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# GIVE.ORG DONOR TRUST REPORT:

An In-depth Look  
into the State of  
Public Trust in the  
Charitable Sector

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# EXECUTIVE SUMMARY

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The Give.org Donor Trust Report measures donor beliefs, feelings, and behavioral intentions related to charity trust and giving. While donor beliefs are not always sound measures of fact or even perfect predictors of future behavior, understanding donor attitudes toward the charitable sector can help identify areas of public misinformation and better ways for charities to reach donors, ultimately furthering trust in the sector. In this report, we delve into changing donor attitudes related to trust and generosity, with an eye toward how these trends could inform the future of giving in America. Below are some highlights:

- **Our survey shows that the charitable sector is the most trusted institution in the United States. However, given the current state of public distrust for all institutions, we also found that trust in the sector is very low.** In fact, the majority of respondents (73 percent) say it is very important to trust a charity before giving, but only a small portion of respondents (19 percent) say they highly trust charities and an even smaller portion (10 percent) are optimistic about the sector becoming more trustworthy over time.

- **In measuring perceived trust for different types of charities, we found the highest levels of public trust for not-for-profit hospitals, veterans organizations, social service charities, and religious organizations.** In fact, not-for-profit hospitals and health organizations experienced the most significant upward shift in public trust perception between

2001 and 2017. On the other hand, educational organizations and police and firefighter organizations have fallen in relative perceived public trust.

- **We found that religious organizations have the highest portion of respondents rating their trust very highly, followed by animal welfare and civil rights and community action organizations.**

- **We found that respondents tend to perceive local and smaller charities as more likely to be trustworthy than national and larger charities.** Specifically, 67 percent of participants said they trust local charities more than national charities, and 62 percent of participants say they trust small charities more than large ones.

- **We found that perceived trust by charity types varies across age and racial groups.** The portion of young respondents

who highly trust religious organizations is meaningfully lower than among older generations. In turn, younger respondents highly trust international organizations, environmental organizations, and educational organizations. Similarly, while African American and Latinos or Hispanics tend to be more trusting of charities than Asians and Whites as a whole, we found that divergence in trust is widest for civil rights and community action and youth development organizations.

- When thinking about making a donation, the majority of people say they want information about how money is spent and about the effectiveness of their donation. **While financial ratios (such as how much is spent on fundraising and administration versus programs) tend to be top-of-mind, we found that accomplishments shared by the organization, clarity of appeals, and effectiveness in**

achieving the organization's mission are also perceived as very important triggers of trust.

- **Triggers of trust vary meaningfully across demographic lines.** Survey findings showed that older generations and White respondents tend to attribute significantly more importance to a charity's trustworthiness before giving and tend to be less trusting of charities. Younger generations and racial minorities perceive verifying trust in a charity as easier and tend to attribute more value to apparent passion and sincerity in the appeal.
- Among respondents, 11 percent of donors expressed a desire to be approached more by charities while 22 percent stated that they might be willing to give more if approached. Looking closer into openness to solicitation across age and race, **we found that younger respondents**

**more frequently express desire to be approached and give.**

For instance, 65 percent of adult Z-Gen (ages 18 and 19) respondents (as compared to 7 percent of Silent Generation counterparts ages 72 to 89) said they might be willing to give more if approached or would like charities to approach them more. **Similarly, a higher portion of African American, Latino/Hispanics, and Asian respondents expressed a desire to be approached to give.** For instance, 56 percent of African American respondents (as compared to 24 percent of Whites) said they might be willing to give more if approached or would like charities to approach them more. Moreover, older generations report being asked to give more across most solicitation channels, with the exception of social media solicitation.

- **When asked what types of donations respondents want**

to increase in the future, younger generations report relatively lower intention to increase monetary contributions but an above average desire to attend charitable events, support good business or social enterprise, raise awareness by engaging their networks, and invest in donor-advised funds.

Our report aims to identify opportunities to strengthen the bond between charities and donors. The way donors think about trust and giving is fluid and malleable. On one hand, to be successful, charities must adapt to the way people want to be engaged and understand how to responsibly elicit trust. On the other hand, charities play a role in shaping the way donors feel toward the sector and can gain from building trust as a collective asset.

# INTRODUCTION

Americans have a long and rich tradition of generosity and have built a charitable sector that enriches lives, communities, and society as a whole.<sup>1</sup> The ability of the sector to build upon this collective generosity depends on public trust<sup>2</sup> and on the sector's alignment with the way people want to be engaged in advancing a greater good. In this report, we delve into changing donor attitudes related to trust and generosity, with an eye toward how these trends could inform the future of giving in America.

Our report aims to identify opportunities to strengthen the bond between charities and donors. It covers three focus areas: the state of public trust in the charitable sector, triggers of trust, and shifting attitudes toward giving.

In the first section, **The State of Trust in the Charitable Sector**, we offer a macro-level snapshot of public trust in the charitable sector, including a look into aggregate trust in the sector and how that compares to other institutions. In addition, we report on the charities and charity categories that respondents perceived as most trustworthy.

The second section, **Triggers of Trust**, delves into individual attitudes and perception

to explore what donors perceive to be important cues evoking trust. Further, we describe self-reported behaviors related to trust in the giving process and how trust triggers vary across generational and racial lines.

Finally, the **Shifting Generosity** section explores donor's understating of giving, their sentiments around charitable solicitations, and their expectations about the future of giving. We dig deeper into the heterogeneity in donor attitudes, with a focus on preferences across racial and generational groups. This section highlights outlying donor attitudes and aims to shed light on disconnects between particular donor segment preferences and charitable pleas today.

To produce this report, we conducted secondary research on charitable donations, considered donor expectation data gathered through phone interviews by Gallup in 1993 and Princeton Survey Research Associates in 2001,<sup>3</sup> and commissioned an electronic survey of a panel of more than 2,100 adults across the United States in December 2017 (see Table 1).

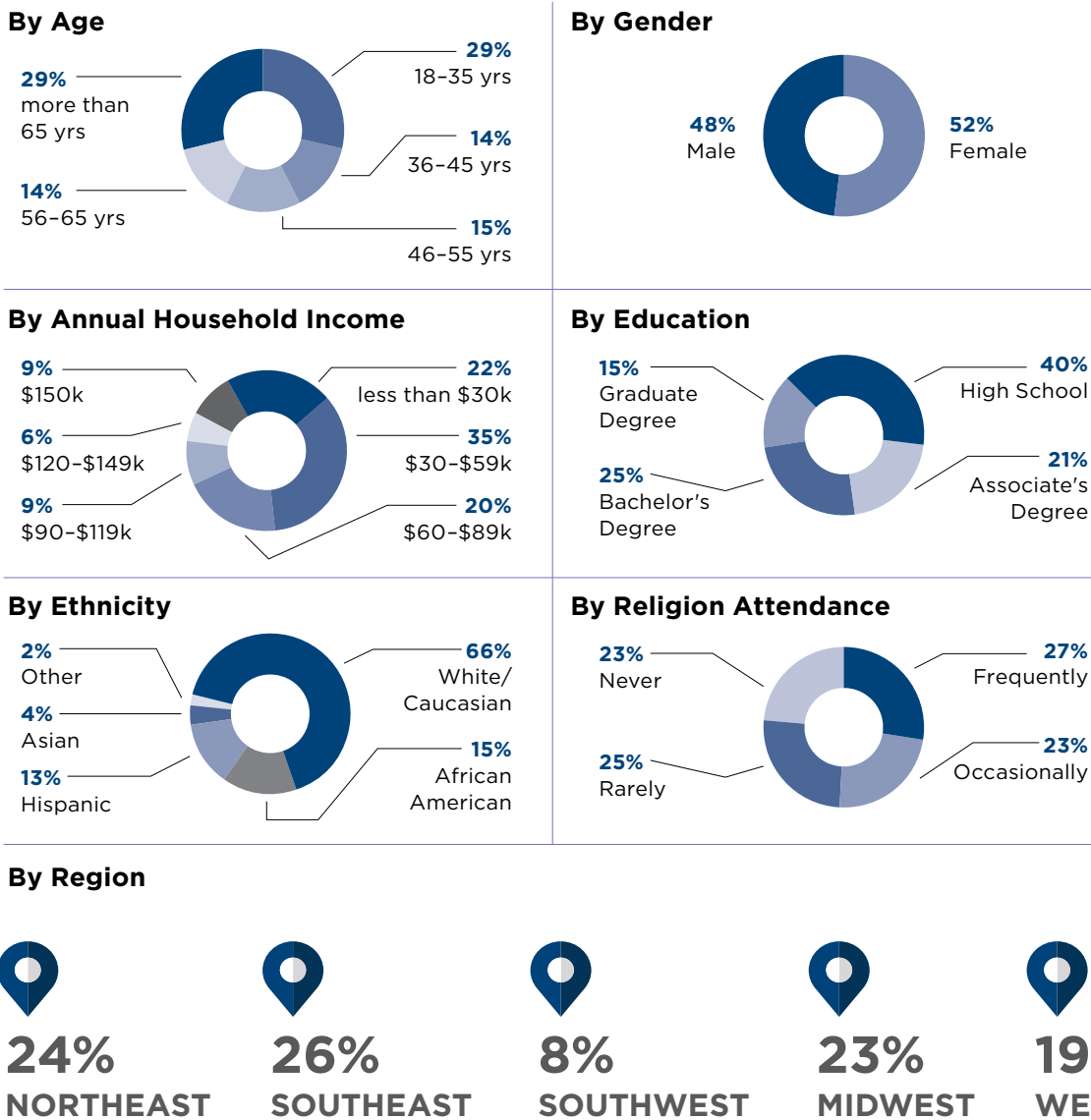
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<sup>1</sup> According to the Internal Revenue Service's 2017 Data Book, there were close to 1.8 million tax-exempt organizations in 2017, including 1,286,181 religious and charitable 501c3 organizations. According to *Giving USA 2018: The Annual Report on Philanthropy*, charitable giving in 2017 rose to a new high of \$410 billion, with 70% of contributions given by individual donors, 16% by foundations, 9% by bequests, and 5% by corporations.

<sup>2</sup> In "Donor Retention: What Do We Know and What Can We Do About It?", Adrian Sargeant of Indiana University argues that in the nonprofit context trust may be viewed as a driver of loyalty. Sargeant further notes that genuine passion for the future of the organization and the work it is trying to achieve may be developed by enhancing trust, enhancing two-way interactions, and developing shared values. In a related article, "Donor Trust and Relationship Commitment in the U.K. Charitable Sector: The Impact on Behaviors," Sargeant and Lee explain that (in the nonprofit context) levels of trust drive giving behavior. Per Sargeant, an article by MacMillan et al., "Relationship Marketing in the Non-For-Profit Sector: An Extension and Application of the Commitment-Trust Theory," confirms the relationship between trust and commitment but suggest the relationship is mediated by the belief that the nonprofit is making efficient use of its funds, and having a positive impact on people for whom the funds were intended.

<sup>3</sup> Trend from Gallup Organization for Council of Better Business Bureaus (August 1993) and Princeton Survey Research Associates BBB Wise Giving Alliance Donor Expectation Survey (2001).

**Table 1 - Profile of Respondents**

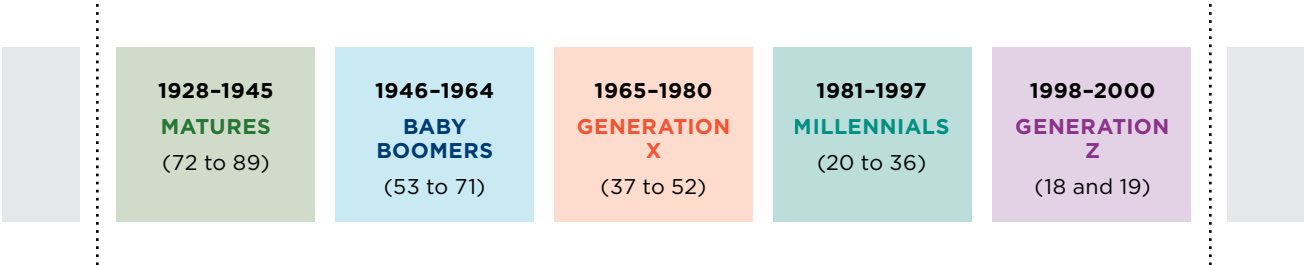


Through our survey we seek to measure donor beliefs, feelings, and behavioral intentions toward charity trust and giving. Our report identifies some aggregate findings and also digs into the heterogeneity of donor perceptions and triggers. Specifically, we focus on race and age to identify differences in donor attitudes and gain some understanding of the diversity of attitudes toward the sector.<sup>4</sup>

<sup>4</sup> Our report joins other studies that have recognized untapped opportunities by the philanthropic community in engaging racial minorities and younger generations. For instance, Giving USA Foundation and the Lilly Family School of Philanthropy at Indiana University highlight that younger generations differ from older people in the way they prefer electronic communication, express different values, and value experiences and voicing their opinions. *Diversity in Giving: The Changing Landscape of American Philanthropy* (a 2015 report by Blackbaud) found that White donors are overrepresented and that donor values and habits differ by ethnic or racial groups. A study by *The Chronicle of Philanthropy* found that giving patterns vary by location and income level, with red states more generous than blue states and the middle class giving a larger portion of their income than the rich.

We use race and ethnicity as self-reported by survey takers. While there is no one consistent date range for generational divides, the generational ranges used in this report mirrors those used by the Pew Research Center and are shown below (see Table 2).

**Table 2 - Generational Ranges**



We recognize there are differences among people of the same race and generation. By identifying differences in donor preferences and attitudes across racial and generational lines, we aim to find untapped opportunities that support the sector’s efforts to be in tune with the America of the present and future, strengthening the bond between donors and charities.

We know that survey responses reflect donor perceptions and are not necessarily an objective measure of a charity’s trustworthiness. Still, understanding donor attitudes toward charities and giving can help identify areas of misinformation and better ways to serve donors, furthering trust in the sector and generosity.

To determine whether a charity is accountable and trustworthy, the BBB Wise Giving Alliance (WGA) uses 20 BBB Standards for Charity Accountability which help individuals verify trust based on charity governance, finances, fundraising practices, and results reporting. We produce reports on charities based on these standards, and the reports are available free of charge to the donating public on Give.org. This report aims, in part, to understand disconnects between self-reported triggers and concerted trust criteria. In addition, we hope to identify opportunities that can help the sector build collective trust and succeed in the future.



# THE STATE OF TRUST IN THE CHARITABLE SECTOR

Trust in institutions is at a crossroads,<sup>5</sup> and trust in charities is no different. The world is in a stagnant state of distrust in institutions, including business, government, and nongovernment organizations; with the United States experiencing the steepest decline in trust.<sup>6</sup> While the nonprofit sector remains the most trusted type of institution in the country, even trust in the nonprofit sector is declining.<sup>7</sup> Here, we offer a macro-level snapshot of public trust in the charitable sector, including comparative trust across institutions and within the sector. We believe charities are not powerless in shaping public perceptions about the sector and hope to support charities building trust as a collective asset.

## TRUST IN CHARITIES

Survey takers say it is very important to trust a charity before giving, supporting the notion that public trust in charities is central to the success of the charitable sector. In fact, 73 percent of respondents rated the importance of trusting a charity as 9 or 10 (Essential) on a 10-point scale. However, we found that only one out of five respondents (19 percent) highly trust charities (see Figure 1).

