REDEFINING COMMITMENT
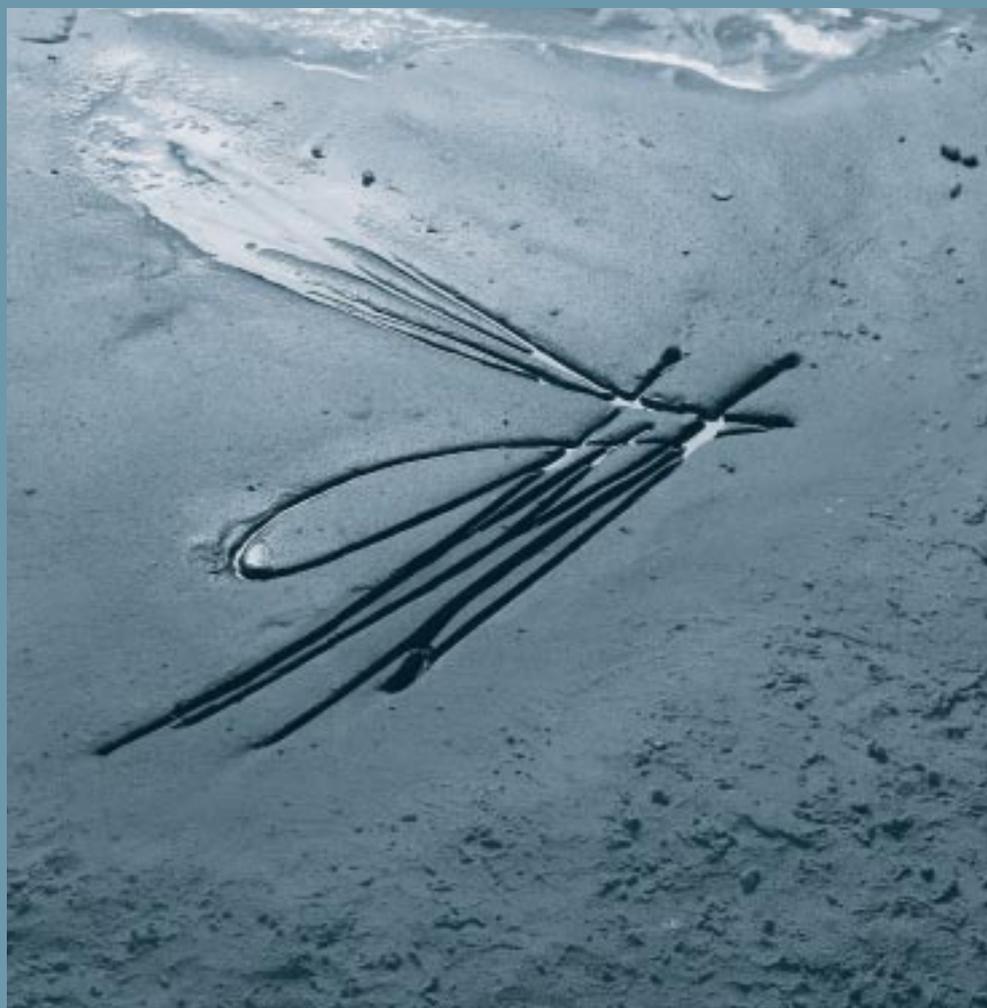
Final Report
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Contents

Background – changing concepts of donor commitment

Most UK charities aim to have the maximum possible number of 'committed' givers on their donor database. Donors who agree to give on a regular basis through their bank tend to exhibit high retention rates, cost less in terms of ongoing communications and therefore return a high lifetime value.

The huge growth in regular giving across the sector in recent years has been facilitated through the popularity of automated systems within the banking world and the development of software to receive and record large numbers of small regular payments at the charity end. Members of the public have been encouraged by banks and utility companies to use direct debit and have been reassured of the simplicity and security of doing so. Charities now find little resistance to the use of these methods amongst the giving public.

Fundraising techniques have also changed to exploit the available opportunities. From the donor's point of view, direct debit and paperless direct debit have essentially cut down the number of stages and the time involved in making a regular gift commitment. Monthly giving arrangements can be completed over the phone, on the street, at a PC or on the doorstep in a couple of minutes. Arranging a regular donation through your bank is no longer a 'stop and think' gift – it can be the result of a moment's impulse. From the charity viewpoint, small regular gifts are now profitable to administer and upgrades cost-effective and easy to solicit, making recruitment onto a gift of just £2 or £3 a month a viable option. Thanks to paperless direct debit, DRTV is more cost-effective, donors can be upgraded efficiently over the phone, and face-to-face and doorstep recruitment flourishes.

The 2000 Gift Aid changes made giving tax-effectively through a small regular gift less complex by removing the requirement for a covenant. Early reactions to the tax changes included a fear that the removal of the covenant pledge might make donors more promiscuous in their giving, removing an element of commitment to a particular charity in favour of greater ease and simplicity.

New ways to give regularly and new techniques for attracting support have brought in a younger cohort of givers, who behave very differently to older donors recruited through more 'traditional' media like direct mail. Where once the move from a single to a regular gift, perhaps with a covenant attached, had real meaning in terms of the attitude of a donor to a cause, and could be translated confidently by fundraising planners into the likelihood of a high lifetime value and potentially an eventual legacy gift, regular givers from some groups are now lapsing at high rates, raising questions about profitability and how best to allocate fundraising resources.

Recent research amongst face-to-face recruits, for example, showed that over 30% expected to give for a year or less when they signed up. Should we be calling these donors committed at all? Are they any more committed than those who give by cheque on an irregular basis? If they are not committed to the charity they are giving to, how should we treat them – how much should we invest in their care? Might they become committed over time and, if so, how could that change be recognised and measured?

It seems that we can no longer assume commitment to a cause or an organisation through a type of giving. We need to redefine the term, and to find ways to measure and predict commitment to ensure that we are investing appropriately – not spending too much on certain categories of donor who appear to be committed in terms of how they give but in fact are highly likely to lapse – nor spending too little on attracting and developing other groups who potentially are very committed and likely to have a very high lifetime value.

It would also be useful to distinguish commitment to an organisation from commitment to a cause. Donors who are, for example, very committed to the elimination of cancer may be good prospects for organisations working towards

this goal, but may ultimately be promiscuous in respect of the charities they elect to support. These may vary on a frequent basis.

Finally – there is a need to establish the nature of the link (if any) between commitment (the attitude) and actual giving behaviour. Whilst charities intuitively feel that commitment is a good thing, there is actually no hard evidence that it facilitates and promotes loyal giving behaviour. There have also been no attempts to quantify the nature of the impact. Just what benefit would accrue from a 5% or 10% increase in commitment, for example? Studies in the commercial world suggest that commitment can be increased if the customer is 'engaged' in a number of different ways. In our sector this would translate as meaning that individuals who provide support as volunteers or who take campaigning actions (and also donate) are likely to be the most committed supporters a charity could have. This sounds feasible – but again there is no hard evidence that it is really the case.

