EXPLORATORY STUDY ON THE CHARACTERISTICS
OF CHARITABLE DONORS IN AUSTRALIA

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ABSTRACT
Decline in government funding for charities led to a new era of marketing for charities in Australia. Operating like businesses, charities contest for a share of the $5.7 billion of household donations. The research investigates the characteristics of Australian charitable donors. Limited empirical research is available in this field and the paper replicates Schlegelmilch et al. (1997) research to develop a better understanding of Australian donors’ demographics, psychographics and perception of charities. Findings show donors are more likely to be older individuals with higher income, who perceive themselves to be generous and financially secured. They have favourable attitude towards national and international charities, and they are more accepting towards higher administration costs. The research provides a clearer profile of the donor’s market. Thus donors could be targeted more effectively. The research also identifies major differences between Schlegelmilch et al.’s (1997) British research. The findings indicate that the characteristics of donors differ between each country and more exploration is needed in this field.

INTRODUCTION
Research in charitable donations over the past decade has focused on planned giving (Brown 2004), donor characteristics (Schlegelmilch et al. 1997), anticipation of intrinsic benefits, such as increased self-esteem, public gratification, satisfaction and fulfillment through meetings one’s obligation (e.g. Hibbert and Horne 1996), helping behaviour (Bendapudi et al. 1996) and charitable donation behaviour (Ranganathan and Henley 2008). However, changes in social, political and economic environments
in many countries around the world have resulted in declining support to charities (Hibbert and Horne 1996). In the Britain alone, that there has been a declining or at best, stagnant level of donations among its communities (Schlegelmilch et al. 1997). As such, novel ways of marketing strategies, while highly debatable for non-profit organizations have been employed to generate revenue for charitable organizations (Grace and Griffin 2006).

Ranganathan and Henley (2008) have reported that charities have to depend more on individual donors and less on the government for funding in order to survive the competition. Hence, an understanding of the individual donor and what motivates them to contribute to charities is of utmost interest to nonprofit marketers. While understanding donors’ characteristics is an important component, the majority of research in this discipline has been conducted in the American and the European context, while research in other contexts such as in the Asia-Pacific is limited (e.g., Basil et al. 2008).

The research is part of a larger study and this paper aims to explore the characteristics of donors and non-donors in Australia using various demographic factors, psychographic factors and donor’s perceptions of charities as suggested by the literature. The study will replicate Schlegelmilch et al.’s (1997) research and it will conduct comparisons between the findings from Britain. Initially, a brief background of the Australian culture will be discussed due to its importance in the charitable donation context. Next the paper presents previous literature on the variables that will be used in the analysis. Following this, an overview of the methodology, key findings and research implications are discussed.
CHARITABLE DONATIONS IN AUSTRALIA

This paper will focus on the characteristics of charitable donors in Australia. It is a country that is significantly different in terms of demographics, lifestyle and culture to that of the United States and United Kingdom. The study can be justified by a description of the unique case of Australia. Australia is culturally and linguistically diverse due to rapid growth of immigrants from Asia, Africa and Eastern Europe in the past few decades (McMurray and Karim 2008). Hence, the Australian culture has a number of influences due to the immigration. Further, it is one of the richest countries in the world and it is very different to other countries in the Asia Pacific region. A recent report shows that there are over 700,000 non-profit organisations in Australia (Australian Government Department of Family and Community Services 2005). It explains that 86.9% of the adult population gave a total of $5.7 billion. Thus, understanding the characteristics of charitable donors is highly important for Australian charities.

Due to changing tides, Australian charities are seeking into human kindness by employing more sophisticated marketing methods. The reduction of government funding means charities require new avenues to generate more cash-flow. Using modern marketing methods such as internet advertisements, inserts, mail, house-to-house and face-to-face are used to generate revenue (Oaff 2003).

RELEVANT LITERATURE

Theory of Giving Behaviour

Charitable donation or the simple act of giving to others is accredited to the human helping behaviour as explained by the altruism theory (Simmons and Emanuele 2007). Scholars have defined altruism in a number of ways including a cognitive
activity to help others by Brewer (2003), an attitude by Frydman et al. (1995), a motive by Sober (1990), a helping behaviour by Schwartz (1970) and a desire to improve another's condition by Karylowski (1982). The empathy-altruism hypothesis from social-psychology studies show that people are not always self-seeking and may be driven by empathy and as such help out others (Eveland and Crutchfield 2007). Altruistic motivations can be a helping motive and it also includes sympathy responding to a request, believing in the cause, and a moral sense of obligation to give back to society (Hibbert et al. 2005).