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<sup>5</sup> The *BBB Trust Sentiment Index 2017 Report* found that trust is a critical strategic asset in the marketplace.

<sup>6</sup> *2018 Edelman Trust Barometer*.

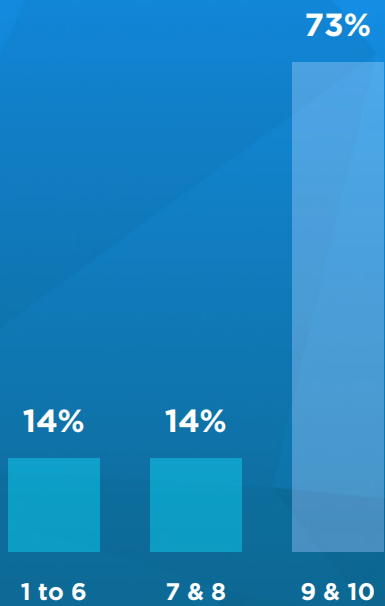
<sup>7</sup> The *Edelman Trust Barometer* is an online survey of 33,000 people in 25 countries. According to the survey, trust percentage for nonprofit organizations among adults dropped nine points from 58% in 2017 to 49% in 2018.



**Figure 1 – How Important Is It To Trust a Charity Before Giving, and How Much Do People Trust Charities?**

### IMPORTANCE OF TRUST BEFORE GIVING

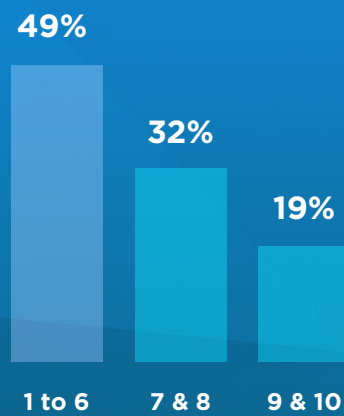
In general, on a 10-point scale, how important is it that you trust a charity before giving to it?



1 = Not at all important  
10 = Essential

### TRUST IN CHARITY

In general, on a 10-point scale, how much do you trust charities?

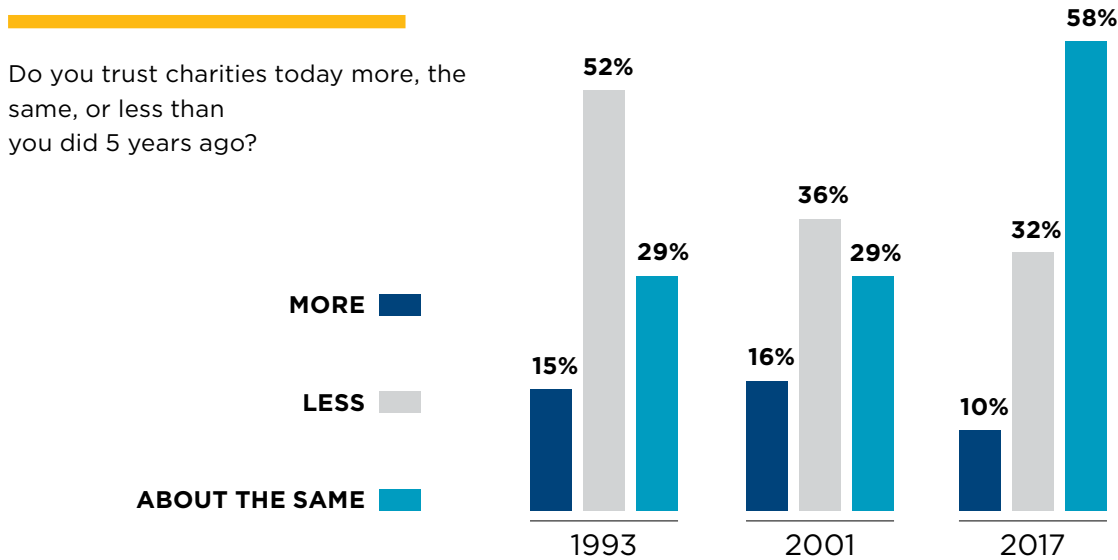


1 = Not trust at all  
10 = Completely trust

In addition to confirming that trust in charities is low (as shown in Figure 2), our findings suggest that the portion of donors that is optimistic about the sector becoming more trustworthy over time is declining. We asked respondents how they view charities today as compared to five years ago, and only 1 out of 10 respondents (10 percent) believe that they can trust charities today more than they did five years ago. The portion of respondents that feel this way has decreased since our previous surveys (conducted in 1993 and 2001),<sup>8</sup> suggesting that the portion of the population optimistic about the sector becoming more trustworthy is declining (see Figure 2). The majority of respondents (58 percent) reported that they trust charities today about as much as they did five years ago, suggesting that reported low levels of trust are the norm. Similarly, 32 percent of respondents trust charities today less than they did five years ago. While this trend is not positive, the dynamic nature of public trust does suggest that the sector can work toward changing public attitudes.

<sup>8</sup> Trend from Gallup Organization for Council of Better Business Bureaus (1993) and Princeton Survey Research Associates' BBB WGA Donor Expectation Survey (2001).

**Figure 2 - Change in Trust in Charities**

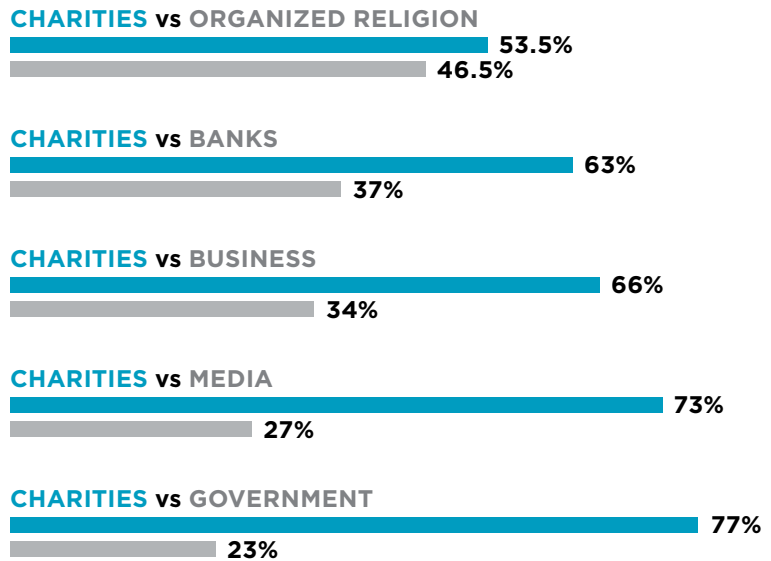


**TRUST ACROSS INSTITUTIONS**

Notwithstanding charities facing public trust challenges, the charitable sector remains the most trusted institution in the country, suggesting that the relative trust enjoyed by the sector can be interpreted as an asset.<sup>9</sup> Our findings confirm that charities are trusted more than other institutions, including businesses, government, the media, the presidency, and organized religion (see Figure 3).

**Figure 3 - Trust Comparison Across Institutions**

Overall, comparing charities with the organizations mentioned below, which one do you trust the most?



<sup>9</sup> Our findings are consistent with 2018 Edelman Trust Barometer findings. As reported by *The Chronicle of Philanthropy* in “Trust in Charities and Other Institutions Has Declined, Says a Report,” the Edelman report found that “From 2017 to 2018, Americans’ trust in nonprofits dropped from 58 to 49 percent, but nonprofits maintained the highest score among institutions. Trust in government fell most at 14 points followed by business (10 points) and the media (5 points). The press received the lowest trust score, with only 42 percent of respondents expressing confidence in news organizations. . . . When government is distrusted and media no longer is perceived to serve as its watchdog, both NGOs and business can fill the role of providing reliable information about — and solutions for — the issues that people care about.”

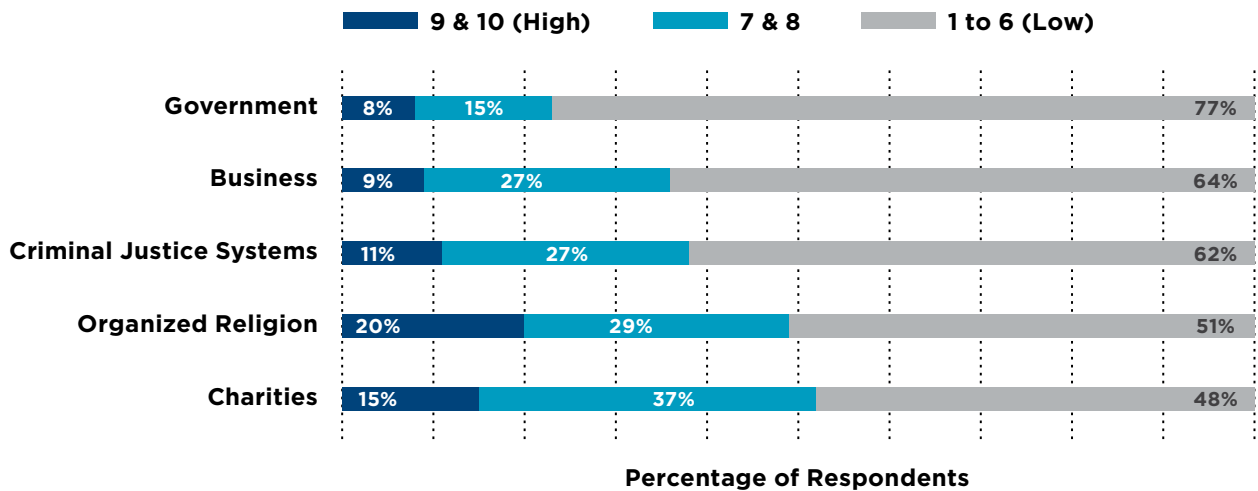
Even as we confirm that charities are more trusted than other institutions, our survey results offer a more nuanced view. Specifically, we found that trust in charities does not necessarily lead to confidence that charities have the ability to do what they say they will do. That is, while charities are trusted more than other types of institutions overall, confidence in their ability to deliver what they promise is not necessarily higher. For example, institutions like organized religion and the police have a higher portion of respondents rating their confidence very highly (9 or 10 on 10-point scale) (see Figure 4). In the end, this sentiment may signal that while charities are trusted more than other institutions, trust in the sector is driven by lukewarm sentiment rather than high enthusiasm. This finding is noteworthy because the portion of respondents that

shows high trust and confidence in charities may ultimately be a better measure of potential engagement and sustainable support than average scores.

In 2015, a poll conducted by The Chronicle of Philanthropy found that 35 percent of Americans had little or no confidence in charities.<sup>10</sup> According to the Chronicle’s report, this number had seen very little change since 2008. Our survey found that 48 percent of respondents rate their confidence in charities at 6 or below. While the confidence scales in these two studies were calculated differently, this could point to decreased confidence in the sector. In fact, our survey found that only 15 percent of participants rate their confidence for charities as 9 or 10 on a 10-point scale (see Figure 4).

**Figure 4 - Confidence Comparison Across Institutions**

Please indicate, on a scale of 1 to 10, how confident you feel that the institution has the ability to do what it says it will do and can be relied upon.



<sup>10</sup> Suzanne Perry for *The Chronicle of Philanthropy*, “1 in 3 Americans Lack Faith in Charities” (October 5, 2015). This article covered a poll conducted for the *Chronicle* by Princeton Survey Research Associates International, the same group that conducted the BBB WGA’s Donor Expectation Survey in 2001.

## TRUST WITHIN THE SECTOR

Our survey also probed donor views within the charitable sector. We found that respondents tend to perceive local and smaller charities as more likely to be trustworthy than national and larger charities. Specifically, 67 percent of participants said they trust local charities more than national charities, and 62 percent of participants say they trust small charities more than large ones.<sup>11</sup>

Similarly, some categories of charities are trusted more than others. According to our 2017 survey, not-for-profit hospitals, veterans organizations, and social service charities are the most trusted categories of charities. When comparing 2017 survey results with donor perceptions reported in 2001, we note that not-for-profit hospitals and health organizations have experienced the most significant upward shift in public trust perceptions. On the other hand, educational organizations and police and firefighter organizations have fallen in relative perceived public trust. Veterans organizations have maintained high perceived trust levels<sup>12</sup> (see Table 3).

<sup>11</sup> The public perception is noteworthy and has real implications for both public charitable communication strategies and public information more broadly.

<sup>12</sup> While many veterans organizations meet all 20 BBB Standards for Charity Accountability, veterans groups have historically been less likely to disclose information to BBB WGA than other charities.

**Table 3 – Relative Perceived Trust in Different Types of Charities (in 2001 and 2017)**

Below is a list of different kinds of charities and other nonprofit organizations that ask people for charitable contributions. In general, on a 10-point scale, how much do you trust them? Use “1” to indicate “Do not trust at all” and “10” to indicate “Completely trust.”

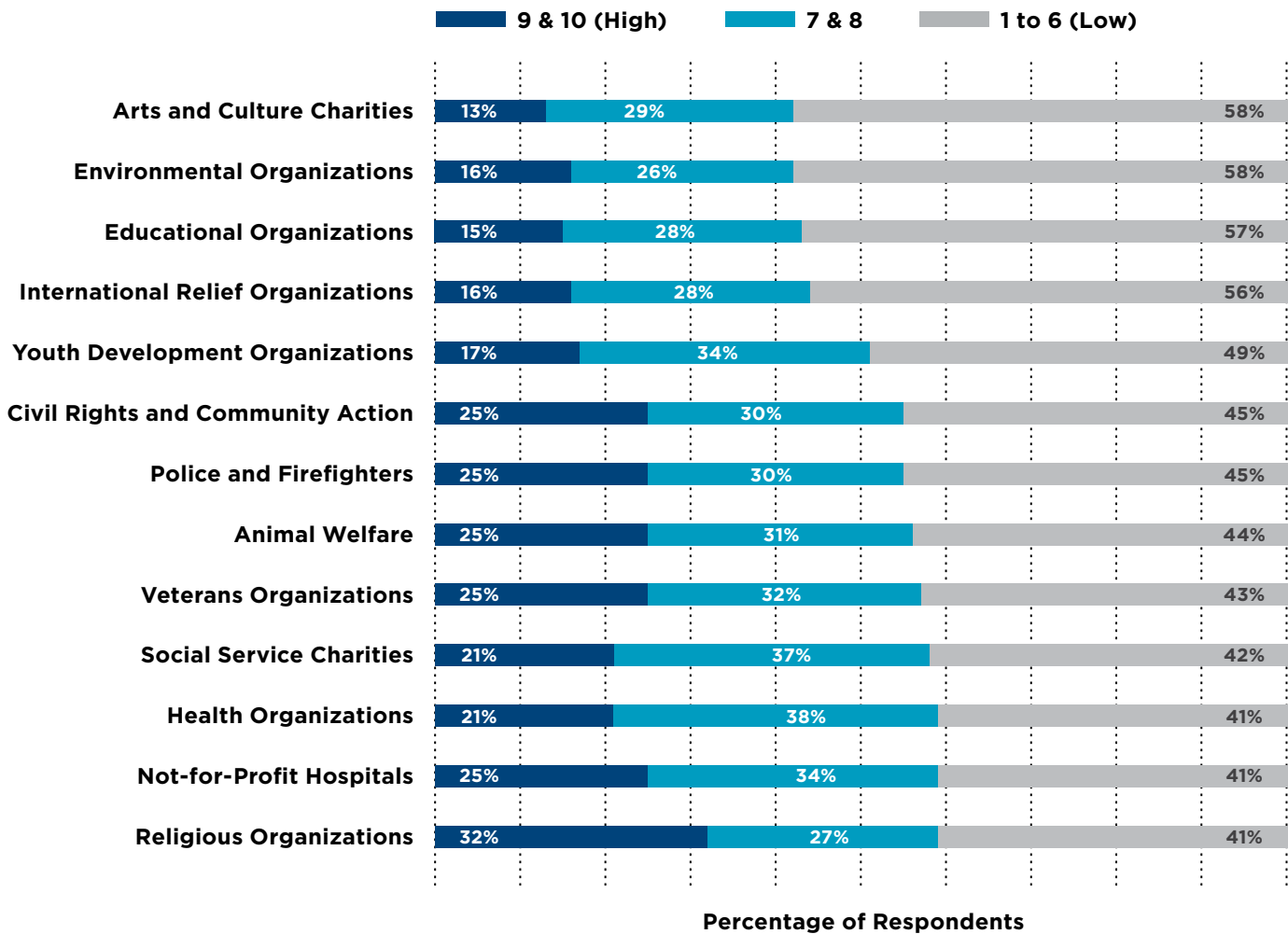
2001 Perceived Trust Ranking		2017 Perceived Trust Ranking
Religious Organizations	1	Not-for-Profit Hospitals
Police and Firefighter Organizations	2	Veterans Organizations
Veterans Organizations	3	Social Service Charities
Animal Welfare Organizations	4	Religious Organizations
Social Service Charities	5	Health Organizations
Educational Organizations	6	Police and Firefighter Organizations
Youth Development Organizations	7	Animal Welfare Organizations
International Relief Organizations	8	Youth Development Organizations
Arts and Culture Charities	9	International Relief Organizations
Health Organizations	10	Arts and Culture Charities
Not-for-Profit Hospitals	11	Educational Organizations
Environmental Organizations	12	Environmental Organizations
Civil Rights and Community Action	13	Civil Rights and Community Action

