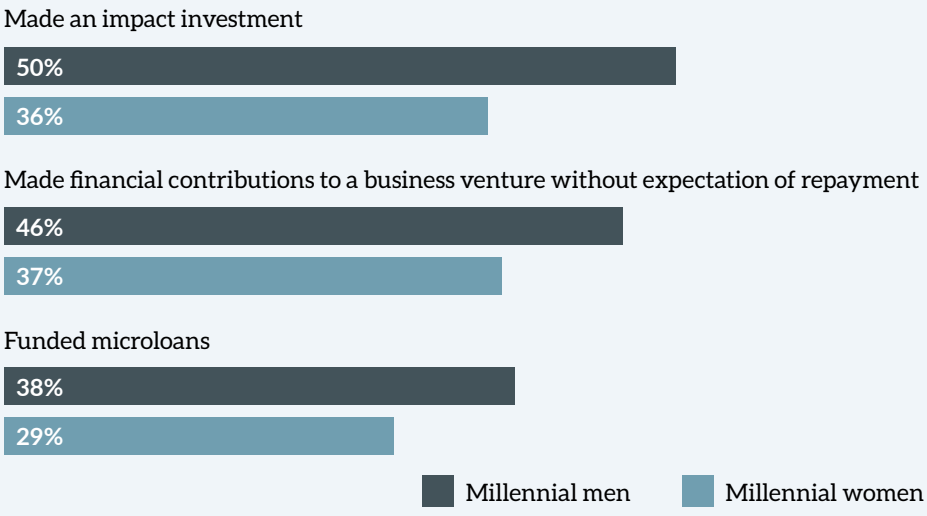
Giving methods



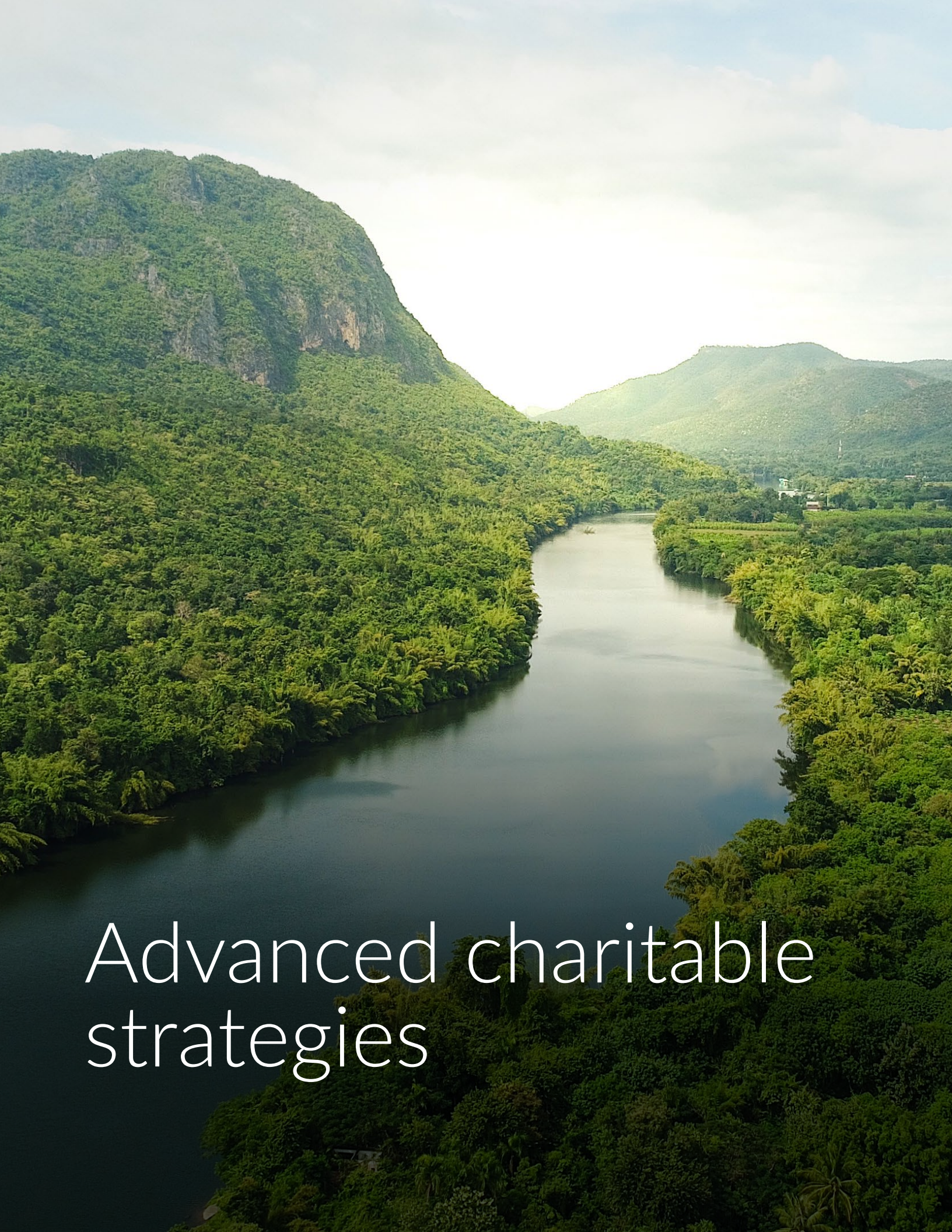
MILLENNIAL DEEP DIVE

While Millennial women still lag their male counterparts in implementing these strategies for social good, younger women are embracing these strategies more fully than either men or women overall. Generational shifts will make these giving methods more mainstream.