Economists have also offered several other theories in a similar vein to explain giving behaviour. The three models suggested by Handy and Kataz (2008) helps explain why individuals are motivated to donate to charities. The “private consumption” model (Handy and Katz 2008) posits that people will experience a “warm glow” from their act of charitable donations (such as sponsoring a child from a distance). The impure altruist model explains that donors volunteer their time as well as monetary donation not only generate a private warm glow, but also provide a public good to society (Handy and Katz 2008). The “investment” model shows donors (or volunteers) gain labor market experience, skills, status, and other attributes from giving, especially the giving of time which may also include other incentives such as tax breaks (Handy and Katz 2008). Thus, these could be the reasons why individuals donate to charities.

**Demographic factors**

Literature has shown that generally people with different characteristics vary in their propensities in charitable donation behaviour and demographic variables (such as gender, education and income) are effective discriminators between donors and non-
donors (Sargent 1999). While scholars suggest that gender is an important variable when trying to measure the characteristics of charitable donations, it is an issue that is highly inconsistent in terms of the findings. Braus (1994) for example found that men made larger average donations and tend to respond favorably to raffle tickets and shop counter collections. Schlegelmilch et al. (1997) and Simmons and Emanuele (2007) found that women gave more frequently and are found to donate more of both money and time. Moreover there is also the argument that these issues are blurred by the fact that these respondents could be influenced by the social desirability factors (Louie and Obermiller 2000). Thus, donation behaviour between males and females are very different.

Age has also been investigated in charitable donation behaviour and once again with some inconclusive results. On the one hand, studies have found that the younger generation, or even age is not a factor when considering the characteristics of charitable donors (Louie and Obermiller 2000). Other studies have reported that the degree of donation behaviour increase to the age of 65, at which point the donating behaviour starts to taper off and decrease (Danko and Stanley 1986; Schlegelmilch et al. 1997). These inconsistencies are attributed to the recent changes in trends of donating to charity. However, generally, there is some consistency that individuals appear to become more involved with charities through increased donation behaviour as they age (Bennett 2003; Grace and Griffin 2006; Simmons and Emanuele 2007).

Generally, charitable giving is positively associated with greater levels of income (James and Sharpe 2007) and wealth (Andreoni and Scholz 1998). Schlegelmilch et al. (1997) found that those who felt they had more discretionary income gave more to charity. This may indicate a personal variable of a “well-off feeling” influences on
donation behaviour. However, people with a higher disposable income tend to donate more to charities that are concerned with the environment, third world issues or other global worldwide issues. Bennett (2003) emphasises the fact that people with a lower disposable income tend to donate to “more needy people” as they empathise more with them.

Further, past studies show that education can have an impact on charitable donation (Chua 1999; James 2008). However, there is also evidence to support that the education level has no affect on charitable donations (Schlegelmilch et al. 1997). The literature further emphasises that individuals who had left school at an earlier age or left school without graduating are more likely to donate to charity in comparison to higher educated donors.

Bennett (2003) has found that the number of children in a household has a direct impact on the likelihood of charitable donations. His research outlines that households with children tend to donate less as compared to households that have no children. Kanabar (2004) further proposed that the “size of the family” is seen as a characteristic that affects the tendency for Australians to donate.

Based on the demographics factors the following hypotheses are depicted:

H1A: Donors are more likely to be women than men.
H1B: Donors are more likely to be older individuals.
H1C: Donors are more likely to have higher income.
H1D: Donors are more likely to have higher level of education.
H1E: Donors are more likely not to have children in the family.
**Psychographic factors**

Perceived generosity of self is an important variable in distinguishing between donors and non donors on their donation intentions. Schlegelmilch et al. (1997) found that the more generous donors perceive themselves to be, the more likely they are to donate to charity. In the same vein, it can be assumed that donors are more likely to have higher perceived financial security of self than non donors. Interestingly, Schlegelmilch et al. (1997) did not find any evidence to show that individuals who regard themselves as “financially secure” or “not too worried” about their financial state in the future are likely to donate in the future.

The majority of the literature suggests that the more religious individuals perceive themselves to be, the more likely they are to donate to charity. Literature identifies religion as an important issue on the characteristics of charitable donations. Schlegelmilch et al. (1997) proposed that it is very important to take into consideration, that the religious donations to Mosques and churches and other religious organisations is one of the fundamental aspects or criteria in the teachings of religion. With this in mind, could religion play a significant role in determining the characteristics of charitable donations in the context of Australia? A recent census in Australia suggests that a large majority of Australians do not have a religion (19%) (Australian Bureau of Statistics 2007). Therefore, the influence of religion on charitable donations could differ in Australia.

