

MONEY FOR GOOD UK

PROFILES OF SEVEN DONOR SEGMENTS

In March 2013, we launched the *Money for Good UK* research which explores the habits, attitudes and motivations of the UK's donors, and identified seven distinct donor types. We are now launching the *Know your donors: the Money for Good UK donor segmentation tool*, so that charities interested in segmenting their own donor database can see how the different donor types have been identified, and if the segmentation could be useful in their own fundraising.

A key aim of the *Money for Good UK* research was to produce a segmentation based on the underlying motivations of donors to help understand donor behaviour. A number of segmentations of donors have been produced in the past¹, and many charities have their own advanced segmentations based on demographics and past giving behaviour. To our knowledge, this segmentation is the first large-scale attitudinal segmentation of both mainstream and high-income populations in the UK.

The *Money for Good UK* segmentation is based on differences in attitude and motivation, driven by questions around giving behaviour and questions about identity independent of giving behaviour. The segmentation situates donors and their giving in a social and personal context, based on the things that matter to them.

A segmentation based on behaviour provides an understanding of why donors give, how they like to give, what they want from charities, and what they want to achieve from their giving. This enables charities to take a nuanced approach to the way they approach donors, what they communicate, the level of recognition they offer, and so on. This in turn should make for stronger and more successful donor relationships.

This type of segmentation can be used by charities in a number of ways:

- To segment existing donors and work out how best to communicate with them and recognise their support.
- To identify the segments most likely to support a cause or organisation, and target resources accordingly.
- To understand whether they are likely to be able to influence donors to give more and/or remain loyal.

Key findings

- Cause is a defining factor for a majority of donors.
- Donors care about impact for different reasons: concern for the cause, personal involvement in the organisation, and concerns about personal reputation.
- Three segments—*Benefactors*, *Thoughtful philanthropists* and *Faith-based donors*—are disproportionately valuable compared with the segment size.

¹ Major segmentations have been developed in the US, all have only involved high-net-worth individuals, and most are based on interviews rather than large-scale surveys. In the UK, Beth Breeze has produced a segmentation based on profiles of 170 major philanthropists (Elizabeth Ann Breeze (2010) *More than Money: The social meaning of philanthropy in contemporary UK society*. A thesis submitted to the University of Kent)

