**CHARTERABLE GIVING**  
**AN EXPLORATORY ANALYSIS OF BELGIAN DONATORS**

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**ABSTRACT:** The nonprofit sector has faced major upheavals recently (Venable et al., 2005). In that respect, there is an expanding literature on donation behaviors, notably answering the call of Ewing and Napoli (2005) for more businesslike methods. However, this literature remains predominantly Anglo-Saxon, and research has consequently often been conducted in societies marked by a strong charitable giving culture. Therefore, this paper aims at providing a fresh view of the Belgian nonprofit sector and of its donators, through both analysis of quantitative data about donations and qualitative interviews among experts of Belgian nonprofit organizations. This research provides information regarding demographic trends among donators as well as a global perspective of the sector’s major challenges.

**KEYWORDS:** Charitable giving, Philanthropy, Nonprofit, Consumer behavior, Exploratory Analysis

**LE DON CARITATIF: UNE ANALYSE EXPLORATOIRE DES DONATEURS BELGES**

**RÉSUMÉ :** Le secteur non-marchand a récemment fait face à plusieurs bouleversements majeurs (Venable et al., 2005). A cet égard, le comportement de don est le sujet d’une littérature grandissante, répondant notamment à la demande d’Ewing et Napoli (2005) insistant sur l’importance d’une professionnalisation accélérée du secteur. Cependant, cette littérature reste à ce jour principalement anglo-saxonne, et les recherches menées le sont généralement dans des sociétés marquées par une forte culture du don. C’est pourquoi cet article tente de fournir une nouvelle perspective du secteur caritatif belge et de ses donateurs, à travers une analyse descriptive ainsi que des interviews d’experts d’ONG belges. Notre recherche fournit des informations sur les caractéristiques démographiques des donateurs d’aujourd’hui, et identifie les principaux défis du secteur à l’heure actuelle.

**MOTS CLÉS :** Secteur caritatif, Philanthropie, Non-marchand, Comportement du consommateur, Analyse exploratoire
INTRODUCTION

Nonprofit marketing and donating behavior are no new research topics. However, the majority of research conducted in the past comes from the US or from countries where the culture of charitable giving may be different regarding to ours (Giesler, 2006; Le Gall-Ely, 2013). In addition, at least three factors can be highlighted to justify the need for new research on the topic. First, associations and NPO’s are subjects to a fierce competition (Bennett & Gabriel, 2003; Venable & al., 2005). A second factor lays in the origin of funds. While they used to rely on government and public aids, these sources of funds are decreasing and individual (private) donations now represent more than 75% of NPO’s funding. The third factor relates to the donator. This donator has changed and seems to be more proactive than in the past (Nichols, 2004). Moreover, living in a new economy of sharing, where buying is replaced by other forms of exchanges, the place of giving may have evolved as well.

These three factors undoubtedly call for new research on these issues, new research for which the donator, his behavior and the influencing (individual and situational) variables are investigated. This is the topic of a comprehensive research program for which the current paper only constitutes the first step. In this paper, we present both an analysis of quantitative data about donations in Belgium and qualitative interviews conducted with experts of the Belgian charitable sector.

1. THEORETICAL FRAMEWORK

The literature dealing with charitable giving originates from the broader literature of gift-giving (Belk, 1979). Progressively adapted to less intimate circles (Le Gall-Ely, 2013), research has notably been expanded to charitable giving (Guy and Patton, 1988; Bennett, 2003). Nowadays, the literature on charitable giving encompasses various areas, from demographic segmentation (Schlegelmilch et al., 1997; Shelley and Polonsky, 2002; Sargeant and Hilton, 2005) to motivations and barriers to give (Smith and McSweeney, 2007; Bekkers and Wiepking, 2010) not to mention behavior modelling (Guy and Patton, 1988; Bendapudi et al., 1996).

1.1. The role of demographic variables

In the literature dealing with charitable giving in the nonprofit sector, many research have investigated the influence of demographic factors (Guy and Patton, 1988; Shelley and Polonsky, 2002; Bennett, 2003). To date, five major demographic variables have been studied: age, gender, household composition, education level and revenue. While the impact of some is unanimously acknowledged, the effect of others is still vividly debated. Considered as the most influencing variable, age has undeniably a positive impact on charitable donations (Shelley and Polonsky, 2002; Bennett, 2003). Then, income has also been pointed as a major influencing variable (Schlegelmilch et al., 1997; Le Gall-Ely, 2013). But while its impact on charitable giving is clearly positive, its effect tends to be digressive. Correlated with income, education level has also been studied in the context of charitable giving (Guy and Patton, 1988; Grande and Vavra, 1999). In this context, there seems to be a positive relationship between education and donation behavior (Garner and Wagner, 1991; Webb et al., 2000).