Looking at the data differently, we found that religious organizations have the highest portion of respondents rating their trust very highly (with 32 percent of respondents trusting 9 or 10 on a 10-point scale), followed by animal welfare, civil rights and community action, not-for-profit hospitals, police and firefighters, and veterans organizations (all with approximately 25 percent of respondents trusting 9 or 10 on a 10-point scale). It is worth noting that while civil rights

and community action organizations are at the bottom of the average comparative trust scale, they enjoy a very high level of trust from a portion of the population. On the other hand, more than half of respondents reported low levels of trust (6 or below on a 10-point scale) for environmental organizations, arts and culture charities, educational organizations, and international relief organizations (see Figure 5).

**Figure 5 - Trust in Different Types of Charities**

Below are a list of different kinds of charities and other nonprofit organizations that ask people for charitable contributions. In general, on a 10-point scale, how much do you trust them? Use “1” to indicate “Do not trust at all” and “10” to indicate “Completely trust.”



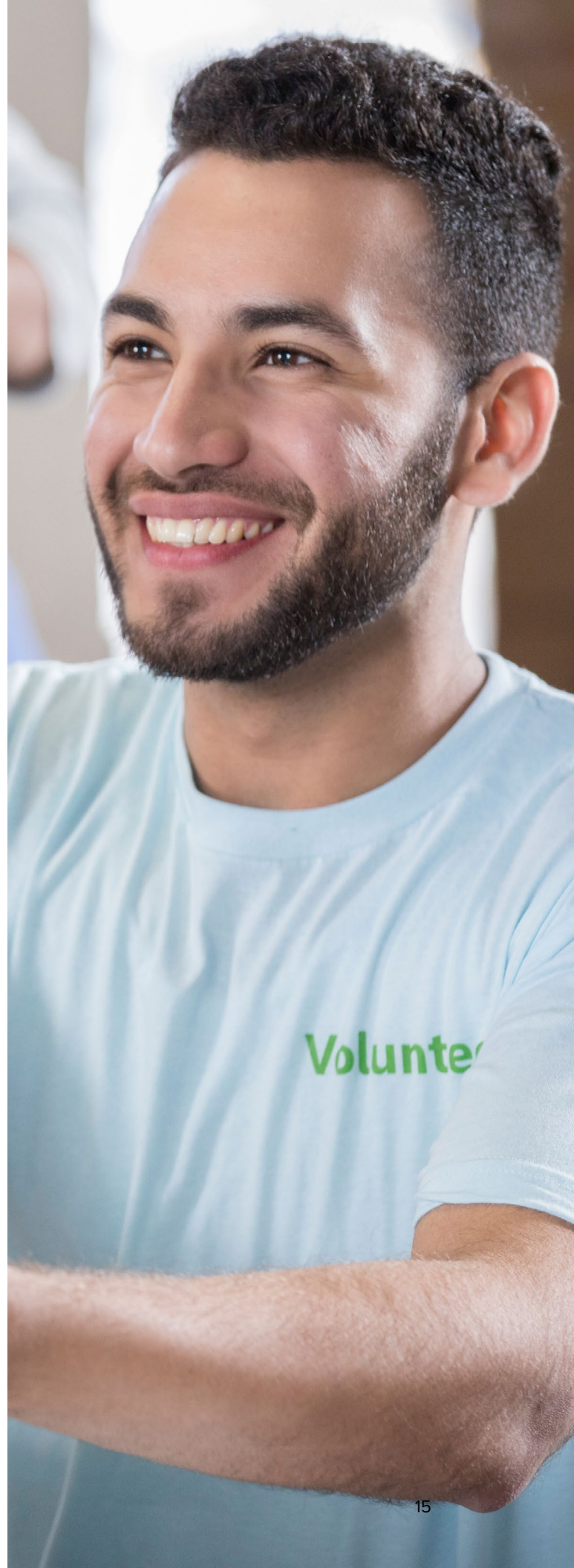
# TRIGGERS OF TRUST

To better understand what lies behind aggregate public trust perceptions about the charitable sector, we explore triggers of trust at the individual level; that is, we examine what people perceived as cues of trust or distrust in specific charities. We also examine self-reported behaviors related to trust in the giving process and delve into how triggers of trust vary across generational and racial lines.

Here, it is important to make a distinction between public perception of trust and whether a charity in particular should be objectively deemed to be trustworthy. This study deals with perceptions and self-reported cues rather than concerted criteria. In order to determine whether a charity is accountable and trustworthy, the BBB Wise Giving Alliance uses 20 BBB Standards for Charity Accountability which help individuals verify trust based on charity governance, finances, fundraising practices, and results reporting. The current Standards were created over a period of three years, drawing on independent research about donor expectations, professional and technical assistance from a variety of philanthropic experts, and numerous comments from donors and charities.<sup>13</sup> The BBB Wise Giving Alliance produces reports on charities based on these Standards, and the reports are available free of charge to the donating public on Give.org. This report aims to understand more about donor trust during the decision-making process, independently of whether they consult third-party evaluations.

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<sup>13</sup> These Standards apply to publicly soliciting organizations that are tax-exempt under section 501(c)(3) of the Internal Revenue Code and to other organizations conducting charitable solicitations. The standards are not intended to apply to private foundations, as they do not solicit contributions from the public.



**Table 4 – Building and Destroying Trust (Open-Ended Questions)**

*For charities you trust, in general, what is it that makes you trust them?*



### **1 Reputation Built Over Time**

“Well known established charity”  
“Good reputation, no scandal”  
“A good reputation and history of giving a high percentage of money collected to the charities”  
“That they are well known and have a good reputation”



### **2 Honesty and Transparency**

“What makes me trust a charity is transparency. In that, I mean transparency in how the donations are allocated and exactly who gets what”  
“They are transparent in their business”  
“They treat me with respect, show me where my money is going”  
“Honesty”  
“You know where the money is going and you see it working”



### **3 Research, Ratings, and Credentials**

“Information gathered by trusted sources”  
“Concrete proof that donations are used for their stated purpose”  
“I do background searches”  
“Have checked them out, given to them in the past, and find out what they actually accomplish”  
“I talk to them and do my research before giving anything to them”

*For charities you don't trust, in general, what is it that makes you NOT trust them?*



### **1 Greed and High Overhead**

“That their CEOs are overpaid and a small portion of income goes to the intended targets”  
“When I see the leaders eating at expensive restaurants, driving big cars, wearing diamonds, and going on expensive trips.”  
“Too much spent on expenses and fundraising.”  
“When the head of the organization makes over 6 figures”



### **2 Reputation and Bad News**

“Read that they are frauds”  
“Rumors”  
“Scams or fraud”  
“Having a bad reputation or being fairly new”  
“Poor ratings from the BBB and consumer advocacy groups”



### **3 Lack of Honesty and Transparency**

“Their vagueness of purpose”  
“Not knowing where all the monies donated go”  
“Not transparent”  
“Track record unknown; lack of transparency regarding expenses.”  
“Never were vetted and never heard of them”



## TRIGGERS OF TRUST AND SELF-REPORTED BEHAVIORS

We start with two open-ended questions asking for the top reasons to trust or distrust a charity (see Table 4).

The top reasons cited as prompting trust are (1) the charity's reputation, (2) honesty and transparency, and (3) the donor's ability to verify through research and credentials. On the flip side, the most popular reasons to distrust a charity can be categorized as (1) greed and high compensation, (2) negative reputation, and (3) lack of honesty and transparency.

Fiscal frugality and conservative compensation are traits that the public values in the charitable sector. This has been a consistent theme in surveys commissioned by the BBB Wise Giving Alliance<sup>14</sup> and has been pointed out by others. For instance, a 2015 poll commissioned by The Chronicle of Philanthropy found that 84 percent of participants thought it was very important or somewhat important to know that charities spend a low amount on salaries, administration, and fundraising.<sup>15</sup> Consistently, greed and high compensation were the most popular factors identified as reasons to distrust a charity in our most recent survey. Having said that, in our view the issues of executive compensation and overhead expenses could objectively be decoupled, and excessive focus on low

overhead spending can be misguided and arguably harmful to a charity's capacity for service and impact. To carry out their mission, charities need to have paid staff, have reasonable operating expenses, and may benefit from taking risks that may not always be financially conservative. Taking the issue too far may lead to unrealistic expectations.<sup>16</sup> For instance, some respondents said that to trust a charity, there should be no overhead expenses: "All the money goes towards these charities 100%"; "Money goes to cause 100%"; and "As far as I am concerned, they waste money on costs to run it." In fact, BBB Wise Giving Alliance would warn donors to be wary of appeals claiming that 100% of donations go to the cause, not only because the claim undermines the need for reasonable operating expenses, but also because the claim can be inaccurate or misleading.<sup>17</sup>

Other themes that emerged from this open-ended exercise include a discontent with excessive solicitations (with statements like "constant calls" and "they hire solicitors to call on you"); the importance of communal crowd participation (with statements like "community and word of mouth," "popularity," and "hearing good things about them from people"); and consideration of mental shortcuts such as first impressions and the size of organizations as signals for trust ("authentic," "they have to be authentic," and "local is usually better").

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<sup>14</sup> In 1993, 2001, and 2017.

<sup>15</sup> Suzanne Perry for The Chronicle of Philanthropy, "1 in 3 Americans Lack Faith in Charities" (October 5, 2015).

<sup>16</sup> "Overhead Myth"

<sup>17</sup> BBB Charity Standard 15 calls for solicitations and informational materials, distributed by any means, to be accurate, truthful, and not misleading, both in whole and in part. If BBB WGA sees a claim suggesting that 100% of donations go toward program spending, the charity will only meet the standard if it includes a prominent and reasonable explanation about how its overhead expenses are covered.

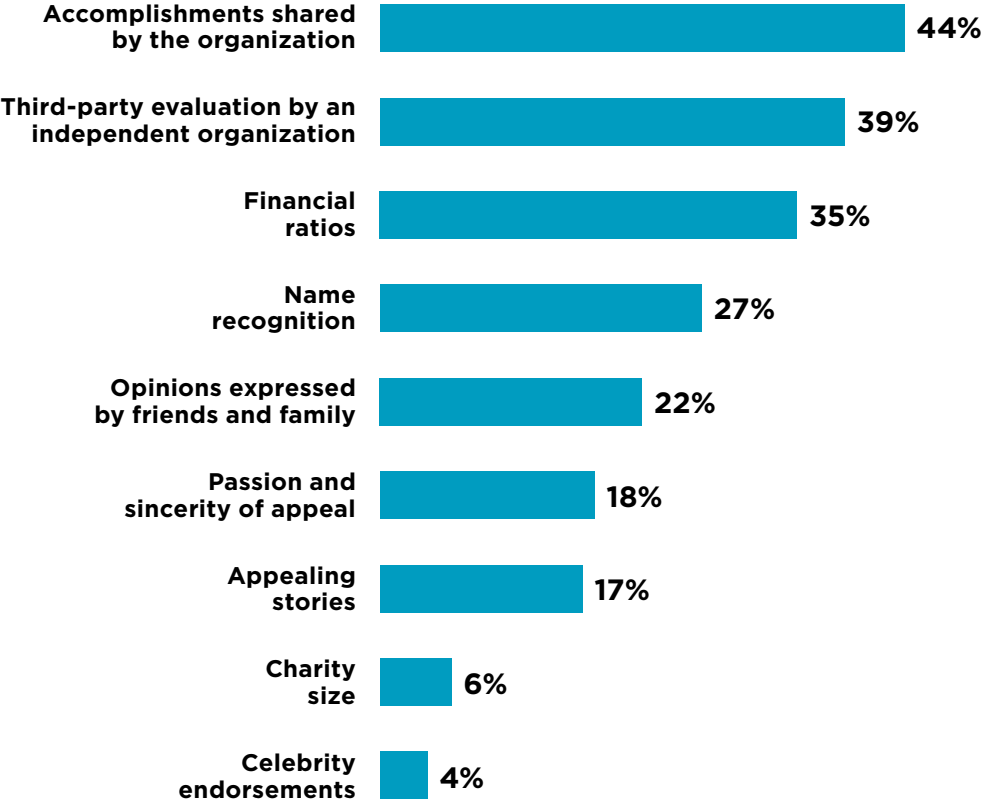
We also explored what donors consider the most important triggers of trust through a multiple choice question and found a more complex picture. For instance, while financial ratios are still reported as important indicator of perceived trust, factors like the accomplishments shared by the organization and third-party evaluations by independent organizations were identified as even stronger indicators of perceived trust. Name recognition and opinions expressed by friends and family also emerged as

important cues of trust (see Figure 6). This is consistent with a study conducted by Grey Matter Research in 2018, which found that although donors think charities spend too much on overhead, contributors tend to be uninformed about their favorite charity’s expenses and usually support organizations that spend more than they consider acceptable.<sup>18</sup> In our view, this leaves an opening for charities to demonstrate trust in more multifaceted ways.

**Figure 6 - Perceived Signals of Trust**



What most signals to you that a charity is trustworthy? (Check up to three)



<sup>18</sup> As reported by Heather Joslyn for *The Chronicle of Philanthropy* in “Overhead Spending Has Little Impact on Giving, Study Suggests” (Feb. 5, 2018).

