

## The Aha: Why donors give, why non-donors don't, and what to do about it

For the [Philanthropy Review](#), April 2011

If we are to make giving more widespread, we need to understand who the non-donors are, what deters them from giving, and how to get those who do give to do so more often and more substantially.

A segmentation based on Maslow's hierarchy of needs is very helpful. It divides people into three segments according to the fundamental psychological need or 'value' which is most pressing in them. Giving behaviour is consistent within each segment, but varies markedly between the segments: including whether people give, how they give, motivations for giving, interest in volunteering and the causes they select.



This paper presents:

1. The segmentation
2. The giving data: whether, why & how people give; and what they give to
3. Resulting recommendations for growing giving, ie, activating the most under-active segments.

The conclusion is clear: **people who are currently not (very) involved in giving are significantly different types of people from those who are**, and very different tools are needed to activate them.

### 1. The segmentation

The 'Value Modes' segmentation has been developed by Cultural Dynamics Strategy & Marketing<sup>i</sup>, based on Maslow's work, and regular surveys of over 1000 questions with more than 8000 people. It identifies the fundamental psychological needs which a person is trying to satisfy. These are much more enduring than opinions, and drive a person's attitudes, behaviours and vision of the person they want to become. The segmentation has been used successfully in over 30 countries over more than 30 years, and in numerous sectors including credit card marketing, voting behaviour, environmental activism, selling soft drinks, support for military intervention, and public health. For example, [this](#) TEDx talk explains the segmentation and why the segments have responded very differently to environmental messages.

The three segments are:

**'Sustenance Driven'** people: socially conservative, concerned with the local, known, identity, belonging, tradition, and prefer trusted channels and known behaviours. They are wary of change, like discipline, are acquiescent, keep to the rules, want a lead from authority, and take a strong interest in crime and immigration. Their primary need is their safety and security.

**'Outer Directed'** people: driven by needing the esteem of others. They want to make their lives better and be seen to succeed, so endeavour to acquire and display symbols of their success: hence they love socialising, fashion and big parties, showing that they are 'in the know' by joining the right clubs, restaurants etc. They are a higher-energy, more fun-seeking group. They are early adopters but not innovators, which involves social risk that they avoid. They're instinctive more than analytical.

**'Inner Directed'** people: looking for ethical and intellectual stimulation, and have high sense of self-agency. They are society's scouts, testing and innovating, and always questioning. They are attracted not so much to signs of success but what is 'interesting' including 'issues'. They are at ease with change and are the most globally-minded of all the groups: likely to see failing crops in Africa or floods in Maldives as *their* problem, so were quick to buy fair-trade for example. They're more analytical than instinctive, and welcome complexity.

Likely to relate to:

<p>Inner Directed: Seeking: Justice</p>		<p>Nature, stewardship, self-direction, universalism</p>	
<p>Outer Directed: Seeking: Prosperity</p>		<p>Fun, novelty, adventure, having good times</p>	
<p>Sustenance Driven: Seeking: Safety</p>		<p>Tradition, rules, propriety, national security</p>	

All segments stretch across the wealth spectrum. Sustenance Driven people (SDs) might go to the bother of accumulating wealth, and hang onto it, in order to make their families secure; many Outer Directed people (ODs) endeavour to get rich in order to demonstrate success – think of financial traders or barristers working in order to buy flash cars; and some Inner Directed people (IDs) are rich because they're good at delayed gratification, ie, working hard for long-term goals. So the analysis which follows is not a function of wealth – but rather manifestations of how each segment pursues its deepest psychological needs.

A 10-question questionnaire [here](#) will identify your segment: in fact each Value Mode sub-divides into four further segments and it identifies your subdivision. [The questions are rather curious: however, based on the 1000+ question surveys, they predict a respondent's Value Mode with over 97% accuracy.]