The Research Approach

Research Objectives

Our study therefore seeks to:

a) Define the nature of commitment in the donor-charity context

b) Identify how commitment develops over the duration of a relationship

c) Develop a means of measuring commitment that can be applied by charities (e.g. a three or four item series of statements/questions to donors)

d) Distinguish between commitment to the organisation and commitment to the cause

e) Establish the nature of the relationship (if any) between commitment, multiple engagement and giving behaviour

f) Identify the determinants of commitment

Research Methodology

Our study was designed to take place in three stages, working in partnership with five large national charities (from a diverse range of causes). The first two stages have been completed.

The first stage comprised qualitative research – a series of ten focus groups. Each participating charity supplied a sample of 1,000 donors, stratified to reflect individuals recruited directly into committed giving and individuals who had switched from cash gifts to committed giving. These individuals were invited to attend one of two focus groups at a central London venue. The focus group discussions investigated their sense of commitment to the organisation; the elements that they believed made up or demonstrated commitment and what drove these feelings and attitudes. Two focus groups were conducted for each participating charity.

The focus group sessions were transcribed and the resulting data subjected to a content analysis employing the software package QSR NUD*IST. The results of the focus groups, plus the learning gathered from the literature review of research done in other sectors, were used to inform the theoretical model and the development work for the second stage of the study.

In the second stage, our charity partners supplied a further sample of donors. Again this was segmented to include:

a) One off cash donors

b) Cash donors who have been asked to consider upgrading to a committed gift but have declined

c) Committed givers – recruited directly onto a monthly gift

d) Committed givers who have 'traded up' from one-off giving

e) Donors giving committed gifts through the medium of fundraising products (if applicable)

The aggregate sample (5,800 individuals) were sent a survey through the mail. The survey was designed to address the objectives of our study quantitatively, with the range of questions; scale measures and vocabulary used being guided by our focus group findings. Giving histories for each individual donor were added to the survey responses post hoc – so that the relationship between commitment and facets of giving behaviour could be explored.

As a final stage we will be looking to conduct some follow-up work with two of the charities after a period of a year to track the lapsing/giving behaviour of the individuals we have gathered data on in our research. This will enable us to relate our measure of commitment not only to past behaviour, but also to future behaviour – and determine the degree of predictive accuracy offered by our measure of commitment in determining subsequent donor behaviour.

Outputs

Two main outputs have emerged from the study. Each charity partner has already received a report on the responses of their own donors (which will be kept confidential). This second document is the aggregate report reporting the results across the study as a whole. For reasons of confidentiality the performance of individual charities will not be identified. These aggregate results will be disseminated through a range of academic and practitioner journals and events.

Report Structure

The report begins by exploring the work that has been published on commitment in the past and by defining what we mean by the term in the context of a donor-charity relationship. We will then move on to provide a summary of the factors felt to drive commitment and in particular donor commitment to a selected charity. In this section of the report we draw on both our understanding of previous research and the findings of our exploratory focus groups to develop a model of the antecedents of donor commitment. This is the model that was ultimately tested in the survey phase of our research.

Having provided this introduction and overview of the model tested we then focus on the results of our primary study. We begin by providing an overview of the series of exploratory focus groups and then move on to provide a detailed analysis of the results of the postal survey. We provide a profile of the respondents and present the responses we obtained for each of the questions in the survey. As a final step in this stage of the report we begin to explore what might drive donor commitment.

Defining and conceptualising commitment

Many writers have attempted to define commitment, and to differentiate it from other related or overlapping notions. Much of this work touches on the relationship between consumer attitudes and behaviours and the relationship between commitment and loyalty.

There has been a great deal of discussion (since1934) about whether attitude is a reliable predictor of behaviour, with thousands of articles published on the topic. The typical perspective of attitudes preceding behaviours has been seriously challenged in some contexts. Literature on buyer-seller relationships in particular has stressed the differences between behavioural and attitudinal definitions of the strength of a relationship. Though most writers identify commitment as an attitude and loyalty as an associated behaviour, the two terms have often been confused, blurred and used interchangeably.

Commitment in service provider-customer relationships has been defined as 'an implicit or explicit pledge of relational continuity between exchange partners' implying a long term orientation towards the relationship and a willingness to make short-term sacrifices to realise long-term benefits. Others have seen the essence of commitment as stability and sacrifice, or have expressed the key feature as the forsaking of alternative options and resistance to change.

Morgan and Hunt (1994) define commitment as a belief by an exchange partner that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it. In their definition the committed party believes that the relationship is worth working on to ensure that it endures indefinitely. Kiesler (1971) defines commitment as a gradual relation between the individual and their behavioural activity – in any situation the more the individual acts the more they become involved. Commitment may therefore be built on decisions or acts requiring little involvement on the individual's part, but where each act still serves to increase commitment over time.

Other writers define commitment as an enduring desire to maintain a valued relationship, where the tendency to remain in and to feel committed to a relationship is a function of the level of satisfaction, the quality of the alternatives available and the size of the investment the individual has made.

Gundlach et al (1995) identify three important factors in conceptualising commitment:

1. Self-interest – commitment in business relationships includes a dimension relating to self-interest. Thus commitment is a calculative act – in which costs and benefits are traded off. It results from investments made in the relationship and/or the lack of alternatives available and the high costs of termination. The term *'calculative commitment'* has been used to describe this – an explicit evaluation of the costs and benefits involved in developing and maintaining a relationship.

2. Commitment in relationships has also been conceptualised as an attitudinal construct. This describes an affective orientation towards a business partner and a congruence of values and the term *'affective commitment'* is used to describe this. Relationships involving shared goals and values are likely to last longer than those based purely on the material merits of exchange. Affective commitment is based on a general positive feeling towards the exchange partner rooted in identification, shared values, belongingness, dedication and similarity. The essence of affective commitment is that customers acquire an emotional attachment in a consumption relationship.

3. Time is seen as inherently connected to notions of commitment – commitment becomes meaningful only when it develops consistently over time.

In our own research we draw a distinction between what we regard as 'active commitment' and 'passive commitment'. Active commitment we define as 'the genuine desire on the part of a donor to maintain a favoured relationship' and this closely parallels the notion of affective commitment described above.

Passive commitment, by contrast, occurs where a donor is happy for the relationship to continue but feels no strong desire for it to do so and no sense of 'bond' to the organisation. In the charity context this most frequently occurs with regular givers who take out a standing order or direct debit and who only review their giving to the organisation when conducting an analysis of their bank statements, or when prompted by the charity, perhaps through a request for an upgrade. In a sense one could argue that this is inertia rather than any sort of commitment at all, but we know from previous research that some of these individuals are quite happy to 'forget' their gift, secure in the knowledge that they have done the right thing. They neither look for nor expect any greater degree of relationship with the organisation and it therefore seems fair on balance to describe this as a passive form of commitment.

In our empirical study we attempt to measure both these forms of commitment.

The Determinants of Commitment

A content analysis of our focus group data suggested that the factors depicted in Figure 1 drive commitment. A number of these relationships are supported by empirical studies conducted in the corporate sector, while a number are very much charity-specific.