Millennial giving methods, by gender



[3] *Age Wave and Merrill Lynch, "Women & Financial Wellness: Beyond the Bottom Line," 2018.*



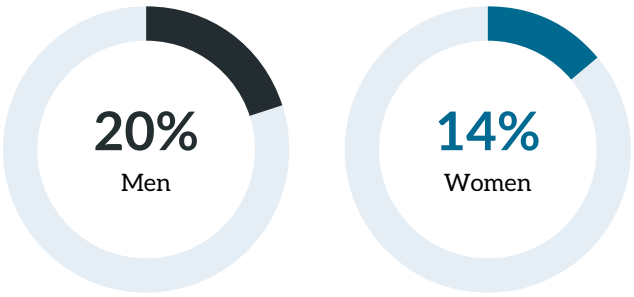
Advanced charitable strategies

Men are more likely to have talked to a financial advisor about charitable financial planning or charitable tax strategies.

Only 14 percent of women have spoken with a financial advisor about their charitable giving. Women looking to dig deeper into their giving finances may benefit from reviewing their charitable goals with an advisor. Doing a bit more research about financial planning and tax benefits has the potential to help women increase the amount they give.

Financial advisors also have an opportunity to bring more advanced planning techniques to their clients to help them make more effective and strategic choices. From making tax-efficient charitable decisions to planning a philanthropic legacy, there are many ways to engage clients in conversations around a topic that is close to their hearts and important in their lives: how they can make more of a difference in the world.

"I have talked to a financial advisor about charitable planning."



MILLENNIAL DEEP DIVE

While Millennial women have more often spoken with a financial advisor about charitable planning than Baby Boomer women (19 percent and 13 percent, respectively), the gender gap only widens when zooming in on Millennial donors. A third of Millennial men have discussed charitable planning strategies with an advisor. Financial advisors should include charitable planning in their holistic wealth management conversations—particularly with young women, who are likely to consider giving back a core piece of their lives.

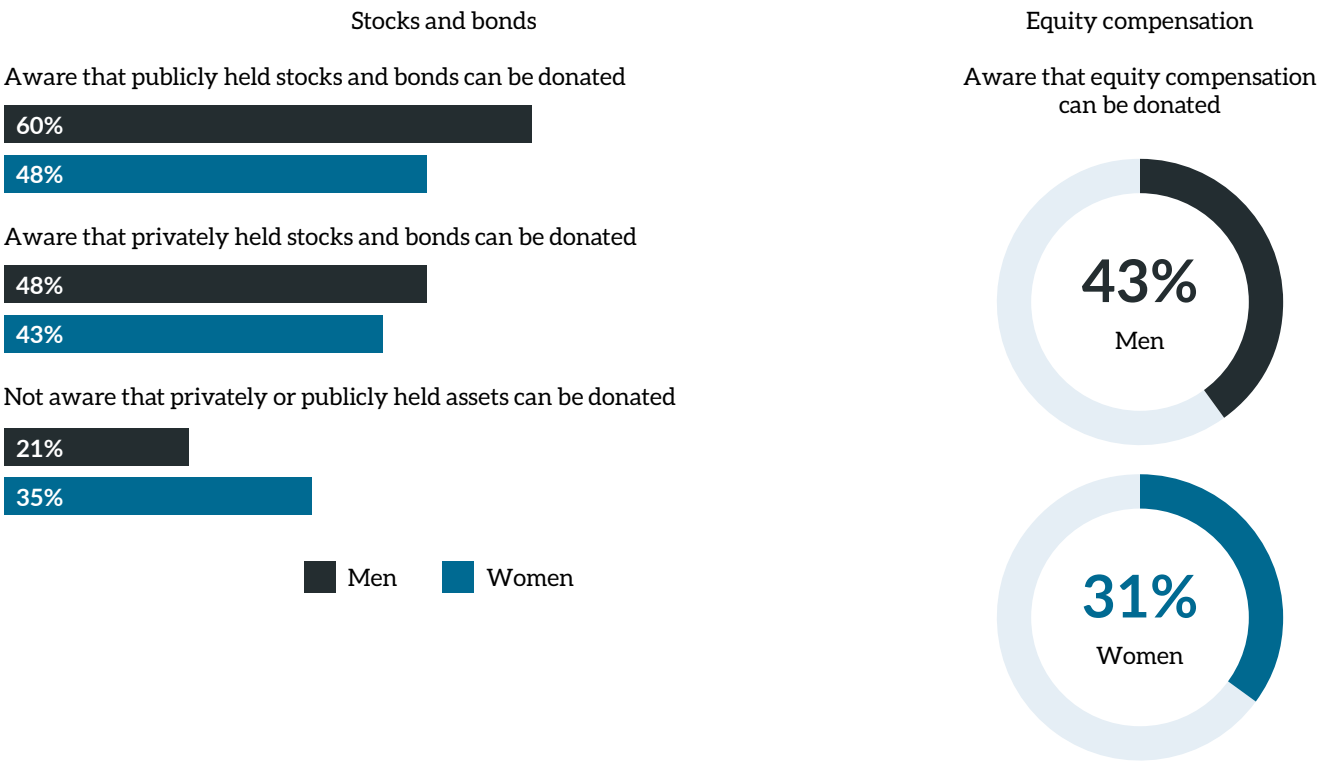
A gap exists between men and women in their knowledge about tax-savvy charitable planning strategies.