Although independent charity evaluations and the ability to find reliable information about a charity emerge as key triggers of trust in both open-ended and multiple choice questions, we asked participants to share whether they take the extra step to research a charity before donating. A total of 59 percent of respondents declared that when thinking about giving to a charity, they usually ask questions or look for additional information to make sure that the charity deserves their support. The portion of respondents reporting they don't give indiscriminately has gone down since we asked this question in 2001, when two-thirds of respondents (68 percent) said that they asked questions or looked for information before giving.<sup>19</sup> Research through the charity's website, followed by information provided by a third-party monitoring organization and information in a charity's appeal, were the most likely actions taken to inform a giving decision. Information provided by a third-party monitoring organization was cited as most influential when making a giving choice (see Figure 7).

When asked to consider how easy or difficult it is to know whether a particular charity is trustworthy, about two out of five respondents (40 percent) say it is difficult. That is a sharp decline as compared to 2001, when 7 out of 10 adults (70 percent) thought it was difficult to know

**Figure 7-** Reported Actions Taken to Inform Giving



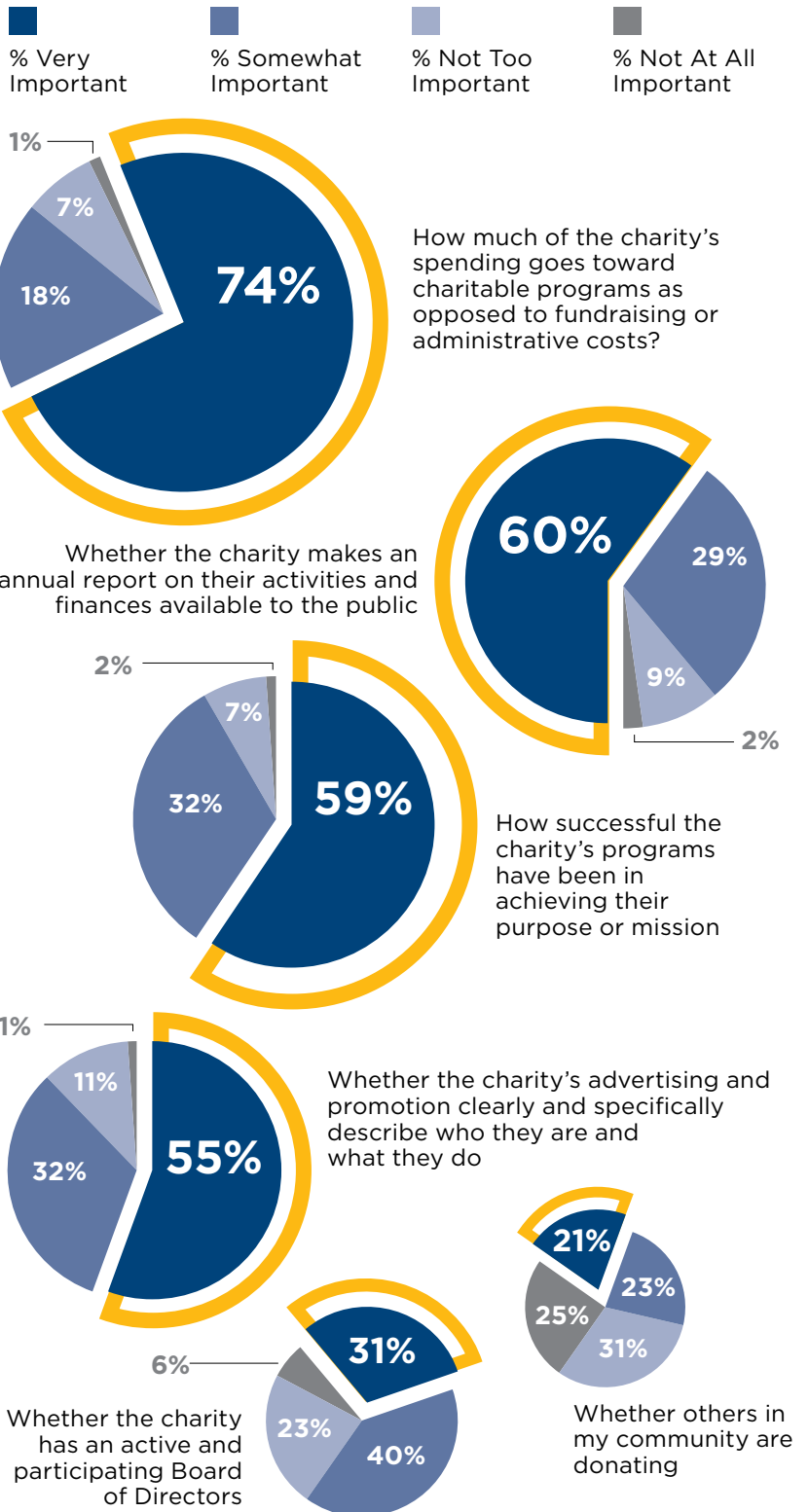
<sup>19</sup> BBB Wise Giving Alliance Donor Expectation Survey (2001).

whether a particular charity soliciting contributions was legitimate – i.e., actually did the good work they claimed to do and operated ethically. This decrease in difficulty is likely due, at least in part, to the rise in online resources offered by both charities and independent monitors.

We asked respondents to think about what factors are most important when determining whether a charity deserves their support, and the highest scoring self-reported factor was a charity’s program spending. When comparing our results to preferences expressed in 2001, we found that financial ratios have maintained the top spot (with 79 percent of respondents in 2001 and 74 percent of respondents in 2017 feeling that how much the charity spends on programs rather than fundraising or administrative costs is very important). Nonetheless, we found that a number of other considerations — such as transparency of accounts, effectiveness in achieving purpose or mission, and clarity of advertising — are also important considerations when donors are deciding whether a charity deserves support (see Figure 8).

**Figure 8 - Factors that Help Determine Whether a Donor Thinks the Charity Deserves Support**

Question: Suppose you were thinking about giving to a charity. In general, how important would each of the following be in deciding whether they deserve your support?



Similarly, when thinking about making a donation, the majority of people said they wished for information about how funds are spent and the power of their donation (see Table 5).

Implied in some responses to the open-ended questions about information desired

in the decision-making process is a yearning for a closer connection between donor and beneficiary. For instance, suggestions like “list of people ... that can be reached that are impacted by the specific charity,” “real-time facts,” and “reviews by people” point to a desire for connection. In addition,

**Table 5 - Information Desired in Decision-Making Process**

***When thinking about donating to a charity...***

*...what kind of information do you wish was more readily available?*

**1 Where Money Goes**

- “How they use the money”
- “Percent for top management”
- “How much of the actual donation is going to the cause”
- “How much is management making?!”
- “Where the money goes exactly”
- “Financial ratios with justification behind true costs to the charity”

**2 Accomplishments and Power of Donation**

- “If giving is really helping the cause”
- “I like to see people who have received some stuff already”
- “Their track record”
- “List of all people or businesses with people that can be reached that are impacted by the specific charity”
- “The reviews by people”
- “Real-time facts, pic”
- “Pictures of work”

*...what’s the ONE thing you MOST want to know to help you decide?*

**1 Where Money Goes**

- “How the money is spent”
- “What my money can do to help”
- “Will the money get to those in need?”
- “How my contribution will benefit the charity”

**2 Cause**

- “The cause”
- “Animals”
- “Food”
- “What are they doing to fight injustice?”
- “Who is being helped?”
- “Severity of the cause”
- “Who are they helping how?”

**3 Charity Reputation**

- “How reputable they are”
- “Reliable”
- “How accountable they are for the money they spend”
- “End-use controls”
- “Is it a reputable place?”

*...where do you wish you could find information to help make your decision?*

**1 Online**

- “Online”
- “Web”
- “Google”
- “Quickly, online”
- “My phone”
- “On their website”
- “Internet, social media”
- “I wish I could just use a search engine to find the truth about the organization”

**2 References and Community**

- “The internet and friend”
- “From friends and neighbors”
- “Through a neutral third-party reviewer”
- “From the persons involved”
- “Leadership”
- “I want hands-on information”
- “Right there where I am”
- “Third-party opinions”
- “My church”
- “The exact person I’m helping”
- “On charities’ rating sites”

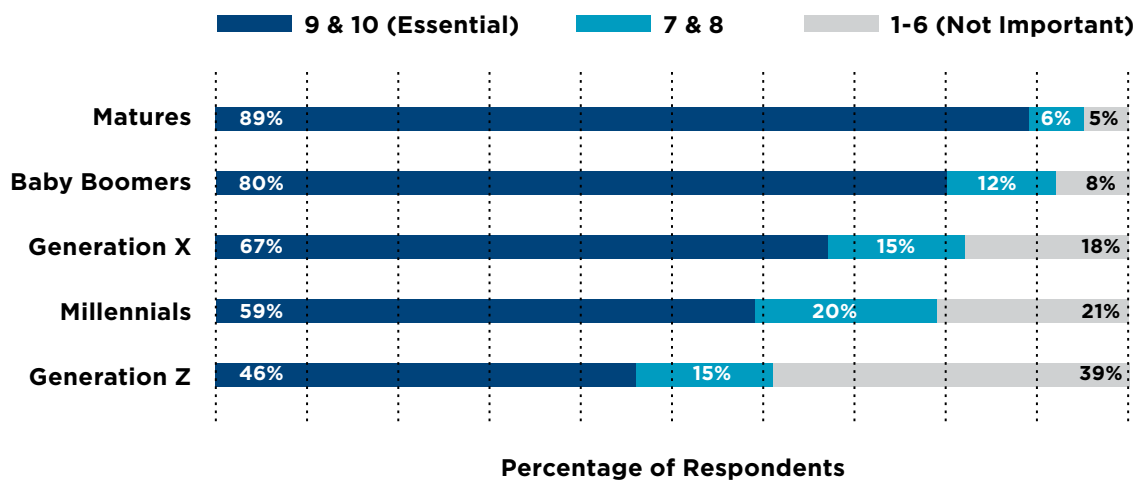
other answers point to a demand for instant gratification. For example, when asking individuals about where they wish they could find information to help their decision-making process, some respondents stated “quickly” and “right there where I am,” while other answers highlighted hearing directly from recipients, charity leadership, or other stakeholders. Unlike other forms of monetary transactions — where individuals can expect a tangible good or service in return — donations are less concretely verifiable. While protecting the barrier between donor and recipient can and should be prioritized, organizations that boost the sense of connection and instant gratification might satisfy this donor aspiration (more on the changing nature of giving later in the report).

## TRUST BY AGE AND RACE

Overall, 73 percent of donors believe that it is very important to trust a charity before giving, but there are meaningful differences across generations and racial groups. Specifically, we found that older generations attribute significantly more importance to a charity’s trustworthiness before giving, and that White respondents attribute more importance to charity trust before giving than other ethnic groups<sup>20</sup> (see Figures 9 and 10). The relative low importance attributed to trust by younger people is likely linked to a broader distrust in institutions and a change in outlook that engages other sectors in social causes.<sup>21</sup>

**Figure 9 – How Important Is It to Trust a Charity Before Giving to It? (Percentage of Responses by Generation)**

Question: In general, on a 10-point scale, how important is it that you trust a charity before giving to it? Use “1” to indicate “Not at all important” and “10” to indicate “Essential.”

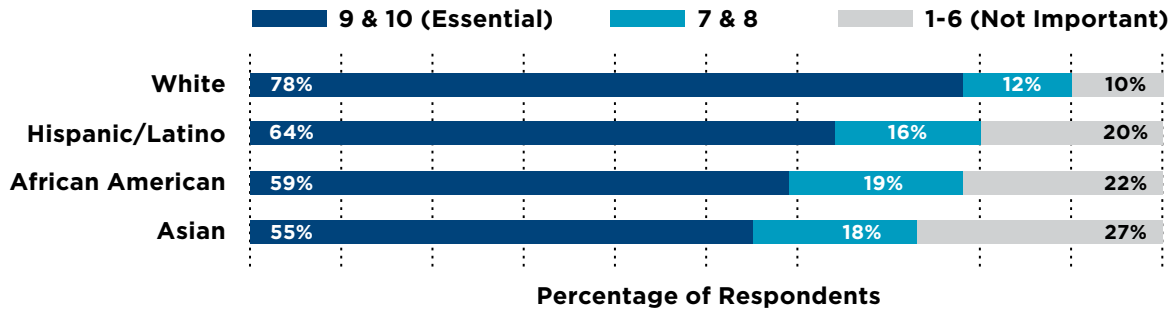


<sup>20</sup> In *Cracking the Invulnerability Illusion: Stereotypes, Optimism Bias, and the Way Forward for Marketplace Scam Education*, BBB found strong evidence of optimism bias, with individuals believing that others are more at risk and viewing victims through “a distorted lens — as elderly, alone, and pitiable, or gullible, unintelligent, and worthy of scorn. In fact, earlier research — buttressed by BBB’s survey results — supports an understanding that we are all at risk, and that those most likely to be victimized tend to be younger and better educated.” Our results also suggest that younger individuals may be less alert to untrustworthy appeals.

<sup>21</sup> In *Public Trust Reboot: Unleashing the Millennial Civic Spirit*, for instance, Yordanos Eyoel points out that “millennials view the common good as the collective responsibility of all sectors—civil, private, and public” and that as millennials lose “faith in institutions to drive change, they are finding ways to exercise their agency through purchasing decisions, entrepreneurship, protests, and social media campaigns.”

**Figure 10 - How Important Is It to Trust a Charity Before Giving to It?**  
(Percentage of Responses by Race)

Question: In general, on a 10-point scale, how important is it that you trust a charity before giving to it? Use “1” to indicate “Not at all important” and “10” to indicate “Essential.”



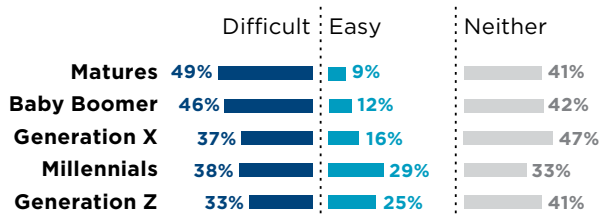
When it comes to how much people trust charities, we did not find marked differences across generational groups. However, we found that only 17 percent of White respondents highly trust charities, while 27 percent of African American respondents and 21 percent of Hispanic respondents highly trust charities.

When asking respondents to consider how

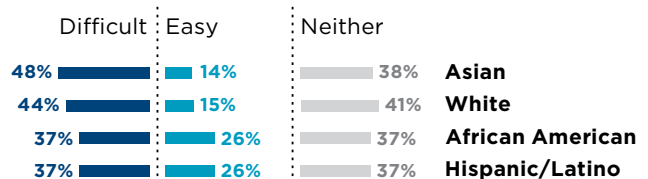
easy or difficult it is to know whether a particular charity is trustworthy, we found that older generations report that it is harder to know whether a particular charity is trustworthy<sup>22</sup> (see Figure 11). We also found that over a fourth of African Americans and Latinos or Hispanics say it is easy to verify trust, where only close to 15 percent of White and Asian respondents say the same (see Figure 12).