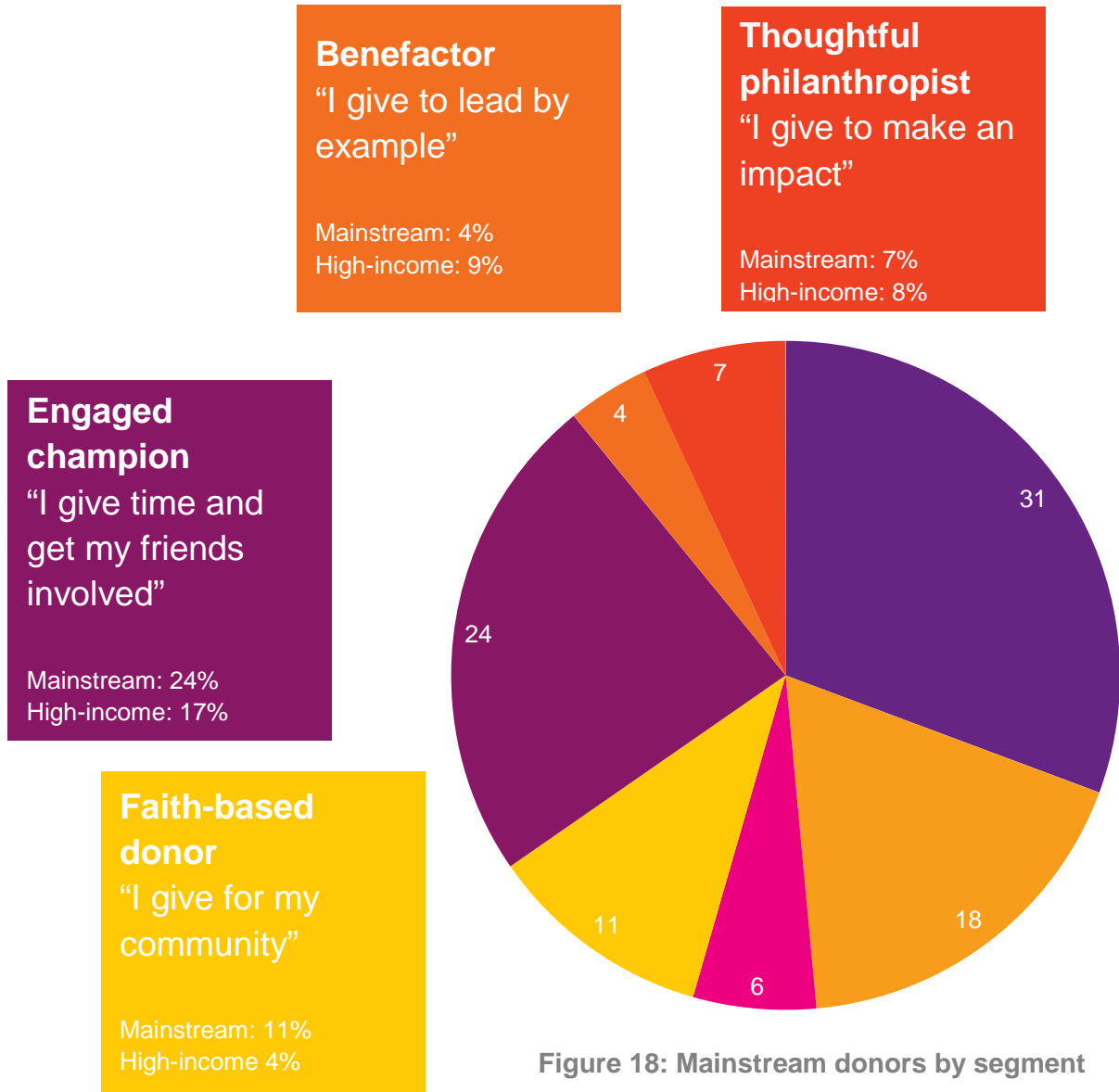
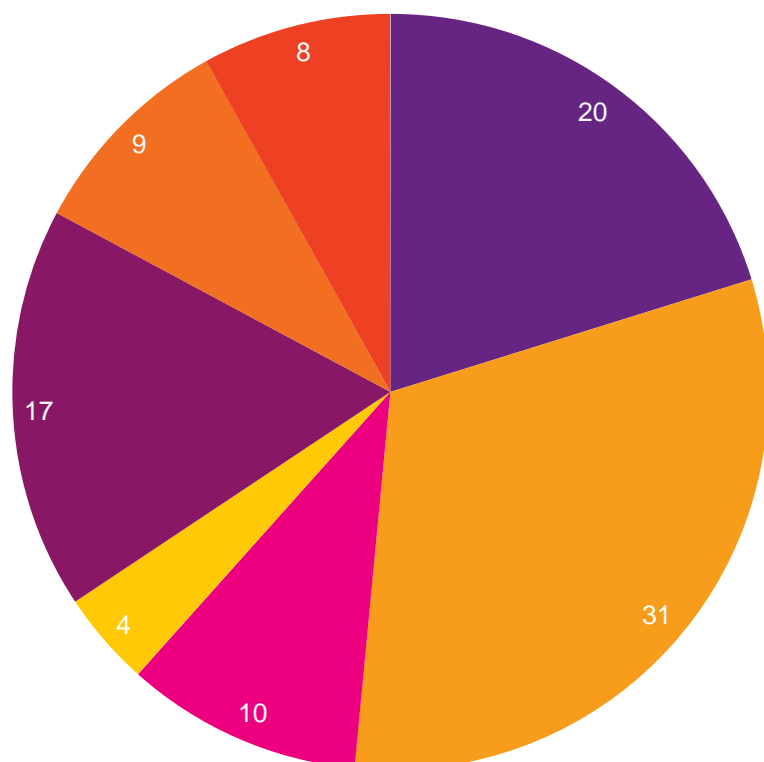