Figure 1: Determinants of Commitment
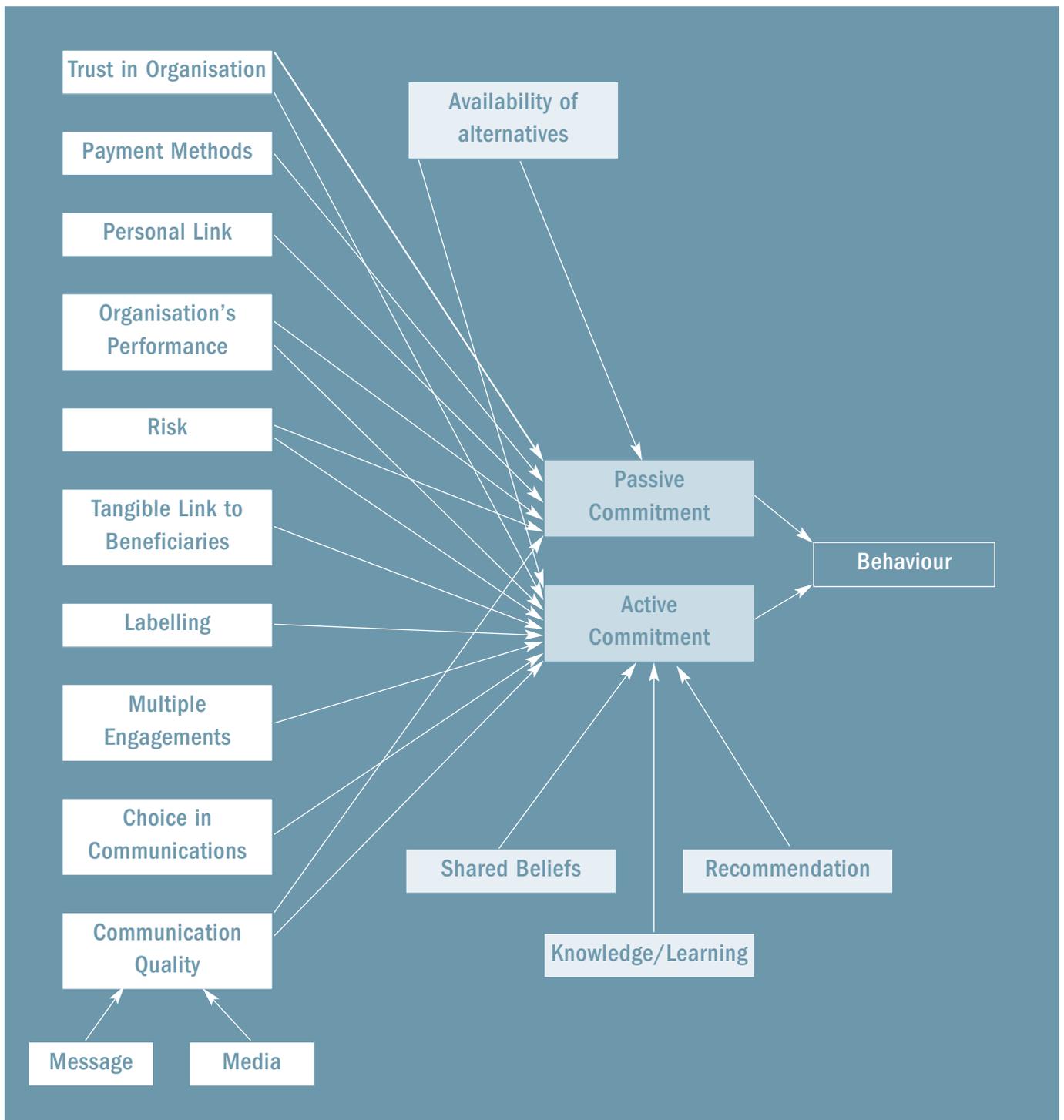
Below, we briefly define each of these elements, before moving on to describe the nature of the study we developed to test whether each factor does indeed have an impact on either active or passive commitment.

Trust –

Authors such as Sargeant and Lee (2004) have consistently highlighted the importance of trust in enhancing giving behaviour. Typically trust has been found to explain between 8-13% of giving behaviour (i.e. as measured by average gift). Participants in our focus groups also identified it as a key determinant of commitment.

'For me –it's about the belief that they will do what they say. The charities I've supported the longest are all those where I genuinely believe they'll do what they set out to.'

'I'd only continue supporting the charities I trust. I mean, when you only give a few pounds it doesn't matter much – does it? But when you're going back year after year, you have to trust them.'

We therefore hypothesise that the greater the degree of trust, the higher will be the level of donor commitment.

Shared beliefs (ethical values and norms) –

A number of commercial studies have highlighted shared beliefs as driving commitment. Of particular relevance to the voluntary sector context is the conceptualisation of what constitutes appropriate behaviour and what actions should be prioritised in a given society. The extent to which a donor and charity share beliefs about what is important or unimportant, appropriate or inappropriate, right or wrong is hypothesised to drive commitment to the organisation.

'I like the way this organisation operates. It is caring, compassionate and it deals with the really key issues.'

'I've supported them for over ten years because they are not afraid to confront people. They challenge us all to think about abuse.'

'You think to yourself – yes – that's what I'd do too, if it were me that was running it.'

Payment Method –

In the commercial sector, there is evidence that levels of commitment may vary by the nature of the contractual terms that govern the relationship. Translating this learning to the voluntary sector context, it seems intuitive that both forms of commitment might vary by whether a donor has elected to offer only a series of 'cash' gifts, or agreed to supply a regular gift through a direct debit or standing order. Intuitively one might expect that regular givers would feel more committed. We found some evidence for this emerging from the analysis of our transcripts, although it is important to note that some cash donors also expressed high levels of commitment.

'I guess you'd say I was committed. They asked me to pay each month from my bank – and I thought about it and thought why not? They do good work so, why not?'

'I upgraded to pay them through a direct debit. I wouldn't do that for all the charities I occasionally support. They're not as important to me.'

'Well, I would still say I'm committed, but I don't like these regular payments. I think I should be free to give what I want when I want. Does that make me less committed? I don't think so.'

Personal Link –

While there is no commercial parallel for this factor – authors such as Sargeant (1999), Burnett and Wood (1988), Guy and Patton (1989) and Schervish (1997) have long stressed the critical role that a personal connection to a cause can play in fostering commitment. Donors, for example, who had lost a friend or a loved one to cancer, expressed much higher levels of commitment to cancer research than those whose lives have not been touched in this way.

'When you lose someone you love, it becomes part of your way of life. Wherever and whenever you can, you think of ways to support them. You don't want other families to have to go through what you did.'

'I think if you've experienced abuse – and I have – you can't help but be committed to making it stop.'

Performance –

Previous research in the voluntary sector has shown that individuals will evaluate potential recipient organisations on the basis of the extent to which their performance is viewed as acceptable (Cutlip 1980). Glaser (1994, p178), for example, found that the variable "an adequate amount spent per program" was the most important factor in the decision to contribute to charitable organisations. Donors appear to have a clear idea of what represents an acceptable percentage of income that may be applied to administration and fundraising costs and a clear idea of the impact they expect to achieve on the nature of the cause. Previous studies have therefore

tended to draw a distinction between the perceived efficiency and the perceived effectiveness of a voluntary organisation. In our own pilot survey we discovered that donors could not draw an adequate distinction between these two concepts and we therefore consider 'performance' in aggregate terms only. We postulate that the better the perceived performance of an organisation, the greater the commitment to ongoing support a donor is likely to feel.

'I wouldn't keep giving to them if I found out they were spending too much on salaries and admin. Your money should go to the (beneficiaries).'