Based on these findings, the study predicts the following:

H2A: Donors perceive themselves as more generous than non donors

H2B: Donors perceive themselves as more financially secure than non donors
H2C: Donors perceived themselves as more religious than non donors

PERCEPTIONS OF CHARITIES

Attitudes towards charities

One of the key functions of a charity is to raise funds to enable them to carry out their primary purpose which is, for the relief of poverty or for the advancement of education, or for the advancement of religion or for other purposes beneficial to the community (Charities Digest, 1995). It has also been proposed that people donate to charities that fit with the donors’ self image (Polonsky 2000). As the process of simply donating to charity becomes more elaborate, the more the perceptions on these charitable organisations differ. Bennett (2003) found that the favorability of an individual’s overall perception of a charity is significantly related to their choice of a charity. Further, Schlegelmilch et al. (1997) described the changing trends in the level of involvement of the government within the charity sector. Governments have provided charitable donations to the needy in the past (Schlegelmilch et al. 1997). However, the majority of current charitable donations are funded by the private sector and not the government sector. Aside from being attributed to the changing developments in the economy as well as the changes in society, it has accredited to charitable organisations operating more like a ‘business’. Thus, donor’s attitudes can have a significant influence on charitable donation.

Efficiencies of charities

Perceived effectiveness and efficiency of the charitable organisation can affect charitable giving (Bennett 2003). A study in Nonprofit World (1997) found that higher confidence on charities spending their money wisely increased charitable donations, especially from the wealthy. Research in the Netherlands by the Dutch
Institute for Public Opinion and Market Research (NIPO 2003) shows that the large majority of charity supporters would like to know how their donations are spent. Iwaarden et al. (2009) confirmed previous studies (such as Schlegelmilch et al. 1997) that a majority of donors value organisational efficiency and outcomes, and that most donors seek information when making a decision to give. It is a common practice for donors to perceive that all of what they donate will ‘reach’ the actual cause, yet many other individuals are aware of certain administration costs and fundraising. This ambiguity among the organisational accountability is further blurred as the government involvement with these charity situations is lessened. That is, the higher costs or perceived costs that the charitable organisation has, the less likely individuals are willing to donate to that organisation. This is due to the assurance wanted by the donors that most, if not all of their donated funds will reach the actual cause. Iwaarden et al. (2009) however stated that measuring external effectiveness is different from measuring internal efficiency. That is, an efficient charity can still waste its funds on useless projects, while an inefficient charity can still achieve amazing impact with the few programs with very little funds.

Based on these assumptions, the study hypothesises:

H3A: Donors have a more positive attitude towards charities than non donors
H3B: Donors identify charities to be more efficient than non donors

METHODOLOGY

Data collection

A random sampling method was used to collect the data. The sample was drawn from the Australian phone directory and mail surveys were used to collect the data. The unit of analysis in this cross-sectional study is the individual, as they are the ones that
were asked individually to answer specific questions relating to one’s own level of charitable donation in the last three months.

**Survey instrument**

A self administered survey instrument was modelled loosely on Schlegelmilch et al. (1997) research. Section one comprised of four personality scales, perceived generosity of self, perceived financial security of self, perceived importance of religion and world mindedness. Section two measured the donor’s attitude towards charities and perceived charity efficiency. All the scales replicated the measures by Schlegelmilch et al. (1997). All these items were measured on a five-point Likert scale with 1 representing “strongly disagree” and 5 representing “strongly agree”. The scales were test for reliability and validity. Section three comprised of demographic information of respondents and a number of classification questions such as if the respondent has donated locally or overseas, and whether they have donated in the last three months.

**FINDINGS AND DISCUSSION**

A total of 1150 questionnaires were mailed out to the general Australian public and a total of 539 responses were completed and useable for this research. A response rate of 46.9% was achieved. Table 1 outlines the demographic profiles of respondents whom participated in the study. There were more females (59.0%) than males respondents (41.0%). In terms of age, the majority of the respondents fall between the “Less than 25 years of age” (69.0%) and the “More than 45 years of age” (16.1%). In addition, the majority of the respondents are “single” (70.0%) or “married” (18.6%). In terms of household income, a large number of respondents fall into the “less than $20,000 income” bracket (55.1%). Further, a large group of respondents recorded an
income bracket higher than that of $61,000 (17.8%). A majority of the respondents finished “TAFE Diploma” (29.0%) or finished “Undergraduate Degree” (26.9%). A majority of the respondents had “4 people in the family” (25.2%). Moreover, most respondents “did not have children” (57.8%).

