

# How donors choose charities

Findings of a study of donor perceptions of the nature and distribution of charitable benefit

Beth Breeze



Centre for Charitable Giving and Philanthropy  
**Occasional paper 1**

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## Published by Alliance Publishing Trust

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ISBN 978 1 907376 05 4

Alliance Publishing Trust  
1st floor, 25 Corsham Street  
London N1 6DR  
UK

[publishing@alliancemagazine.org](mailto:publishing@alliancemagazine.org)  
[www.alliancepublishing.org](http://www.alliancepublishing.org)

Registered charity number: 1116744

Company registration number: 5935154

A catalogue record for this book is available from the British Library.

Typeset in Akzidenz Grotesk

Design by Benedict Richards

Printed and bound by Hobbs the Printers, Totton, Hampshire, UK

This book is printed on FSC approved paper.



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# Contents

About the ESRC Centre for Charitable Giving and Philanthropy 5

Acknowledgements 7

*About the author* 7

**Executive summary** 9

**Introduction** 11

**Methodology** 15

**Findings** 18

**Discussion: three theoretical perspectives on the data** 39

**Implications for policy and practice** 44

**Future research directions** 52

**Conclusion** 53

Appendix: Interview schedule 55

References 57



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## About the ESRC Centre for Charitable Giving and Philanthropy

The ESRC Centre for Charitable Giving and Philanthropy (CGAP) is the first academic centre in the UK dedicated to research on charitable giving and philanthropy. It aims to develop charitable giving and philanthropy through building an evidence base and bringing researchers and practitioners together to share knowledge and expertise. CGAP is funded by the ESRC, the Office for Civil Society, the Scottish Government and Carnegie UK Trust. With three main research strands, CGAP is a consortium of institutions working in a 'hub and spokes' model.

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# Acknowledgements

This paper is an output of a project funded by the Economic and Social Research Council, UK (Award No: RES-593-25-0003). It is part of a wider collaborative study being conducted at the University of Kent and the University of Southampton, entitled 'Charity and Social Redistribution: Quantitative and Qualitative Perspectives', within the ESRC Centre for Charitable Giving and Philanthropy. The author is grateful for the funding, which comes from the ESRC, the Office for Civil Society, the Scottish Government and Carnegie UK Trust.

Many thanks to CAF (Charities Aid Foundation), especially to Liz Goodey, Kamaljeet Bains and Alec Evans, for their invaluable help in recruiting interviewees for this study. And sincere thanks to the 60 CAF account holders who so generously gave of their time; it is impossible to do this type of research without the goodwill and gift of time given by interviewees.

Thanks also to Elaine Alden for help with coding the data, and to Iain Wilkinson, John Mohan and Cathy Pharoah for their comments on earlier versions of this paper.

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## Executive summary

This paper is concerned with the question of how donors select charitable beneficiaries, and the extent to which assessments of need are a factor in giving decisions. The study is based on interviews with 60 committed donors, representing a spread of gender, age and income levels.

There is a widespread belief that charities exist primarily to help needy people and that the desire to meet needs is a key criterion in the selection of charitable beneficiaries. However, this study finds that people do not give to the most urgent needs, but rather they support causes that mean something to them. In particular, the study finds four non-needs-based criteria that commonly influence donors' decision-making:

- Donors' tastes, preferences and passions, acquired as a result of an individual's social experiences. These motivate many giving decisions, even among donors who perceive themselves to be motivated by meeting needs.
- Donors' personal and professional backgrounds, which shape their 'philanthropic autobiographies' and influence their choice of beneficiaries.
- Donors' perceptions of charity competence, notably the efficiency with which they are believed to use their money, often judged on the basis of the quality and quantity of direct mail.
- Donors' desire to have a personal impact, such that their contribution makes a difference and is not 'drowned out' by other donors and government funding.

Given the voluntary nature of charitable activity, these are not surprising conclusions. Giving and philanthropy have always been supply-led rather than demand-driven: the freedom to distribute as much as one wants, to whom one chooses, is what distinguishes giving from paying tax. Yet the methods used to encourage donations tend to assume that philanthropy depends on objective assessments of need rather than on donors' enthusiasms. The tendency to overestimate the extent to which people act as rational agents results in fundraising literature that often focuses on the dimensions and urgency of the problem for which funding is sought. The assumption underlying this approach is that donations are distributed in relation to evidence of neediness, when in fact much giving could be described as 'taste-based' rather than 'needs-based'.

Theoretical models of decision-making are used to demonstrate that donors are restricted not only by the amount of money they have available to give away but also by limitations in their ability to gather information, cognitively process the merits of alternative recipients, and dedicate time to this decision-making process. The findings confirm that donors find it difficult to make decisions about charitable recipients, and that they use a range of strategies to assist their decision-making, including:

- Constructing self-made classifications and 'mental maps' to help cope with the complexity of the charity sector.
- Using heuristics, or 'rules of thumb', to filter potential charitable recipients.
- Pre-assigning certain causes as intrinsically 'worthy' or 'unworthy' of support.

The paper concludes that a better understanding of donors' rationalities is necessary for both policy-makers and fundraising practitioners, in order to avoid making erroneous assumptions about the meaning and motivation behind giving decisions.

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# Introduction

**'It is only in our decisions that we are important.'**

**Jean-Paul Sartre**

Much attention has been paid to questions concerning how many donors give, how much they give, what sorts of people give and why people give, but there has been little attention paid to the specific question of how donors choose which charities to support. This focus on data-gathering in previous studies is understandable, as there has been an urgent need for information on the patterns and distribution of donations. But it has left untouched many important questions about the meanings and motivations behind specific giving decisions; this paper attempts to begin to fill that gap. Making decisions about which charities to support is a complex problem that has significant consequences for donors, recipients, non-recipients and wider society. Greater insight into donors' meanings and motivations should increase our understanding of the distribution of charitable donations, and provide guidance on what it might take to change those patterns.

There are over 180,000<sup>1</sup> registered charities in the UK, an estimated 20,000 people employed as professional fundraisers<sup>2</sup> and many tens of thousands more people who voluntarily ask others to donate money to charity.<sup>3</sup> The vast range of 'giving opportunities' creates a difficult situation for those

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<sup>1</sup> According to the Charity Commission website in May 2010, there are 159,860 'main charities' and a further 20,981 'subsidiary and constituent charities' on the Register of Charities, making a total of 180,841 registered charities.

<sup>2</sup> The most recent figure relating to the size of the fundraising profession was published in *Charity Trends 2007*, which states that in 2005/06, 24,960 people were employed in fundraising and administrative roles within the top 500 charities (p181).

<sup>3</sup> The 2007 Cabinet Office report *Helping Out: A national survey of volunteering and charitable giving* found that the most common form of volunteering, undertaken by 65 per cent of volunteers, was 'raising or handling money' (p28).

who wish to use some of their private wealth to support organisations that promote the public good. As Adrian Sargeant and Elaine Jay have noted, 'the sheer number of non-profit organisations that are currently seeking funds can easily confuse even the most diligent of donors'.<sup>4</sup> Indeed, a study of giving in the USA, where over a million non-profit organisations potentially compete for funds, concludes: 'Charitable donations find their way to grantees through a haphazard combination of luck, charisma and razzmatazz that is poorly suited to the importance of their work.'<sup>5</sup>

The data presented and discussed in this paper examines how donors in the UK go about making decisions regarding the destination of their charitable gifts. This study is part of a larger research programme that explores charity and social redistribution. The starting point of the research is the extent to which 'meeting need' is a key factor in charitable choices. There is an assumption contained in much fundraising material that people are rational agents who respond to reasoned arguments as to why they should prioritise a particular cause. This paper explores the extent to which this conceptualisation of donor thought processes is true. It asks whether decisions about what charities people support are based on assessments of the neediness of their beneficiaries, as previous studies have suggested is the case, or whether other factors lie behind giving decisions.

A major study<sup>6</sup> of UK public opinion about charities and volunteering, conducted in the early 1990s, concluded that definitions of the purpose of charity and the 'right' recipients of charity are necessarily subjective. However, 'neediness' was identified as a defining feature, with those who are needy 'through no fault of their own' (such as the sick, children and disaster victims) being viewed as the most appropriate recipients of charitable assistance. While hierarchies of helplessness clearly influence giving decisions, translating judgements about others into concrete decisions to allocate money to certain causes and not others was widely viewed as a moral minefield:

'The whole idea of choosing between charities is a contentious and morally inflamed area, which immediately resonates with prejudgements of worth and interpretations of need.'<sup>7</sup>

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<sup>4</sup> Adrian Sargeant and Elaine Jay (2004) *Fundraising Management: Analysis, planning and practice*. London and New York, Routledge: p261.

<sup>5</sup> Steven Goldberg (2009) *Billions of Drops in Millions of Buckets: Why philanthropy doesn't advance social progress*. Hoboken, New Jersey, John Wiley and Sons, Inc: p29.

<sup>6</sup> Natalie Fenton, Peter Golding and Alan Radley (1993) *Charities, Media and Public Opinion: A research report*. Department of Social Sciences, University of Loughborough.

<sup>7</sup> *Ibid*, p25.

Yet despite widespread public assumptions that charitable giving is the means by which needs are met, through a process of transferring resources from the better off to those in need, many studies have demonstrated that only a small percentage of charitable benefit is in fact directed to the poor and needy.<sup>8</sup> This is not a modern phenomenon. It is historically typical that personal preferences, family connections and locality affect philanthropic decisions, and historic studies demonstrate that members of the wealthier classes have always been on the receiving end of some charitable benefit.<sup>9</sup> Therefore social networks and social norms, rather than solely evidence of need, have been prime factors in understanding how donors choose what to support.

It is also important to note that the legal definition of charities refers to the promotion of public benefit rather than meeting the needs of any particular group, so charities are not constitutionally bound to meet needs or be redistributive.

Yet despite the historic precedents and lack of any objective rationale for such expectations, previous research conducted in the UK finds that there is a broad public consensus that ‘to be a charitable concern, a recipient had to be “in need”’.<sup>10</sup> This study therefore explores the gap between such perceptions and the reality of how people choose to distribute their donations. It seeks to evaluate the truth of Rob Reich’s statement that:

‘The quintessentially philanthropic act – and the virtue in the philanthropic act – is generally thought to consist in providing for the poor or disadvantaged or attacking the root causes of poverty or disadvantage.’<sup>11</sup>

By assessing the extent to which ‘meeting need’ is a significant factor in the decision-making processes of donors, this study will also highlight what other factors contribute to decisions regarding the distribution of donations.

