



GIVING TO GLOBAL POVERTY ORGANIZATIONS:

INSIGHTS FOR ENGAGING PAST, PRESENT AND POTENTIAL DONORS

Dr. Steffen de Sombre

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In this DEL In Brief, we look at potential donors to global poverty causes in Germany. While the number of donors in Germany has been declining over the past six years, tapping into a large group of potential new supporters, recovering old donors, and incentivizing them to set up regular donations could invert the trend and stabilize organizations' revenue.

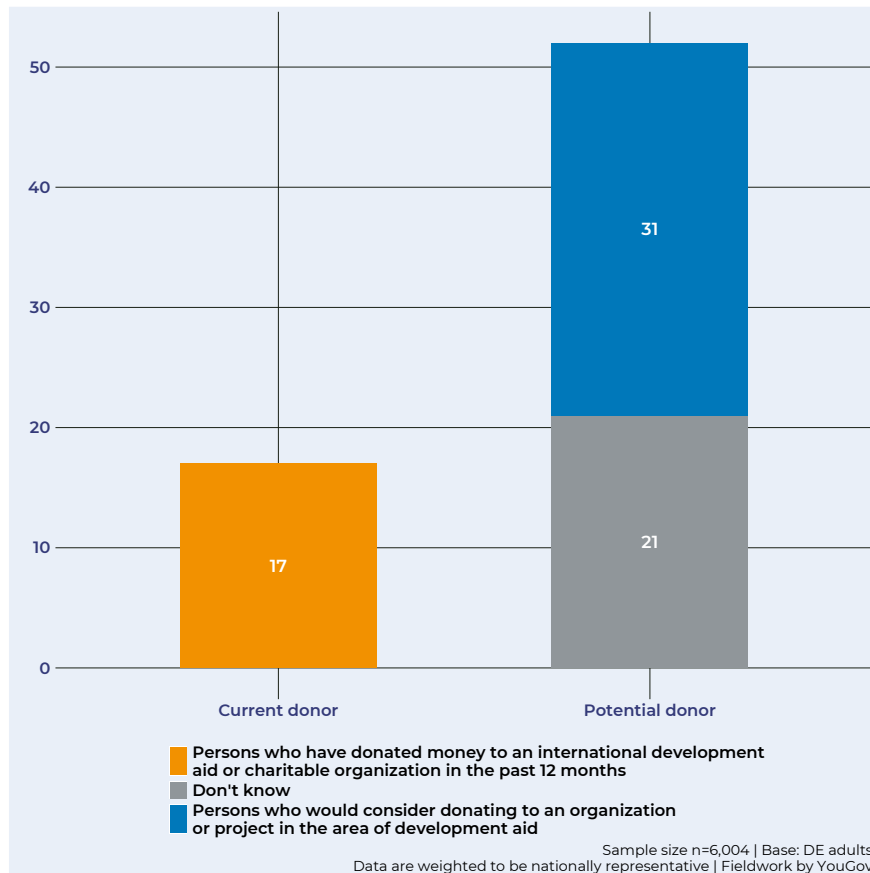
In Germany, the share of the population that has donated to an international development aid or charitable organization in the past 12 months has been in continuous decline for the past six years. Similar trends are observed in Great Britain and the United States. Currently, in Germany, 17 percent of the population have donated to global poverty causes in the past 12 months. Compared to donors, the group of potential donors is considerably larger: 31% of the population say they would consider donating to a project or organization involved in the area of development aid (see Figure 1), with above-average shares among people age 18 – 29 (37%), highly-educated people (43%), and people living in high-income households (39%). Women

(33%) are more likely than men (29%) to say they would consider donating.

In general, the most important reason people give for having not donated in the past 12 months was a lack of money to do so (40%). The fear that the money won't actually help poor people due to corruption (28%), worries about administrative costs of charities being too high (19%) and a general lack of trust for international development organizations (18%) were also commonly chosen reasons among non-donors.