**Figure 11 - Ease of Verifying Trust**  
(By Generation)

Question: These days, do you think it is easy or difficult to know whether a particular charity asking for your support is TRUSTWORTHY — that is, actually does the kind of charitable work they say they do and operates ethically?



**Figure 12 - Ease of Verifying Trust**  
(By Race)



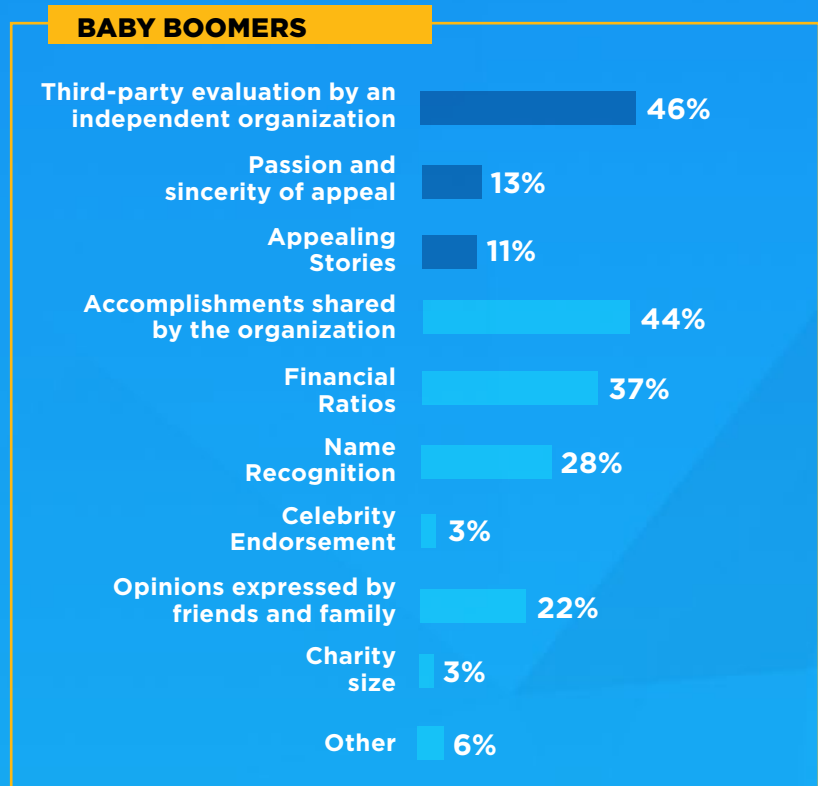
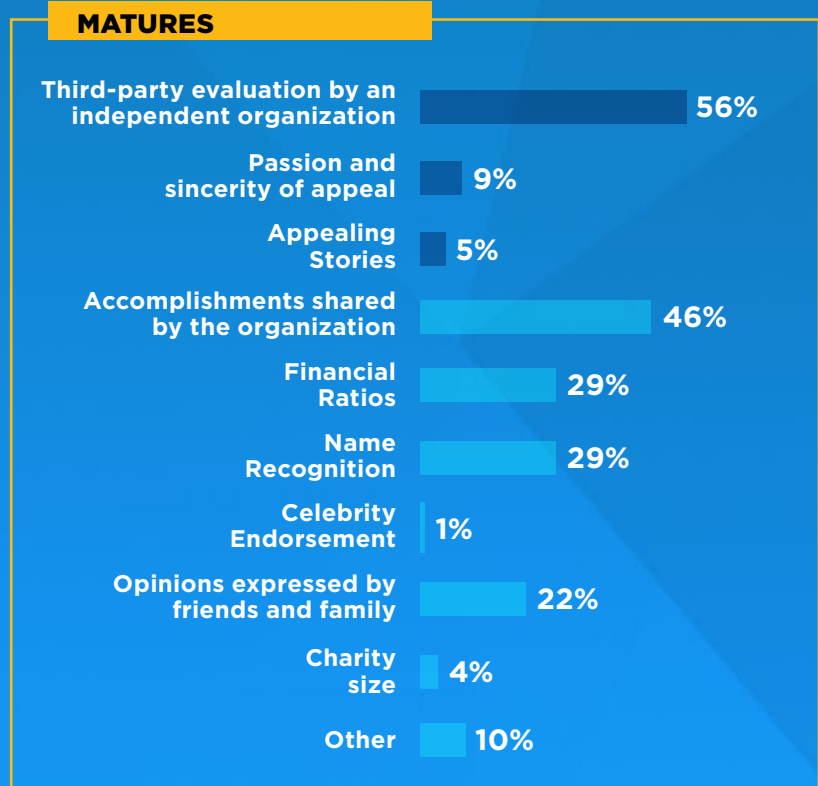
<sup>22</sup> Possible explanations for the disparity across age groups include different levels of comfort with online sources, higher optimism bias among younger cohorts, and different parameters on what makes a charity trustworthy.

In 2001, better educated and Internet-connected individuals reported having less difficulty finding what they want than those with lower levels of formal education and online activity. Over half of college graduates (55%) and daily/weekly online users (57%) said it was easy to find the information they needed, compared with less than half of those with no college experience (45%) and those who went online infrequently or never (41%). Internet access is now much more widely available and accessible, and both charities and charity-monitoring organizations have created online resources to inform the public.

When exploring what donors consider the most important signals of trust, we found that older generations more frequently identify third-party monitoring organizations as most signaling trustworthiness. On the flip side, younger generations tend to attribute more importance to perceived passion and sincerity, and appealing stories, as signals of trust. Accomplishments shared by an organization are important signals of trust across ages (see Figures 13 and 14).

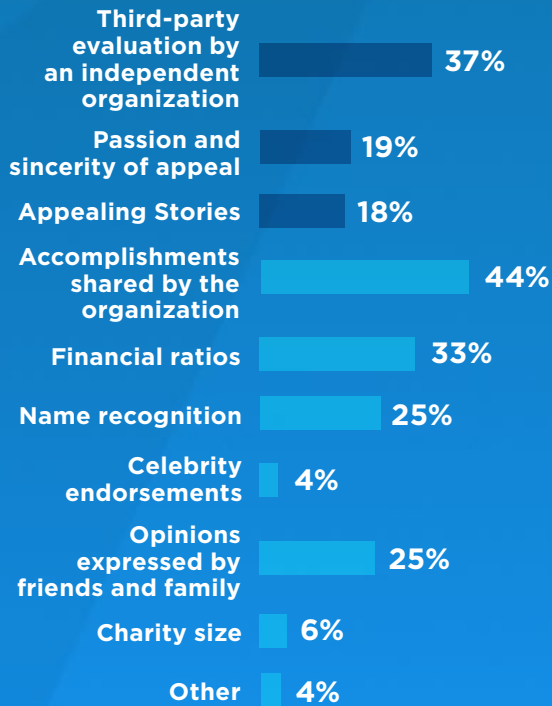
**Figure 13 – Perceived Signals of Trust (By Generation)**

What most signals to you that a charity is trustworthy?  
(Check up to three)

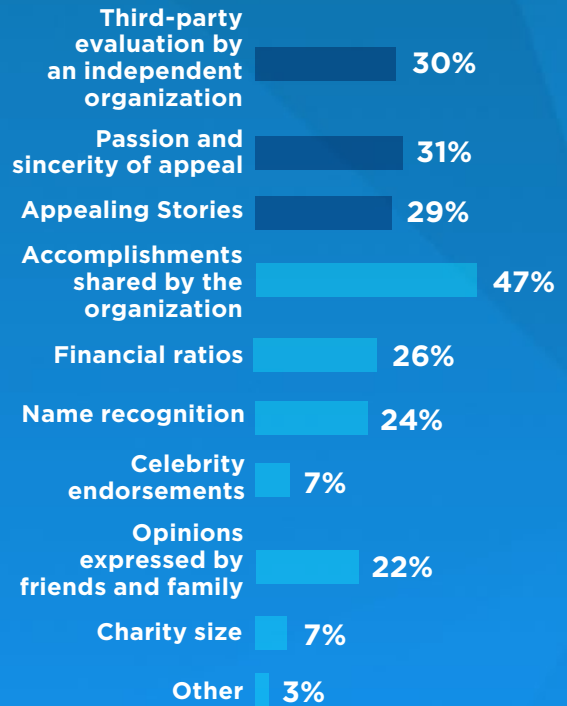




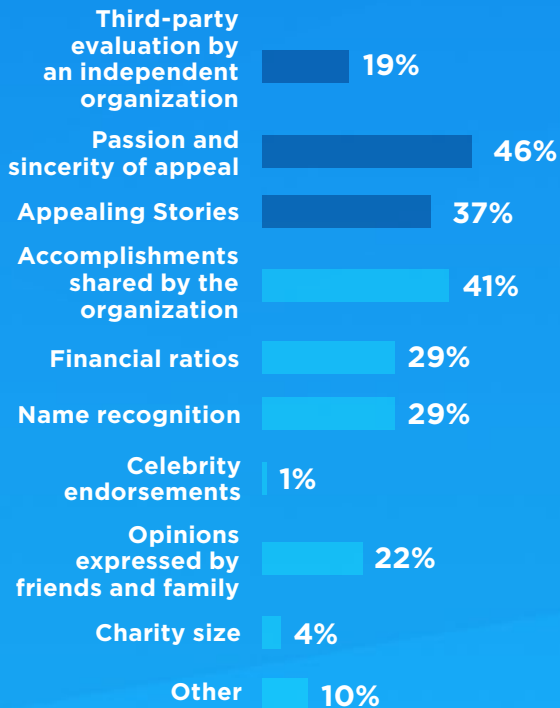
### GENERATION X



### MILLENNIALS

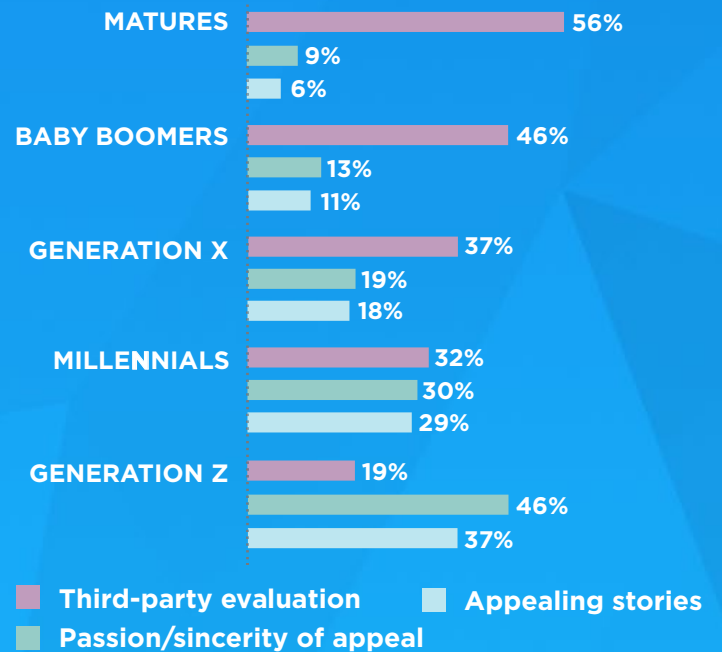


### GENERATION Z



**Figure 14 - Triggers of Trust Vary Across Demographic Lines**

What most signals to you that a charity is trustworthy? (Check up to three)

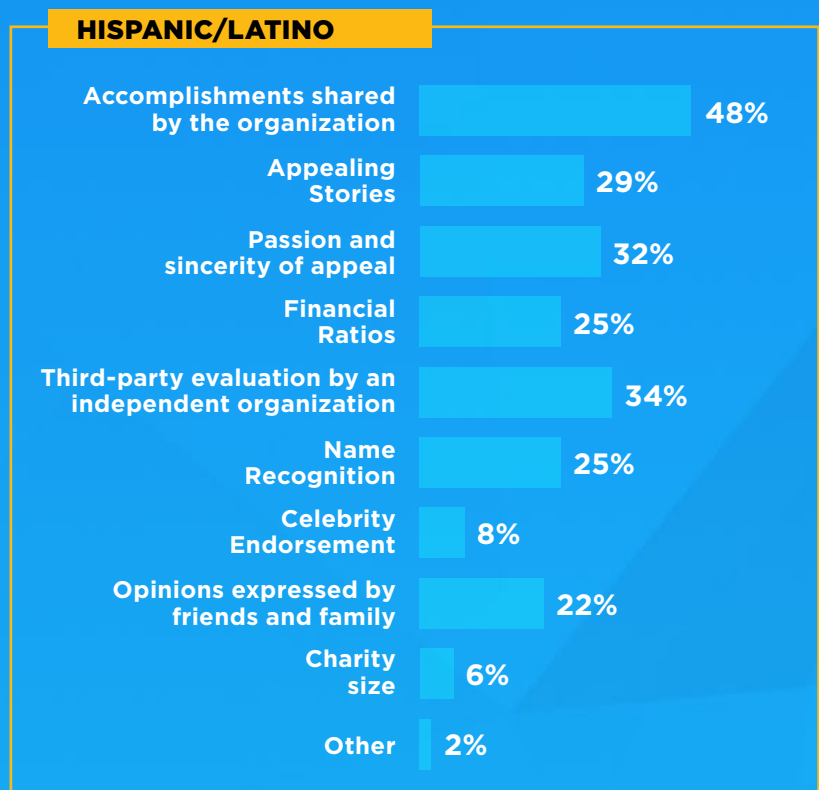
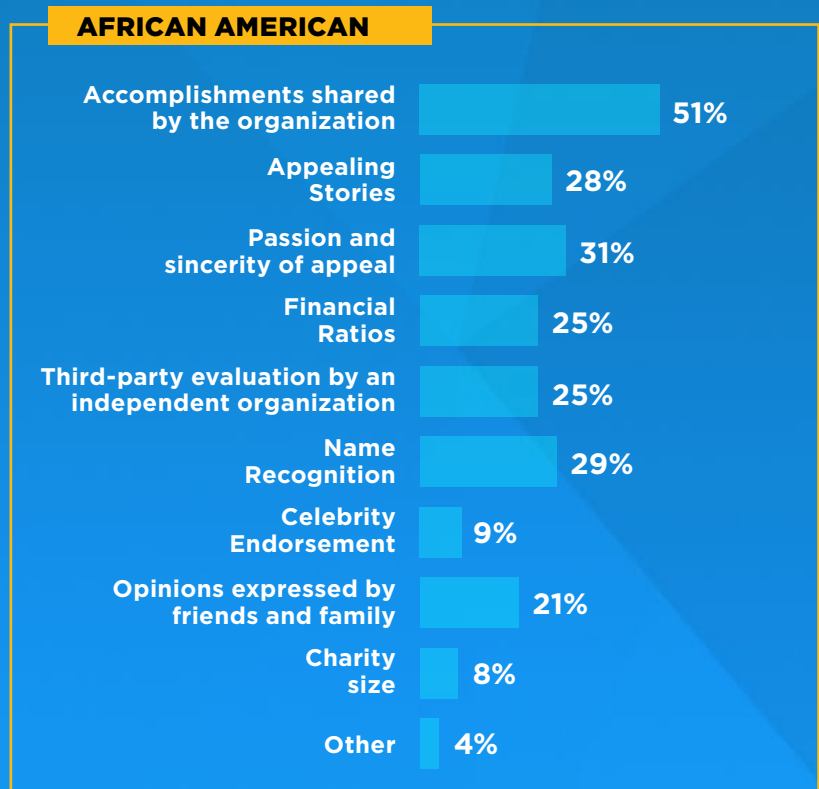


While differences in perceived trust signals are not as significant across race and ethnicity, we found that White respondents tend to favor financial ratios and third-party monitoring evaluations as signals of trust more than other racial groups. On the flip side, African American, Latinos or Hispanics, and Asian Americans tend to favor passion and sincerity and appealing stories more than White respondents (see Figure 15).