I've supported them for so long because they tell you what a difference they've made. You really have a strong feeling that your money is getting through – getting to those who really need it.'

'Most charities waste a lot of what you send them, but (this organisation) is different. They tell you what they spend on what – and I don't like to have to work too hard to discover this. Yes, while they spend a high proportion of their income on (the beneficiary) I'll support them for as long as I can.'

Risk –
We found that some respondents described themselves as committed because they perceived a risk of harm to the beneficiary group should they terminate their giving.

'I don't like to think about what would happen if I stopped giving. They need all our support if they are to continue supplying the service.'

'Its horrible when you can't see. I've experienced sight problems myself. If you stop sending them money someone's sight will not be saved. I'd feel bad about that.'

In seeking to foster commitment, organisations may therefore be advised to inculcate the degree of personal responsibility perceived by donors and to stress the harm that ceasing their support might cause.

Link To Beneficiaries –
Authors such as Burnett (2002) have argued that donors will develop greater degrees of commitment where they perceive a bond with the service users or beneficiaries. Donors who believe they have 'contact' with beneficiaries, and who can picture the impact each donation will have, are seen as significantly more likely to experience a degree of commitment to the organisation. We found evidence in support of this proposition in our exploratory groups:

'I give to one charity because you really feel like part of their community. I've found that quite unique and it makes me feel good about my support.'

'Well, I feel good when I get letters from the children that have benefited. I mean, it's not often but that does make you feel like you want to continue support.'

'(X) are very good at making you fell part of what they're trying to achieve. I really think I can empathise with (the beneficiaries) and yes – that does make you continue.'

Labelling –
In thanking donors for their gift, organisations often append labels to the donor such as kind, generous and/or helpful. Authors such as Swinyard and Ray (1977) have identified that this elicits a greater motivation to help and fosters favourable attitudes on the part of the donor (Moore et al 1985). The impact of labels has been shown to be particularly potent when there are concrete prior behaviours to be labelled and when the label stresses the uniqueness of the donor's behaviour (McGuire and Padawer-Singer 1976). Our focus group data suggested that the way in which an organisation responds to a gift can indeed grow commitment

'(X) are really good at that. You get a nice letter every time. Some of the others seem to take forever to respond and some don't write at all.'

'It's important to be thanked properly – and that should vary by what you're doing. No need to go overboard, not unless you've really sent a big gift.'

'Yes – I do read that letter and I'm sure it influences how you feel. I was really impressed once by (X) who actually rang to thank me. I remembered that.'

Multiple Engagements –
Organisations in the commercial sector have long recognised that one of the keys to engendering commitment lies in developing multiple engagements or relationships with the consumer. Banks, for example, discovered that customers who held multiple accounts or forms of accounts were less vulnerable to competitive attack.

' Well, when you really care about something you want to do all you can. I can't always send money, but I'll try and help in other ways – like by buying cards or stationery.'

'The ultimate test is giving up your time. Sending money is easy – but giving up your time – no.'

'The environment is really important to me. I give them money and I write letters, e-mail and campaign. You don't do that if it's only a passing interest.'

It therefore seems fair to postulate that, in the voluntary sector context, individuals who not only give, but who volunteer, campaign etc., will be significantly more committed than those who engage with the organisation in only one way.

Choice in Communications –
Sargeant and Jay (2004) identify that individuals who are offered choice in communication are significantly less likely to lapse than those who are not. We found a similar relationship with commitment:

'Not many charities really listen to what you want, I was impressed by that. They really stood out from the crowd.'
'I don't like charities wasting money sending me all this unnecessary stuff. I think how much money are they wasting? I think better of charities that don't do that.'
'They only write now when I asked them to. Why write at other times when they know I only give at Xmas? You do feel good when they listen – and not many do.'

It is possible that by responding to the choices offered by a nonprofit, an individual feels 'obligated' to respond with second and perhaps subsequent donations. The explanation for this may lie in what the psychologists refer to as the theory of reciprocal concession. As an individual perceives that a charity has 'done something for them', they feel obligated to respond in kind. It is also possible that the act of making choices over communication compels the individual to think about what they would wish to receive and makes it more likely that charity's communications will stand out in future.

Communications Quality –
Sargeant (2001) identified that the perceived quality of service provided by the fundraising department to the donor was positively correlated with retention and lifetime value (see also Burnett 2002). Donors indicating they were 'very satisfied' with the quality of service provided were twice as likely to offer a second or subsequent gift than those who identified themselves as merely satisfied. It is possible that the impact of service quality could be direct – or indirect and mediated through commitment (i.e. good service quality builds commitment, which in turn drives loyalty). This explanation is perhaps more plausible since the perception of a good quality of service is likely to reinforce positive attitudes towards an organisation, which are held in memory until a further solicitation is made.

In Figure 1 we distinguish between satisfaction with the fundraising message and satisfaction with the media used. We identified in our focus groups that even strong fundraising messages can engender feelings of antagonism if the medium employed is viewed as inappropriate or intrusive.

'If they ever rang me, I'd stop supporting them. I really hate that. It's so selfish and invasive.'
'I hate all the free stuff I get from some charities. I even got an umbrella from IFAW. I thought – what did that cost? Well, I did give them something, but I don't think I would again. Made me feel uncomfortable.'
'Not too much, just enough for what I need to know. You soon learn who is good and who you want to continue with.'

Knowledge/Learning –
Research in the commercial context suggests that individuals who develop their awareness and knowledge of organisations/brands are significantly more likely to experience feelings of commitment to them. In the voluntary sector context it seems fair to hypothesise that individuals with a greater understanding of the needs of the beneficiaries, the activities of the nonprofit or the nature of the cause would exhibit significantly higher levels of commitment.

'I've used their website. You can get a lot of really useful information there. I think using it does make you more likely to support them again'
'(X) really stands out – what they send is really first-rate. I've learned a lot in the past couple of years.'
'I think the more you know about abuse, the more you realise what a problem it all is and the more you want to do something about it.'

Recommendation –
We hypothesise that those individuals who have recommended the organisation to a friend or acquaintance are significantly more likely to be committed to that organisation.

'I don't usually talk to anyone about my giving, but I do leave their literature out so that other people can see it.'

'Yes – I've passed on their (magazine) to friends to read. I guess I'm hoping to tempt them into support too – but I wouldn't ask.'

'I've encouraged others to support them. I think they do really good work and other people might not know about it.'

'I would only do that for one or two. The ones I really care about. Otherwise you get to be a nuisance to everyone don't you?'

It is possible that commitment causes recommendations, or that the act of offering a recommendation reinforces the attitudinal bond to the organisation. In Figure 1 we present the latter perspective but in our subsequent analysis, where we can employ sophisticated statistics, we will explore the issue in greater depth.

Availability of Alternatives –
Finally, we hypothesise that individuals who perceive that only the focal organisation can deal with the issues they wish to support will be more committed than individuals who perceive that there are a range of options available. There was a good deal of evidence of this in our focus group data.

' Who else can you give to to support (the service)? You have to be committed if you care about the cause.'

'There's no-one else who does this particular work. As I've experienced it first hand I've been careful to select the charity that will make a difference to this.'

'There are so many cancer charities it's difficult to know who to give to. I was impressed when they merged. I thought that made real sense. It made it clearer who to give to for research.'