**Table 1: Demographic profile of respondents**

<table>
<thead>
<tr>
<th>Demographic Profile</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>221</td>
<td>41.0</td>
</tr>
<tr>
<td>Female</td>
<td>318</td>
<td>59.0</td>
</tr>
<tr>
<td>Age Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;25</td>
<td>372</td>
<td>69.0</td>
</tr>
<tr>
<td>26-35</td>
<td>35</td>
<td>6.5</td>
</tr>
<tr>
<td>36-45</td>
<td>45</td>
<td>8.3</td>
</tr>
<tr>
<td>45+</td>
<td>87</td>
<td>16.1</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>376</td>
<td>70.0</td>
</tr>
<tr>
<td>Engaged</td>
<td>9</td>
<td>1.7</td>
</tr>
<tr>
<td>Defacto</td>
<td>12</td>
<td>2.2</td>
</tr>
<tr>
<td>Married</td>
<td>100</td>
<td>18.6</td>
</tr>
<tr>
<td>Divorced</td>
<td>19</td>
<td>3.5</td>
</tr>
<tr>
<td>Widowed</td>
<td>17</td>
<td>3.2</td>
</tr>
<tr>
<td>Separated</td>
<td>4</td>
<td>.7</td>
</tr>
<tr>
<td>Household Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(before tax)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;20k</td>
<td>297</td>
<td>55.1</td>
</tr>
<tr>
<td>20k-35k</td>
<td>46</td>
<td>8.5</td>
</tr>
<tr>
<td>36k-45k</td>
<td>40</td>
<td>7.4</td>
</tr>
<tr>
<td>46k-60k</td>
<td>26</td>
<td>4.8</td>
</tr>
<tr>
<td>&gt;61k</td>
<td>96</td>
<td>17.8</td>
</tr>
<tr>
<td>Unspecified</td>
<td>34</td>
<td>6.3</td>
</tr>
<tr>
<td>Level of Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Did not complete High</td>
<td>37</td>
<td>6.8</td>
</tr>
<tr>
<td>School</td>
<td>144</td>
<td>26.7</td>
</tr>
<tr>
<td>Completed High School</td>
<td>156</td>
<td>29.0</td>
</tr>
<tr>
<td>TAFE Diploma</td>
<td>145</td>
<td>26.9</td>
</tr>
<tr>
<td>Undergraduate Degree</td>
<td>57</td>
<td>10.6</td>
</tr>
<tr>
<td>Postgraduate Degree</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family Size</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>49</td>
<td>9.1</td>
</tr>
<tr>
<td>2</td>
<td>96</td>
<td>17.8</td>
</tr>
<tr>
<td>3</td>
<td>89</td>
<td>16.5</td>
</tr>
<tr>
<td>4</td>
<td>136</td>
<td>25.2</td>
</tr>
<tr>
<td>5</td>
<td>95</td>
<td>17.6</td>
</tr>
<tr>
<td>5+</td>
<td>74</td>
<td>13.7</td>
</tr>
<tr>
<td>Number of Children</td>
<td></td>
<td></td>
</tr>
<tr>
<td>in the family</td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td>312</td>
<td>57.8</td>
</tr>
<tr>
<td>1</td>
<td>86</td>
<td>16.0</td>
</tr>
<tr>
<td>2</td>
<td>61</td>
<td>11.3</td>
</tr>
<tr>
<td>3</td>
<td>49</td>
<td>9.1</td>
</tr>
<tr>
<td>4 or more</td>
<td>31</td>
<td>5.8</td>
</tr>
<tr>
<td>Total Sample Size</td>
<td>539</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Factor analysis and Cronbach Alpha reliability tests were conducted to test the reliability of the scales. Factor analysis was conducted using “Principal Axis Factoring”. After factor analysis the six item scale from Schlegelmilch et al. (1997) was reduced to three factors. The factors also matched the findings from Schlegelmilch et al. (1997) research. The three factors are, ‘government responsibility’ (Governments should help more; Government’s basic responsibility to help the needy); ‘postal appeals’ (annoyance at the number of charity appeals; number of charity appeals through the post are increasing) and ‘national and international support’ (better to donate overseas; national charities are better than overseas). The relevant statistics also met the criteria as suggested by the literature (KMO = 0.704, p = 0.000). Further, Cronbach Alpha reliability was conducted on these three factors and they were all found to be reliable measures (government responsibility = 0.650, postal appeals = 0.610, national and international support = 0.600). As a result, the analysis proved all the factors are reliable and it could be used as a basis for further investigation.