Table 4: Key giving segment details (mainstream)

Segment	% population	% donations	Average donation
Loyal supporter	31%	22%	£214
Ad hoc giver	18%	9%	£151
Good citizen	6%	6%	£311
Faith-based donor	11%	32%	£906
Engaged champion	24%	17%	£212
Benefactor	4%	7%	£582
Thoughtful philanthropist	7%	7%	£334

Figure 19: High-income donors by segment



Loyal supporter
 “I give because I care about the cause”

Mainstream: 31%
 High-income: 20%

Ad hoc giver
 “I give because I’m asked”

Mainstream: 18%
 High-income: 31%

Good citizen

“I give because it’s the right thing to do”

Mainstream: 6%
 High-income: 10%

Table 5: Key segment details (high-income)

Segment	% population	% donations	Average donation
Loyal supporter	20%	19%	£1,188
Ad hoc giver	31%	14%	£570
Good citizen	10%	10%	£1,187
Faith-based donor	4%	12%	£3,687
Engaged champion	17%	14%	£1,051
Benefactor	9%	15%	£2,238
Thoughtful philanthropist	8%	17%	£2,593

Segment profiles

The following section presents a profile of each of the seven donor segments. Each profile details:

- The proportion of the segment in the mainstream and high-income donor population.
- A brief description of the segment.
- The demographic profile.
- A 'radar diagram' showing the strength of that segment's response to a number of factors that were tested through the questionnaire. These are diagrammatic representations showing the relative importance of different factors to different segments, and not statistical representations of the data.
- An analysis of segment behaviour against key characteristics, such as cause, method of giving, and volunteering.
- Insights for charities, and suggestions for interaction with these donors.

Loyal supporter

'I give because I care about the cause.'

31% of mainstream donors; 20% of high-income donors

- The kind of people who give loyally to their chosen cause over several years.
- Lower average annual donation, tend to give to fewer charities, but high levels of committed giving.
- Overriding interest in the cause, care about impact and will give as long as money is put to good use.

<p>Demographic profile:</p> <p>Bigger proportion of the mainstream donor population.</p> <p>Tend to be older donors.</p> <p>More likely to be white British.</p> <p>Less likely to be parents than population average.</p> <p>Less likely to be religious than population.</p>	
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Characteristics	Discussion
Cause	Most likely to give to animal causes and overseas aid. Also interested in conservation. Lower interest in human welfare causes than other segments.
Method	High levels of committed giving; this is the segment most likely to have a direct debit or standing order, and relatively high levels of charity membership.
Duty	Recognise some obligation to give in society—about average among segments. However unlikely to feel this obligation applies to them.
Volunteering	Unlikely to give time or look for opportunities to be involved with the organisation. Those who do volunteer are less likely to give money to the same organisation.
Relationships	Very private motivations: low interest in being thanked, and very low interest in all public aspects of giving (ie, being a role model, requests from peers, attending events).
Research	Average likelihood of researching, but most likely of all segments to research impact.
Information	Will respond to news coverage.
Increasing giving	Low opportunity to increase giving: unlikely to change behaviour if charities improve, and those who say they would increase giving state a relatively low amount.

Insights

- Average likelihood of researching, but those who research are likely to look for information about impact. Cause is very important and donors are keen to receive progress reports.
- Giving is a private, rather than public activity, and donor is unlikely to seek personal involvement.
- Low opportunity to increase donation, but giving likely to be regular and loyal.

Ad hoc giver

'I give because I'm asked.'

18% of mainstream donors and 31% of high-income donors

- The kind of people who are easiest to reach through social networks.
- Lowest average annual donation; maximum donation to a single charity is relatively low.
- The motivating factor is existing relationships, requests from peers or knowing someone affected by an issue.