Decision-making by UK donors has been the subject of previous studies, but these have either focused on the very wealthy or viewed giving as a generic activity, rather than probed the reasons behind the making of specific donations.

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<sup>8</sup> See, for example, Theresa Odendahl (1990) *Charity begins at home: Generosity and self-interest among the philanthropic elite*. New York, Basic Books; Charles Clotfelter (ed) (1992) *Who benefits from the Nonprofit sector?* Chicago, Chicago University Press; A Ortmann (1996) Review of ‘Who benefits from the Nonprofit sector?’ by Charles Clotfelter (ed) In *Nonprofit and Voluntary Sector Quarterly*, 25 (2), p248–258; and David Wagner (2000) *What’s love got to do with it?* New York, The New York Press.

<sup>9</sup> See, for example, J T Rosenthal (1972) *The purchase of paradise: Gift giving and the aristocracy 1307–1485*. London, Routledge and Kegan Paul; and Frank Prochaska (1990) ‘Philanthropy’ In *The Cambridge Social History of Britain 1750–1950* (ed) F M L Thompson. Cambridge, Cambridge University Press.

<sup>10</sup> Fenton, Golding et al (1993), p23.

<sup>11</sup> Rob Reich (2006) ‘Philanthropy and its uneasy relation to equality’ In William Damon and Susan Verducci (eds) *Taking philanthropy seriously: Beyond noble intentions to responsible giving*. Indianapolis, Indiana University Press, p27.

For example, in her study of 'why rich people give', Theresa Lloyd claims that wealthy donors are motivated by five factors: belief in the cause, being a catalyst for change, self-actualisation, duty and responsibility, and relationships.<sup>12</sup> Meanwhile, Sargeant and Jay suggest that people give (generically) as a result of various forms of self-interest (for example to promote self-esteem or to access services); as a result of empathy, sympathy or belief in social justice; and to conform to social norms.<sup>13</sup>

This paper differs from previous studies of giving decisions by presenting data and analysis of the ways that donors of different wealth levels describe the process of making specific decisions about which causes and charities they support. By conducting interviews, in which donors have the opportunity to explain their charitable decisions and actions, it seeks to uncover a greater understanding of the meanings and motivations involved in their acts of giving. And by investigating the role that need actually plays in giving decisions, it begins to question assumptions behind fundraising practices that treat potential donors as rational agents, rather than social beings who live in social contexts that affect their overall charitable outlook and their specific charitable decisions.

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<sup>12</sup> Theresa Lloyd (2004) *Why Rich People Give*. London, Association of Charitable Foundations, p78.

<sup>13</sup> Sargeant and Jay (2004), p99–102.

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# Methodology

**'Facts and figures are only the beginning of the proper study. Our main interest is in making sense of the facts we know or can readily find out. We do not want merely to take an inventory, we want to discover meanings, for most of our important questions are questions of meanings.'**

**Charles Wright Mills**

Our understanding of charitable giving in the UK is largely dependent on studies that involve counting and measuring properties, such as the number of donors or how much they give. While these studies produce extremely important data, and are essential to answer questions such as 'how many' or 'how much', they cannot provide insight into the question of 'why'. As Peter Halfpenny has noted, descriptive statistical exercises reveal little about the 'social reality behind the figures'.<sup>14</sup> Qualitative approaches to data collection offer a better chance of comprehending behaviours such as charitable giving decisions, because this methodology seeks to understand, rather than simply count, phenomena. This is therefore the approach taken in this paper.

The chosen qualitative method for this study was semi-structured telephone interviews with current, committed donors to discuss their views on the nature and distribution of charitable benefit, and to explore the rationale behind their charitable decisions. The aim of the interviews was to gain access to donors' interpretative understanding of their decisions and actions, and to cast light on donors' rationalities.

Sixty interviewees were identified as a result of three waves of recruitment by the Charities Aid Foundation (CAF), which randomly selected charity account holders from its database, filtering by postcode to ensure the sample contained approximately equal numbers of high, medium and lower income donors. Postcodes are a useful indicative measure of wealth, as they refer to small geographical areas containing property of identifiable value. To

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<sup>14</sup> Peter Halfpenny (1999) 'Economic and sociological theories of individual charitable giving: complementary or contradictory?' in *Voluntas*, vol 10, issue 3, p208.



ensure this method achieved the sampling that was sought, interviewees were also reminded of the national average salary and then asked whether they defined themselves as low, middle or high income.

The rationale for creating a sample comprising solely CAF account holders, rather than taking a sample of the general population, is that despite most people being donors,<sup>15</sup> there exists a skewed distribution such that charitable income is reliant upon the disproportionate generosity of a minority of donors.<sup>16</sup> The problems inherent in sampling from the general population are illustrated by the fact that the UK Giving 2009 survey found that the mean monthly donation per donor was £31, yet the median donation per person was just £1 per month.<sup>17</sup> While CAF account holders are not representative in terms of income, age or geographical location (they tend to be richer, older and disproportionately from the south-east), they are, by definition, proactive and committed donors whose charitable acts are likely to be more typical of those that sustain charities' voluntary income. They were therefore the most appropriate people to interview for this study.

Of the 60 interviewees, 22 were women and 38 were men; a third were from the north and two-thirds from the south. There was a spread of ages from people in their thirties to their eighties, with people in their sixties being the most highly represented. The interviews were conducted between January and August 2009, and interview lengths ranged from 10 to 40 minutes, with most lasting around 25 minutes. Where interviewees are quoted in this paper, they are identified by their gender, age (by decade) and income level, for example (male, forties, middle income).

The research interviews were approached as 'a conversation with a purpose'.<sup>18</sup> A semi-structured format was used, which combined specified questions with the freedom to 'probe beyond the answers . . . [to] seek both clarification and elaboration on the answers given'.<sup>19</sup> The interviews comprised open-ended questions about four interrelated topics:

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<sup>15</sup> The UK Giving Survey found that in 2009, 54 per cent of people reported having made a charitable donation in the previous month; this figure was 56 per cent in 2008, 54 per cent in 2007 and 58 per cent in 2006.

<sup>16</sup> Sally Clegg, Liz Goodey et al (2008) *UK Giving 2008*. London, CAF/NCVO, p11.

<sup>17</sup> NCVO & CAF (2009) *UK Giving 2009: An overview of charitable giving in the UK 2008-09*. London, Charities Aid Foundation.

<sup>18</sup> Colin Robson (1993) *Real World Research: A resource for social scientists and practitioners*. Oxford, Blackwell, p228.

<sup>19</sup> Tim May (1997) *Social Research: Issues, methods and processes*. Buckingham, Open University Press, p111.

- how donors define charity;
- perceptions of the type of people and causes that (a) *do* benefit and (b) *should* benefit from charitable activity;
- the basis on which donors select charities to receive their donations;
- their experience, as donors, of also being beneficiaries of charitable activity.

The full interview schedule can be found in the appendix.

The remainder of this paper presents and illustrates ten findings, discusses the data by drawing on three theoretical perspectives, and ends with some concluding thoughts and implications for policy and practice.

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## Findings

**‘The great decisions of human life usually have far more to do with the instincts and other mysterious unconscious factors than with conscious will and well-meaning reasonableness. The shoe that fits one person pinches another; there is no universal recipe for living.’**

**Carl Gustav Jung**

### **Finding 1: Donors have a broad expectation that charitable organisations exist to meet needs**

The first two questions raised in the interviews concern donors' perceptions of the nature and purpose of charitable activity.

#### **Why do charitable organisations exist?**

In response to the question ‘why do charitable organisations exist?’, interviewees responded with comments such as ‘to help needy people’, ‘to do something worthwhile’ and to undertake ‘good works’. Organisations that do not meet needs raised questions in some donors' minds about their eligibility to be defined as charities. For example, one interviewee said that charitable organisations should help people ‘in need . . . I wouldn't give to those other charities – the cacti societies or cricket clubs. I wonder “are they really charities?”’ (male, thirties, high income).

#### **Who benefits from the work of charitable organisations?**

In answer to the question ‘who benefits from the work of charitable organisations?’, interviewees typically defined the beneficiaries of charitable activity with terms such as ‘those in need’, ‘the worst off’, ‘the underprivileged’, ‘the most vulnerable in society’, ‘people falling off the margins’ and ‘people who are disadvantaged’. While conceptions of ‘need’ are wide-ranging, many interviewees defined it in terms of financial disadvantage, as this quote illustrates: ‘We tend to think of people who are financially stretched’ (male,

sixties, middle income). Where other types of need arise, such as ill health, there is an assumption that financial problems will usually also be present in order for the beneficiary to require external assistance. As one interviewee explains: 'I would not normally give to people for whom I think other were sources available' (male, eighties, high income).

Charitable beneficiaries are frequently viewed as victims of their circumstances, especially when those circumstances are outside their control. For example, they are said to be 'those who are in situations of need through no fault of their own' (female, seventies, middle income). Interviewees also referred to 'people who can't defend themselves', 'people without a voice' and 'anything that can't look after itself for whatever reason'. Some respondents took a more relativistic position, suggesting that charitable beneficiaries are 'people who are worse off than me' (female, eighties, middle income), the 'less fortunate' or 'people I feel sorry for'. Some took a more expansive view of potential beneficiaries, including 'people who, for whatever reason, need help' (female, fifties, high income). Combinations of reasons were also given – for example, 'I suppose it's people who I'm either particularly sorry for or where I have friends who've experienced the same problem' (male, seventies, high income).

Occasionally, interviewees offered tautological answers, for example stating that charities exist 'to help people who need help' (male, fifties, high income). Others rejected the premise of the question, saying 'I don't think it's for me to say what need is really, from my nice, middle-class, double-income existence. How is it for me to say that this person is needier than that person?' (female, forties, high income).

This finding supports previous research, which concludes that donors have a broad expectation that charities will serve the poor.<sup>20</sup> Interviewees are aware that many charitable organisations have a much broader remit than meeting need: for example, promoting excellence in the arts, protecting animals and preserving national treasures. However, organisations that exist to meet need tend to be the ones that people think of first when describing charitable activity in general. This is also reflected in their own personal charitable ambitions, as these two quotes illustrate:

'I'm happy for them [charities] to have a broader focus. But I'm most interested in reaching people in need' (male, fifties, high income).

'I hope that I'm helping people "in need", particularly people in great need' (male, fifties, middle income).