As Sargeant and Hilton pointed out (2005), household composition is another influencing variable in the decision-making process of charitable giving. In that respect, the absence of descendant unsurprisingly tends to increase the charitable generosity. Andreoni et al. (2003) also pointed out the differences of preferences regarding giving
decisions within a couple. According to the authors, it would lead to bargaining over charitable giving, reducing donations by at least six percent. Finally, gender is the variable whose effect is the most debated among researchers (Shlegelmilch and Tynan, 1989; Schlegelmilch et al, 1997; Shelley and Polonsky, 2002; Bennett, 2003). Previous studies failed to identify clear behavioral differences regarding charitable giving. In their paper on gender differences in altruism, Andreoni and Vesterlund (2001) also failed to propose a clear distinction between both genders. Regarding charitable legacy, legators seem to be mainly women (Sargeant and Hilton, 2005).

1.2. Motivations and barriers to donate

Besides research on demographic factors and their influence on donation behaviors, authors have also investigated the reasons that drive people to donate to charity, or on the contrary, the reasons that prevent some people to do so. In 2010, Bekkers and Wiepking identified in their overview of the literature on charitable giving eight mechanisms that drive charitable giving. The first mechanism is the awareness of need. People have indeed to be aware of the need for support to eventually give to charity. This mechanism is facilitated today by the mass media. As Simon (1997) pointed out, extended media coverage of a natural disaster will have a strong positive relationship with charitable donations to the victims. Then, the solicitation refers to the mere act of being solicited to donate. It has been proved by previous research that most of the donations occurred in response to a solicitation rather than passively giving the opportunity to donate (Lindskold et al., 1977). Thirdly, the authors pointed out the material costs and benefits associated with donating, either reducing or increasing the potential charitable donation. On the other hand, Smith and McSweeney (2007) demonstrated that people who perceived fewer obstacles to give are unsurprisingly more likely to give. In that respect, physical discomfort would also reduce philanthropy. Benefits refer to potential privileges that donators might get by donating. Then, altruism refers to the fact that individuals may donate because they care about the consequences for the beneficiaries. The authors notably referred to the “crowding out” effect, which represents the influence of others’ donations on a donator behavior. Fifth, reputation refers to the social consequences of charitable giving for the donor. In that respect, a donor might be intangibly rewarded for his donation. Indeed, giving to charity is generally socially well perceived, notably influenced by the type of cause supported. Interestingly, recognition may be given by persons who are not physically present. The sixth mechanism are the psychological benefits that the donor might enjoy, like the simple joy of giving, or the impact of one’s self-image. The values endorsed by the donor are also a key determinant of charitable giving, making it more or less attractive depending on whether or not giving to charity enables the donor to exemplify those values. Finally, the eight mechanism, efficacy, refers to the donor’s perception of his own contribution to make a difference. In that respect it seems that people tend to overestimate the effectiveness of their contributions (Kerr, 1989).

Much less research have been conducted to investigate barriers to give. However, major motivations often provide relevant information to understand why people do not donate. Unsurprisingly, the financial aspect is one obstacle mentioned. Besides financial constraints, different barriers related to charitable organizations are also listed. In that respect, the lack of transparency is the first hind in the trust relationship between potential donors and NPOs and as Smith and McSweeney (2007)
indicated, the fear that donations would not reach the needy is an important barrier to donate. According to the authors, the type of charity might also play an important role. Not believing in the cause is inevitably another major barrier to charitable giving (Smith and McSweeney, 2007) and as previously mentioned, a correlation between endorsed values and the promoted cause is essential.

Furthermore, the size of the charity seems also to impact the trust relationship. The bigger organizations seem to be globally more trusted. The support of public authorities and subsidies tend to ensure the professional nature of the charity. However, it also increases the perceived distance between the charity and the people (Balabanis et al., 1997; Smith and McSweeney, 2007). Hence, people fear, by donating money, to rather support the organization than the needy.

1.3. Lack of a cultural perspective

As Le Gall-Ely (2013) pointed out, there is today a real need to go beyond a decontextualized analysis. To date, research dealing with social and cultural aspects and their influence on charitable giving remain highly limited. The cultural landscape and its evolution undeniably impact our perception of charity and in this regard, some authors now adopt broader perspectives. In 2009, Bajde insisted on the role of community on charitable giving. In 2012, he also conducted qualitative research to better assess the charitable giving imaginary, and its influence on its meaning for donators. Studies led in other countries than UK and USA might provide relevant information regarding the influence of the cultural landscape on the charitable giving behavior. However, such studies often lack this cultural perspective (e.g. Shelley and Polonsky, 2002).