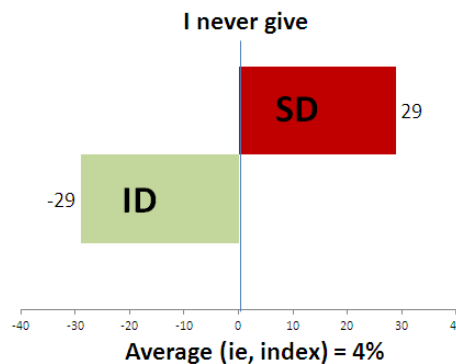
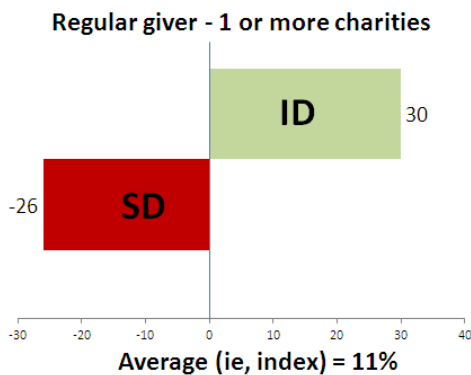
## 2. The giving data<sup>1</sup>

### Whether, why & how people give

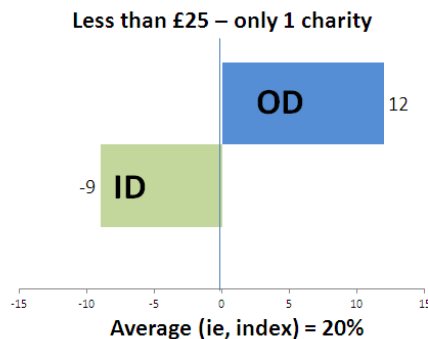
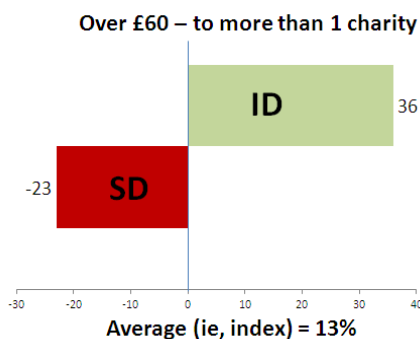
**Giving is dominated by Inner Directed people (IDs):** This is hardly surprising, since IDs are all about issues outside themselves. To caricature, they aspire to be Gandhi, so the notion of making the world better by giving (even in private) is very attractive.

IDs are the group most likely to give. Least engaged are Sustenance Driven people: again, hardly surprising since they're busy shoring up their own homes and communities.

[The graphs in this paper work as follows. The axis is the average across the whole population. So, in the second graph below, 4% of the whole population agrees with the statement "I never give". We then see segments which are significantly over-indexed or under-indexed on each question (ie, respectively more or less like to agree with it). So here, SDs are over-indexed by 29%: ie, 29% more likely than the average person to "never give", whereas IDs are under-indexed by 29%: ie, 29% less likely than average to "never give" – ie, non-donors are more likely to be SD than ID. Segments are omitted from the graphs if they do not differ significantly from the whole population average. For ease, the three segments are colour-coded.]

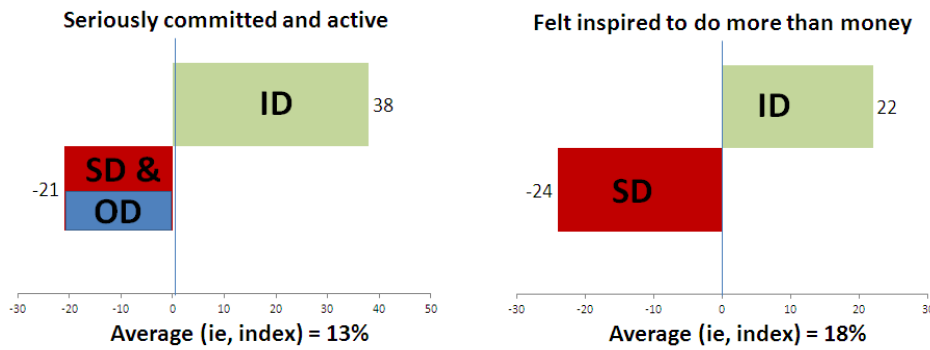


IDs give more than do other segments:

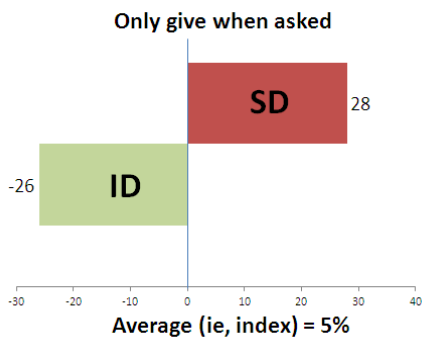


<sup>1</sup> Data from 5456 UK respondents, gathered in June-July 2008

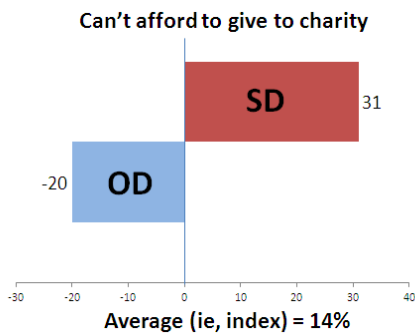
And IDs are the most engaged in giving:



IDs are very unlikely to give spontaneously: they're more analytical so probably prefer to do their homework rather than giving on impulse. Asking is however effective for mobilising SDs:



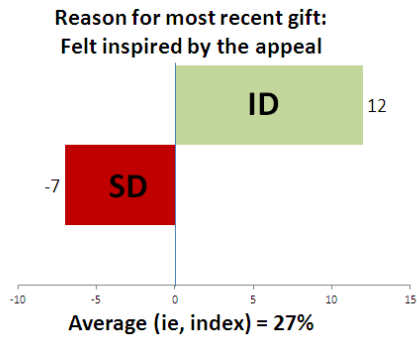
SDs seem to be the most likely to blame their non-giving on inability to afford it. Of course: if your *primary concern* is creating security and stability for your own family and community, you're never finished, so are unlikely to feel that you can 'afford' (have spare resource) to give to issues outside that. By contrast, ODs are least likely to think (or at least, to say in a survey) that they can't afford to give: they certainly don't want to tell a researcher that they can't afford something:



## By the IDs, for the IDs

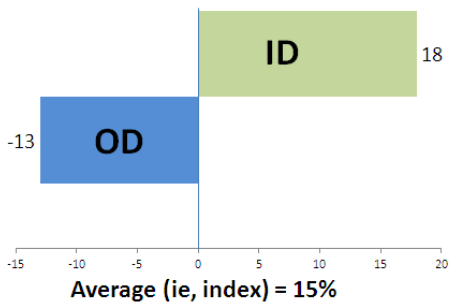
Now, why are IDs so dominant in giving?

It's reasonable to suppose that the dominance is self-reinforcing. IDs dominate charities' workforces (as well as those of adjacent industries' such as think-tanks and the civil service: just look at how they all dress!), and so design communications which work for IDs. However, those communications work pretty badly for people at the other end with very different values (eg, SDs), which explains this next graph:

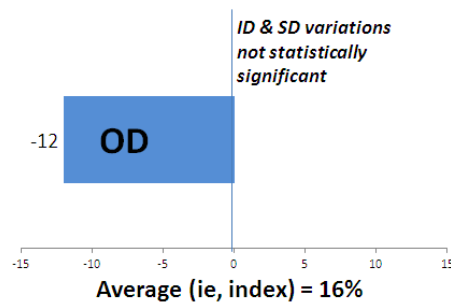


It also explains why IDs feel that they belong with other donors and other volunteers – they do: other donors and volunteers are likely to also be IDs. By contrast, Outer Directed people – whose values, interests and therefore conversation topics are very different from IDs – really don't. Quite possibly, ODs are deterred from giving and getting involved by all the IDs(!):

I felt like I belonged with volunteers



I felt like I belonged with givers



## What people give to

The very different psychological needs of each segment cause them to respond to very different charitable issues. SDs are attracted to stable institutions (eg, hospitals) and the military, which is obviously important for the safety and security of their communities and nation in which they have a strong interest. They are interested in the UK and its people: notice how overseas aid, 'international' and 'ethnic organisations' are not popular here.

ODs are interested in people and, because they're intuitive, are empathetic to people who are struggling – hence the attraction to disabilities, children and people improving themselves. Again, international, overseas aid and environment are not popular – they seem too far away to prompt action, have no bearing on one's own social status, and are not associated with the 'success' with which they seek to associate.

IDs give to completely different set of causes. Because their psychological driver is their impact on the world as a whole, they come out strongly for international charities, and they're interested in preserving culture and heritage for others. Religious influence is often strong amongst this group.