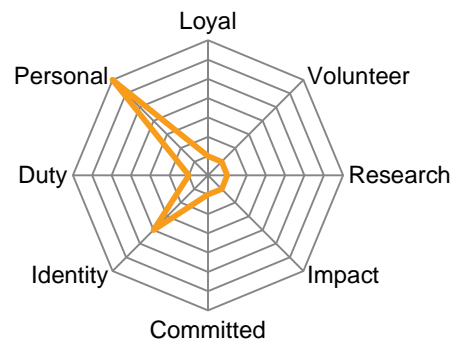
Demographic profile:

Particularly found among high-income donors.

Less likely to be older donors; more often found in the 35-44 age bracket.

Less likely to be religious than population average.

Slightly less likely to be parents than population average.



Characteristics Discussion

Characteristics	Discussion
Cause	Particular interest in medical causes. Cause is a relatively important factor.
Method	More likely to enjoy giving through ad hoc means, particularly sponsorship. Likely to enjoy giving through events.
Duty	Lowest of all segments in recognising a social duty to give, despite large proportion of high-income donors in this segment.
Volunteering	Least likely to donate time and do not look for opportunities to get involved with the charity. Those who do give time most likely to do sponsored events.
Relationships	Personal relationships are crucial prompts to giving and a key information source. Low interest in receiving thanks or being a role model.
Research	Least likely of all segments to undertake any research. Those who do research are more interested in endorsements than most donors.
Information	Low response to most prompts, but will attend events and listen to peers.
Increasing giving	Very unlikely to increase giving in response to changes in charity behaviour.

Insights

- A large and high-value segment, but commitment and loyalty are low.
- Difficult to engage directly unless through personal experience. Respond to requests and prompts from their peers; potentially a significant source of donation if reached through social networks.
- High interest in cause suggests they may be interested in simple performance information.

Good citizen

'I give because it's the right thing to do.'

6% of mainstream donors and 10% of high-income donors

- The kind of people who give in a traditional way, and in a community context.
- Medium level of annual donation. Give to more charities than average, but tend not to give large donations.
- This segment is most motivated by a sense of public duty and obligation due to their position in society.

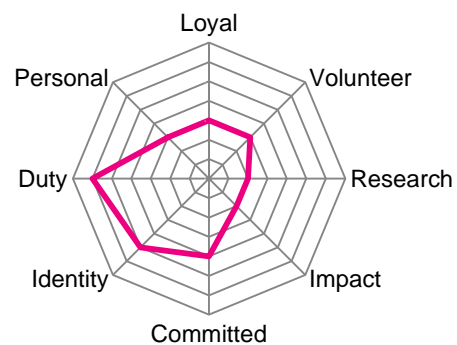
Demographic profile:

More common among high-income donors.

Less likely to be older donors.

More likely to be male.

Slightly more likely to declare religious affiliation (although religious beliefs not a big motivation).



Characteristics	Discussion
Cause	Low overall interest in cause, and no clear preference for a particular cause. Slightly more interest in children's causes, overseas aid, and homelessness.
Method	No clear preference for method of donation, although high level of text donation.
Duty	Extremely strong sense of social obligation; belief that people should donate where possible, and a firm belief that their personal position in society confers an obligation to donate.
Volunteering	Average level of volunteering; more likely than most segments to have donated professional expertise, but less likely to donate money to the same charity.
Relationships	Relatively low interest in causes that have affected peers, medium interest in requests from peers. However status is important; keen to be seen as a role model.
Research	Among the least likely to do any research, and less interested in impact.
Information	Quite likely to respond to unsolicited contact from a charity.
Increasing giving	Relatively likely to shift donations to a higher-performing organisation. Those who might give more would give substantially more.

Insights

- These donors are sensitive to their status in society and see giving as a duty. Communication should focus on this idea of duty rather than the cause, which they find less motivating.
- May be encouraged to think about impact as part of a duty to give responsibly.
- A small segment giving relatively low donations, but will shift donations to high-performing charities, and respond to unsolicited requests.

Faith-based donor

'I give for my community.'

11% of mainstream donors and just 4% of high-income donors

- The kind of people who give at their place of worship.
- An important segment, giving the highest average annual donation at £906 (mainstream donors).
- Faith and community are major motivating factors.