On the other hand, technological progresses also offer a whole different context that must be better understood. If research on online gift has been conducted recently (Giesler, 2006), online charitable giving remain a poorly studied subject.

2. Methodology

This research paper consists in an exploratory analysis aiming at a better understanding of the Belgian charitable sector and of its specificities. In that respect, in-depth qualitative interviews of nonprofit sector professionals have been conducted as well as a descriptive analysis of Belgian tax returns over a specific period. This method enables us to draw up a description of the Belgian charitable sector, by complementing the descriptive analysis of donations with qualitative insights from professionals of the sector. The present research also provides information regarding the donators' profile and identify the major challenges ahead.

2.1. Descriptive data

In order to get an overview of the place of charitable giving in Belgium, analyses have been performed based on tax returns of the whole Belgian population, which means around seven million tax returns, provided by the Direction générale Statistique et Information économique of Service Public Fédéral Economie. Raw data covered an eight-year period, from 2005 to 2012, and consisted in information on demographics and gift tax returns that Belgians made during each year of the 2005-2012 period. For the 2005-2010, all donations reaching at least thirty euros are included, which was the minimum deductible amount for charitable giving in Belgium. That minimum amount then raised to forty euros on January 1th 2011. It is important to stress that the nature of this data set enables us to avoid social desirability bias often involved by the use of declarative behaviors or attitudes, whose veracity remains limited with philanthropic donations. In this case,
our analysis is based on actual behaviors free of desirability bias inherent to experimentations and interviews. In that respect, gift tax returns indeed provide us reliable information regarding charitable behaviors of a population. Moreover, given the size of the dataset, we can presumably ensure the representative nature of the sample studied. This data set has been complemented by data from a survey on the Belgian household budget, the European Union – Household Budget Survey, and by information on the sources of funding of charitable organizations in Belgium. The inflation calculation was based on the consumer price index, monthly calculated by the Bureau fédéral du Plan.

2.2. Interviews

In order to better understand the Belgian charitable sector in 2015 and its differences with the Anglo-Saxon countries, in-depth interviews have been led among executives and fundraising managers of charitable organizations. Executives and fundraising managers from eight nonprofit organizations have been interviewed during an hour-long in-depth semi-structured interview. Interviewees were conducted between March and May 2015. Those interviews aim at better understanding the context depicted by the quantitative analysis. The choice of the interviewees is driven by our will to consider different types of causes. The information provided by the experts has been incorporated in the descriptive analysis, ensuring a global but accurate view of the sector.

3. DATA ANALYSIS AND RESULTS

In this part, we will review the major findings of our research project, the interviews complementing the descriptive analysis of gift tax returns.

3.1. General overview

Over eight years, the total fiscally declared amount given to philanthropy in Belgium has risen from around 143 million euros in 2005 to some 172 million euros in 2008. Inflation taken into account based on the Consumer Price Index, this evolution represents an increase of 2.17 percent. Globally, if the average donation has increased by 4.33 percent between 2005 and 2012, with an important decrease in 2009 probably explained by the financial crisis, the number of fiscally declared donations has decreased by 2.07 percent over the same period. According to the different fundraising managers, the situation is stable, with donors leaving the organization, and new donors appearing. In terms of proportions, 9.45 percent of tax returns contained a donation over the entire period with a standard deviation of 0.85. It therefore appears that the Belgian charitable market is far from being saturated. However, the competition is clearly felt by charities, but the views are different between organizations. While the executive of Amnesty does not really regard other charities as competitors, fundraising managers of the Red Cross and of Médecins Sans Frontières (MSF) consider being in a competitive market, the latest pointing out an increasing competition over the past few years. However as the project manager of Oxfam Solidarité told us, there exists a certain collaboration between charities despite this competition. In that respect, information sharing is an important part of this collaboration, as well as coordination between charities regarding street prospection. Still in a quantitative perspective, the financial crisis in 2008 and

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1 The eight nonprofit organizations are: Amnesty International Belgium, Médecins Sans Frontières (MSF), the Red Cross, Oxfam, Aviation Sans Frontières, SOS Villages d’Enfants, SOS Faim and Louvain Coopération (Louvain Coopération is the official NGO of the University of Louvain-la-Neuve and tackle hunger, poverty and health problem among poor populations).
2009 has unsurprisingly negatively impacted the fundraising, but its influence has remained interestingly limited. While the average donation among donors has decreased by 11.2 between 2007 and 2009, the number of tax returns has increased over the same period, limiting the negative effect of the financial downturn. Concretely, while we observe a significant decrease of the total amount given between 2007 and 2008 (-4.2 percent), the total amount money to charity rises again between 2008 and 2009 (+5.5 percent), resulting in a slight increase between 2007 and 2009.