Quantitative research

The results of the aggregate survey are based on a sample of 5,800 donors. The usable response rate achieved was 22.2%. Standard checks were performed for non-response bias and none could be discerned.

Profile of Respondents

Respondents were asked to provide us with simple demographic information. The results of this profile are presented in Tables 1 – 4

Table 1: Gender

Gender	% Indicating
Male	43.2
Female	56.8

Table 2: Household Income

Income Category	% Indicating
Up to £10,000	15.4
£10,000 - £19,999	26.4
£20,000 - £29,999	17.7
£30,000 - £39,999	15.2
£40,000 - £49,999	7.4
£50,000 - £59,999	5.3
£60,000 - £69,999	3.9
£70,000 or more	8.7

Table 3: Children

Number of Children	% Indicating
0	23.8
1	12.3
2	39.3
3	15.6
4	5.9
5 or more	3.2

Table 4: Age

Variable	Mean	Median
Age	60.7	61.0
Age of children	28.03	28.0

These results indicate that our sample is broadly representative of charity givers in the United Kingdom. Respondents reported a range of household income levels, with the majority falling into the lower bands. One in four of our sample were childless, but over half have two or more children. The average age across the sample was 61; the children of respondents being in their late twenties on average.

Charity Giving

We also asked a short series of questions about charity giving generally. Respondents were asked how much of every £1 donated to charity should legitimately be spent on fundraising and administration. 20.84p was the mean result.

When asked how much of each £1 donated to charity actually went on fundraising and administration the mean result was 32.45p. The respondents clearly feel that charities in general are not operating as effectively as they should be and are spending what they perceive to be a high amount of donated income on fundraising and administration.

Later in the survey, respondents were asked for an opinion on how much of every £1 given to the particular charity they were supporting was spent on fundraising and administration. The mean result was 30.45p (median 20p). It would appear that donors feel that even their selected organisations are somewhat wasteful of funds.

Respondents were also asked how much they tended to give each year, how many charities they usually supported, and how long they had been a supporter of the organisation in question. The results are presented in Table 5:

Table 5: Charity Giving

Variable	Mean	Median
Number of charities supported (in a typical year)	7.93	5.00
Amount given to charity (in a typical year)	£601.89	£250.00
Length of support (years)	9.09	5.00

The donors in the sample support an average of eight charities each year. The fact that the median is noticeably lower at only five reflects the fact that a small number of respondents were supporting a very large number of organisations. Similarly, the mean figure for the annual amount given was skewed by a small number of larger amounts, so the median figure of £250 is a more valuable reflection.

Determinants of Commitment

We then moved on to address the central issues of our study and posed a series of questions designed to probe the various determinants of commitment. The aspect being measured in each case (e.g. personal links, perception of the charity's performance) relates to elements of the theoretical model of commitment presented in Figure 1.

To gather this data, respondents were asked to indicate the extent to which they agreed or disagreed with a series of attitudinal statements, where 1 = strongly disagree and 7 = strongly agree. We have supplied the mean and median scores in each case, and have also presented the results in terms of the percentage agreeing, disagreeing, or offering a neutral opinion.

Table 6: Personal Link

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
Someone I know has been directly affected by the issues dealt with by this charity	3.54	3.00	54.2	8.3	37.5
Someone I know might benefit from my support	4.08	4.00	43.0	10.2	46.8
My family have a strong link to this charity	2.49	1.00	72.4	10.9	16.7
This cause is related to an important aspect of my life	4.22	4.00	37.7	15.6	46.7

A significant proportion of the donors responding to our survey have direct links to the work the charity does, or imagine that they might have a link at some point in the future. Almost half agree that the work of the organisation has a personal relevance to them.

When asked about the perceived performance of their chosen organisation, most respondents held very favourable perceptions, with very positive views expressed about the impact the charity has had.

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
X spends a high proportion of its income on the cause	5.61	6.00	6.1	17.3	76.5
The amount X spends on fundraising is acceptable	5.20	5.00	8.9	26.6	64.5
The amount X spends on administration is acceptable	4.93	5.00	13.0	32.1	54.9
I feel this charity has made a real difference	6.11	7.00	3.1	8.4	88.5

The majority of donors felt that they were thanked appropriately for their gift and that the charity valued their support. Our results also suggest that a higher degree of personalisation may be possible, although it is important to stress that at this point we have yet to explore the likely impact of such a strategy on giving behaviour.

Table 8: Labelling (recognition of individuals)

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
I am always thanked appropriately for any gift	5.73	6.00	6.8	15.0	78.2
I feel X understands why I offer my support	5.16	5.00	14.7	22.9	62.4
This charity treats me as an individual	5.09	5.00	14.9	25.7	59.5
This charity clearly values my support	5.97	6.00	4.5	9.3	86.2

Around a quarter of donors felt that their organisation could do more to offer choice over the frequency and content of communications they received. However, more than 40% are aware of some degree of choice being offered. Table 9 contains the detail of this analysis.

Table 9: Choice In Communications

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
X allows me some choice in the communications I receive	4.27	4.00	30.6	26.5	42.9
X could do more to offer me choice in the frequency of communications I receive	3.82	4.00	38.5	28.0	33.5
X could do more to offer me choice in the content of communications I receive	3.71	4.00	39.0	32.3	28.6

The detailed content of the communications appears well received. Most respondents agreed that the communications were informative, with only 21% indicating that they would prefer more detailed information. 40% of respondents claimed to know a lot about the charity and the work it undertakes. Table 10 contains the detail of this analysis.

Table 10: Knowledge/Learning

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
The communications I receive from this charity are always informative	5.64	6.00	6.5	14.5	79.0
I would prefer to receive more detailed information about the cause	3.11	3.00	60.2	18.7	21.1
I am personally interested in learning more about this cause	3.67	4.00	44.4	25.0	30.6
I know a lot about X and the work it does	4.17	4.00	33.9	25.8	40.3

When asked about the quality of the communications they received, most respondents appear to continue to express relatively positive views. Communications are appropriate and feedback is appreciated. Those who are interested in deepening their knowledge of the organisation clearly have the opportunity of doing so. Table 11 contains the detail of this analysis.

Table 11: Communications Quality

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
X puts me under too much pressure to give more through the communications I receive	3.27	3.00	54.0	20.5	25.4
The communications I receive make me feel more connected to the charity	4.70	5.00	19.1	25.5	55.4
X keeps me informed about how my money is being used	4.84	5.00	18.5	21.6	59.9
I enjoy the communications I receive from X	4.67	5.00	22.3	22.9	54.8
I like to be kept up-to-date with the charity's news and achievements	4.78	5.00	22.5	18.3	59.2
I read all the communications X sends me	4.55	5.00	29.2	17.8	53.0
The charity uses appropriate messages in its fundraising communications	5.03	5.00	10.9	26.8	62.3
The media that this charity uses to communicate with me are always appropriate	4.88	5.00	17.4	23.9	58.7
The communications I receive encourage me to support the X in different ways	4.21	4.00	30.4	29.1	40.4

Respondents were then asked whether they received a regular newsletter/magazine produced by the organisation they support. 65.6% indicated that they did. Those who received the newsletter/magazine were next asked what they did when an issue arrived. Table 12 presents the data:

Table 12: Newsletter/magazine reading patterns

Habit	% Indicating
Read it from cover to cover	27.6
Skim through it	35.2
Read it selectively	33.8
Never read it	3.5

Our data suggests that a high percentage of donors are prepared to recommend the organisation they support to others. Over 63% indicated that they had encouraged others to give, while over 40% indicated that they took every opportunity to do so. Table 13 contains the details.