Sustenance-Driven		Outer-Directed		Inner-Directed	
Ex-Services	13	Training & Employment	31	International	25
Armed Services	17	Ethnic organisations	29	Overseas aid	12
Maritime	21	Learning disabilities	16	Human rights	15
Animals	1	Deaf	18	Environment	11
Aged	6	Family welfare	19	Religious organisations	22
Disabled	8	Hospitals	7	Cultural	28
Hospitals	7	Education	20	Heritage	24
Blind	10	Blind	10	Social welfare	23
Hospices	4	Disabled	8	Education	20
Children & Youth	3	Children & Youth	3	Animals	1
Learning disabilities	16	Hospices	4	Learning disabilities	16
Environment	11	Animals	1	Aged	6
Religious organisations	22	Overseas aid	12	Blind	10
Social welfare	23	Ex-Services	13	Disabled	8
Cultural	28	Maritime	21	Hospitals	7
Education	20	Environment	11	Ex-Services	13
Ethnic organisations	29	International	25	Deaf	18
Overseas aid	12			Armed Services	17
International	25				
Human rights	15				

↑  
Cause's popularity ranking amongst whole population

Significantly over-indexed  
 Significantly under-indexed

Favour institutions and traditional "needy" in OUR society	Favour social causes about things that "blight" people	Favour global causes involving justice/ethics
--	--	---

\*Base: 5722 UK adults

### 3. Resulting recommendations about increasing giving

First, the variation in the giving behaviour of these three groups is very striking. And, since most ODs and SDs are the least active, if we are to increase the number of givers, we need to engage ODs and SDs.

It's important to know that people tend to design activities and produce communications which reflect their own psychological needs: those communications work *for them* and for others in their segment, but typically don't work for the other segments. People working in fashion and advertising, for example, are overwhelmingly OD, which explains why most advertising speaks to those values. Most environmental campaigns have been designed by IDs, hence the use of images such as the one on the right here: these work well if, but only if, people think that Africa is *their* problem.

It's likely that most people reading this paper, ie, who have a professional interest in charitable giving, are Inner Directed. Therefore, ***what is likely to engage new donors may be quite different to what has engaged each of us.*** [It will be worth testing this assumption by finding the Value Mode distribution of people in the 'giving industry'. Please do the [questionnaire](#) to find out, and log the answer (by name, or anonymously) at [carolinefiennes.com](http://carolinefiennes.com).]

Second, getting more people to give is a form of changing behaviour, ie, marketing. We know from marketing that three activities are crucial to getting action:

- first, making communications which ***reach the target market***
- second, making the behaviour ***desirable***. The three segments vary considerably in what they find desirable
- third, making the behaviour ***easy***.



### i) Reach the target audiences: Fish where the fish are

ODs, SDs and IDs read quite different newspapers/media and spend their free time in quite different places. So ODs won't see calls for more giving in the Guardian supplement.

Oxfam and Greenpeace (and others) go to music festivals: who's going to yacht clubs or having events at the Institute of Directors?



### ii) Make it desirable

#### Leverage people's tendency to copy others

People do what they think other people do. Hence why HMRC's reminder notices this year said "90% of people pay their tax on time" (I know: I got one) and London Underground's advert saying "99% of young Londoners do not commit youth violence". We all take our cues from people we deem to be reliable simply to cut the complexity of our lives.



So there is danger in the philanthropy "industry" talking excessively about what Bill Gates, Bono and Bill Clinton are doing. Their circumstances are very different from most people's, so their example probably has very little effect on what most people will do. In fact, highlighting them may be counterproductive: it may imply that giving is (only) for billionaires and not for people "like me".

Equally, we should avoid talking about falling donor numbers or the number of people who don't give. This will normalise the notion of not giving and so exacerbate the trend.

To increase the number of donors, communicate publicly about the number of ordinary people who DO give. [Comic Relief](#) seems particularly brilliant at this: its recent campaign seemed to be everywhere and involve everyone.

Social norms are very important in relation to the amounts people give. Asking for "loose change" or £3 a month normalises the notion of tiny gifts. Behavioural research has shown that most people have no clue how much to give, so if told some amount that previous donors have given, will often give that amount. (This applies also to institutional funders.) A good paper on this [here](#) by Network for Good.

#### Make giving talkable

Many people (esp. ODs, but not exclusively) do things because it will give them something interesting to talk about – on Facebook, at the school gate, at dinner parties, on their yacht – and (as above) people do things which they hear other people talking about. But charitable giving often provides little to say. You give £50 but don't gain a 'story' to recount – was the process fun / did something interesting happen as a result? Social conversations around giving are so rare (more on this [here](#)). Charities and intermediaries could probably do a better job of providing these stories.



### Make it bite-size: show what the donor CAN do

Much has been said about the need to show potential donors the difference that their giving can make. Oxfam goats or new classrooms are popular as gifts precisely because they're easy to understand. Quite possibly, people don't give because they feel that their gift is trivial and will make no difference (even the [Freakonomics authors have fallen prey to this notion](#)).