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<sup>20</sup> Fenton, Golding et al (1993).

However, despite almost unanimous depictions of charity as a vehicle by which the better-off meet the needs of others, when respondents were asked to describe the causes they actually support and the process of making their decisions, it became clear that an assessment of the neediness of prospective beneficiaries was not the sole criterion. Indeed, four criteria other than need were identified as factors in donors' decision-making processes: donor taste, the donor's personal background, perceptions of charity competence, and the donor's desire for personal impact.

Before discussing these non-needs-based criteria in more detail, five preliminary findings will be described which 'set the scene' for understanding the context of donor choice.

These five contextual findings concern the degree of care taken by committed donors in selecting recipients, the use of classifications or 'mental maps' to make sense of the charity sector, the use of strategies to assist selection of recipients and the automatic inclusion and exclusion of certain charitable causes.

## **Finding 2: Committed donors are not necessarily deliberative donors**

Interviewees were often disarmingly honest about their lack of knowledge regarding the causes and charities they support.

Despite being a CAF account holder and distributing thousands of pounds a year, one donor prefaced his replies by saying: 'I'm going to be the wrong person to ask because I'm not sure I give it that much intellectual thought' (male, thirties, high income). Another admitted upfront: 'I must admit I don't do a huge amount of research' (female, fifties, high income).

In response to being asked for the rationale behind his choice, another replied: 'Why did I choose those particular ones? Well, that has been a bit haphazard to be quite honest with you. I mean, I've sort of come across them as I've gone along' (male, seventies, high income). One interviewee was dismissive of the suggestion that charitable decision-making requires much attention, saying: 'I don't think I go into it that deeply. If I'm satisfied it's being helpful and there's a need . . . you know, we're keen to help' (female, seventies, middle income). Another echoed this view, saying: 'I'm not methodical about it . . . I don't have any very good way of choosing . . . I just go by gut instinct I suppose' (male, eighties, middle-low income). One interviewee claimed to support 'basically anything that catches my eye . . . It's just what grabs me and what doesn't' (male, fifties, high income). When this donor was asked to explain why he started supporting a particular charity, he replied: 'Err, to be honest, I don't know.'

Donors often had trouble recalling exactly what it was that they supported and had difficulties remembering the names of recipient causes. One failed to recall the name of his chosen cause, saying: 'It's not the Stroke Association but it is a charity that deals with strokes' (male, sixties, middle income). Another said: 'I would give to cancer research – that's not to say that I know the difference between all these diseases' (male, thirties, high income). A third struggled to recall the name of one of his recipients: 'The hospital for, what do they call themselves? Not disabled, neuro-something disorders [laughs]. It's in Putney' (male, seventies, high income).

This shows that even the most committed donors are not necessarily careful donors. All 60 interviewees in this study have made the effort to open a charitable bank account: they are pro-active, rather than reactive donors. Despite this, there is much ambivalence regarding what they support and why. The lack of precision evident in their charitable decision-making raises questions about the extent to which donors wish to receive more (and more detailed) information about their chosen causes – as is widely assumed. And it raises the possibility that the detail of what a charity does and who it helps matters less than other factors, such as the broad sense of satisfaction or well-being that comes from supporting charities.

### **Finding 3: Donors find it difficult to make choices between potential charitable recipients and use strategies to assist decision-making**

Despite the sample consisting entirely of individuals who take a methodical approach to their giving (by definition of being CAF account holders), these committed donors report that charitable giving involves ongoing, complex decision-making. Interviewees were often upfront about the difficulty in making choices between the many organisations vying for support. One said: 'I couldn't really have any definite reason for saying 'yes' or 'no', but you can't support the lot. I stick a pin in' (male, seventies, high income). And another notes: 'I think it all becomes very subjective, doesn't it? I think with those kinds of things, they're not objective choices, they're very subjective [laughs]. You can only go by gut feeling I suppose . . . Somehow or other your name gets on a list and you are bombarded. It's amazing what comes through the door, and you've got no means of making an objective judgement' (female, seventies, middle income). That same donor explains how she copes with the 'bombardment': 'I'm afraid what I do now is say I've selected the charities to which I'm contributing, and I'm not adding to my list'. This strategy is one adopted by many interviewees, and will be discussed

further below in a discussion on the role of inertia and path dependency in giving decisions.

Two other interviewees stressed the complexities involved in making good giving decisions:

'It's just an impossible amount of stuff [that comes through the door] and I couldn't possibly support them all, even though I'm sometimes sympathetic to the requests' (male, eighties, middle-low income).

'It's a bit like when you get 500 applications for a job and you've got to find some way of weeding it down to a manageable number' (male, sixties, middle-high income).

Some interviewees expressed feelings of regret, and experiences of stress, that the number of requests for help exceeds their ability to respond. For example, one described his feelings of inadequacy at facing a large number of appeals as: 'I'm not rich enough to be able to support every cause that I approve of' (male, seventies, high income).

Strategies to cope with the 'bombardment' of requests for support from charitable organisations range from the comprehensive to entirely random strategies. As an example of the former, one interviewee explained:

'I'm one of those who never turns anything away. I've actually got a box . . . everything goes in, in turn, into the box and I give to two a month . . . I make sure that everybody gets something over the year' (female, forties, low income).

Another describes taking a more random approach: 'I tend to respond if it comes on my birthday, for instance, or if it comes on my wife's birthday. I say "well, you're in luck, you're going to get something!"' (male, seventies, high income).

Further rather arbitrary methods for filtering out requests include the following:

'I don't particularly have a leaning, I mean these are all worthy causes and it's very difficult I think to distinguish between them so . . . I ignore all the begging letters through the year then I start collecting them from about October onwards, and in December I sit down, work out roughly how many there are, chuck out the odd one or two that for some reason I don't particularly like, but generally I'm pretty even-handed' (male, sixties, middle-high income).

This finding indicates that, to some extent, the distribution of charitable resources is a reflection of the extent of fundraising activities, in particular of direct mail, rather than a reflection of charitable need. It is also clear that even the most committed and careful donors find it difficult to make decisions about charitable giving. The next two findings concern the strategies that donors use to assist their decision-making.

#### **Finding 4: Self-made classifications and ‘mental maps’ help donors to cope with the complexity of the charity sector**

One strategy that donors frequently reported using is the creation of their own classifications or ‘mental maps’ of the different types of charitable organisation that they could potentially support. Despite the existence of the over-arching category of ‘charity’, many respondents viewed this as a purely legal or bureaucratic category that was not helpful in informing their own decisions. It was too broad a notion that did not speak to their own understanding of what charity is, or what they wished to achieve with their own donations.

Donors often made binary distinctions when listing their recipients, as these quotes illustrate:

‘There’s two basic categories. There’s foreign aid, you know, big, reputable third world development charities . . . And the other is charities that work more in Britain. Those are the two main types’ (female, forties, middle income).

‘I’ve sort of got two distinct categories: [things] to do with being a Christian and what my beliefs are . . . [and things] motivated from my pleasures, if you like’ (female, fifties, middle income).

The two most commonly utilised binary distinctions were between ‘people charities’ and ‘animal charities’; and ‘domestic charities’ and ‘international charities’ (also described as ‘home and away’). These binary distinctions may indicate things the donor will and will not support, but they are also a way of organising two types of thing that are supported, either equally or with different amounts of money. Table 1 (overleaf) presents the main binary schemas that are utilised, both explicitly and implicitly, by donors.



**Table 1: Binary distinctions made by donors in classifying recipients**

People charities	Animal charities
Domestic causes	International causes
Urgent needs	Ongoing needs
Local charities	National charities
'Mainstream' causes	'Neglected' causes
Big charities	Small charities
Charities with low overheads	Charities with high overheads
Charities that respect my wishes	Charities that do not respect my wishes
Things that interest me	Things that don't interest me
Things I feel I should support	Things I enjoy supporting
Causes I think are important	Causes I don't care about
Causes I have a personal connection to	Causes I don't have a personal connection to
Things I've always cared about	Things I care about because of personal experience
Charities with a big 'C'	Charities with a small 'c'

Donors also create schemes containing more than two classifications:

'I suppose there's three groups [I give to]. One is development and relief. Then there's medical and social . . . And then there's things which are more for one's own benefit, like the National Trust' (male, sixties, middle-high income).

Another explains:

'I look at research . . . I do several overseas . . . I do a couple of animals . . . I do some arts . . . and then a couple of environmental ones . . . they're the five areas I look at, and when I come across a new charity I think "where will that fit in, does it match what I'm trying to do?"' (female, fifties, high income).

Interviewees often had a clearly worked-out logic behind their classifications, as these two quotes illustrate:

'My wife and I split them into two groups. Ones that we give quite a lot to, and ones we give smaller amounts to. The "quite a lot to" are the ones we have been closely associated with, like my college in Cambridge where we support the student hardship fund' (male, seventies, high income).

'I've got my "doing good" group, who deliver help to people in need, and those that do "uplifting work", who try to inject something into society like the arts, that's not critical or vital but which nevertheless improves the general state of society' (male, sixties, mid-high income).

Classifications can be based on subjective notions, such as the donor who differentiates between what she perceives as 'mainstream' and 'neglected' causes: 'We're not what I'd call "mainstream medical charity givers". We don't give to cancer research but to AIDS research and that sort of thing' (female, fifties, high income). Another takes a similar approach, actively seeking out causes he believes will be unpopular among the general public: 'We support unpopular things like mental health' (male, seventies, high income). A number of donors appear to base their choices on an attempt to rectify perceived imbalances in support for different types of cause. For example, one interviewee explains: 'I support arthritis research . . . a lot of people have a lot of arthritis but it's not as emotive as cancer and things like that, is it?' (female, eighties, middle income). Another says: 'We feel strongly that there's still some stigma attached to things like AIDS and that they need our help and so we help them' (female, fifties, high income). One interviewee emphasised that he was specifically not attracted to causes that he felt were popular with other donors: 'I've got lots of time for medical, educational and so forth. I'm not so excited about environmental and animals – you know, the things that warm the cockles of an English person's heart. I'm afraid they don't particularly warm mine' (male, sixties, high income).

Creating and implementing classifications can help donors to decide how much money to allot to the various causes they support, as this interviewee explained: 'Things like historic enterprises, we're talking about two figures for those people whereas we're talking about three figures for the more needful family charities' (male, seventies, high income).