It is worth noting that a strong correlation can be observed between the total amount given to charity and the number of tax returns. The Pearson correlation coefficient is 0.8857, which supports a strong correlation along those 8 years of data. In contrast, no correlation can be found between average donation and the total amount given to charity (Pearson correlation coefficient of -0.2514). Therefore, we can conclude that for the period covered by our data that the increase in donations results from an increasing number of donators rather than from an increase in average donation. This might be further investigated for managerial purposes. While charities spend financial resources to motivate their current donors to give more, it might be more profitable to attract new donators instead.

Let us also note that in Belgium, \textit{Médecins sans Frontières} remain the biggest charity in terms of budget. In 2013, the organization collected 36.7 million euros in charitable gifts and legacies. In that same year, the \textit{Fondation contre le Cancer} and \textit{Unicef} completed the podium, with respectively 24.4 and 19.6 million euros. On the other hand, those figures do not take public aids into account. Regarding charitable legacies, their importance must not be underestimated. Based on data on sources of funding from 293 charitable organizations in Belgium, legacies accounted in average for eighteen percent of private funding in 2012, while this percentage raised to twenty-two percent in 2013. However, the importance of charitable legacy highly differs between organizations. In 2013, legacies stood for 21 percent of private funding for \textit{MSF}, for 61 percent for \textit{Fondation contre le Cancer} and for only 4 percent for \textit{Greenpeace}. In some particular organizations, legacies stand for the major source of private funding, as in the case for the \textit{Ligue Braille asbl}, a charity providing support for visually impaired people, whose private funding is composed of 84 percent of charitable legacies.

\textbf{3.2. The impact of natural disasters}

Natural disasters seem to positively affect charitable giving. Indeed, 2005 and 2010 have been very good years for fundraising managers. During 2010, the number of donations has reached its highest level as well as the total amount given to philanthropy. Regarding the percentage of tax returns containing a donation, the highest levels are reached in 2005 and in 2010. Those higher values can probably be explained by the natural disasters that happened. 2005 has been marked by several earthquakes and the infamous \textit{Katrina} hurricane. In 2010, the devastating earthquake in the Haitian capital, Port-au-Prince, has caused a general mobilization for the victims. The public generosity has been notably influenced by the important media coverage that both years have benefited from. In that respect, it seems than the year following a particular disaster always suffer an important decrease in donations. Indeed, 2006 has been a relatively quiet year in terms of humanitarian or natural disasters. Consequently, the total amount given is in 2006 at its lowest level, as well as the number of donations and the proportion of tax returns containing a donation. Between 2005 and 2006, we observe a decrease of 13.1
percent of the total amount given to charity, while between 2010 and 2011, this decrease reach 5 percent. In both cases, it also resulted in a decrease of the percentage of donating households. Speaking of good years for charitable giving, the fundraising manager of *Médecins Sans Frontières* pointed that 2014 was the best year ever made in fundraising for the charity, mainly due to the Ebola outbreak and the media coverage of which MSF benefited. It thus seems that natural or humanitarian disasters drag many funds from private donors. It might therefore be interesting to look at the figures in 2015, marked by earthquakes in Nepal, which means two years of disasters in a row. Unfortunately, this falls out of our range of data. During those particular events, the average donation always tends to decrease, mainly due to small donations made by punctual donors which lower the average charitable gift. Concerning such disasters, all managers insist on the recent positive impact on the internet regarding punctual donations. Indeed, if online fundraising is no reliable fundraising method yet for regular donors who rather choose standing orders, it seems increasingly effective during particular humanitarian or natural disasters. As the interviewees point out, online fundraising is one of the big challenge of the nonprofit sector, thereby facilitating charitable donations while reducing costs. Currently, this fundraising method still not drags enough money to invest much in it.

3.3. A need for diversification of the sources of funds

Private donations stand today for the major source of funds, which increases the importance of attracting new donors. The importance of private donors is made even bigger in some cases. In that respect, two interviewed fundraising managers (*Amnesty International* and *MSF*) point a certain desire for independence from public aids, in order to sustain a freedom of action. On the other hand, all interviewees note a decrease in such governmental aids, though they do not similarly depend on them. The *Red Cross* is in this regard charged with some governmental missions, such as the management and monitoring of asylum seekers. In those cases, the charity is totally dependent on public aids. Thereupon, the project manager of *Oxfam* insists on a will to diversify the sources of funding, while insisting on the difficulty of the process. Soliciting companies has for instance became very difficult after the financial crisis of 2008, which has according to him impacted more badly the generosity of private companies that the generosity of private donors. The crisis has therefore complicated the situation. The increasing withdrawal of public authorities must now be balanced with private funders, and according to him, it is now more a matter of sustaining the action than developing it. He also points the difficulties that stand ahead for the mid-sized charities. In his view, there is a growing trend to merging, in a perspective of economy of scales. He notably referred to the “10-90 rule”, depicting the fact that ten percent of the charities holds ninety percent of the funds. While small organizations might be preserved thanks to their small administration fees, he is currently more worried for mid-sized companies with higher administration fees that are not able to make real scale economies.