Interestingly, people are less likely to provide support to a cause which seems enormous – probably because they feel unable to do anything meaningful about it. For example, The Network for Good paper shows that people are more likely to give to small refugee camp than to a large one.

Charities could do more to 'productised' their work in this way, showing what a donor can "buy". Clearly, this relies on a good understanding of unit costs.

### Make giving fun & social

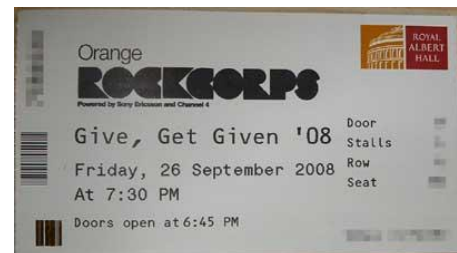
*Charitable giving is often a silent, solitary activity:* receive request by post/email, write cheque/ make payment online, receive written acknowledgement, receive newsletter/update. Almost nothing else in our society is done silently and alone – and for most people, this makes it very unattractive.

Social events for giving may help - such as Giving Circles, The Funding Network, Youth The Funding Network (YTFN: "Y The F\*\*\* Not?") A recent YTFN event advertises: "cheap drinks, tasty food, tasty boys and girls..."

[Coca Cola recently ran an initiative](#) which made it *harder* for people to buy their product, so people needed to enlist their friends. Enormously popular: it increased sales by over 1000%: social experiences are highly desirable.

### Use a different carrot if need be

Orange RockCorps is a clever mechanism which encourages volunteering amongst young people who probably would not otherwise volunteer. It doesn't make the volunteering desirable - but rather incentivizes volunteers by staging fantastic gigs.



### Avoid people feeling that giving is a loss

Behavioural economics has [shown](#) that people will do a lot more to avoid losing, say, £1000 than they will to gaining £1000.

Giving may be seen as a loss – and therefore very undesirable. This is particularly likely if it provides little fun or social currency. Equally, there may be opportunity around money people didn't know they had /don't yet have, eg, electing to give to charity ½ the interest on a bank account, or ½ a bonus before receiving it.

**Match the Value Mode’s core interests and needs**

The techniques and insights above apply to all groups. Beyond those, we need to match the Value Mode segment we aim to engage. The following<sup>ii</sup> are characteristics of offers - activities, asks, products, services - which will resonate with each Value Mode:

Inner Directed people	Care campaigns Ethical campaigns on issues “You remake the future”
Outer Directed people	New stuff, top designs, extreme activities, buzz Social events to be seen at, with celebrity Achievement: prizes, tests & competitions
Sustenance Driven people	Stop cheats, enforce rules, Watch Groups Keep assets Fight off alien threats Resilience, cut costs Sustain local identity Safety campaigns Follow leaders, uphold tradition

**Activities specifically likely to appeal to ODs (a ‘worked example’ of the characteristics above)**

Because ODs are interested in fun, fashion, being social, design, status, this illustrates how to engage them:

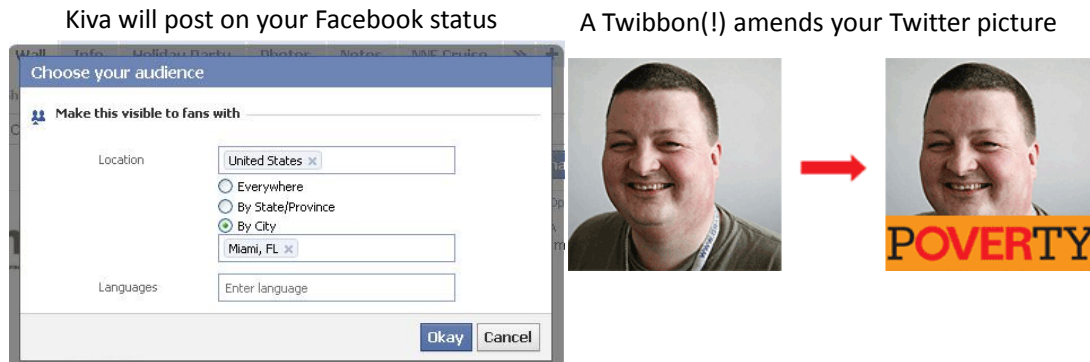
**Poor way to engage ODs**



**VERY good way to engage ODs!**



ODs need to be able to make their giving visible and to gain from it **social status**. Particularly for the younger ODs, these conversations often happen through online social networks:



Anecdotally, people rarely talk about their charitable activity in online social networks.