One interviewee explicitly described the process by which he processes potential donations in his mind: 'I think, "yeah, I approve of that, that kind of fits my categories". Tick. And if they don't fit my broad criteria it'd be a "no"' (male, thirties, high income). Another donor explained how having 'pre-approved' categories helps with deciding whether to make a contribution or not: 'It may well be whoever's poked me at a particular time to say "give me some money" and if it's one of the areas that I generally support then I will go for it' (female, thirties, middle income).

However, some donors resist the suggestion that there is any logic or pattern behind their giving decisions. As one interviewee laughingly notes: 'You could almost say I'm quite promiscuous I suppose! There's nothing very reasonable or logical about the things [I support]. You'd probably look at

my list of charities and find no particular pattern there at all' (female, fifties, high income).

Where donors do create classifications, it appears to help them to cope with the complexity of managing their relationship with charitable organisations. But the precise nature of the distinctions drawn by any donor tends to be as idiosyncratic as the conclusions subsequently drawn about which types of charity to support, or not.

### **Finding 5: Donors use a range of heuristics, or rules of thumb, to assist their decision-making**

Interviewees often described using heuristics (also known as 'rules of thumb') to filter decisions about which causes to support and to guide their charitable decision-making. These heuristics often involve influential or authoritative figures, and ties of loyalty. For example, one donor stated that his biggest donation goes to a charity endorsed by the broadcaster John Humphries (with whom the donor does not have a personal relationship):

'I think we endow him with a great deal of our personal trust in that he does what he says he's gonna do . . . I mean he is somebody who my wife has said if he ever lets us down she'll go round and personally kill him [laughs]' (male, fifties, high income).

With a similar faith in third-party endorsement, another interviewee admitted that a list of high-profile supporters is a short-hand method of assessing a charity's calibre:

'I often look at who the patrons are, if I like the patrons, if it's somebody who's known in business, it could of course be royalty . . . it is a bit of a lazy way of doing things but frankly I have a full-on job and do I want to spend my time looking at accounts? "No" is the answer' (female, fifties, high income).

Many examples of ties of individual and organisational loyalty are also apparent in the data. People support charities when they have a personal relationship with those running the organisation. One donor said: 'I do support some very small charities through personal contact . . . There's one that's run by two people I know' (female, sixties, high income). Another said: 'We give regularly to a charity where we know the individual who's involved in running it . . . we try to support him in the way that we can' (male, sixties, high income).

Loyalty to the person asking for funds can override donors' perception of the 'worthiness' of a cause, 'I always try and support colleagues and family if they're doing something for sponsorship, I'm not going to say "oh no, I don't do that"' (female, thirties, middle income).

The importance of such ties results from assessments that people constantly make about their membership of social groups. When approached for support, donors assess the extent to which they view the person making the ask as 'part of our set' and therefore somebody who is trustworthy and requires a positive response.

These ties can be institutional as well as individual. Church-going donors often support the charities chosen by their congregation, as one donor explained: 'We've also got a link, the church, with a parish in Zimbabwe, so we support that' (male, seventies, high income). Donations are also often sent in response to requests made by loved ones at life events, notably funerals but also weddings, christenings and other important ritual events. For example, one respondent explained: 'I support some "traditional charities" that my father supported and when he died we gave money to them in lieu of flowers' (female, fifties, high income). Another noted: 'I think that funerals, sadly, do play a significant part as a motivation. When relatives request that money be given to a particular cause, then I will comply with that request' (male, sixties, high income). Another interviewee explained how personal ties affect her decision about what to support:

'I do support some charities for things that I wouldn't call "need" at all . . . I'm a widow but my husband's balance was slightly more towards the arts so I've retained quite a lot of the arts charities that he probably first donated to' (female, sixties, high income).

Geographical connections are a further spur to giving, as one donor explained: 'I think people do relate more locally. There are hospices everywhere but somehow in your own backyard you can relate to it. Like in football, generally you support your local team' (male, forties, high income). Giving 'in one's own backyard' is also linked to the desire to support charities that are perceived to be competent and make efficient use of donations, as this interviewee explains: 'We know what goes on locally so we know how efficient it is, whereas a lot of these other people who send you things through the post, we haven't a clue what they're up to' (male, sixties, middle income).

Ties of individual and institutional loyalty, respect for loved ones' wishes and geographical connections are all useful 'short cuts' for distinguishing which requests for donations should get a positive response. No doubt many

other heuristics are also apparent in donors' giving decisions. The next finding demonstrates another version of 'short cut' decision-making, whereby donors automatically include or exclude certain causes.

### **Finding 6: Donors perceive some causes as automatically deserving or undeserving of support**

The last contextual finding is that donors' decision-making is often assisted by pre-assigning causes as being intrinsically worthy, or unworthy, of their support.

Many interviewees were keen to name the types of causes they would refuse to support, even though that specific question was not posed. Having volunteered the causes they exclude, they almost always went on to give an explanation for the refusal, for example: 'There are no animal charities [on our list]. We're not cruel to animals, but we're neither of us great animal lovers . . . animals take second place to humans and other important causes for us' (female, fifties, high income). Similarly, another explains: 'I personally exclude animal welfare and those sorts of things. I refer to it primarily in terms of mankind if you like' (male, sixties, middle income).

One interviewee offered the alternative scenario: 'It's not that I dislike people but I'm a great animal lover, a great wildlife lover, so I donate to things like the local wildlife rescue centre and the Dogs Trust . . . That's slightly less altruistic in a way because I just love animals [laughs]' (female, fifties, high income).

While animal charities were the most likely to be automatically excluded or included, international charities were also frequently mentioned in this vein: 'I don't contribute overseas because it just goes to the wrong people and keeps people like Mugabe in business' (male, seventies, high income).

Also frequently mentioned were arts and cultural organisations: 'I wouldn't in general give to arts charities but I think many people would' (male, thirties, middle income).

Justifications for excluding certain causes (despite no justification being requested) usually relied on a personalised scale of priorities:

'I don't on the whole give to medical charities, not because I've got anything against them but I would rather feel that I'm helping the starving or somebody in more urgent need' (male, fifties, middle income).

'I wouldn't give to animal charities . . . It would have to be non-political and I will always think twice about giving to something with religious connotations' (male, sixties, high income).

'There are so many good causes . . . there's some charities I'm afraid that I will never support. I wouldn't be insulting if someone was shaking a tin under my face. I'd put 10p in, shall I put it that way?' (female, seventies, low income).

Excluding certain types of cause in order to make decision-making more manageable was an explicit strategy in some cases: 'I exclude all animal charities, not because I'm unsympathetic to them but partly to narrow the field' (male, eighties, middle-low income).

While donors were often keen to volunteer the causes they did not approve of or support, 'not approving' and 'not supporting' were not always one and the same category. For example, one respondent said:

'I would rather see that resource directed more broadly to those who have greater need . . . [so] I have reservations about arts and cultural charities, although I am a member of one' (male, sixties, middle income).

While some donors automatically excluded certain causes, others took the opposite view. Some respondents could not articulate the rationale for their support because they perceived it to be beyond question. For example, one said:

'Well, I think my support for the RNLi [Royal National Lifeboat Institution] is self-explanatory. I can't imagine anyone not wanting to give to support their work' (female, seventies, low income).

It would obviously be useful to explore this finding further in future research, to discern if there are any steps a charity can take to increase their likelihood of being viewed as 'self-explanatory' and therefore automatically deserving of support.

The final four findings concern the non-needs-based criteria that most commonly lie behind donors' decision-making.

## **Finding 7: Donor taste is a salient factor in the selection of charitable recipients**

Personal taste, which is acquired as a result of social experiences, was found to be a salient factor in the selection of charitable beneficiaries. Respondents typically reported supporting 'things that happen to appeal to me', causes that are 'close to my heart', things that 'touch a chord' and charities 'that I admire' and 'am comfortable giving to'.

This approach might collectively be termed ‘taste-based giving’, as opposed to ‘needs-based giving’, and the donors’ rationale in taking the former approach is illustrated in the following quotes:

‘It’s really what in one’s own mind one thinks is a deserving cause, and it does range, you know, hugely widely, and totally irrationally. I mean, I would support deserving dogs but I wouldn’t support cats [laughs] because I just happen not to like cats. It’s as silly and as simple as that’ (male, seventies, high income).

‘I donate to the RSPB [Royal Society for the Protection of Birds] because bird-watching is one of my great obsessions. It’s my, kind of, my treat to myself, if you like’ (male, fifties, middle income).

‘[I support] Sustrans because we’re interested in cycling and we live near a Sustrans route . . . Ramblers [Association] sometimes, because we like walking . . . the RSPB because we like bird-watching’ (female, seventies, middle income).

‘I’m a passionate skier, so a personal favourite is a charity that provides snow sports opportunities for people with disabilities’ (male, sixties, middle income).

Taste and personal preferences are a factor in giving decisions, even when donors perceive themselves as motivated by needs. Examples of the discrepancy between theory and practice include a donor who defined the appropriate beneficiaries of charity as ‘people in hunger or poverty or ill health’, yet went on to describe the focus of his support as saving paintings for the nation and environmental issues because ‘we like the countryside, I suppose’ (male, seventies, high income). Another donor claimed her giving was concerned with ‘people who are suffering’, yet noted: ‘I belong to English Heritage and troop around places and that’s a charitable thing, isn’t it?’ (female, seventies, low income). A third interviewee described appropriate beneficiaries as ‘people who are hard up in this country and people who are hard up abroad’, but explained that he supports steam railway restoration projects, because: ‘I think it’s sort of worthwhile from the point of view of society, I feel it’s worth keeping them going as sort of something this country has been able to do in the past and is still quite good at doing now . . . [so] I did put a rather large sum of money into helping to buy an old Victorian steam engine . . . I hope maybe when it gets going I might be allowed to stand on the footplate and blow the whistle [laughs]’ (male, seventies, high income).

A final example concerns a donor who described himself as a supporter of ‘people who need help’ before revealing himself as a benefactor of a canal restoration project in his home town. He explained this giving decision as follows:

‘Having lived there for twenty years I never knew there was a canal there in this particular area, so it’s partly nostalgia, partly local interest and the fact that here are these people who I thought were relatively unsung, going out to work one Sunday every month. I thought “well, I can’t go and join them but I can cough up”’ (male, fifties, high income).