Another remark concerns the growing role of consortiums. As an important member of the 12-12 consortium, the manager of *Oxfam* insists on their profitability. The principle of such consortium is to appeal to the public generosity, most of the time regarding a particular event. The funds are given to the consortium, which then reallocates them between the member organizations. The particularity of such a process, based on the
“coopetition principle”, is thus that the donor gives, but does not select a particular organization. According to the interviewee, this method drags a particular type of donor, who doesn’t want to choose, and doesn’t want to be bound to a particular charity. However, the success of the process will highly depend on the media coverage that will redirect people to the online platform. However, consortiums are not cheered by all charities. MSF is for instance not a member of such group. Indeed, as the project manager of Oxfam explains, being a member implies, when a call for generosity is made, to momentarily give up its values and identity, a sacrifice that some choose not to make. The fundraising manager of MSF explained that choice by the uncertainty of good use of funds by other members. While they can assure their donors to optimize the use of funds, MSF cannot guarantee a proper use from other member charities.

3.4. Geographic analysis

Regarding regions, differences can be observed between Flanders (North of Belgium), Wallonia (South of Belgium) and the Brussels-Capital region\(^2\). In 2012, Flanders stand for 58.9 percent of the total amount given to charity, while Wallonia represents 26.6 percent and Brussels-Capital, 14.5 percent. Donors of the Brussels-Capital region remain the most generous with an average donation of 376 euros, before Flemish citizens (262 euros) and the Walloons (243 euros). However, inflation taken into account, Flanders is the only region whose average donation increased from 2005 to 2012 (10 percent), while it decreased over the same period in Wallonia (9.4 percent), and in Brussel (1 percent). Those differences in generosity can be at least partially explained by the differences regarding level of incomes between regions. In that respect, Brussel remains the region with the highest income level, before Flanders and then Wallonia. Flemish tend to be generally more generous towards charity than Walloons. However, this must be nuanced by the experts’ statements. Indeed, while MSF’s donors follow that trend, the difference between the northern and the southern parts of the country is less obvious among Amnesty’s donors.

3.5. Demographic analysis

Concerning major demographic variables, data are consistent with previous research findings related to the impact of age and income on charitable behaviors. First, age seems to positively impact charitable donations, the eldest segment of donors (seventy-year-olds and more) being significantly the most generous, with an average donation of 390 euros in 2012. Interestingly, the youngest (<39) and the oldest (70+) segments are the two segments out of five whose average donation increases over the entire period, respectively by 1.2 and 1.4 percent. Over the same period, the three other segments, namely 40-49, 50-59 and 60-69 decrease in terms of average donation. In terms of the total number of donations, it decreased among the three youngest segments, but increased among the 60-69 segment as well as among the 70 year-olds and more. Those findings are unsurprisingly supported by the experts’ statements, pointing out that younger segments are the less profitable because they remain very unstable on the financial aspect. According to one of the top executive of Amnesty International Belgium, segments under 35 years old are not really profitable for that reason. Mortgages and school fees remain important financial constraints, particularly among the youngest segments. However, he also points

\(^2\) In Belgium, the population distribution between regions is approximately 9.8 percent in Brussel, 57.8 percent in Flanders and 32.4 percent in Wallonia.
out that with the beginning of street prospection in the nineties, there has been a rejuvenation among donors. The project manager of Oxfam Solidarité also indicates this rejuvenation among charitable donators, also insisting on the influence of street prospection. Those statements might partially explain the increasing importance of the youngest segment (> 39).

Then, on the basis of income level information, it turns out that previous research findings indicating a digressive effect of revenues are supported by the data (Schlegelmilch et al., 1997). Over the period, four segments of Belgian donors emerged from our data through means comparisons. Within a segment, no significant difference can be observed regarding average donations ($p < 0.05$). Unsurprisingly, donors with the highest annual income level (over 100,000 euros) turn out to be the most generous, with an average donation in 2012 of 508. Then, people earning between 90 and 100 thousands euros a year are the second most generous segment with an average donation of 303 euros in 2012, followed by the segment of donors earning 20 to 90 thousands euros annually (252 euros) and finally the poorest segment represented by people earning less than 20 thousands euros a year (216 euros). However, if the richest donators are obviously making larger donations, it also turns out that they are proportionally less generous than the poorest segment. Over the eight-year period, we observe that, the richest segment is the one whose average donation decreased the most (10.2 percent) compared to the other segments. In that respect, people with an income between 20 and 90 thousand euros is the only one whose average donation increase over the entire period (4.6 percent). The ratio donation/tax returns also increases with the income level.