Going beyond these general findings it is useful to distinguish different kinds of non-donors according to their willingness to donate and their former donation

FIGURE 1: THE POOL OF POTENTIAL DONORS IS CONSIDERABLY LARGER THAN THE CURRENT DONOR POOL



Former donors, those who would consider donating in the future again, are more likely to be better-educated and have higher incomes. Compared with other groups, however, there are only slight differences between men and women and among different age groups. As is the case among the total population, the most important reason why former donors have not donated in the past 12 months is lack of money; fear that the money ends up in the pockets of corrupt politicians/public officials, or that too much is spent on administrative costs. In contrast, a general lack of trust in development aid organizations plays a lesser role for people in this group. Former donors also say to an above-average extent that they have other priorities, that is, that they think it is more important to donate to other areas or that they are already involved in other projects or contribute in other ways (11% each).

Finally, in comparison to the total population, lost donors – that is, persons who have donated in the past (but not in the past 12 months) and who would currently not consider donating – doubt to an above-average extent that their donations reach the intended target, express more frequently general doubts about the effectiveness of development aid, and the possible impact of the NGOs' work. To an above-average

behavior, we find three distinct groups in terms of donating potential:

- Potential new donors (7% of population) – people who would consider donating but have not done so thus far
- Former donors (10% of population) – people who would consider donating and have done so in the past, but who have not donated in the past 12 months
- Lost donors (10% of population) – people who have donated in the past, but who would currently not consider doing so

POTENTIAL NEW DONOR GROUPS

Potential new donors are an

untapped resource for global poverty organizations: they are found with an above-average frequency among persons under the age of 30, among highly-educated groups, and are more likely to be women. While on average, non-donors are worried about corruption, administrative costs, and lack trust in development organizations, potential new donors also say they haven't donated because they lack clarity as to what specifically their donation would be used for (15%), and where their donation is most urgently needed (12%, see figure 2). This applies especially to potential new donors under the age of 30.

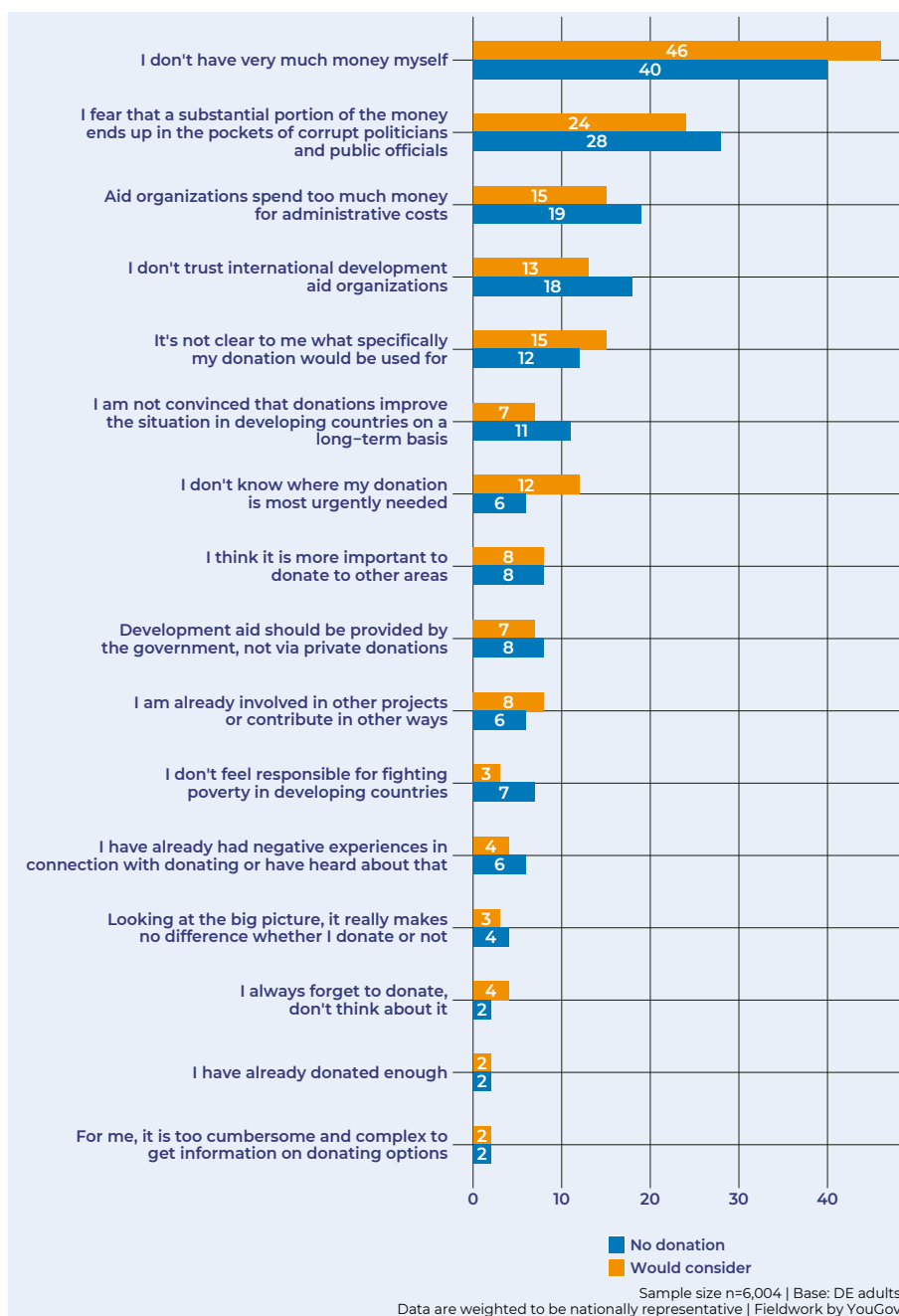
extent they don't trust international development aid organizations and report that they have already had negative experiences in connection with donating or have heard about such negative experiences.