Basing decisions on personal taste, rather than on more objective criteria such as assessments of need, may be chosen as a strategy to attain some distinctiveness in giving, and as part of an effort to support less ‘mainstream’ causes, as this donor explains:

‘I’m a big fan of the rhinoceros [laughs]. I think if anything can be done to save them from becoming extinct, and also the dancing bears, so cruelly treated. I tend to support things like that rather than the local RSPCA [Royal Society for the Prevention of Cruelty to Animals] – that kind of thing, other people can help them’ (female, seventies, low income).

Tastes are acquired as a result of experiences, and are rooted in an individual’s socialisation, which includes their upbringing, education and professional experience. The next finding focuses on the way that donors’ personal background affects their choice of charitable recipients.

### **Finding 8: Personal background influences donors’ selection of charitable recipients**

Donors’ personal background is a key non-needs-based criterion behind charitable giving decisions. An individual’s charitable outlook is acquired as a result of life-long processes, and specific charitable giving decisions are often closely related to earlier life experiences. Examples of autobiographical factors behind giving decisions came up frequently in the interviews, for example:

‘I grew up by the sea so I support the RNLI’ (female, seventies, middle income).

‘I have a child and the very first thing I started off doing was child sponsorship’ (female, forties, high income).



'My son had meningitis so I give to the Meningitis Trust; he was in the intensive care unit at the Royal Berkshire Hospital so I give to the intensive care unit there. It's about personal experience really' (male, sixties, high income).

'My brother died of bowel cancer so I give to cancer research' (male, thirties, high income).

'A number of my friends have died of cancer and they've had enormous help from Marie Curie, so I would definitely respond to them' (male, seventies, high income).

'We've got one or two friends who've had multiple sclerosis so we signed up for the MS Society' (male, fifties, high income).

'I support the British Heart Foundation since I had a quadruple bypass myself' (male, seventies, high income).

Many interviewees spoke explicitly about the connections between experiences in their own lives and subsequent decisions to make certain donations, as these examples illustrate:

'My mother became disabled and needed wheelchairs and things like that, and I realised what a difference it made, so I've been keen to give to charities that provide wheelchairs in the third world' (female, sixties, mid-high income).

'My father had heart disease which is why I support the Heart Foundation, and my aunt worked for animal welfare charities all her life, so that's one of the reasons I supports dogs' homes and things like that. It all comes down to your own experiences, doesn't it?' (female, fifties, high income).

'My wife is blind, she does have a guide dog for instance and she gets a range of support from the Royal Institute for the Blind. I wouldn't say we wouldn't have supported blind charities if she wasn't, but obviously that gives us a particular interest in that' (male, sixties, high income).

'[My husband and I] work for the music business and so we support music charities and music causes' (female, fifties, high income).

'[I support] butterfly conservation. When I was a boy I collected butterflies and I'm trying to give back, if you like, the damage that I did so to speak. In those days you were encouraged to kill butterflies and collect them, so that's an important one' (male, seventies, middle income).

Personal connections can also inspire donations with the hope of bringing benefits in the future, rather than 'repaying' benefits received in the past:

'I sail quite a lot. I've never had to be rescued but I give the Lifeboats some money every year and I see that as being, the return I get on that, being like an insurance policy. I know that the Lifeboats will rescue people regardless of whether they've paid their membership subs, but I see that as an intangible benefit' (male, thirties, middle income).

Another interviewee explains:

'There's a lot of arthritis and rheumatism in my family. I'm kind of figuring that I may get some benefit in the future from the research that I'm funding now . . . I'm thinking: "well, I'll give them some money and with a bit of luck they'll have sorted something out!"' (female, fifties, low income).

Changes in giving decisions are also related to changes in life experiences:

'My original objective was to try and make the world slightly better, so [I supported] what seemed to be the big issues, like deforestation . . . but now I've got ageing parents so I'm more interested in, like, cancer support' (male, forties, high income).

The autobiographical connection between a donor and a cause can introduce some unusual charities into a donor's portfolio, as this interviewee explains:

'There is one random thing I support. My dad died unexpectedly, and mountain rescue was involved in him being brought down from the mountain, so I've given quite often to mountain rescue. It doesn't fit with my general themes but that's why. There's a personal connection' (female, thirties, middle income).

Similarly, an interviewee explained how he came to support a health charity, despite the rest of his giving being focused on missionary charities:

'I had the potential for glaucoma detected a couple of years back, and I've had one or two leaflets produced by the Glaucoma Association and I decided they were doing a good job, so I made some contribution to them. Not large but it's quite outside the mainstream of my giving' (male, eighties, middle income).

The influence of personal background also includes the individual's professional experience, as this interviewee explains:

'I tend to support charities mainly in the crime area, like Pimlico Opera who go into prisons every year and put on an opera production for the prisoners and things like the Howard League for Penal Reform . . . I suppose I've been connected with crime for many years. I was a postgraduate student in criminology and then a lawyer, and now more recently I'm on the monitoring board of one of the prisons' (male, sixties, low income).

Another interviewee explains, 'My background is social work and psychotherapy and so I very much think of, you know, homeless, mental health . . . I suppose things that I've come across' (female, sixties, mid-high income).

However, it would be wrong to conclude from this finding that charitable behaviour is inevitably deterministic. Many interviewees noted personal connections that did not result in donations, as illustrated by these three examples:

'My wife died of cancer and yet I don't support cancer charities. I don't think there is a big personal element' (male, eighties, mid-low income).

'I have dear friends who died in a Sue Ryder hospice but you can't support everywhere' (female, seventies, low income).

'I exclude most medical ones, cancer for instance, although I've plenty of experience of cancer in the family' (male, eighties, low-middle income).

These exceptions notwithstanding, this finding demonstrates that on the whole people draw on their own life experiences to create what have been called 'philanthropic autobiographies'.<sup>21</sup> People give to causes that they feel some connection to, or affinity with, as a result of experiences and incidents that occur in their personal and professional lives.

## **Finding 9: Perceptions of charity competence affect the selection of charitable recipients**

The third non-needs-based criterion employed in giving decisions concerns donors' judgements regarding the competence of recipient organisations, such that charities are selected for support on the basis of criteria such as being

<sup>21</sup> Robert Payton and Michael Moody (2008) *Understanding Philanthropy: Its meaning and mission*. Bloomington and Indianapolis, Indiana University Press, p21.

'well-run' and 'efficient', or 'charities that don't pay their staff too much' and 'charities that have low overheads'.

As one interviewee said: 'I don't suppose we're unique at all in feeling that we want to support those causes where the vast majority of the money is not swallowed up in high overheads and admin costs – that's one of the major things that we think about' (male, fifties, high income). Another echoes that thought: 'If I'm going to be giving away some money, it's like buying things in a shop, I want to be sure I'm getting good value for it, as it were' (female, forties, high income).

Respondents made numerous, unprompted comments about their fears of inefficient spending by charitable organisations. For example, they sought out those that spend 'very, very little on admin or staff or any of the trimmings' (female, seventies, middle income) and sought to avoid those that spend money on 'plush offices and being political' (male, seventies, high income). Donors worry about their contribution being 'spent on administration or going to the wrong chap who then spends it on getting his office looking rather pretty' (male, seventies, high income). As another interviewee said: 'I don't think you want [to support] people who've got great big offices and give great big salaries and things like that' (female, seventies, middle income).

There is a general consensus that charity competence, as demonstrated in the efficient use of money, is highly attractive and likely to prompt greater donations: 'Where we're more confident that the money is genuinely going in full to the right place, we're more inclined to give more money' (male, fifties, high income). However, other respondents noted the difficulties in making accurate assessments about charity efficiency. For example, one donor said:

'It's very difficult to sort out who uses their money well. I understand Christian Aid are extremely good at delivering their money on site, so to speak, and they keep their administration costs as low as they can, but so much of this is hearsay isn't it? Unless you pore over the books and understand what you're reading, I think it's very difficult' (female, seventies, middle income).

Given the difficulties in obtaining (and understanding) objective information on charities' general competence, common proxies for assessing competence include the frequency and estimated cost of charity mailings: 'If they send too many I feel they're just wasting the money, not spending it properly and so we cut them out' (male, seventies, high income). Another proxy measure for competence concerns the accuracy of administrative activity: 'I have a foolproof system of avoiding any charities that I don't approve of, which is that if they get my address wrong they don't get a gift' (male, seventies, high income).

Some interviewees were confident in their ability to assess charity competence: 'One likes to think that one can sift the charities that are top-heavy from the ones that really do the work, because it seems to me the less flashy the communications, they're the ones I really do think pull their weight. One does get a feel for which charities spend a lot on public relations or things one doesn't approve of so much' (female, seventies, middle income).

Another interviewee based his assessment on the presence or absence of gift enclosures in appeal mailings: 'I suspect that a lot of charities are there just to raise money and use most of it for administration. You get certain charities that write to you every six or seven weeks and often include gifts, which infuriates us. They're not really being very efficient in my view. If I had my way I'd make them declare the costs of their overhead on every bit of material they send out' (male, sixties, middle income).

Respondents largely accept that assessments of charity competence are highly partial:

'You try to be a wee bit discerning . . . But I think I'm fairly relaxed because I think you make your own choice based on some sort of evaluation of what you think is good or not as good or not as deserving in your mind. It's a very, very subjective viewpoint' (male, sixties, high income).

The importance of donors' perception of the performance of charities has previously been noted as a key factor in how individuals decide between competing solicitations. As Sargeant and Jay summarise:

'Donors will generally give to organisations that are both effective (in the sense that they do what they say they will do) and efficient (in the sense that they make the best possible use of the monies available to them).'<sup>22</sup>

The importance of this finding lies in the means by which donors evaluate charity competence, and the implications for voluntary income if they are found wanting in this respect.

## **Finding 10: A desire for personal impact influences donors' selection of charitable recipients**

The final non-needs-based criterion for giving identified in this research is a desire for donations to make an impact that is not 'drowned out' by support from other donors or the government.

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<sup>22</sup> Sargeant and Jay (2004), p106.

The donor quoted in finding 8, who does not support cancer charities despite extensive personal experience of this illness, went on to explain his stance by stating: 'I think it's probably over-subscribed'. Similar examples include a respondent whose inclination to donate was lessened by an awareness of the charity's popularity: 'I support them, but as there are a million members I don't feel I need to respond to every appeal from them, somebody else can!' (female, seventies, low income). Another interviewee was supportive of an organisation but chose not to donate to it because, 'the impression I got is they are well-off compared to other charities' (male, thirties, high income).