Regarding gender, the analysis does not enable us to draw any definitive conclusion. On the basis of individualized tax returns, it appears that male donors are individually more generous, with an average donation of 281 euros in 2012, compared to 245 euros for women. However, it is worth noticing that this difference might be explained by unfairness in women’s wages. According to a report published by the Belgian institute for equity between men and women (Institut pour l’égalité des femmes et des hommes) and the Direction générale Statistique et Information économique, women would on average earn 10 percent less per hour than men. In addition, women would be more numerous to do part-time job, so that the difference between annual incomes between both genders could reach 23 percent. In addition, we can also observe that over the entire period, men’s average donation increased by only 0.1 percent, whereas the average donation from female donors increased by 2.3 percent. On the other hand, women are, among the donors, approximately fifty percent more numerous over the eight-year period, and globally stand for fifty-five percent of the total amount given over the entire period.

Finally, data also provide some information regarding the impact of household composition. In 2012, Households with no dependent child stand for 75 percent of donations. More interestingly, while household with four dependent children and more stand for barely 1.7 percent of the total amount of donation, they are individually the most generous along the entire eight-year period, with an average charitable donation of 377 euros in 2012. In comparison, households with no dependent child made an average donation of 279 euros during the same year. The highest proportion of donators can be
found among households with three children, with 12.7 percent of donators. In that respect, the proportion of donators is globally decreasing since 2010 regardless of the household composition.

3.5. Donators’ profile

The interviewees globally agree on the typical donator’s profile. According to the fundraising manager of Médecins Sans Frontières, Belgian donors tend to be 55 years old and more, have a good income level, have usually no dependent children anymore and own their house. This profile is commonly accepted among professionals. The executive of Amnesty International points however some difference among donators depending on the cause promoted. In his view, there must be a certain match between the donor’s value and interests and the promoted cause. In that respect, a charity fighting against cancer will tend to have a higher average age among its donators. Besides, the project manager of Oxfam pointed the difference between 55 year-olds and older from thirty years ago and current 55 year-olds and older, insisting on the fact that people are more active today, while less religious in general. According to him, it is also really difficult to expect any loyalty from younger segments in our current society, because according to him, young people are highly volatile and unstable.

3.5.1. Loyalty

Interestingly, the fundraising manager of the Red Cross makes a clear distinction between regular donors who can be considered as more or less reliable and punctual donors who react to particular events such as humanitarian disasters. According to her, those last donators are far more emotional and it is thus difficult to gain their loyalty. This statement is complemented by the words of the project manager of Oxfam while speaking about consortiums. According to him, people who give to such platform usually share some specificities. In general, those donors are not reliable, and do not desire to be contacted and made regular donors. They know little about the charitable sector, and do not want to assume the responsibility of choosing a particular charity to give to. As he explains, only 25 percent of people who donate to such platform are already donators, the seventy-five percent left consist in new or unregistered donators. Unsurprisingly, the concept of donators’ loyalty is really important for fundraising managers. As the interviewee from Médecins Sans Frontières explains, donors are registered and monitored based on their regularity. According to this process, people that have donated within the year get more feedback that those who donated within the last two years and so on. In that respect, it is one of her wish to be able in the future to drag back people who haven’t give within two or three years.

Concerning loyalty, a question must be raised. As the interviewee from Amnesty claim, when people are asked their reason not to give, 48 percent answer that they haven’t been solicited yet. On the other hand, many efforts are made to further develop the loyalty of current donors and to increase their average donation. Through the descriptive analysis, we observed the substantial importance of punctual donations from non-regular donators during particular events. In that respect, the increase in total amount donated annually is highly correlated with the number of donations rather than the average donation. Based on those different elements, would it not be more profitable for fundraising managers to limit their financial investment in their loyalty development processes, and rather try to solicit as many people as possible? In other words, we are not here defending the idea that donors’ loyalty has no value, but simply that it must not be
overestimated. Moreover, the fundraising manager of MSF indicates that donors using standing orders give in average during 7 years and then stop donate. Charities must above all remain financially efficient to provide their services to the needy. Consequently, a more rational analysis of the profitability of the donors’ loyalty would make sense, the point being to determine to what extent a current donor must be monitored.