### iii) Making it easy: “*and the giving is easy*”

The mechanics of giving *are* pretty easy. Of course, they could be made more so, for example, if donations were possible on iPhones, or Gift Aid were simpler.

But our main challenge is making giving desirable. Look at diamonds or the Coke example earlier: people go to all manner of difficulty and expense for something which is made desirable. [Removing barriers is probably necessary but certainly insufficient.]

Discussing the diversity of charities’ results – and the need to analyse them – probably deters some people: it all sounds very complicated. At least one donor who, when given comparative data about charities’ results, complained that it was “all too much like the day job”.

## Conclusion

The data show significant opportunity to increase participation in giving amongst Outer Directed and Sustenance Driven people. They are very different to the Inner Directed people who currently dominate giving – who probably include people trying to encourage them into giving. They have different fundamental values, will respond to different stimuli and, when they do give, will tend towards different causes.

Therefore what has worked for ‘us’ (the philanthro-niks) is unlikely to work herein. Increasing giving is a marketing challenge, and the necessity is to find ways to market to people who may be very different to ourselves.

## Appendix: Further detail on the Value Mode segmentation developed by Cultural Dynamics

<p>The <b>Sustenance Driven</b> needs are</p> <ul style="list-style-type: none"> <li>• Core physiological needs</li> <li>• Safety and Security</li> <li>• Belonging</li> </ul>	<p>Some typical characteristics are:</p> <ul style="list-style-type: none"> <li>• Need to hold on to what you've got.</li> <li>• It's a "Them vs Us" world.</li> <li>• Worry about crime is never far away.</li> <li>• Clear sense of right and wrong. Rule breakers should expect just retribution.</li> <li>• Strong preference to socialise with "people like me".</li> <li>• Family/Community/Group is important - nationality, town, football team ...</li> </ul> <p>Generally rather resistant to change.</p>
<p>The <b>Outer Directed</b> needs are:</p> <ul style="list-style-type: none"> <li>• Esteem of Others</li> <li>• Self Esteem</li> </ul>	<p>Some typical Outer Directed characteristics are:</p> <ul style="list-style-type: none"> <li>• Priority is to get "Me" known out there.</li> <li>• Clear optimism about life. The world is a big opportunity.</li> <li>• "Savvy". Aware of what's going on around.</li> <li>• Earning and spending money are crucial activities.</li> <li>• Ambitious - position, power and visible success are important.</li> <li>• Rules are "flexible" (more like "guidelines").</li> </ul>
<p>The <b>Inner Directed</b> needs are:</p> <ul style="list-style-type: none"> <li>• Aesthetic cognitive</li> <li>• Self-actualization</li> </ul>	<p>Some typical Inner Directed characteristics are:</p> <ul style="list-style-type: none"> <li>• Fascination and curiosity with the world.</li> <li>• Unashamed acceptance of some larger purpose to existence.</li> <li>• Knows that knowledge usually leads to better questions rather than better answers.</li> <li>• Sometimes seen as a bit pompous or touchy-feely.</li> <li>• Needs activity, variety and a degree of ongoing change in life</li> </ul>

### About the author

Caroline Fiennes is the award-winning CEO of climate change charity [Global Cool](#). She writes in a personal capacity about charitable giving, a long-standing passion which led her to five years at New Philanthropy Capital advising donors. She writes at [www.carolinefiennes.com](http://www.carolinefiennes.com) and [twitter.com/carolinefiennes](https://twitter.com/carolinefiennes)

Much of the thinking in this paper draws on work at [Global Cool](#). Global Cool's work is analogous in that it aims to engage a wider audience in low-carbon living which is currently rather confined to IDs (having been promoted by IDs in ways which appeal to IDs) and the challenge is to make it attractive to ODs and SDs. Caroline discussed this recently at [TEDx](#). This paper draws on a paper by [Global Cool about selling green lifestyles](#).

<sup>i</sup> [www.cultdyn.co.uk](http://www.cultdyn.co.uk), who have kindly provided all the behavioural data in this paper

<sup>ii</sup> Taken from International Values Outline Campaign Planner, by Pat Dade, Director of Cultural Dynamics Strategy and Marketing, and Chris Rose, Director of Campaign Strategy Ltd and former Campaign Director of Greenpeace [http://www.campaignstrategy.org/articles/int\\_values\\_campaign.pdf](http://www.campaignstrategy.org/articles/int_values_campaign.pdf)