Table 13: Recommendation

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
I have encouraged others to support X	3.96	4.00	41.6	16.4	42.0
It is important to me to encourage others to support X	3.92	4.00	41.4	21.4	37.2
I take every opportunity to encourage others to support X	3.38	3.00	54.4	17.6	28.0

Table 14 contains an analysis of our data in respect of shared beliefs and values. Only half of respondents agreed that the organisation they support shares their perspective on the cause.

Table 14: Shared Beliefs

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
X shares my views	4.63	4.00	19.3	32.9	47.8
X appears to share my personal values	4.86	5.00	16.6	28.4	54.9

Charity communications appear to generate a strong degree of empathy with the beneficiary group. Table 15 contains the detail of this analysis.

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
When I give to X, I know exactly who benefits	4.95	5.00	20.5	16.8	62.7
When I give to X, I can picture the effect my gift will have	4.89	5.00	20.0	18.8	61.2
The communications I receive make me feel that I have a direct link to the people they help	4.81	5.00	20.9	20.2	58.8

Some of the highest mean scores attained in our survey were for risk and trust. As the data in Table 16 clearly shows, respondents genuinely fear the suffering that would occur were their charity unable to continue. Moreover the data in Table 17 indicates that the chosen organisation is highly trusted to conduct this work.

Table 16: Risk

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
If X were not there, I know that people would suffer	6.09	7.00	4.5	8.7	86.8
X answers a particular need	6.18	7.00	2.4	6.9	90.7
If X ran out of money, the impact on the cause would be terrible	6.22	7.00	3.0	7.6	89.4

Table 17: Trust

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
To always act in the best interest of the cause	5.67	6.00	13.3	20.3	66.4
To conduct their operations ethically	5.87	6.00	8.3	21.4	70.3
To use donated funds appropriately	5.45	5.00	17.8	17.8	64.4

The work undertaken by the organisation appears to be viewed as unique by 55-60% of our sample. The scores on Table 18 would, however, indicate that the majority of donors are not aware of alternative charities that could or do work in the same area. It is perhaps worth noting, however, that this majority is small.

Table 18: Availability of Alternatives

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
There are no other charities that could do this work as well	4.94	5.00	20.8	23.3	55.8
No other charity does the same work as X	5.17	6.00	17.7	19.8	62.5

Respondents were asked whether they had ever used their organisation as a source of information. 11% indicated that they had done so. They were then asked how satisfied they had been with the information that had been provided. Table 19 suggests that the majority had been satisfied with the information they received.

Table 19: Satisfaction with information provision

Satisfaction level	% Indicating
Very satisfied	35.1
Satisfied	42.4
No opinion	22.5

Commitment

In Table 20 we present the results of our analysis of active commitment. It is interesting to note that respondents do not generally express high levels of involvement, although the majority did describe themselves as feeling passionate about the work undertaken by their chosen charity.

Table 20: Active Commitment

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
I would like to do more for X than to simply donate money	2.58	2.00	73.3	15.8	11.0
I feel very involved with this charity	3.17	3.00	57.0	25.8	17.2
I feel a sense of belonging to X	3.55	4.00	49.4	23.5	27.1
I feel passionately about this cause	4.42	5.00	31.3	18.6	50.2
I feel passionately about the work this charity undertakes	5.06	5.00	20.3	15.2	64.4

Levels of passive commitment are very low. It was gratifying to note that only 18% of respondents regularly reviewed the support they give to their chosen organisation. Table 21 presents the detail of the analysis of passive commitment.

Table 21: Passive Commitment

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
I only give to this charity out of habit	2.15	1.00	81.6	7.9	10.6
I frequently review whether I should continue supporting X	2.60	2.00	70.0	12.2	17.8
I am only reminded that I support X when they communicate with me	2.77	2.00	67.6	10.0	22.4

Finally, the survey also measured loyalty as a behavioural intention. While it is not entirely legitimate to measure loyalty as an attitude, previous studies have shown that it performs well as a proxy of behavioural loyalty. It is important to note that we will return to the determinants of actual loyalty in 12 months time when we relate the results of our study to the subsequent behaviour of these individuals on the database.

Table 22 contains the detail of our analysis of donor loyalty. While under 21% indicate that they would be willing to give more next year, the overwhelming majority of respondents do express concern for the future success of their organisation.

Table 22: Loyalty

Statement	Mean Score	Median Score	% Disagree	% No Opinion	% Agreeing
I care about the long term success of X	6.10	6.00	2.4	6.9	90.7
I would describe myself as a loyal supporter of X	5.27	5.00	12.9	19.4	67.6
I intend to give more to X next year	3.34	3.00	50.1	29.3	20.6

The Antecedents of Commitment

To address the antecedents of commitment the technique of structural equation modelling was employed. The software package AMOS 5 was utilised for this purpose. Unlike the related technique of regression, structural equation modelling allows researchers to imply causality between two or more constructs and to test the optimum structure of a series of relationships simultaneously.

The results obtained from this analysis are reported in Figure 2.

The first point to note in this model is that the various components of donor service quality (e.g. choice in communication) are best viewed as one dimension. This dimension appears to drive passive commitment, active commitment and loyalty. The relationship with passive commitment is negative, which implies that donors are more likely to experience passive commitment when they hold poorer views of the organisation's communications.

It can also be seen that a link exists between the extent to which a donor perceives a risk to the beneficiary group if they were to withdraw their support and passive commitment. Those donors who feel that there is no risk of harm accruing to a beneficiary if they withdraw their support are significantly more likely to experience passive commitment.

There are also a number of direct relationships between constructs such as service quality, risk, trust and loyalty. This is an important addition to knowledge since it suggests that manipulating each of these dimensions would be likely to impact directly on loyalty. In the case of shared beliefs, personal link, learning and multiple engagements, these do not impact directly on loyalty, but only indirectly through active commitment. What this means in practice is that active commitment appears to act like a valve controlling their impact on loyalty. To open the valve, and thus to maximise their impact a number of the drivers of active commitment must be addressed simultaneously.

The figures printed on each of the arrows indicate the relative importance of each of the dimensions in driving active or passive commitment and loyalty. Thus, it can be seen that shared beliefs is the key driver of active commitment, followed by multiple engagements and trust. Similarly, active commitment is the key driver of loyalty, a much smaller (and negative) contribution being made by passive commitment.

The bold figures alongside each of the boxes indicates the percentage of each construct that can explained by references to the drivers on the left hand side of the model. We can thus explain 54% of active commitment by references to service quality, trust, shared beliefs, personal link, learning and multiple engagements. Equally, we can explain 58% of the variation in loyalty by reference to passive commitment and active commitment.