The combined effect of perceiving that verifying a charity’s trust is easy, starting with an assumption of trust toward charities, and embracing passion as a signal of trustworthiness could make younger generations and racial minorities more vulnerable in their giving choices.

**Figure 15 – Perceived Signals of Trust (By Race)**

What most signals to you that a charity is trustworthy?  
(Check up to three)



## WHITE



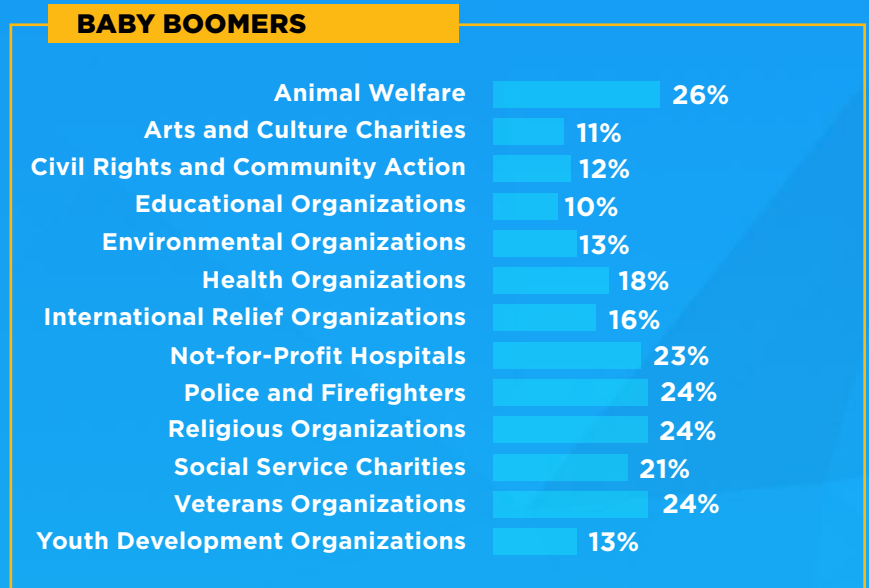
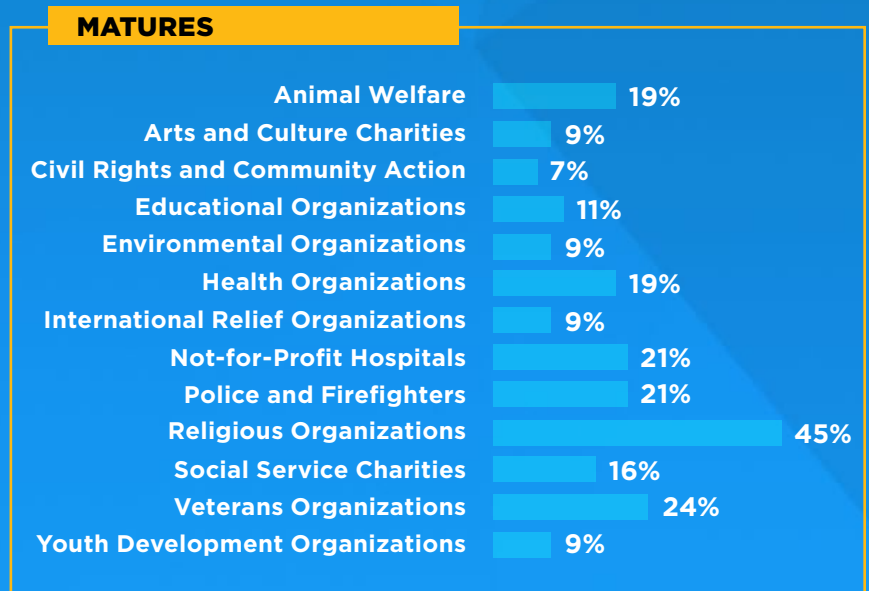
## ASIAN



The survey results also brought out biases in trust for different kinds of charities. For instance, when looking at the portion of respondents that highly trust (attributing a 9 or 10 on a 10-point trust scale) particular types of charities, we found that the portion of young respondents that highly trust religious organizations is meaningfully lower than the portion of older respondents. We also found that a larger portion of younger respondents highly trust international organizations, environmental organizations, and educational organizations (see Figure 16).

**Figure 16 - Trust in Different Types of Charities**  
(Portion of respondents reporting high levels of trust by generation)

Question: Below are a list of different kinds of charities and other nonprofit organizations that ask people for charitable contributions. In general, on a 10-point scale, how much do you trust them? Use "1" to indicate "Do not trust at all" and "10" to indicate "Completely trust."



## GENERATION X



## MILLENNIALS



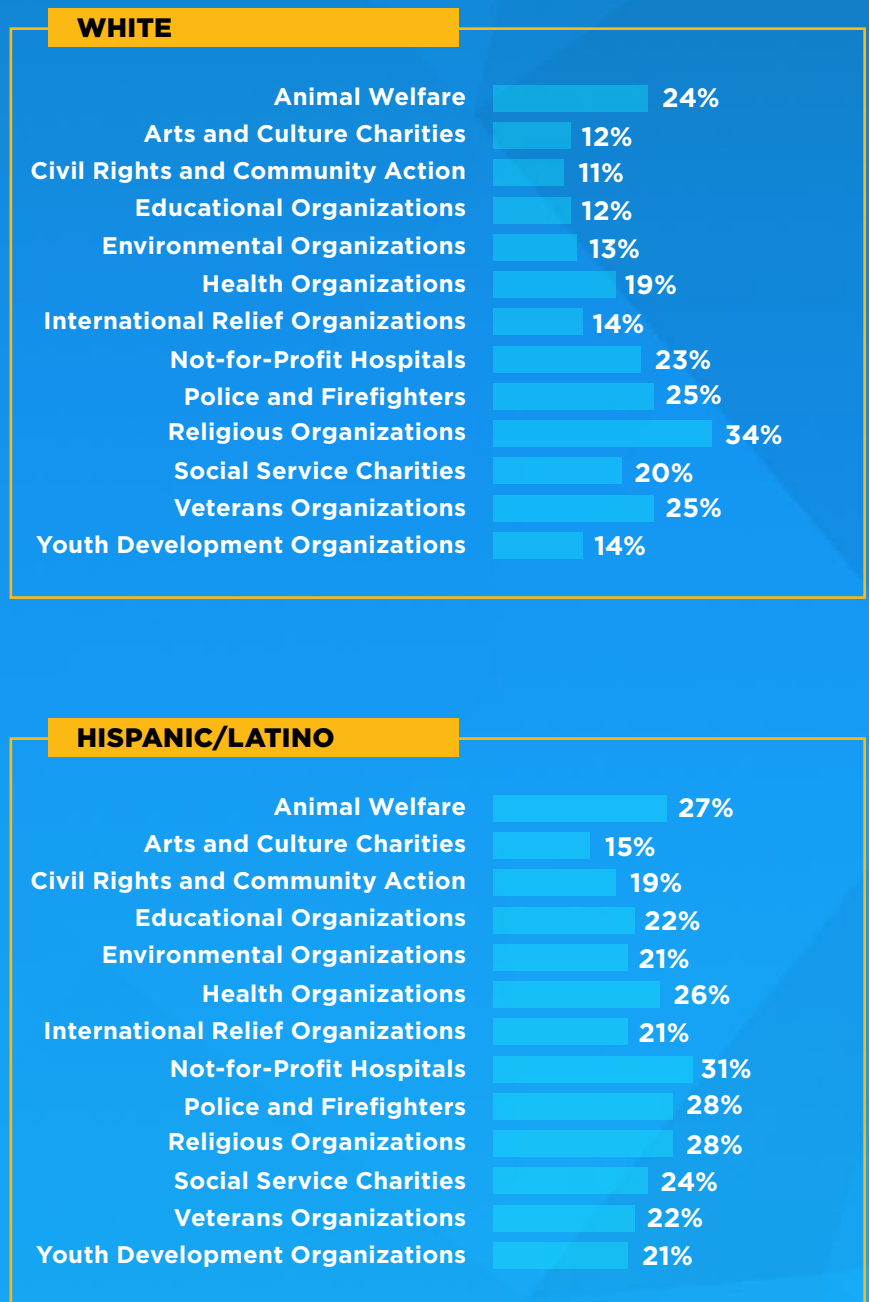
## GENERATION Z



Similarly, while African American and Latinos or Hispanics tend to be more trusting of charities than Asians and Whites as a whole, the widest gap in the portion of respondents that highly trust a type of charity was found for civil rights and community action and youth development organizations. Additionally, there were some charity categories that White and Asian respondents trusted as much or more than African American and Hispanic or Latinos, including religious organizations, police and firefighters, and veterans organizations (see Figure 17).

**Figure 17 - Trust in Different Types of Charities**  
(Portion of respondents reporting high levels of trust by race)

Question: Below are a list of different kinds of charities and other nonprofit organizations that ask people for charitable contributions. In general, on a 10-point scale, how much do you trust them? Use "1" to indicate "Do not trust at all" and "10" to indicate "Completely trust."



## AFRICAN AMERICAN



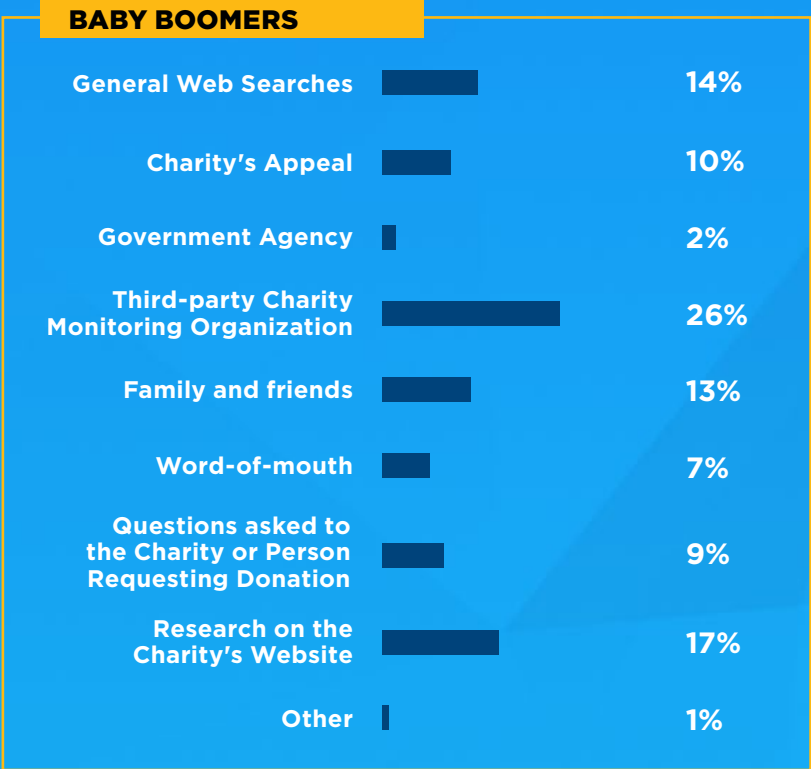
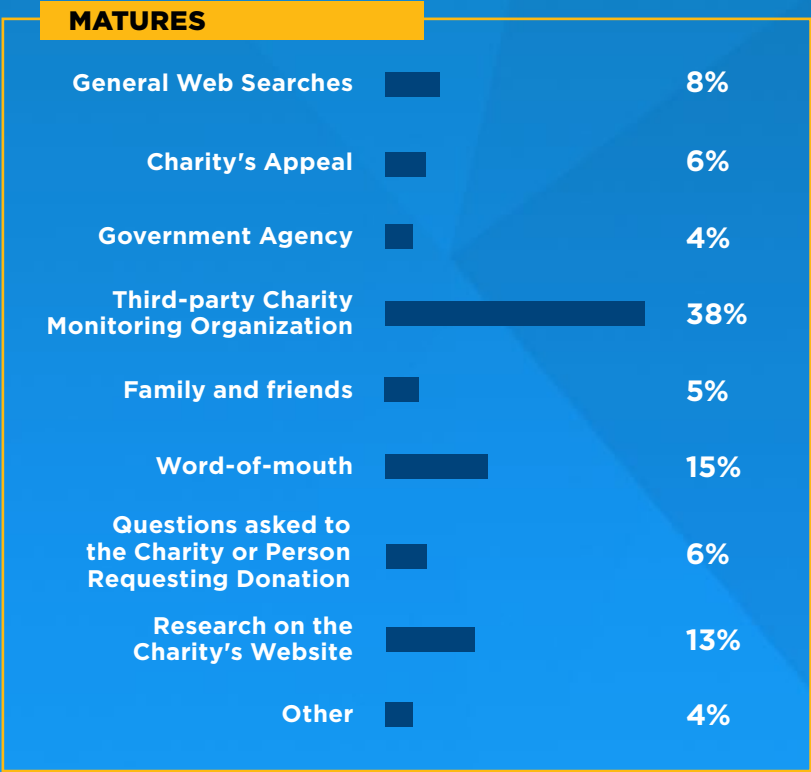
## ASIAN



For survey takers who reported researching a charity before making a giving decision, we asked which sources are most influential. We once again found that the relative importance given to different factors varies by generational and racial segments. According to survey responses, the perceived influence of third-party monitoring organizations decreases significantly from older to younger generations. On the flip side, younger generations report doing research by looking into information offered by the charity itself (the solicitation appeal, charity’s website, and questions asked directly to the charity). While knowing someone who is asking, who is receiving, or who is involved in the organization that is soliciting is not among the most influential factors in researching a giving choice overall, this factor is most important for the youngest and the oldest generation (see Figure 18).

**Figure 18 – Most Influential When Making Giving Decision (By Generation)**

Question: When you researched a charity to make sure they deserved your support, which of the following did you find (or would find) the most influential when making your giving decision? (Check all that apply.)