3.5.2. Proximity
The influence of proximity is not easy to assess. Indeed, many charities only intervene in foreign countries struck by hunger, poverty or particular disasters. Most of MSF’s actions for instance take place in Africa, and the geographically closer actions are paradoxically not the more promoted. However, when given the opportunity, many people tend to support more local actions. The manager from the Red Cross notes indeed a recent tendency among donors to increasingly support more local causes in Belgium than before. However, this seems to rather apply to regular donors, while punctual ones still react more instinctively to particular events.

3.5.3. Cultural specificities
Compared to the other Western Europe countries, all the interviewees consider the Belgian citizens as good donors, notably given the heaviness of the social security system for which citizens must pay. Three of them however point Dutch citizens to be real good donors, and insist on their culture of giving. This “culture of giving” is often cited when comparisons are made with Anglo-Saxon countries, and more precisely the USA and the UK. American citizens remain, according to the figures published in the 2014 World Giving Index, the most generous donators. If inheritance tax regulation might explain partially the American generosity, notably through charitable legacies, it does not in itself explain such differences in generosity.

The fundraising manager of the Red Cross mentions such differences and insists on cultural differences regarding charitable giving. Besides differences in attitudes and mentalities, she also mentions the efficiency of our social security system. While in Belgium social services are mainly provided by public and governmental institutions, British charities are partially charged with the offer of social services. The nonprofit sector in England is consequently more saturated, in opposition with the Belgium market. Consequently, charities in UK are characterized by a greater professionalization of the sector, which is still in progress in Western Europe countries. In that respect, all interviewees insist on the need for an increasing professionalism in the Belgian nonprofit sector today. Moreover, as the project manager of Oxfam explains, in UK the tax advantage is for the charity, while in Belgium, it goes to the donator. This regulation inevitably ensures more funds for charities, while questioning the real impact of tax advantages on donators’ behavior in Belgium.

3.5.4. Motives and barriers
According to the project manager of Oxfam, guilt remains an important motive to give. In his view, many people donate to feel good and to have a better opinion of themselves. Besides, he insists on the will of being part of a community, particularly among younger segments. However, he also notes what he considers as the “disappearance of indignation”. As we get more used to violent images through mass media, we unconsciously erode that human ability. All interviewees insist on the importance of trust in the organization, which is a key element to collect funds.
great work of transparency is done, and scandal about misuses of funds is feared. As the fundraising manager of MSF explains, a scandal in another charity will inevitably establish suspicion around the other organizations.

On the other hand, a clear social purpose is key and its nature inevitably influences the final decision. In that respect, the fundraising manager of MSF acknowledges that it is a clear advantage while the Red Cross and Amnesty have both more difficulties to familiarize people with their respective causes. Indeed, both organizations lack of a clear unique goal that might be easily understood by potential donors. In addition, as the executive of Amnesty explains, his organization is often considered as a “left-wing” charity. Such misappropriation or misunderstanding concerning the organization is not always profitable. Finally, the nature of the cause also impacts the decision. As the fundraising manager of SOS Villages d’Enfants explains, charitable donations remain a very personal decision and the beneficiary organization must correspond to the donor’s values or experience. In that respect, his organization attracts many childless women. He also admitted that the financial barrier of forty euros remains important, most donators giving at least that amount to obtain the tax certificate. Therefore, the financial incentive must not be underestimated.

3.6. The development of online fundraising

Besides the overall need for more professionalism, online fundraising is for all the interviewees one of the next big challenges of the charitable sector. Once again, Anglo-Saxon countries are ahead, as the fundraising manager of the Red Cross points out. Indeed, there seems to be some current skepticism around online methods. According to the project manager of Oxfam, online methods are not sufficient, but must be integrated to (and supported by) the communication mix. As he says, people do not have the automatism to go online and make a donation, and work has to be done to raise awareness on that matter. Those statements are supported by the executive of Amnesty indicating that online fundraising highly depends on other communication media to orient people to the website.

CONCLUSION

The objective of this exploratory study was to get a better understanding of Western Europe countries’ donators through an analysis of the Belgian charitable sector, while considering the potential differences with Anglo-Saxon countries from which originates most of the literature on charitable giving. By determining to what extent the existing literature, predominantly Anglo-Saxon, applied to Western Europe countries, we also had the opportunity to assess the gap with the more professionalized Anglo-Saxon charitable sector. On the other hand, considering the differences between sectors and the inherent reasons for such differences, we are able to identify the major challenges of the Belgian charitable sector.