Demographic profile:

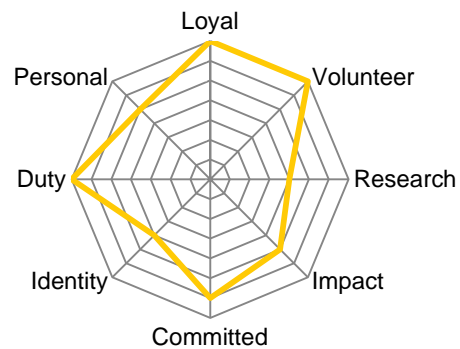
More likely to be mainstream donors.

Tend to be older donors, aged over 65, although less likely to be in the middle age bracket 45-54.

Higher incidence of BME ethnicity.

Very likely to state religious affiliation.

More likely to be parents than population average.



Characteristics	Discussion
Cause	Give to religious causes and to overseas aid but cause not a major motivating factor.
Method	The most common donation method is at a place of worship.
Duty	There is a strong expectation to give although this is not linked to status in society. This segment is more likely to believe people should donate if they have the means, and to suggest a proportion of income people should aim to donate.
Volunteering	Most likely to have given time, and to give it often. Particularly giving time to religious organisations, and to children. Very likely to donate money where volunteering.
Relationships	Unlikely to be motivated by requests from family or friends. Family, community, and charitable giving are all important to these donors' identity.
Research	Average likelihood of researching, but tend not to research impact (despite saying this is important to them) due to high levels of trust that the organisation has impact.
Information	Very unlikely to respond to advertising, but will respond to personalised requests for support from the organisation.
Increasing giving	Average likelihood of increasing giving, but those willing to increase might give a substantial amount more.

Insights

- Although these donors are often less affluent, they have a strong sense of duty to give generously.
- The overriding importance of religious affiliation means it will be difficult for many charities to appeal to these donors, unless they can work with and through places of worship.
- Although impact seems important, lack of research implies donors know and trust organisations.

Engaged champion

'I give time and get my friends involved.'

24% of mainstream donors and 17% of high-income donors

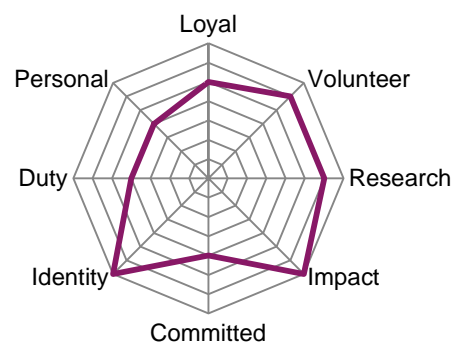
- The kind of people who raise money through Movember, Race for Life, Comic Relief and Sport Relief.
- Low average annual donation, but high single largest donation.
- High level of interest in impact.
- These donors are very likely to give time alongside money, and will choose carefully where to give.

Demographic profile:

Slightly more likely to be mainstream donors.

No clear pattern for age, although more likely to be 25-44.

More likely to be female.



Characteristics	Discussion
Cause	Cause is of real importance to these donors, who are particularly interested in animal welfare and elderly people.
Method	Amongst the lowest segments for giving via committed means, and particularly unlikely to join a charity as a member, but keen to give money through social events.
Duty	Average social responsibility, but do not feel social standing confers duty to give.
Volunteering	Highly likely to volunteer, and actively look for opportunities to get involved with an organisation. Eager to give time across a broad array of causes.
Relationships	Tend not to respond to requests or suggestions from peers, but highly image-conscious and concerned with own place in society. Very keen to be thanked.
Research	Among the most likely to research; including researching to choose between charities.
Information	Pay close attention to a number of different information sources, including an organisation's website and unsolicited contact. Interested in a wide variety of information, from evidence of impact to the quality of the organisation's leadership.
Increasing giving	This segment is the most likely to increase giving if charities met their needs better.

Insights

- This is a large segment that is keen to participate and shows willingness to give more.
- Donors are motivated by impact, are ready to research, and look for a wide array of information. Charities should provide high-quality information to meet these needs.
- Image is very important to these donors, and supporting charities a key part of their identity.