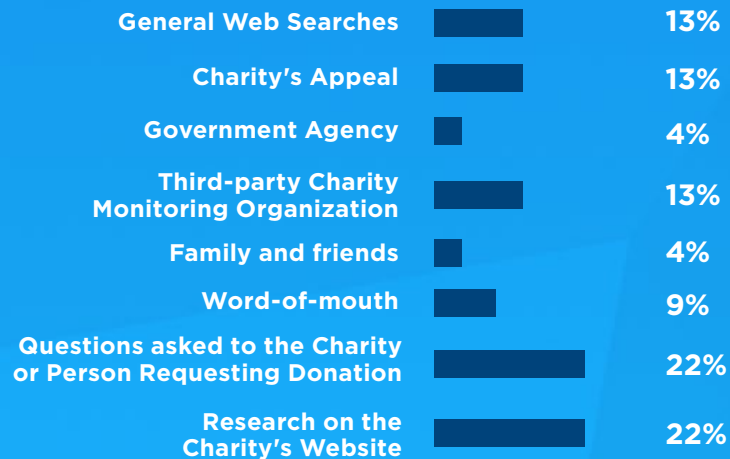
### GENERATION X



### MILLENNIALS



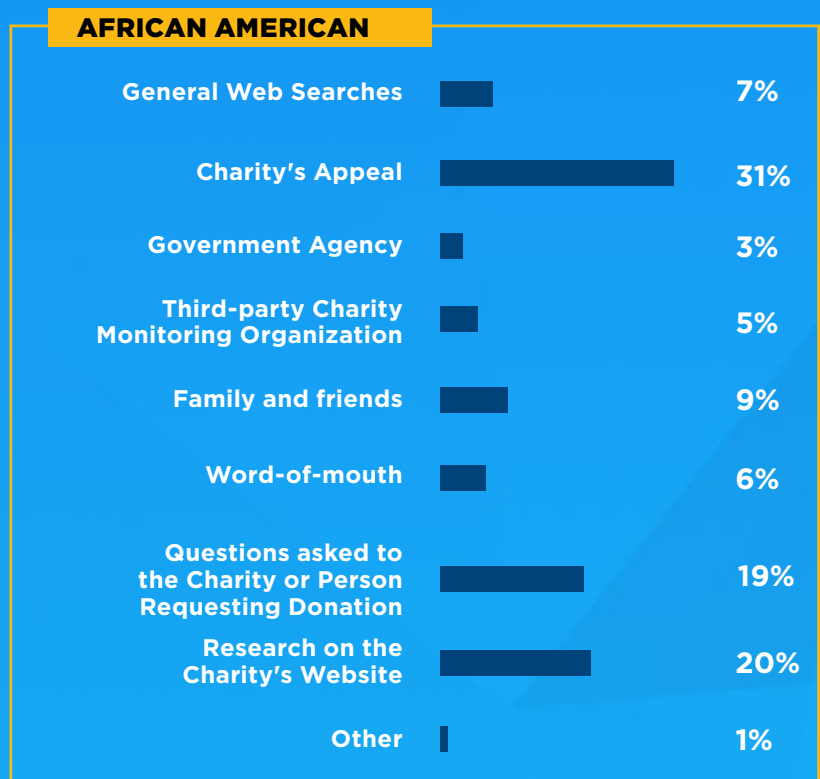
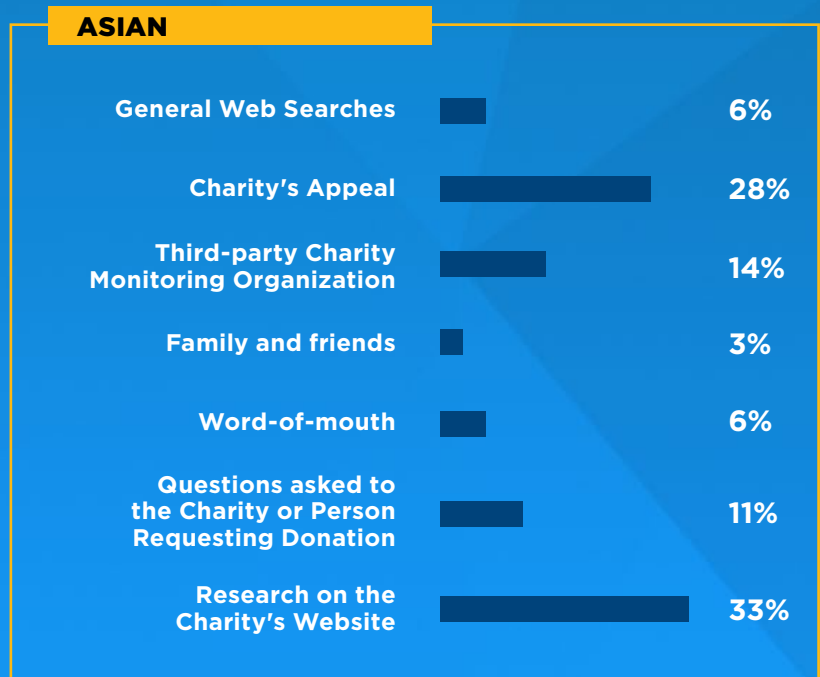
### GENERATION Z



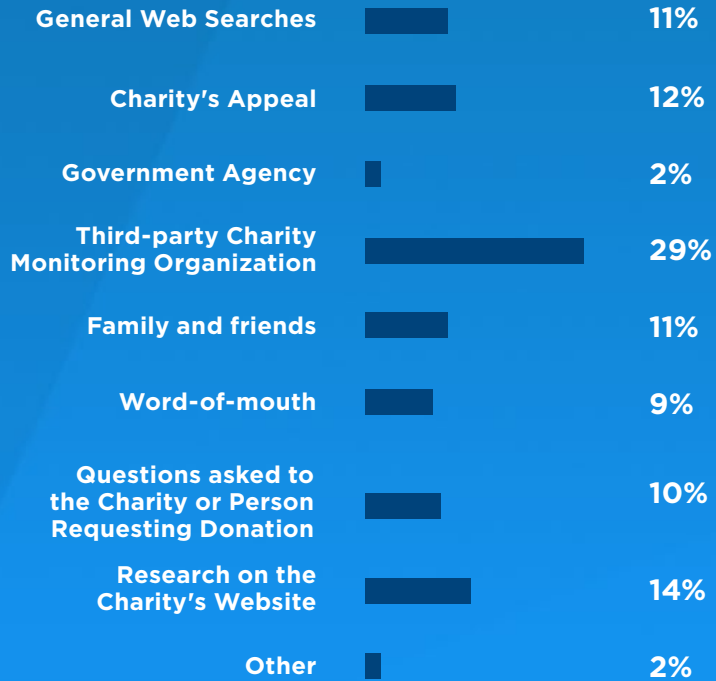
In terms of research preferences by racial groups, the perceived influence of third-party monitoring organizations is significantly higher among White respondents and weakest among African Americans. When researching a charity, Asian, African American, and Hispanic or Latino report being most influenced by the solicitation appeal itself (see Figure 19).

**Figure 19– Most Influential When Making Giving Decision (By Race)**

Question: When you researched a charity to make sure they deserved your support, which of the following did you find (or would find) the most influential when making your giving decision? (Check all that apply.)



## WHITE



## HISPANIC/LATINOS



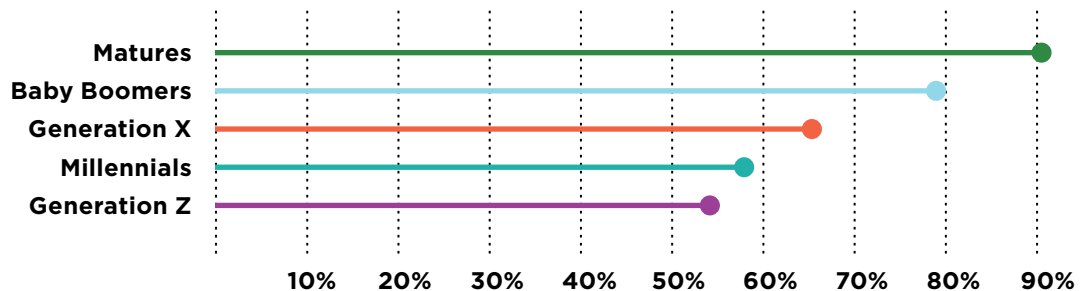
We also looked at the importance given to different trust factors in determining whether donors believe a charity deserved their support. The portion of the charity's spending that goes toward charitable programs was perceived as the most important factor across generations. Having said that, program spending, program effectiveness, producing an annual report, clear solicitation appeals, and having an engaged and independent board are all perceived to be more important for older generations. While not a top issue influencing whether a charity deserves

a donor's support, whether others in the community are donating to a particular charity is more important among younger generations (see Figure 20). Similarly, program spending, program effectiveness, producing an annual report, and clear solicitation appeals are important across racial or ethnic groups but perceived as more important among White respondents. Whether others in the community are donating to a particular charity is not a top factor but is more important among African American, Latinos or Hispanics, and Asians (see Figure 21).

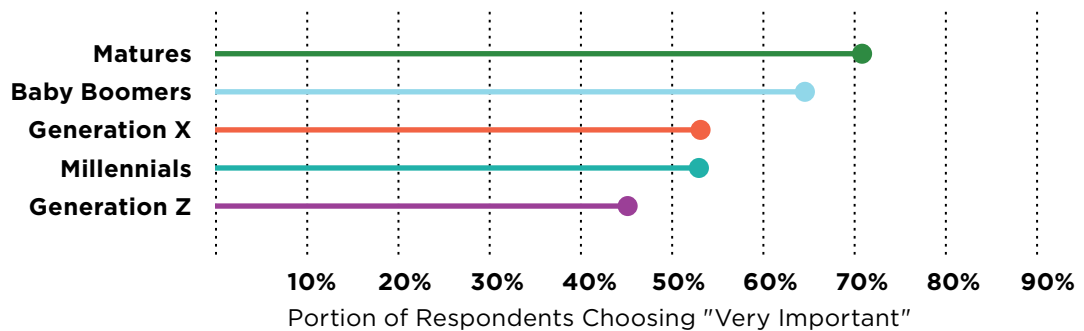
**Figure 20 - Factors to Determine Whether a Charity Deserves Donor Support** (Portion of respondents choosing "very important" by generation)

Question: Suppose you were thinking about giving to a charity. In general, how important would each of the following be in deciding whether they deserve your support?

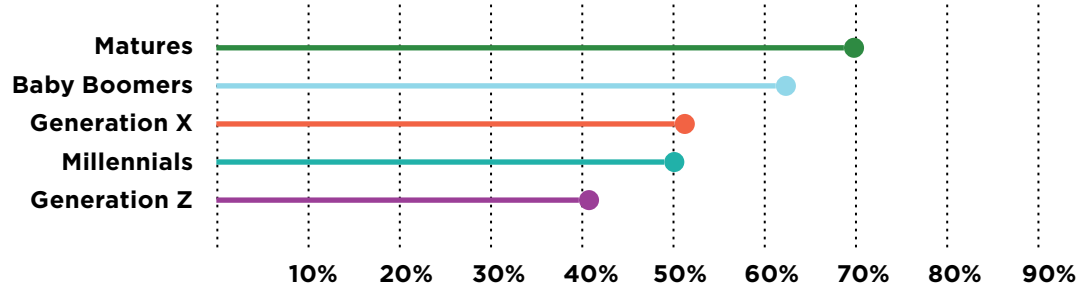
***How much of the charity's spending goes toward charitable programs as opposed to fundraising or administrative costs***



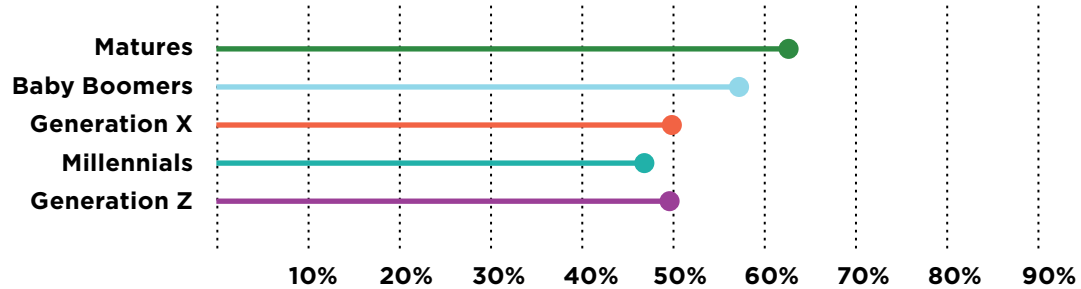
***How successful the charity's programs have been in achieving their purpose or mission***



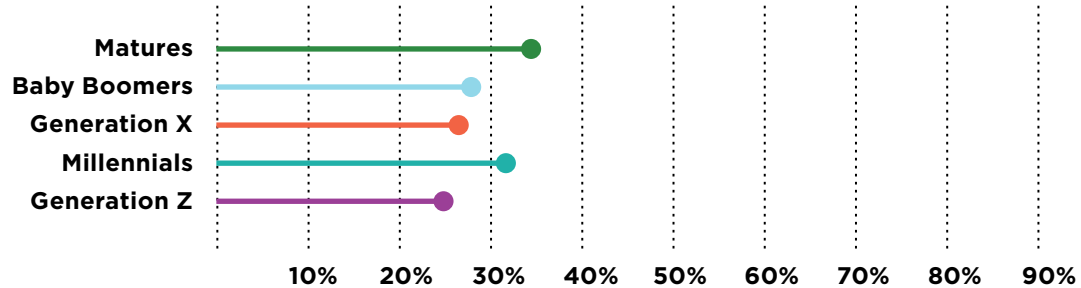
**Whether the charity makes an annual report on their activities and finances available to the public**



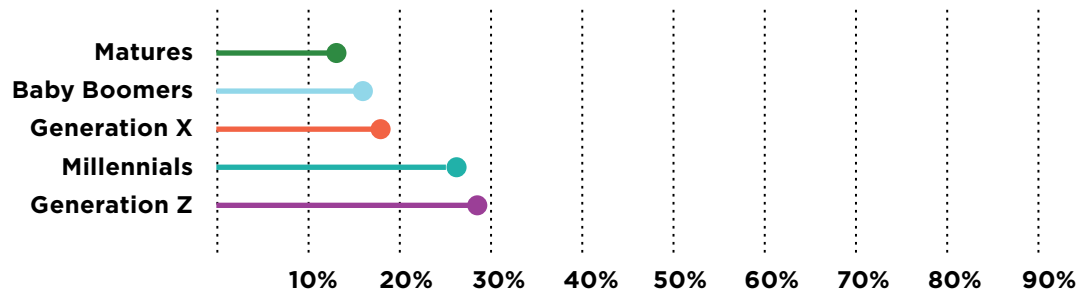
**Whether the charity's advertising and promotion clearly and specifically describe who they are and what they do**



**Whether the charity has an active and participating board of directors**



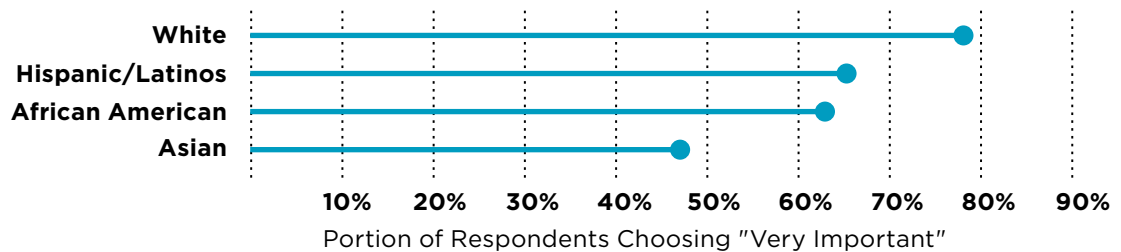
**Whether others in my community are donating**



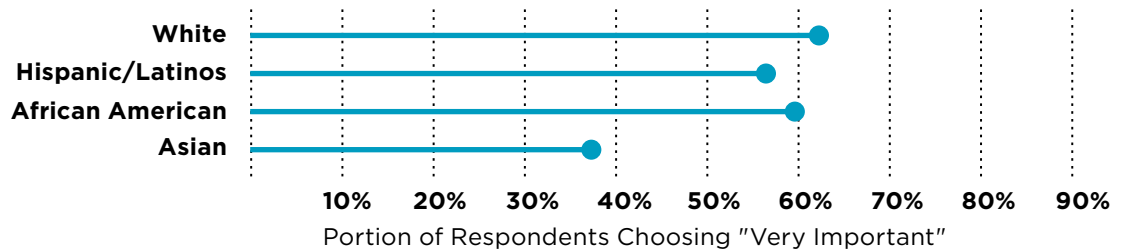
**Figure 21 – Factors to Determine Whether a Charity Deserves Donor Support**  
(Portion of respondents choosing "very important" by race)

Question: Suppose you were thinking about giving to a charity. In general, how important would each of the following be in deciding whether they deserve your support?