As we have seen, the Belgian nonprofit sector is far from saturated, even if professionals increasingly feel the competition among charitable organizations. This might actually be a reasonable explanation for the collaboration that still exists between charities, and that would be interesting to determine if that would remain when the completion is fiercer. A major observation to be made concerns the current professionalization of the sector. In that respect, all interviewees acknowledge the gap with Anglo-Saxon countries, while also indicating the effectiveness of our social security system to partially justify it.
The descriptive analysis, complemented by the comments made by the fundraising manager of MSF about the Ebola epidemic, indicates that particular events such as natural disasters greatly impact donations. In such case, peaks in the number of donations appear, and the average donation decreases as a consequence of small punctual charitable gifts. On a managerial perspective, it supports the importance of targeting large number of donators rather than focusing on current ones. While reliable donors must not be neglected, it seems that more punctual and unreliable donors, by far more numerous, are not to be neglected either. In the same vein, we have also noted the reduced negative influence of the financial crisis, during which the low levels of average donations were counterbalanced by larger numbers of donations. If donors’ loyalty remains very important for charities, the question can be set to determine to what extent the organizations have to try to keep their donators loyal, which might help charitable organizations to better allocate their funds.

It is important to keep in mind that the nature of the data set, consisting in actual behaviors, enables us to make solid statements free of any potential desirability bias. While assessing the influence of the major demographic variables, this analysis enable us to get a more accurate view of the charitable sector and of its next challenges. Findings on demographics are globally consistent with previous literature even if Anglo-Saxon charities are clearly ahead regarding fundraising processes and professionalism of the sector. In that respect, this might constitutes a good thing for Western Europe’ subsidiaries of international charitable organizations. If donators’ profile is globally the same, Anglo-Saxon charities might be looked up regarding the professionalization process.

Finally, it clearly appears that the charitable sector expects to receive less financing from public institutions than it used in the past. These decreasing public aids illustrate a progressive withdrawal of the government from some social services and might consequently increase the role of charitable organizations in our society. If this turns out to be true, this could lead to reduce the gap between Western Europe countries and Anglo-Saxon societies on that matter, forcing charities to an accelerated professionalization.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

This research paper falls within the framework of the development of a model on the decision-making process of charitable giving. In that respect, this exploratory analysis provides us relevant insights regarding the Belgian charitable sector, and more precisely on donators’ behavior. However every research project has limitations and this one is no exception.

A first limitation of this study concerns the data set, which is limited to donations above the fiscal limit of thirty and then forty euros. We are therefore not considering every donations made, and we obviously miss small donations. Interviewed professionals usually consider that around eighty percent of donations are fiscally declared by donors. In terms of figures, 91 percent of donations made by Médecins Sans Frontières’ donors have been fiscally declared in 2013. Nonetheless, the nature of the dataset excludes smaller donations that might occur during particular events. That leads us to think that the impact of such events has probably been underestimated. However, our will is to include such data in the next steps of this research program and therefore integrate smaller donations. A last comment that can be made about the dataset is that its nature does not enable us to identify particular
donators and follow them across time. In that respect, only global conclusions regarding the entire population can be made.

Then, data on actual behaviors also imply a significant limit, because we are here missing necessary information on influencing variables in the earliest stages of the decision-making process of charitable giving, such as altruism (Bekkers & Wiepking, 2010), empathy (Webb et al., 2000) or guilt (Cialdini et al., 1981). That will also be an issue that will be address notably through qualitative materials. The choice has been made to firstly focus on actual behaviors to later confront our findings to interviews and questionnaires. The point of this method was to get rid of the inherent social desirability bias and therefore avoid unreliable findings. As interviewees acknowledged, many people claim to donate, while not so many actually do.

Thirdly, it is important to note that this exploratory study is limited to the Belgian population, and therefore occults the influence of cultural specificities on charitable giving, which is an important factor to take into account (Bajde, 2009; 2012). Such type of data are not easy to collect, which has limited our scope of investigation.

Concerning future research, different leads can be proposed. As it has been observed, natural disasters have a big impact on donation behaviors, convincing people who do not regularly give to make a donation. Consequently, it might be relevant to further investigate such isolated events in order to determine the best leverages to trigger greater generous impulses. It would therefore seem important to assess the influence of the media coverage on generosity, as well as the impact of the nature of the disaster and of the type of victims.

Then, the concept of donor’s loyalty has been treated and the question of its profitability drags different questions. In that respect, research investigating the respective importance of regular and punctual donors would be relevant.

In spite of its difficulty, investigating the impact of culture on donating behavior remains necessary. The related literature remains limited, and the impact of culture is not well defined yet. To this end, performing a similar analysis on data from other countries might provide relevant information on cultural specificities among donators.
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