KEEPING DONORS: FREQUENCY OF DONATIONS & FOLLOWING UP

Increasing the number of donors is only half of the job for fundraisers: maintaining the donations and convincing donors to contribute regularly are equally important. To stabilize revenue, it could help to increase the share of donors who make their donations via a standing order or direct debit authorization, although this is already by far the most frequent way in which donations are made (25% of donors in the past 12 months). One third of potential donors would consider donating in this way, while 47% of people age 18 – 29 would consider doing so. In fact, the share of persons age 18 – 29 who actually donate in this way is below average (19%).

When it comes to the reasons why potential donors do not wish to donate per standing order or direct debit authorization, they say that they want to decide about donating each time (65%), that they do not want to make any long-term financial commitments (51%), or that they do not

FIGURE 2: REASONS WHY POTENTIAL DONORS HAVE NOT DONATED SO FAR

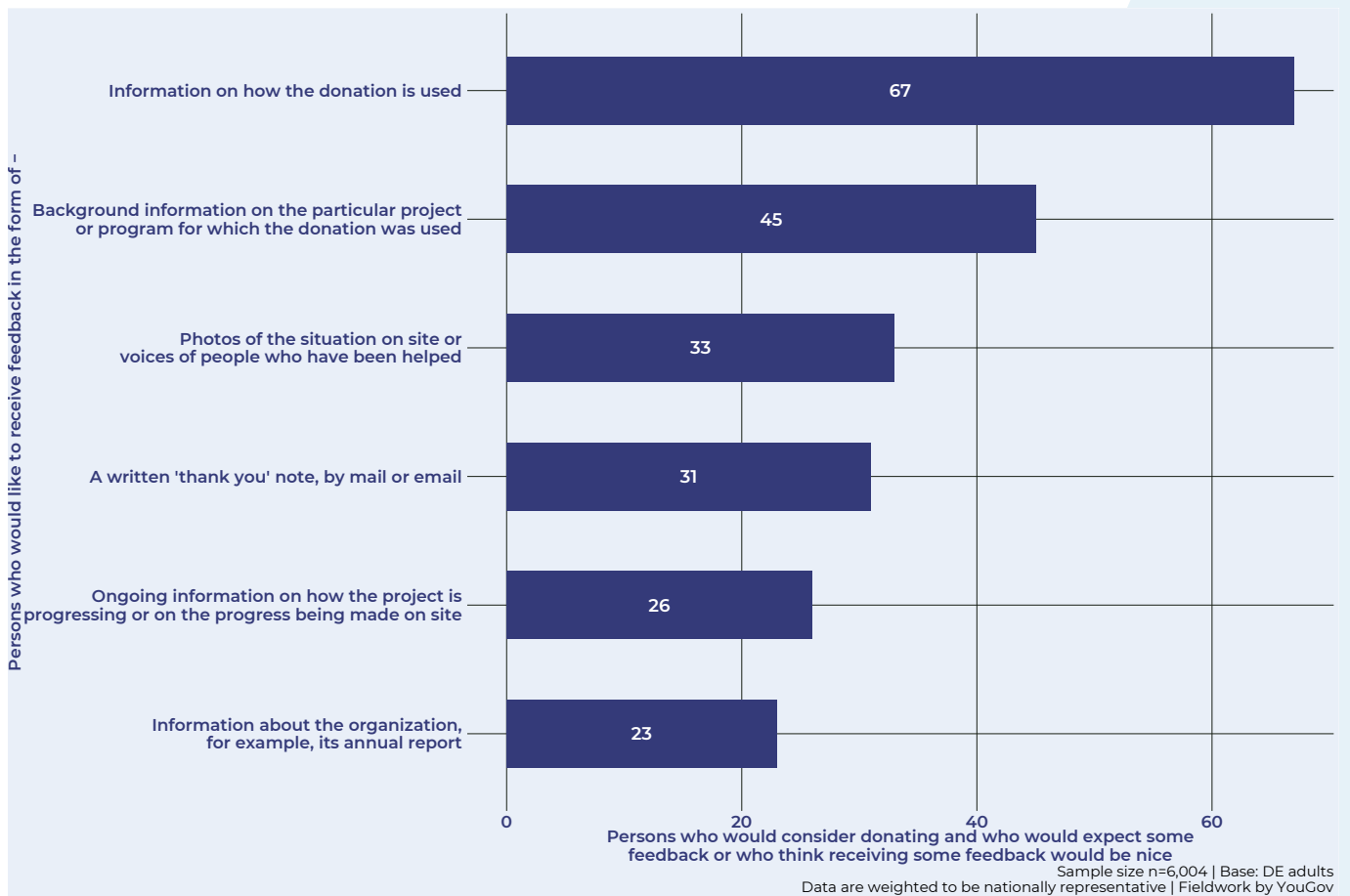


want to be bound to any specific organization (43%). Fundamental objections, such as not wanting to provide their bank details (28%) or generally not liking to have money automatically debited from their account (31%), are of lesser importance.

Together with efforts to make donations regularly, charities should also seek

to address concerns about the lack of information on effectiveness or destination for the money they received. Figure 3 shows that after making a donation, a clear majority of potential donors would like to receive some form of feedback (51%) or would even expressly expect that (27%). By far the most frequently desired types of feedback are information

FIGURE 3: DESIRE FOR INFORMATION ABOUT HOW DONATIONS ARE USED AMONG POTENTIAL DONORS



on how the donation is used (67%) and background information on the particular project or programme for which the donation was used (45%). In comparison, information about the organization, for example, its annual report, is desired least frequently (23%, see figure 3).

Of those who have donated in the past 12 months, only

one out of three first got in-depth information about the particular organization or project, while an additional 47% informed themselves briefly. The share of donors age 60+ who got in-depth information was clearly above-average (42%). However, overall, donors are clearly interested in finding out how their money

was used and what specific projects it helped. Lack of information is also one of the key reasons given from potential new donors when they are asked why they didn't donate: organizations that provide more information on how money is used could both preserve current donors and gain new supporters.

BASIS FOR ANALYSIS:

The survey for the fall panel of the Development Engagement Lab was conducted in late September/early October 2019 by YouGov. The analysis is based on 6,004 online interviews among the German population age 18 and over.

You can find out more information about DEL research at developmentcompass.org

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or by contacting
del@ucl.ac.uk

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