A number of interviewees expressed a preference for supporting smaller organisations on the grounds that their contribution would constitute a significant percentage of the organisation's income. One donor supports a small local theatre because his donation 'makes a significant difference', whereas he feels that giving the same amount to a national theatre would mean 'it would get drowned out' (male, fifties, high income). Another described donating to a 'very small charity' because 'it means a huge lot to give them even £100' (female, sixties, high income). Reflecting on the attractions of smaller charities, an interviewee explained: 'We didn't really want to support things where we felt our contribution was negligible' (male, seventies, high income).

However, the same desire – to ensure maximum impact from a donation – can lead to the opposite conclusion, as some donors feel that larger organisations are likely to achieve better economies of scale. 'I see people starting up what are effectively little societies, almost individual, and it seems to me very inefficient to have that sort of thing going on, which is why most of my giving is to large organisations which have been around for a long time, and I reckon they know what they're doing . . . I trust them with my money' (male, eighties, middle income). Other donors are aware that their donation will only constitute a tiny fraction of a charity's income but are still happy to have made a contribution: 'I'm aware of how very expensive a lifeboat is and how expensive the training is. I mean, the little bit I give, I get told I've paid for an hour's training for somebody or bought a wellington boot or something [laughs]. If I can support them I do, even if only in a small way' (female, seventies, low income). Supporting larger charities can also appear to offer the chance to have a bigger impact, despite the individual contribution being proportionally smaller: 'I probably have gone for major charities because I feel they have more clout' (female, sixties, middle-high income).

Interviewees were particularly keen to avoid their donations becoming a substitute for government spending. This is especially relevant in the areas of spending on welfare, as studies show that very high proportions of the public

believe that meeting social need is primarily the job of government.<sup>23</sup> Concerns about 'additionality' are widespread, such that donors are keen to ensure their contribution enhances, rather than replaces, the funding available for a particular cause. For example, one interviewee stated: 'I hate to think that we're doing things that the government ought to do'. However, despite widespread (if implicit) acknowledgement of the economic concept of 'crowding out', donors' preferences can override such calculations, as one respondent said: 'With things like the British Library, I mean they're quite well funded but it's just something I believe in' (female, seventies, middle income).

The suggestion that donors are motivated by a desire to 'personally make a difference' has been noted as a key driver in prior studies.<sup>24</sup> This final finding clearly has implications for the forthcoming period when it is expected that public spending on charitable activity will need to be cut in order to deal with the budget deficit. The expectation that voluntary income will rise to 'plug the gap' needs revising in light of the finding that donors have higher expectations for their contributions than 'gap plugging'.

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<sup>23</sup> Peter Taylor-Gooby (1993) 'The Future of Giving: Evidence from the British social attitudes survey' *RSU Occasional Paper 4*. Tonbridge, Charities Aid Foundation, p11.

<sup>24</sup> See, for example, Brian Duncan (2004) 'A theory of impact philanthropy' in *Journal of Public Economics* 88, p2159–2180.

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## Discussion: Three theoretical perspectives on the data

**'It does not take much strength to do things, but it requires great strength to decide what to do.'**

**Elbert Hubbard**

Research into how choices are made has previously been conducted in realms other than that related to charitable decision-making. Having reviewed this literature, three theoretical approaches were found to be helpful for understanding how such complex decision-making takes place, and for making sense of the data gathered in this study.

### The science of muddling through

Charles Lindblom's work on 'the science of muddling through' examines the approaches that people take to solving complex problems. The focus of that study is public policy analysts, who might be expected to undertake fully systematic methods that involve considering and evaluating every single permutation of possibilities. Yet Lindblom finds that such an approach is impossible due to the excessive costs in terms of time and money and the fact that it 'assumes intellectual capacities and sources of information that men simply do not possess'.<sup>25</sup> Instead, most complex problems are in fact tackled by 'muddling through', which is also called 'incrementalism'. This involves restricting potential options to only those that differ in a small degree from those that have previously been taken and are therefore familiar, such that decision-makers are 'continually building out from the current situation, step-by-step and by small degrees'.<sup>26</sup>

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<sup>25</sup> Charles Lindblom (1959) 'The Science of Muddling Through', in *Public Administration Review* 6, p80.

<sup>26</sup> Lindblom (1959), p81.



This model of decision-making acknowledges that people do not attempt to make the *best* decisions; rather, they have the distinctly less ambitious goal of making *better* decisions. While the example in that study concerns public policy analysts, the theory is applicable to other decision-making scenarios, such as charitable giving decisions, because:

'The same model is inevitably resorted to in personal problem solving, where means and ends are impossible to separate, where aspirations or objectives undergo constant development, and where drastic simplification of the complexity of the real world is urgent if problems are to be solved in the time that can be given to them.'<sup>27</sup>

Revisiting this theory in a later paper, Lindblom says we must 'muddle through' because we are simply unable to achieve intellectual mastery of complex social problems:

'No person, committee, or research team, even with all the resources of modern electronic computation, can complete the analysis of a complex problem. Too many interacting values are at stake, too many possible alternatives.'<sup>28</sup>

This is a plausible description of the situation facing donors who are willing to give, and keen to make good choices, but lack the resources and ability to make the 'best' choice. They must therefore use other strategies, such as pursuing their personal tastes, drawing on their autobiography or operationalising their opinion of a charity's competence.

The application of the theory of 'muddling through' or incrementalism to decision-making around charitable giving implies that path dependency and inertia are key factors. The data collected in the present study supports this implication, as it is clear that donors do not assess the merits of every cause that seeks their support, nor do they demonstrate a willingness to thoroughly revise the focus of their donations. One interviewee admits: 'I very rarely look at a new charity' (female, fifties, high income). As does another: 'it is very rare that I give money to anybody new. Because otherwise, you know, the amount can increase exponentially, so one has to have a limit' (male, sixties, mid-high income).

Rather, donors generally build upon past decisions, making incremental changes, perhaps adding a new recipient that fits within pre-existing categories that are mentally 'approved', as this interviewee illustrates: 'We tend to really,

<sup>27</sup> Lindblom (1959), p88.

<sup>28</sup> Charles Lindblom (1979) 'Still Muddling, Not Yet Through' in *Public Administration Review* 39, p518.

having made the decision, we more or less keep the same ones going, rather than chop and change each year' (male, seventies, high income). Such inertia exists despite an awareness that it does not result in optimal decisions for either the donor or the charity sector, as the following two quotes illustrate:

'I have a list which I keep fairly methodically so as to donate once a year and there are items on that list which probably shouldn't really be there, but perhaps through laziness remain' (male, eighties, middle-low income).

'There comes a point where you get endless letters from charities and you think, "yes, they do need help: blind people need help, cancer people need help", but you have to draw a line and you have to say, "I'm awfully sorry but I've got my list . . . these things seem to be the ones we've come across and we've had no reason to stop supporting them"' (female, seventies, middle income).

The concept of 'path dependency' refers to the fact that decisions taken in the present are limited by decisions made in the past, even though past circumstances may no longer be relevant. One reason donors feel unable to alter previous decisions appears to be the emotional weight of revoking support for a charity: 'One problem with giving to charity is that once you start then it's difficult to stop. I'm less enthusiastic [about supporting some of my charities] but one feels obliged to do it again' (male, sixties, mid-high income).

Some giving decisions were made so long ago that donors cannot recall the rationale: 'My donations through CAF I set up probably 25 years ago and have probably just kept on with them' (female, forties, high income). Another said: 'Nearly all the ones I give money to, I've been giving money to for certainly more than five years, and I would say probably more than ten years' (male, sixties, middle-high income).

One interviewee acknowledged the influence of past decisions and noted that if she were to start selecting charities anew today she might make different choices: 'It'd be the same sort of charities but they might just be different ones in those fields' (female, sixties, middle-high income).

## Bounded rationality

The 'science of muddling through' is in the same mould of 'less heroic' decision-making as that entailed in Herbert Simon's concept of 'bounded rationality',<sup>29</sup> which is the second theoretical perspective that can usefully be

<sup>29</sup> Herbert Simon (1981) *Models of Bounded Rationality, volume 1: Economic analysis and public policy*. Boston MA, MIT Press.

applied to this data. In a similar vein to Lindblom, Simon also notes that individual rationality is limited by the finite amount of information we possess, the cognitive limitations of our minds, and the amount of time we are willing and able to devote to making decisions. In the absence of the resources and abilities to make fully rational decisions, he argues that we must instead accept the limits of our bounded rationality and seek satisfactory, rather than optimal, solutions. The need to pursue decision-making strategies based on adequacy rather than on optimisation (which Simon calls 'satisficing') is driven not only by the finite nature of resources, time and information, but also by the fact that decision-making involves a mixture of the partial information that individuals possess and the values and preferences they hold at any given time.

Simon suggests that individuals operating under conditions of bounded rationality use heuristics (or 'rules of thumb') to guide their decision making, with a notable reliance upon the influence of authority and ties of loyalty. The data presented in this paper provides support for Simon's argument, as donors report using these kinds of heuristics to filter decisions about which causes and charities to support, as illustrated in Findings 5 and 6 above. Further heuristics that donors rely upon are judgements about charity competence, based on the proxy of charity communications, as discussed in Finding 9.

## Cultural refusal

The third theoretical approach that is useful in understanding the findings of this study is Mary Douglas's work on the sociology of consumption, which includes the concept of 'cultural refusal'. This concept refers to the fact that people do not pay attention to, or even notice, options that are culturally alien to them. Cultural refusal involves screening out certain goods or services that are incompatible with an individual's identity. For example working-class donors may not countenance support for organisations that support cultural causes such as opera or ballet. They 'refuse' such causes because they threaten their identity in some way. The existence of 'automatic exclusions' described in Finding 6 also supports Douglas's claim that 'people do not know what they want, but they are very clear about what they do not want'.<sup>30</sup> This point is illustrated by interviewees who, despite not being asked about the causes they refuse to support, are keen to put those categories they exclude on record – for example, 'I don't do animals' and 'I never support organisations working abroad'.

Refusing even to consider whole swathes of the charity sector is one strategy for making decision-making manageable, as one respondent explained:

<sup>30</sup> Mary Douglas (1997) 'In Defence of Shopping,' in P Falk and C Campbell (eds) *The Shopping Experience*. London, Sage, pxx.

'I've certain areas that I tend to go for and others that I exclude automatically simply in order to reduce the field' (male, eighties, low-middle income).