Structural Equation Model   Figure 2
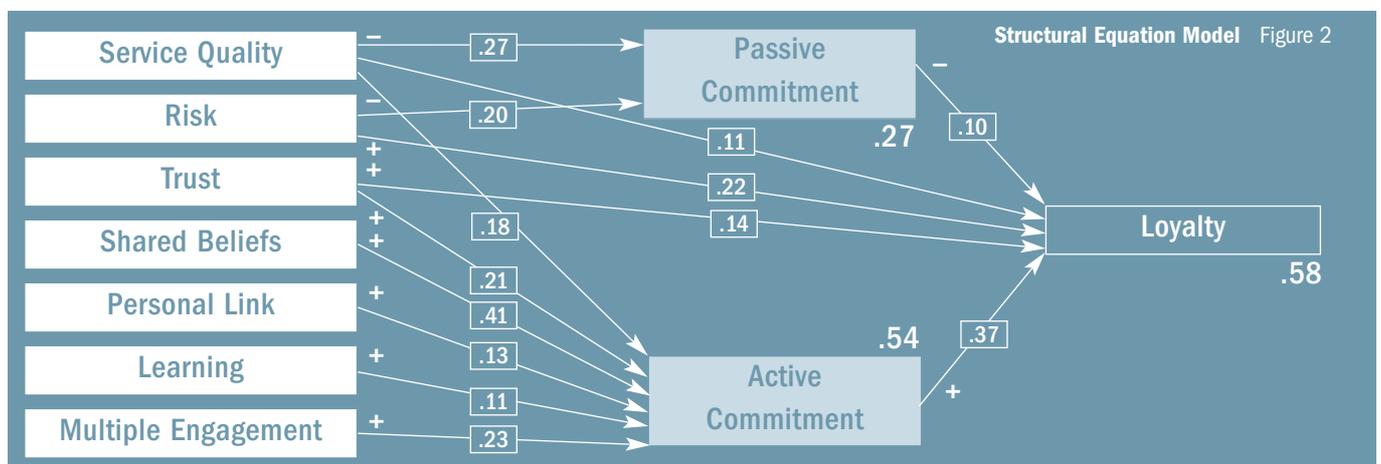
Commitment and ...

... Demographics

Despite an extensive analysis of the dataset, only two relationships could be found between demographic variables and expressed levels of either form of commitment.

Females were found to exhibit significantly higher levels of passive commitment than males. It is possible that this is because they tend to support significantly more charities than their male counterparts and that the spreading of their charitable pot makes it more difficult to develop deeper bonds with specific organisations.

We also identified that younger donors expressed significantly higher levels of commitment than older donors. This again may be a function of the number of charities supported.

... Giving-Related Variables

The percentage of respondents falling into each of the segments comprising our study are illustrated in Table 23.

Table 23: Profile of Sample

Category	%
One Cash Gift	20.2
Multiple Cash Gifts	22.5
Regular giving recruits	15.4
Upgraded to regular giver from cash	33.5
Other	8.4

We found that both forms of regular givers expressed significantly more passive commitment than cash givers.

Further analysis of our data identified that donors with higher levels of active commitment were significantly more likely to read the communications they were sent in detail. Passive commitment was negatively correlated with this variable.

Analysis of correlations between variables in our dataset revealed that donors expressing higher levels of active commitment supported fewer organisations and were more tolerant of the percentage of income that could be spent on fundraising and administration.

Giving and Income

As a final step we cross-tabulated the income profile of respondents with the amounts donated to the organisation in question. Table 24 contains the detail of this analysis. Surprisingly, this revealed no significant difference between the income groups and the total amount given, and no significant differences between the income groups on the average amount donated.

Table 24: Giving By Income Category

Income Category	Mean Average Gift (£)	Mean Total Amount Given (£)
Up to £10,000	12.77	135.87
£10,000 - £19,999	11.99	187.71
£20,000 - £29,999	14.85	152.22
£30,000 - £39,999	15.14	179.75
£40,000 - £49,999	12.96	204.06
£50,000 - £59,999	18.02	175.43
£60,000 - £69,999	30.24	309.73
£70,000 or more	19.23	226.85

No links between the level of commitment and the total amount donated or the level of the average gift could be discerned. A significant relationship could be identified, however, between the level of active commitment to an organisation and the proportion of a donor's charitable 'pot' they would be willing to donate to it.

Summary

a) Define The Nature of Commitment

In this study we have re-examined the notion of commitment in the context of donor-charity relationships and defined commitment as an enduring desire to maintain a valued relationship. Our exploratory focus groups determined that donors recognised two distinct forms of commitment. Some were happy to continue their support and to 'forget' they were giving, while others took a more active and often more passionate perspective on their relationship with the organisation. We would therefore prefer to distinguish between what we regard as 'active' and 'passive' commitment in the context of donor relationships.

That said, our results suggest that passive commitment is really no commitment at all since it may actually impact negatively on loyalty and reflects no real sense of bond to the organisation. As such it is the easiest to lose and it is therefore no surprise that some organisations find that a proportion of regular donors attrit when communicated with, since they are then reminded of the support they have given to an organisation they care little about.

It was gratifying to note from the results of our postal survey that levels of active commitment among donors are high, while levels of passive commitment are relatively low.

b) Identify How Commitment Might Be Measured

While we have delineated two distinct forms of commitment, it is important to note that only active commitment would warrant measurement on the part of UK charities. It is this alone that is linked to facets of giving behaviour and loyalty.

In this study we have developed a five-item scale to measure commitment that is both reliable and valid. While this was the optimal scale we were able to generate, it is possible that charities may be able to measure commitment by reducing the number of statements down to three. This would have the merit of making the scale easier to administer, while still employing a scale with acceptable measurement properties. The statements

I feel a sense of belonging to X
I feel passionately about this cause
I feel passionately about the work this charity undertakes

are be an acceptable subset, although these are not as strong as the five-item scale in its entirety. Charities may thus use a reduced scale to measure levels of commitment.

Equally, charities could infer commitment from the levels of its antecedent factors. While it may be perceived as difficult for some organisations to pose the questions above (in isolation) it would certainly not be difficult to pose questions which measure the extent to which donors share the beliefs of the organisation. Ironically, the 'fake' surveys that have been used as recruitment devices in the past could potentially yield very valuable information about an individual's likely future commitment to the organisation.

For those organisations preferring not to administer surveys it may be possible to develop an adequate proxy for commitment, by referring to antecedents that are observable. Our results suggest that those charities that afford donors multiple ways to engage with the organisation, *or who could create multiple ways to engage with the organisation,* will be in position to estimate the proportion of individuals with a significantly stronger bond.

c) Identify How Commitment Develops Over the Full Duration of A Relationship

It was interesting to note that we could only identify two differences in the level of commitment expressed between new and longer-term donors. Newly acquired donors were significantly more likely to experience higher levels of active commitment than donors on the database for longer periods of time. This reflects the experience of many charities that the most 'profitable' time for them in a donor relationship is often in the first year following recruitment. It should be noted, however, that although this relationship was significant it was only marginally significant, differences in commitment between donors on the database for varying lengths of time are not great.

The only other relationship we could identify was that individuals who had upgraded to regular giving were likely to express significantly higher levels of passive commitment as a consequence. Given the negative relationship with loyalty we would suggest that those donors on regular giving programs are invited to interact with the organisation on a regular, if not frequent, basis. This interaction will be likely to strengthen active commitment.

## d) Distinguish Between Commitment To The Organisation and Commitment To The Cause

Our qualitative data suggest that a proportion of donors will be committed to the cause rather than the organisation. Regrettably there appears to be no easy way of identifying these individuals *a priori* as such a propensity is not related to primary demographics. In our quantitative survey 64% indicated that they felt passionately about the work of the organisation while 50% felt passionately about the cause, figures that reflect the somewhat 'blurred' division discovered in the focus groups.