Benefactor

'I give to lead by example.'

4% of mainstream donors and 9% high-income donors

- The kind of people who sit on a number of boards and committees.
- A significant segment for high-income donors.
- Give among the highest average donations, at £582 (mainstream donors).
- Tax incentives are uniquely important for this segment. They also like to be leaders and innovators.

Demographic profile:

More likely to be high-income donors.

Less likely to be older donors (over 65).

More likely to be male.

Higher incidence of BME ethnicity.

Likely to be religious and likely to be parents.



Characteristics	Discussion
Cause	More often give to sports, education, and religion, although overall cause rates as relatively unimportant.
Method	Comparatively unlikely to give via direct debit, but a higher than average proportion give through payroll. Many like to give through one-off debit card payments.
Duty	Benefactors tend to believe that their social standing confers a personal duty to donate, but are not inclined to agree with giving norms in society more widely.
Volunteering	Average likelihood of volunteering, but those who do volunteer give time across a number of causes ranging from overseas aid to disabled people.
Relationships	Motivated by requests from peers. Like to be seen as a role model and to stand out from the crowd. Receiving thanks is important.
Research	Average likelihood of conducting research, but relatively unlikely to look for information about the level of need, or impact of the organisation.
Information	Do not respond strongly to particular information sources.
Increasing giving	Willing to switch donations to charities that better meet their needs.

Insights

- These donors want to stand out in society. Their giving is a demonstration of social standing and wealth, akin to traditional ideas of philanthropy. Tax incentives rank high among motivating factors.
- They give generously and are amenable to switching their support to charities that meet their needs.
- Impact is less important, but this segment may respond to messages that describe considered giving as best practice.

Thoughtful philanthropist

'I give to make an impact.'

7% of mainstream donors and 8% of high-income donors

- The kind of people who spend a long time thinking about decisions and weighing up options.
- Average donation and highest single donations are not particularly high, but significant capacity to give more.
- Demonstrate an interest in the impact of an organisation, and characterised by thoughtful attitude.

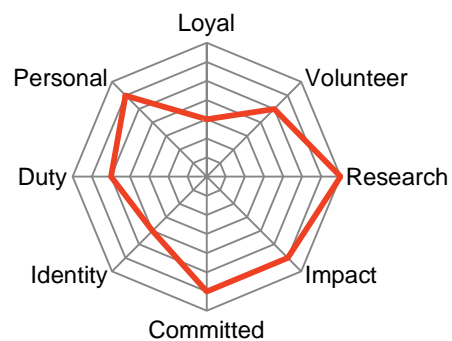
Demographic profile:

Relatively even split between the income groups.

Relatively high incidence in the 55-64 age group, but also slightly higher incidence in the younger (25-34) age group.

Slightly more likely to be female.

Likely to be religious and likely to be parents.



Characteristics	Discussion
Cause	Likely to give to arts, to education, and to the elderly.
Method	Greatest interest in high-engagement giving methods associated with larger-scale philanthropy; social investment, giving networks, and giving assets.
Duty	Low sense of social obligation; do not believe that their social standing confers an obligation to give, and not willing to say that other people should give.
Volunteering	Very likely to give time, and to volunteer regularly. Look for opportunities to get involved with the charity, and volunteer for a wide range of causes.
Relationships	Less likely to be motivated by requests from peers. However keen to be seen as a role model. Support of charities is an important part of their identity.
Research	Likely to research, looking for a wide variety of information. Those who do not research impact are likely to say this is because they don't trust measures of impact.
Information	Respond to a wide range of information sources and prompts, including advertising, websites, talking to a charity representative, and unsolicited contact from the charity.
Increasing giving	Quite likely to change behaviour if charities better met their needs, and indicate a substantial capacity to give more.

Insights

- Respond well to plans and structured thinking and look for a variety of information.
- Relatively easy to reach these donors: they respond to many information sources, give in a variety of ways, and give to numerous charities. Tend to be open to offers and amenable to being approached.
- These donors are quite high-maintenance and are motivated by impact. Charities should make relevant information accessible through a variety of channels.