## Conclusion on theoretical discussion

The three theoretical concepts of 'muddling through', 'bounded rationality' and 'cultural refusal' help to bring some analytical clarity to the data. They demonstrate that all types of decision-making involve complex processes, such that individuals must develop strategies to cope with these complexities and reach conclusions.

Choosing how to select recipients from the many thousands of charities that are seeking voluntary donations is a complex problem with significant consequences for donors, recipients, non-recipients and wider society. Every interviewee who participated in this study supports more than one charity, but even the most generous can only respond positively to a tiny fraction of the requests for philanthropic support. Donors are not only restricted by the amount of money they have available to give away. Charitable decision-making is also restricted by the amount of information that people can gather, an individual's ability to cognitively process the merits of alternative recipients, and the amount of time that someone is able, and willing, to devote to this decision-making process.

Viewing the data through these theoretical lenses also highlights some important insights into how donors choose charities. First, it may be necessary to adjust expectations regarding people's capacities to process information and make fully rational decisions about charitable beneficiaries. Second, appeals to potential donors should reflect the widespread use of heuristics, such as ties of loyalty and third-party endorsements, and not assume that charitable decision-making relies upon fully reasoned arguments for prioritising a particular concern. Third, it is important to recognise that donors are social beings, and that, as a result, donor rationalities may well differ significantly from dominant fundraiser rationalities.

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## Implications for policy and practice

**‘Nothing is more difficult, and therefore more precious,  
than to be able to decide.’**

**Napoleon Bonaparte**

This paper has presented and discussed new data on donors’ perceptions regarding the nature of charitable activity, the identity of charitable beneficiaries and the rationale behind giving decisions. The findings indicate that, despite continuing widespread assumptions that need is the primary driver of charitable donations, giving decisions are also based on at least four other factors: donors’ taste, personal background, concerns about charity competence and a desire for personal impact. In summary, people do not give to the most urgent needs, but rather they give to things that mean something to them. This finding supports other studies that have been conducted primarily among wealthier givers, which find that philanthropic gifts ‘are very much matters of personal commitment, taste and identification’.<sup>31</sup>

The finding of an apparent lack of rigour in making decisions about charitable donations has implications for both policy and practice, and requires further exploration and explanation. Giving is often assumed to be an important aspect of life for many donors and the total sums donated are not insignificant – £9.9 billion in the UK in 2008/09, the most recent year for which figures are available.<sup>32</sup> If even committed donors are not especially careful in distributing their donations – as one interviewee said, ‘it’s not something that keeps me awake at night’ (male, fifties, high income) – this has implications for the current debate around providing greater information in order to help donors make better decisions. Interviewees were quite relaxed about acknowledging the lack of

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<sup>31</sup> I Silber (1998) ‘Modern philanthropy: Reassessing the viability of a Maussian perspective’, in N & W J Allen (eds) *Marcell Mauss Today*. Oxford and New York, Berghahn, p141–2.

<sup>32</sup> J Clark, D Kane et al (2010) *The UK Civil Society Almanac 2010*. London, NCVO, p49.

rigour involved in choosing charities, admitting that 'it's all deeply random really' (female, fifties, middle-high income) and 'I don't spend a huge amount of time investigating accounts and all that sort of stuff, so I suppose I'm fairly lax on that point of view' (female, fifties, high income). It may be the case that many donors are content to 'muddle through' and will not avail themselves of new information that becomes available.

It should be noted that some current donors do utilise the information that is available and base their decisions on some degree of research, as this donor explains:

'What I tend to do, it may sound a bit sad, I tend to do a bit of due diligence – as I would call it – on charities, rather than just thinking, "oh that feels nice" [laughs]. So I do send off for the full annual report and accounts, you know, which is a lengthy document, but it's got all the detail in there and you can really find out what is actually going on and get an idea of their approach and their attitude and the way that they go about doing things' (male, sixties, middle income).

However, only a handful of the 60 interviewees described taking any sort of methodical approach.

Indeed, many interviewees rejected the suggestion that their giving decisions are calculated and prefer to paint a picture in which the connection between themselves and their chosen charities has emerged without either internal calculations or external prompting. They frequently resisted the suggestion that they have responded to a marketing campaign, and prefer to conceive of the relationship between themselves and their chosen charities as something natural that has emerged spontaneously, as this interviewee suggests: 'I didn't seek them out and they didn't seek me out. It was just as you go along, becoming aware of different things' (male, forties, low income).

Resistance to accepting that marketing efforts play any role in prompting decisions to donate may be due to the widespread feeling that charitable giving involves transactions unlike those found in the commercial world. 'The whole point about charity is people doing things for love . . . you give to what you love' (female, sixties, low income). By this account, it would presumably undermine the 'purity' of the decision if it were attributed to an external prompt rather than an internal impulse.

In support of this suggestion, one interviewee reported that his perception of a charity alters as a result of being on the receiving end of professional fundraising efforts: 'I was very upset with a charity which is a marvellous organisation, but they've obviously got a fundraiser they employ

and he was trying to get me to increase my subscription and I found that very upsetting. I dare say other people would be upset by this sort of salesmanship approach . . . I think charities that involve themselves in manipulation of one sort or another really need to be avoided' (male, eighties, low income). In a similar vein, other interviewees reject the notion of external involvement in their giving decisions:

'I have in the past got very cross with charities when they've actually phoned us at home and tried to solicit donations. We value our privacy and want to make our own decisions' (male, fifties, high income).

'I've had run-ins with a few of the charities who have the habit of phoning me up in the evenings. I don't strike them off my list but I find that very irritating. I think, "come on, you're a charity"' (female, seventies, low income).

Negative terms – such as 'upsetting', 'cross', 'irritating' and even 'infuriating' – feature in donors' comments about being on the receiving end of fundraising appeals, as this anecdote also illustrates:

'My neighbour stopped contributing to one charity because they sent a two pence piece to everybody and she worked out just how much that had cost, you know, and things like that, gifts and pencils. I know that charity fundraising is now a career, but sometimes it's horribly obvious isn't it? I know in my own circle that pestering has the opposite effect' (female, seventies, middle income).

The ethics and effectiveness of enclosing gifts with charity appeals is a topic that has attracted much debate within the fundraising profession, and has recently been the subject of a new 'code of practice' issued by the Institute of Fundraising. When the subject arose in the interviews, the reaction was uniformly negative, as illustrated by these quotes:

'We hate getting gifts, pens and things coming through the door. My wife got sent some socks the other day from I don't know what charity it was. We popped them in the post and sent them back. It seems to be self-defeating' (male, seventies, high income).

'I tend to be most unsympathetic if they include gifts. I don't know why people do it, I mean it just makes you think "what sort of stupid fool do they think I am, that a biro is going to alter what I do?"' (female, sixties, middle-high income).

Many donors believe their giving choices to be pro-active rather than reactive, and they rarely mention any interventions by fundraisers. The stories donors tell about what attracted them to a cause, and their reasons for continuing to support it, usually emphasise their internal impulses – their own passions, concerns and feelings of empathy – or the urging of loved ones and associates to make a donation. Prompts from the fundraising profession appear to be viewed as less legitimate forms of stimulation, as these two quotes illustrate:

'The new things [I support] are often through hearing about things from people, rather than from things that come through the door' (female, sixties, middle-high income).

'Just about every week now I'll get at least one or two letters, and it doesn't work for me because it's more through personal experiences that I'll donate, as opposed to people just sending me something in the mail' (male, forties, low income).

However, some interviewees were willing to acknowledge that 'being asked' was a factor behind their giving decisions: 'We look at appeals that come as fliers or envelopes that are dropped through the door. If someone comes to the door collecting we'll nearly always give something to that' (male, sixties, high income). Similarly, another interviewee said: 'I have 12 charities that I regularly support . . . but [sometimes] I suddenly get taken by a charity and I think, "oh yes, I'd like to support that", and that's often mail shots and things like that' (female, fifties, high income).

The suggestion that charitable giving may not always (or even often) occur in response to being asked by a fundraiser has been previously noted in a report produced by the charity sector think-tank nfpSynergy, which states: 'The content of direct mail encourages people to give only in a minority of cases. Over three quarters of respondents gave because they usually supported the cause or because of personal or family experience; a third gave because of what was written in the letter'.<sup>33</sup>

Clearly, fundraisers play an essential role in drawing potential donors' attention to the existence of causes and facilitating subsequent donations; the importance of being asked is well established as a key factor in the literature on

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<sup>33</sup> Fundraising Standards Board (2007) *Signed, Sealed and Delivered: What the public thinks of direct mail*. London, nfpSynergy, p6.



'why people give'.<sup>34</sup> Does it matter whether or not donors recognise the role that fundraisers play in prompting giving decisions? It could be argued that so long as funds are raised, it does not matter who gets the credit. But in circumstances where fundraising departments need to 'make the case' to protect, or even try to increase, their budgets during difficult economic times, the fundraising profession needs to take two seemingly contrary steps. First, it needs to remind donors that their impulses are often inspired, nurtured and sustained by the efforts of people working in fundraising departments. Second, it needs to recognise that sometimes people can make a decision to give without having been on the receiving end of any specific appeal.

Further lessons for the fundraising industry relate to charity branding. One conclusion to be drawn from the finding that people find it extremely difficult to choose between the many organisations competing for their donations is the importance of developing a strong, distinctive charity brand. Branding is the process by which an organisation acquires its own identity and differentiates itself from competitor organisations. While typically viewed as an attribute of the commercial world rather than the non-profit sector, charities that develop successful brands can also gain a range of benefits, including an easier fundraising 'ask' to potential donors who have a baseline of knowledge about the organisation seeking support; enhanced trust and loyalty from current supporters; and differentiation from competitors.<sup>35</sup> Charity brands help donors to understand what an organisation does, what it stands for, and the extent to which it aligns with their own personal values.<sup>36</sup>

Yet there remains ambivalence within the charity sector about the value of investing time and resources in developing a charity brand, because, 'for many in the charitable sector the term "brand" is offensive and trivialising, even distasteful'.<sup>37</sup> Given the problems resulting from the 'over-crowded' market in organisations seeking donations, and the fact that a distinctive brand helps a charitable organisation to stand out from those competing for funds, taking branding seriously is likely to become an increasingly important factor in attracting donations.

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<sup>34</sup> See, for example, S J Sokolowski (1996) 'Show me the way to the next worthy deed: towards a microstructural theory of volunteering and giving', in *Voluntas*, vol 7, issue 3; Erik Schokkaert (2006) 'The Empirical Analysis of Transfer Motives', in Serge-Christophe Kolm and Jean Mercier Ythier (eds) *Handbook of the Economics of Giving, Altruism and Reciprocity: Foundations*. Amsterdam, Elsevier, p160.