**Relationship between demographic factors and charitable donation**

To measure charitable donation, respondents who have donated within the past three months are included in the analysis. Pearson’s chi square test was used to test H1A-H1E and the results are depicted in the Table 2. The analysis shows that gender does not influence an individual’s tendency to donate (p = 0.165) thus, H1A is rejected. The finding coincides with the results from Kanabar (2004) and Schlegelmilch et al. (1997). Hypothesis 1B predicts that donors are more likely to be older individuals. The analysis indicates a significant difference between the respondents’ age group and charitable donation (p = 0.000). Further analysis showed that older individuals were more likely to donate than the younger individuals. Over 95% of people over the
age of 46 were donors compare to 61% for people under the age of 25. Thus, H1B is accepted. The finding rejects previous research that the younger generation is more likely to donate than older people (Schlegelmilch et al. 1997). Similarly, a significant relationship is reported between income and charitable donation (p = 0.000). Thus H1C is also supported. However, the analysis illustrated no significant relationship between education and charitable donations (p = 0.166). Therefore, H1D is rejected and it suggests that education does not influence charitable donations in Australia. Further, the results do not indicate that donors are more likely to have children in the family (p = 0.599). Australians have smaller family size as indicated by the “number of children in the family” as shown in Table 1. Most Australian families have less than two children thus the number of children in the family does not predict charitable donation. Therefore, H1E is rejected.

**Relationship between psychographics factors and charitable donation**

The four psychographics factors (generosity, financial security, religiosity and world mindedness) are tested against charitable donation using a series of t-Test. Firstly, perceived generosity of self had a significant influence on charitable donation (p = 0.000). That is more donors were perceived to be more generous than non-donors. Thus H2A was accepted. Further analysis showed perceived financial security is a factor determining whether or not the respondent is a potential donor (p = 0.000). A large percentage of non-donors worried about their future financial security compare to donors and it is seen as a major determining characteristic of charitable donations in Australia. Hence, H2B is also accepted. As predicted, religiosity did not play a significant role. Results show no difference between donors’ and non donors’ perception of religiosity (p = 0.822), as a result H2C was rejected. This is not surprising since over 19% of the Australian population did not have a religion
(Australian Bureau of Statistics 2007). Therefore, charitable donation in Australia is not driven by religiosity but perceived self generosity and financial security.

**Relationship between perceptions of charities and charitable donation**

The two factors of perceptions of charities (attitude towards charities and charity efficiency) are tested against charitable donation using t-Test. The attitude toward charities consisted of three factors (‘government responsibility’, ‘postal appeals’ and ‘national and international support’) and these were tested separately. Results indicate donors and non donors did no perceive ‘government responsibility’ differently (p = 0.702). Further, a similar finding was reported for ‘postal appeal’, that is a non-significant difference was found between donors and non donors’ perception (p = 0.611). However, a significant relationship was report for the final factor. Donors perceived ‘national and international support’ factor to be more important than non donors (p = 0.028). Thus, H3A was partially accepted. Results indicate donors have positive attitude towards national and international charities than local charities. This factor is deemed important in the eyes of Australian donors.

Charity efficiency consisted of three dimensions, ‘perception of home-based charities’, ‘perception of overseas charities’ and ‘acceptable amount for administration’. The analysis concludes that donors and non donors’ ‘perception of home-based charities’ is very similar (p = 0.268). The same scenario was reported for ‘perception of overseas charities’. That is there was no difference between donors and non donors’ perception of overseas charities’ efficiency (p = 0.745). However, as expected a difference between donors and non donors was reported for the final factor. Results show donors were more acceptable towards higher administration costs than non donors (p = 0.000). Over 64% of donors said it was acceptable for charities
to use up to 50% of the donation in administration. Compare to only 20% of non
 donors who said it was acceptable. Therefore, H3B was partially accepted. The final
 factor indicates a major difference between donors and non donors’ perception of
 charities. It could be considered as a major barrier and a challenge for many
 Australian charities to overcome this negative perception.