Men are more likely than women to say that they own stocks or bonds. Nearly nine-in-ten (88 percent) of men say that they own publicly or privately traded stocks, bonds or mutual funds, compared to only 69 percent of women. And when it comes to advanced charitable planning, women also lag in knowledge about how to use these assets to maximize their giving—and their tax benefit.

Similarly, men are more likely than women to say they receive income in a variety of ways such as bonuses, stock, side businesses, contract work or sales commissions. Nearly two-thirds of women say they do not receive any of these types of income, compared to 47 percent of men. It is understandable, then, that fewer women are aware that equity compensation awards can be donated to charity.

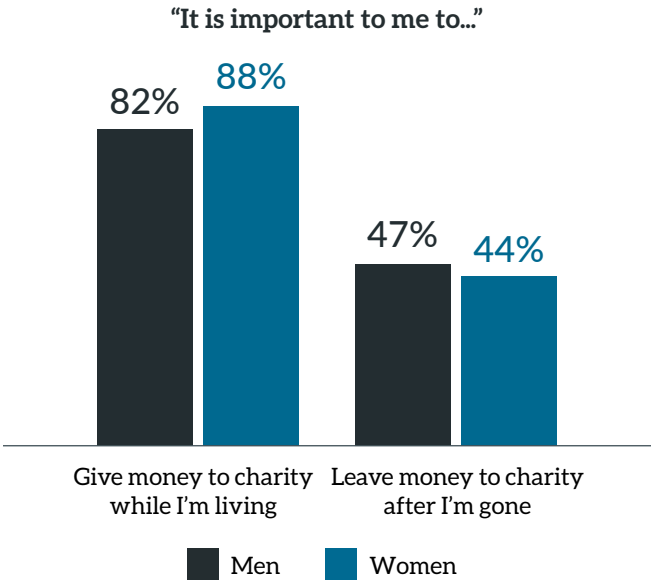
Increasing their financial knowledge around charitable strategies is a practical way that more women could put their desire to make a difference into action. As more women become knowledgeable about these tactics, they will be able to connect their passion for social change to strategies that help them optimize their giving and achieve their philanthropic goals.

Awareness of charitable tax strategies



Most donors are focused on making an impact on the world now—but, for many, it is also important to plan how to leave a philanthropic legacy in the future.

Most donors—but slightly more female donors—are focused on giving money to charity while they are living. And for nearly half of donors (47 percent of men and 44 percent of women), it is important to leave money to charity after they are gone. Financial advisors have an opportunity to discuss how to integrate charitable giving into clients' estate plans.



Methodology

Artemis Strategy Group, an independent research firm, conducted two research studies on behalf of Fidelity Charitable about giving trends and donor views of philanthropy.

- A March 2020 survey of 3,055 philanthropic individuals illustrates donors' giving motivations and behaviors.
- A January 2021 survey among 830 philanthropic individuals repeated many of the same survey questions to detect shifts in donor thinking due to the COVID-19 pandemic and other events of 2020.

In both surveys, respondents gave at least $1,000 to charity the previous year.

In this report, the Millennial generation includes individuals approximately ages 21 to 40 (born 1981–2000). Generation X includes individuals approximately ages 41 to 56 (born 1965 –1980). The Baby Boomer generation includes individuals approximately 57 to 75 (born 1946–1964).

Fidelity Charitable is the brand name for the Fidelity Investments® Charitable Gift Fund, an independent public charity with a donor-advised fund program. Various Fidelity companies provide services to Fidelity Charitable. The Fidelity Charitable name and logo and Fidelity are registered service marks of FMR LLC, used by Fidelity Charitable under license. Giving Account® is a registered service mark of the Trustees of Fidelity Charitable. 984415.1.0