<sup>35</sup> Sargeant and Jay (2004), p260–262.

<sup>36</sup> Adrian Sargeant, John Ford et al (2007) 'Charity Brand Personality: The relationship with giving behaviour' In *Nonprofit and Voluntary Sector Quarterly* 37(3), p468–491.

<sup>37</sup> Joe Saxton (2008) *Polishing the Diamond: Values, image and brand as a source of strength for charities*. London, nfpSynergy, p4.

The data presented in this paper suggests that a wide choice can result in sub-optimal decision-making. Donors clearly do care about the destination of their giving. However, their concerns may be more about maximising their personal satisfaction rather than seeking optimum outcomes from a broader societal perspective. The pursuit of donor satisfaction is often discussed in the case of major donors, or so-called 'new philanthropists'. For example, it is claimed that:

'For non-profits, a failure to align with a donor's interest is the biggest single reason why they will miss out on securing funding from an ultra high net worth family.'<sup>38</sup>

Therefore, a further conclusion of this paper is that this outlook is not exclusive to major donors. Most respondents, whatever their wealth level, seek to align their interests with their charitable giving and to use their donations to pursue their passions, preferences and personal involvement.

Whether rich or non-rich, it is clear that charitable giving is not only concerned with promoting the public benefit, solving social problems or meeting needs, it is also (perhaps crucially) about the self-realisation of the donor. Self-actualisation has previously been identified as a driver among our wealthiest citizens,<sup>39</sup> but this paper suggests that the dividing line between 'major' or 'new' philanthropists and more ordinary, committed donors may not be as clear as is often supposed.

As Bernard Ross and Claire Segal argue, giving is an intensely personal act, in which all kinds of donors want 'authentic, one-to-one, personal contact that inspires and motivates them to support a cause. They want fundraising messages targeted to them that match the way they think and feel. They want emotionally intelligent fundraisers who understand the way they make decisions.'<sup>40</sup>

Donor autonomy is paramount: people value the control they possess over their charitable giving decisions and expect to distribute their money according to their own judgements rather than in response to external signals and prompts, whether from fundraisers or politicians. The importance of donor autonomy has implications for the extent to which giving and philanthropy can be relied upon to 'fill the gaps' in meeting need. Successive governments have viewed voluntary giving as a potential resource to meet needs that the

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<sup>38</sup> B Love, S Raymond et al (2009) *BNP Paribas Campden Research Global Family Philanthropy Report*. London, Campden Media, p12.

<sup>39</sup> Lloyd (2004), p83.

<sup>40</sup> Bernard Ross and Claire Segal (2009) *The Influential Fundraiser: Using the psychology of persuasion to achieve outstanding results*. San Francisco, John Wiley and Sons, p xv.

state either cannot afford, or is unwilling, to meet. In some cases this may be a successful strategy. For example, where donors have a taste for meeting a particular need, it may well be possible to increase the flow of resources from this quarter. But given the predominance of taste-based over needs-based giving, there can be no guarantee that needs left unmet by the state will automatically be met by private individuals. Indeed, an American fundraising expert goes so far as to claim that donors 'run away from needs' because what they are attracted by is the opportunity to 'do something special' and give to projects they are interested in.<sup>41</sup>

It is hoped that this paper will be of use to fundraisers, by providing insights into how donors choose charities. It is also hoped that the findings will be of use to policy-makers tasked with reviewing the putative 'dividing line' between the public sector and the charity sector. As Finding 10 shows, a concern for personal impact is a key factor behind making a donation. This demonstrates that donors do not respond to 'gaps' in government-funded provision but rather give as a result of their own passions, preferences and personal experiences.

This paper should not be read as any sort of criticism of donors who choose to focus their giving on causes that do not meet the most urgent or pressing of human needs, because – as has long been recognised – the freedom to give is an essential element of a liberal society<sup>42</sup> and donor autonomy is a crucial factor in realising the impulse to give.<sup>43</sup> Donors also respect each other's autonomy and many interviewees emphasised that their giving decisions are extremely personal and do not imply any comment on the choices made by others: 'Just because I don't support a charity doesn't mean other people shouldn't' (male, fifties, low income). Similarly, an interviewee said: 'Each person has got their own interests, haven't they? And what one person thinks is important, another person doesn't' (female, seventies, middle income). Another insisted: 'It's up to people who they give their money to, what they give their money to, it's everybody's call' (female, seventies, middle income). The dominant view among interviewees was that of 'give and let live', and a refusal, almost a fear, of appearing to criticise anyone else's giving decisions. As one man said: 'I don't think it matters [what people give to] so long as you've got one you're comfortable with giving to, because everyone has different favourite things' (male, fifties, middle income).

<sup>41</sup> Jerold Panas (1984) *Mega Gifts: Who gives them, who gets them?* Chicago, Bonus Books Inc, p116.

<sup>42</sup> Richard Titmuss (1970) *The Gift Relationship: From human blood to social policy*. London, George Allen and Unwin.

<sup>43</sup> Peter Frumkin (2006) *Strategic Giving: the art and science of philanthropy*. Chicago, Chicago University Press, p370.

Yet there remains an important – and as yet largely unaddressed – question about how to reconcile the freedom and autonomy of the donor with the pursuit of solidarity, social coherence and a moral belief in meeting the basic needs of all. While further research is clearly needed to tackle this issue, the findings of this paper suggest that the answer may lie in the processes surrounding taste formation. If giving decisions are driven by personal taste as much as by assessments of need, then encouraging people to develop a taste for equality and inculcating values of social justice from an early age may result in increased support for charitable organisations whose activities have greater redistributive consequences.

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## Future research directions

The study of charitable giving and philanthropy is still nascent in the UK and there are a huge number of research topics that require further research. This brief section simply suggests two potential paths for continuing to explore the ideas contained in this paper.

The sheer complexity of giving decisions, which involve choosing a handful of causes from the tens of thousands seeking support, is matched by the complexity of motives, intentions, opinions, moral judgements and personal preferences that lie behind each individual giving decision. Difficulties in arriving at conclusions about what to support are accompanied by other difficult decisions, not considered in this paper, such as how much to give, by what method and over what period of time. These other aspects of the complex decision-making involved in charitable giving clearly require extensive further study.

Another useful topic for future research is the extent to which the complexity involved in giving decisions acts as a barrier to giving. It is possible that the category of 'non-givers' includes not only those who do not wish to make donations but also those who have not acted upon the desire to give because they are overwhelmed by choice, and are experiencing 'analysis paralysis'. As almost half the population are non-givers, understanding and tackling the reasons behind this situation are essential for developing the culture of giving in the UK.

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## Conclusion

This research began with the question 'to what extent is need a factor in giving decisions?' We can conclude that it remains more important in theory than in practice. Donors retain an expectation that charities exist to serve the needy, yet in reality their own giving decisions are driven by many non-needs-based factors. Despite popular beliefs that charitable giving should be directed primarily to the needy, donors often support organisations that promote their own preferences, that help people they feel some affinity with, and that support causes that relate to their own life experiences.

Given the voluntary nature of charitable activity, this is not a surprising conclusion. Giving and philanthropy have always been supply-led rather than demand-driven: the freedom to distribute as much as one wants, to whom one chooses, is what distinguishes giving from paying tax. Yet the methods used to encourage donations tend to assume that philanthropy depends on objective assessments of need rather than on donors' enthusiasms. The tendency to overestimate the extent to which people act as rational agents results in fundraising literature that often focuses on the dimensions and urgency of the problem for which funding is sought. The assumption underlying this approach is that donations are distributed in relation to evidence of neediness, when in fact much giving could be described as 'taste-based' rather than 'needs-based'.

This paper has attempted to shed light on the processes by which donors choose which charities to support. The findings illustrate that making choices between competing charitable causes and organisations is a complex matter. Some donors experience feelings of stress, anxiety, befuddlement and exasperation and there is widespread acknowledgement that choices are

inevitably based on partial information, as the vast number of options makes it impossible to rationally assess them all. As an American philanthropist and adviser notes in their advice on compiling a 'philanthropic portfolio': 'All stars in the galaxy of non-profit ideas are never under full consideration.'<sup>44</sup>

This study shows that UK donors use a range of strategies to limit the number of 'stars' under consideration and make the decision-making process more manageable. Donors create mental classifications of the types of charities that they will and will not countenance supporting, and they rely on their personal tastes and preferences, their judgments regarding charities' competence, the impact of their own personal background, and their assessment of how they can achieve the greatest degree of personal impact through their giving. Implementation of these strategies occurs to a varying degree and with varying emphasis by each donor, each of whom has their own personal views, acquired as a result of lifelong processes of socialisation, as to the nature and purpose of charitable activity and their own ambitions for what they hope to achieve through their giving. The end result is the 'filtering' of an unmanageable number of options down to the list of charities that each donor chooses to support.

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<sup>44</sup> Charles Bronfman and Jeffrey Solomon (2010) *The Art of Giving: Where the soul meets a business plan*. San Francisco, Jossey Bass: p77.

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## Appendix: Interview schedule

- 1** I want to talk about the causes that you support in a moment but can I begin by asking what you picture when you think of a charity?
- 2** And still at that very general level, can I ask who, or what, you think are the beneficiaries of the charitable sector?
- 3** Now could you please tell me about the charities and causes that you choose to donate money to?
- 4** Thinking of the charities and causes that you support, can you please tell me what prompted you to choose them in the first place and why you continue to support them?
- 5** Who do you think are the main beneficiaries of the charities that you support?
- 6** Does it matter to you whether the recipients of your donations are 'in need' or not?
- 7** Thank you for telling me about the charities that you support. You may be aware that in the UK over 160,000 organisations operate as charities. How do you feel about the fact that so many different activities are all labelled as 'charity'?
- 8** Do you expect organisations that are run as charities to serve people in need? Or are you happy for them to have a broader focus?
- 9** Bearing in mind the many different types of organisations that operate as charities, can you think of any examples where you or your loved ones have benefited from the work of charitable organisations?
- 10** Do you have any final comments on anything that we have talked about?



Four pieces of factual information were also recorded for each interviewee. Often the answers became apparent during the interview, but where they were still unclear they were asked at the end:

- Gender
- Age (which decade)
- Location (city/county)
- Income (self-defined as: low, middle or high)

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