Table 2 provides a summary of the results. Further, it provides some comparison with
 the findings from Britain (Schlegelmilch et al. 1997). The table highlights the key
differences between the characteristics of charitable donors in Australia and Britain.
These are further discussed in the next section.

Table 2: Summary of Results H1-H3

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>p value (5% confidence)</th>
<th>Results from Australia (Accept/Reject)</th>
<th>Results from Britain (Accept/Reject)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1A</td>
<td>0.165</td>
<td>Rejected</td>
<td>Rejected</td>
</tr>
<tr>
<td>H1B</td>
<td>0.000*</td>
<td>Accepted*</td>
<td>Rejected</td>
</tr>
<tr>
<td>H1C</td>
<td>0.000*</td>
<td>Accepted</td>
<td>Accepted</td>
</tr>
<tr>
<td>H1D</td>
<td>0.166</td>
<td>Rejected*</td>
<td>Accepted</td>
</tr>
<tr>
<td>H1E</td>
<td>0.599</td>
<td>Rejected*</td>
<td>n/a</td>
</tr>
<tr>
<td>H2A</td>
<td>0.000*</td>
<td>Accepted</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2B</td>
<td>0.000*</td>
<td>Accepted*</td>
<td>Rejected</td>
</tr>
<tr>
<td>H2C</td>
<td>0.822</td>
<td>Rejected*</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3A</td>
<td>0.028*</td>
<td>Partially Accepted*</td>
<td>Rejected</td>
</tr>
<tr>
<td>H3B</td>
<td>0.000*</td>
<td>Partially Accepted*</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

CONCLUDING COMMENTS

The findings from this research provide some theoretical and managerial contributions
within the field. Firstly, the empirical research on charitable donors’ characteristic is
limited within Australia. A majority of the charitable research has been conducted in
the American and the European context (e.g. Basil et al. 2008) and this research
provides some key comparisons to previous research. Table 2 highlights the key
differences between Schlegelmilch et al. (1997) research in Britain and the current research in Australia. The key differences are shown in the Australian results column. The first difference between the two studies shows ‘age’ (H1B) have a distinct influence on charitable donation. In Australia, older individuals are more likely to donate. In Britain however, younger individuals are more likely to donate. This is an important finding and it shows that managers should be targeting the older generation for charitable donation. Theoretically it makes more sense since the Australian population is ageing and they have higher income than the younger generation. The second difference between the two studies shows various importance of ‘education’ (H1D). It was a surprise to find that donors did not have a higher education level in Australia. This may be explained by Australia’s immigration law where a high percentage of immigrants are refugees and they may not have high levels of education. Additionally, findings from the demographics factor provide a clearer picture of the characteristics of charitable donors for Australian charity managers. It will provide a more targeted approach to marketing as a result.

‘Perceived financially security’ is the third difference between the two studies (H2B). However, the data was collected at the end of the economic boom and that may have influenced the results. ‘Religiosity’ is found as the fourth major difference between the two findings (H2C). As highlighted earlier, there is a high percentage of Australians whom do not have a religion and this proves to be a major difference in Australian charitable donations.

Further, findings from the research showed differences between the British research for H3A and H3B. The results imply that donors had a more favourable attitude towards national and international charities. Australian donors perceive these charities
to be more important than local charities due to their importance (e.g. charities working in third world countries are perceived to provide more important service for the society than charities in Australia). Interestingly, donors and non donors’ perception on charity efficiency was different to the British findings. No difference was reported between donors and non donors’ perception of charity efficiency. However, Australian donors are more acceptable towards a higher percentage of donations to go to administration costs than non donors. The perceptual difference is a major issue for many Australian charities. The managers of these charities need to develop marketing campaigns to increase the credibility of the charities and to provide assurances on how the donations are spent.

A few limitations need to be considered before making conclusions about the findings from this research. Firstly, the sample population used in this research was small in nature and it may not represent the true opinions of all Australians as a whole. Further, a large portion of the sample consisted of young individuals and this may have skewed the results. Additionally, donation behaviour was based on the past three months and this may not be a true reflection of an individual’s donation behaviour. The data was collected at the end of a boom period and that may have effect the results. Australia is unique compare to other Asia-Pacific countries and as the result the generalisability of the findings is limited. This research is part of a larger study and hence the scope of the study is very specific. It explores the three types of characteristics of charitable donors only. Further, the empirical research in this area is limited and it will be interesting to explore the differences between donors and non donors in nations such as South Africa and other nations from the Middle East.
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