What was interesting from our focus group results was that many individuals felt that they would be more committed to the organisation if they understood more about its distinctive contribution to tackling the cause. Many individuals complained that there were too many charities conducting ostensibly similar work and there was often no clear rationale for the support of one organisation over another as a consequence.

It was interesting to note how similar findings emerged from our survey. Many of the determinants of active commitment were found to be related to unique facets of the organisation or its approach to dealing with donors. Shared beliefs, communications quality and the notion of multiple links are all organisation-specific. It is therefore clear that charities should focus on inculcating commitment to their organisation rather than the cause per se.

e) Establish The Determinants of Commitment and the Impact of Commitment on Behaviour

Figure 3 reproduced below summarises the results of our analysis of the antecedents of commitment and loyalty.

Structural Equation Model   Figure 3
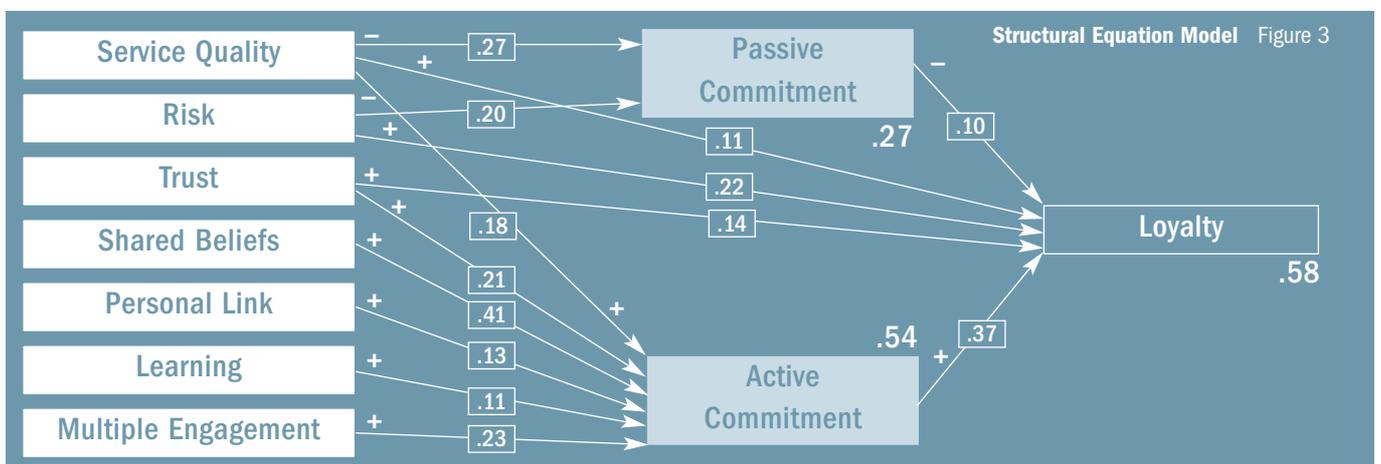
To summarise – donors who share the beliefs of the charity and express higher levels of satisfaction with the quality of service provided to them are significantly more likely to express higher levels of active commitment. Similarly, the factors multiple engagements, trust, learning and personal link all have a role to play in fostering active commitment.

In the case of passive commitment – higher levels of passive commitment will be felt by 'regular' or direct-debit donors. Higher levels of passive commitment are also associated with a feeling that there is no risk to the beneficiary group from the withdrawal of support and from a feeling that the quality of communications, including the level of choice provided, is poor. This latter point is unsurprising since the act of interacting with an organisation, as one would if choice were offered, would be likely to strengthen the sense of relationship and hence active bond.

The figure also indicates that the primary determinant of loyalty (as measured by a behavioural intention) is active commitment. Donors expressing a high level of active commitment are significantly more likely to be loyal to the organisation. From the other analyses conducted for this study we were also able to identify a number of other benefits to accrue from higher levels of donor commitment. Donors expressing higher levels of active commitment were less likely to support a large number of other charities, were more likely to recommend the organisation to a friend or relative and expressed a greater degree of tolerance for the amounts organisations might spend on fundraising and administration. They were also more likely to allocate a significantly higher proportion of their charitable 'pot'.

Implications

A key lesson for fundraisers from this research is that a donor's level of commitment can be inferred through gathering information on attitudes, and (in the case of multiple engagement) through an analysis of behaviour. Interaction would appear to be the fundamental factor in the process.

Far from a regular payment being a reliable indicator of commitment, it would seem that regular giving is linked only to passive commitment levels. There is, therefore, a delicate balancing act to perform with regular givers (especially where they give at low values). Low-level regular gifts work for both charity and donor because they do away with the need for the charity to renew the gift commitment each time. However, in minimising the need for appeals communication (and hence interaction) we run the risk that active commitment will not be fostered. Regular givers should therefore be encouraged (cost-effectively) to interact – perhaps through campaigning 'asks', through a variety of media routes e.g. email, through invitations to events and so on. Though this might increase the costs of communication to this donor segment in the short term, our research would indicate that increased interaction would encourage active commitment and loyalty, whilst a policy of 'leaving them alone' is likely to encourage passivity over time.

It also appears interaction is valuable in building active commitment – whatever form the interaction takes. Donors exhibiting passive commitment perceive that they have not been offered choice in what they receive from the charity, which is one way of initiating interaction at the start of the relationship. Many charities find that the most loyal donors on their base are those that have been exposed to telephone calls (whatever the result of the call) or to donor research.

The research could only find a weak and negative link between commitment and the length of time a donor had been on the database. While this is disappointing in some respects, it does correspond with the frequent finding from database research that donors are particularly receptive in their first year of giving. This would underline the importance of the 'year 1' or 'honeymoon' strategy already followed by many charities, whereby donors receive a plethora of opportunities for interaction and engagement during their first months as givers.

Aside from 'multiple engagement', the other factors that impact on active commitment are learning, trust, personal link, communications quality and shared beliefs. Opportunities for the donor to become more involved, and to access more detailed information about the cause and the work of the charity should be offered prominently to facilitate learning. Communications quality is again related to notions of donor choice – the research demonstrated that a higher degree of personalisation could be beneficial. The importance of shared beliefs is interesting. Whilst the beliefs and attitudes of an organisation are primarily communicated through ongoing branding, they could perhaps be emphasised more explicitly in donor communications.

The Next Steps

It is important to stress that, in modelling the impact of commitment on loyalty, we were compelled in the course of this research to measure loyalty as an attitudinal disposition to support the organization in the future. While there is considerable evidence that this is a legitimate approach, we do recognise that this is a far from ideal way in which to measure loyalty. In an ideal world it would be better to simply determine 'actual' loyalty from a charity database and to use all of the constructs in our model to predict this behaviour. Of course, such an approach requires that the study be repeated at some stage in the future. We are, therefore, planning a second stage to this project in the Summer of 2005, when we will return to the samples of individuals we took in 2004 to determine who remains an active supporter of our charities. We will then be able to model recorded behaviour, rather than the attitude we have discussed in this report. This addendum to the final report will be available from Target Direct in September 2005.

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