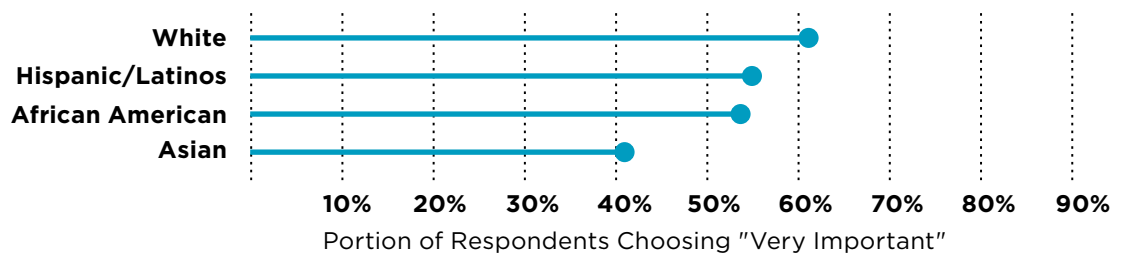
***How much of the charity's spending goes toward charitable programs as opposed to fundraising or administrative costs***



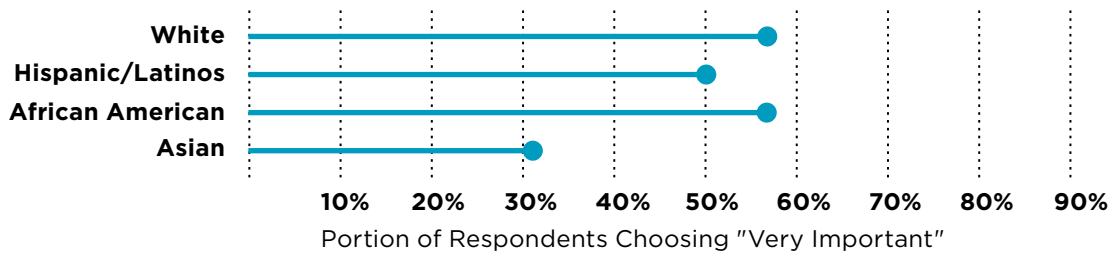
***How successful the charity's programs have been in achieving their purpose or mission***



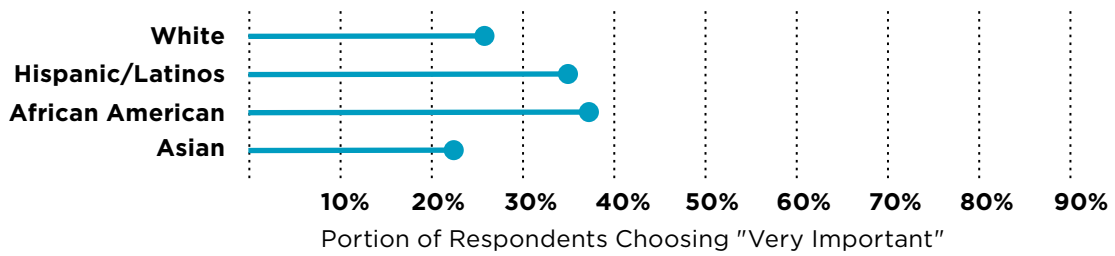
***Whether the charity makes an annual report on their activities and finances available to the public***



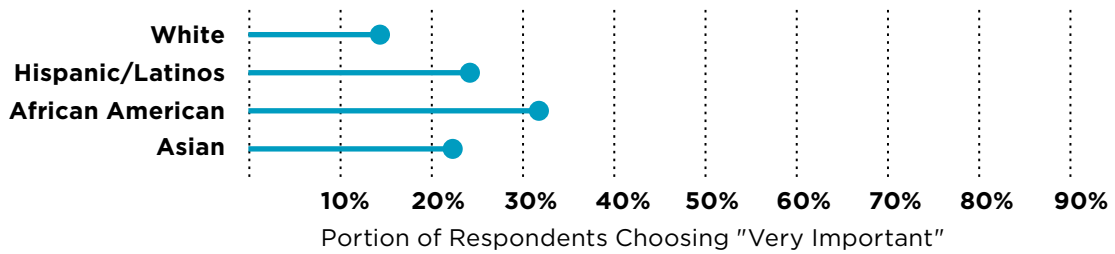
**Whether the charity's advertising and promotion clearly and specifically describe who they are and what they do**



**Whether the charity has an active and participating board of directors**



**Whether others in my community are donating**





## SHIFTING GENEROSITY: A SNAPSHOT OF DONOR ATTITUDES AND PERCEPTIONS

In the previous sections we presented a broad snapshot of public trust and a look into what triggers donors trust in causes and charities. In this section, to place this information in context, we delve deeper into donor attitudes and self-reported behaviors related to generosity and giving. Similar to the previous sections, we found heterogeneity in attitudes and perceptions when controlling for age and race, and we present those at the end of the section.

### GIVING IN AMERICA TODAY

The Giving USA 2018 report on philanthropy in America<sup>23</sup> found that in 2017, individuals, estates, foundations and corporations contributed an estimated \$410.02 billion to U.S. charities. Of the total amount, 70 percent was contributed by individuals and 9 percent by bequest. Overall, the report found that total giving rose 5.2 percent (3.0 percent when adjusted for inflation) and individual giving rose by 5.2 percent (3.0 percent when adjusted for inflation) when compared to 2016. The report notes that this increase in giving happened at the same that both personal consumption and disposable personal income grew by 4.5 percent and 2.9 percent when compared to 2016.<sup>24 25</sup>

<sup>23</sup> *Giving USA 2018: The Annual Report on Philanthropy for the Year 2017* (2018). Chicago: Giving USA Foundation. [www.givingusa.org](http://www.givingusa.org)

<sup>24</sup> Giving USA reports that most of their annual estimates are based on econometric analyses and tabulations of tax data, economic indicators, and demographics. Data for giving by foundations come from the Foundation Center.

<sup>25</sup> Giving USA reports that charitable giving by individuals and households is often dependent on disposable personal income, or income remaining after taxes have been paid. This is especially true for nonitemizing households, but it is also true for many households that itemize. As such, disposable personal income often mirrors the pattern seen in U.S. charitable giving by individuals.



Building enduring relationships with new donors and deepening relationships with current donors is essential to the health of the charitable sector. The Giving USA 2017 report notes that giving by new donors captured 23.6 percent of 2017 revenue growth for the organizations they analyzed, yet the report noted that for every 10 new donors, on average 9.9 donors were lost. Research conducted by Joanne Fritz<sup>26</sup> notes that up to 50 percent of donors do not continue to give after their first year of support. Yet, Fritz notes, the majority of the reasons why donors choose not to donate to an organization a second or third time are completely under the control of the organization, and charities can go a long way toward retaining donors by ensuring great customer service, cultivating

commitment by the donors, and sending appropriately timed and personalized communications.<sup>27</sup> Indeed, understanding subgroup donor preferences and capitalizing on that understanding to tailor charity communications, providing diverse giving channels and opportunities, and showing accountability may be one way for the sector to build new and enduring relationships.

## THE ACT OF GIVING

When we asked our survey respondents to define, in a few words, the act of “giving,” their definitions went beyond monetary donations, with respondents describing giving time and goods, as well as a broader ethos that included helping others, being selfless, promoting causes, doing good, and helping individuals (see Figure 22).

**Figure 22** - Question: In a few words, how would you describe the act of giving? (open-ended)

### 1 ENGAGING WITH A CAUSE

- Helping organizations that are nonprofit
- Using your resources for the good of society
- Promoting causes
- Posting on Facebook and other social media

### 2 DONATING MONEY, TIME, OR ITEMS

- Money
- Volunteering
- Serving others
- Donating clothing, food, and items

### 3 GOODWILL AND ALTRUISM

- A selfless act
- Giving from your heart
- Giving can be anything, like love or kindness, etc.
- Sharing my blessings with others

<sup>26</sup> Joanne Fritz, “How To Get First-Time Donors To Give Again,” *The Balance*, March 17, 2017, [www.thebalance.com](http://www.thebalance.com)

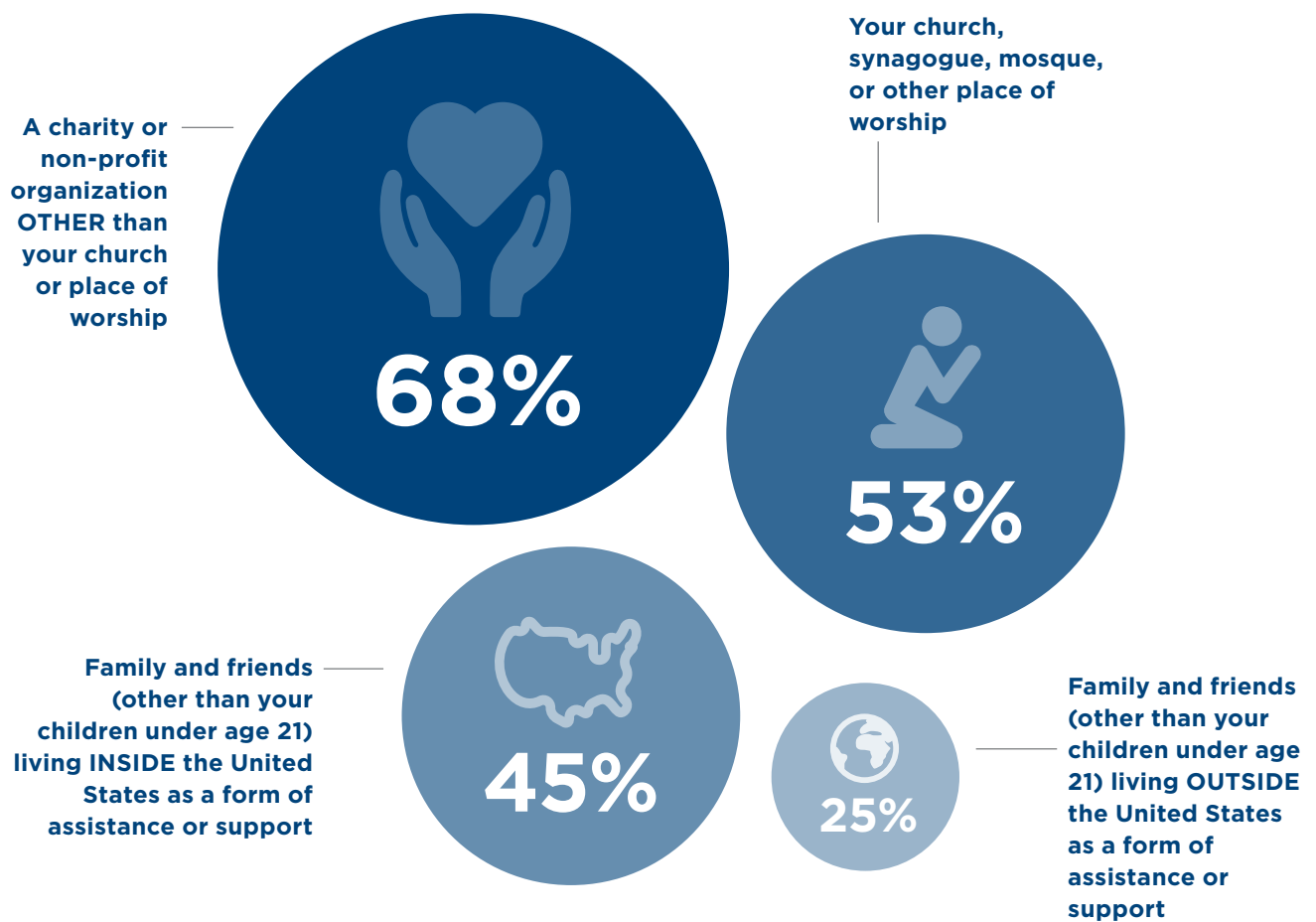
<sup>27</sup> See *Giving USA 2017: The Annual Report on Philanthropy for the Year 2016* (2017). Chicago: Giving USA Foundation. pp. 90-93.

When asked about their giving habits, overall, about 8 out of 10 respondents reported that they had contributed money, property, or other items in the last 12 months to their church, other charity, or family/friends. The median of the self-reported giving was valued by respondents at US\$300/year, with an average of US\$1,919/year.<sup>28</sup>

reported they mostly give to a charity that works on a cause they care about, while only 14 percent mostly give informally to support people in their networks. When asked for more specifics on their giving over the past year, including nonmonetary donations, respondents reported giving mostly to charities and their place of worship, but still expressed having given to friends and family within and outside the United States (see Figure 23).

When asked about donating money to make a difference, 86 percent of respondents

**Figure 23** - Question: In the last 12 months, did you, yourself, contribute any money, property, or other item to any of the following...



<sup>28</sup> Giving USA reports that in 2017, per capita giving by U.S. adults reached \$1,165, and average U.S. household giving reached \$2,271.

Awareness of a need, having a connection with the cause (i.e., a cause they care about), desiring to help others, believing that giving is the right thing to do, and faith were the top reported triggers to donate to a charity (see Figure 24).

In describing their triggers to give, respondents noted that a major factor was having the financial means to help out, and that they give what they are able to give.<sup>29</sup> Similarly, respondents noted that factors that affected or triggered their giving included a charity's work record, trustworthiness, ability to do what they say, ability to understand where the money goes, and a charity's clear and transparent reputation for integrity.<sup>30</sup>

<sup>29</sup> It is notable that, as a percentage of their income, individuals with less income are on average relatively more generous than those with higher incomes. Indeed, giving as a percentage of income also varies by geography. See *The Chronicle of Philanthropy's 2017 Special Report: How America Gives* for more information: <https://www.philanthropy.com/interactives/how-america-gives>

<sup>30</sup> See The State of Trust in the Charitable Sector and the Triggers of Trust sections of this report for further analysis of these factors.

**Figure 24-** Question: What triggered (or would trigger) your decision to donate to a charity? (open-ended)

## 1 Awareness of Need

They needed help and I was able to give

Hurricane Harvey; Hurricane Irma; hurricanes, natural disasters

Hearing or seeing a truly heartbreaking story and me actually having the money to be able to donate

The needs I see around me locally or a national charity that has directly helped someone I know"

## 2 Connection to the Cause

Something I believe in

A cause I'm interested in

Something I am passionate about

Causes that touch me

The appeal was appealing

## 3 Building a Sense of Purpose

To help others in need

Feeling of doing good for others

Give to people something that is extra for you

Civic duty

It is the moral thing to do

Love, obligation, desire

We are responsible for each other

## 4 Faith

Faith

God

Religious beliefs

My church

The Bible

Vision statement and prayer

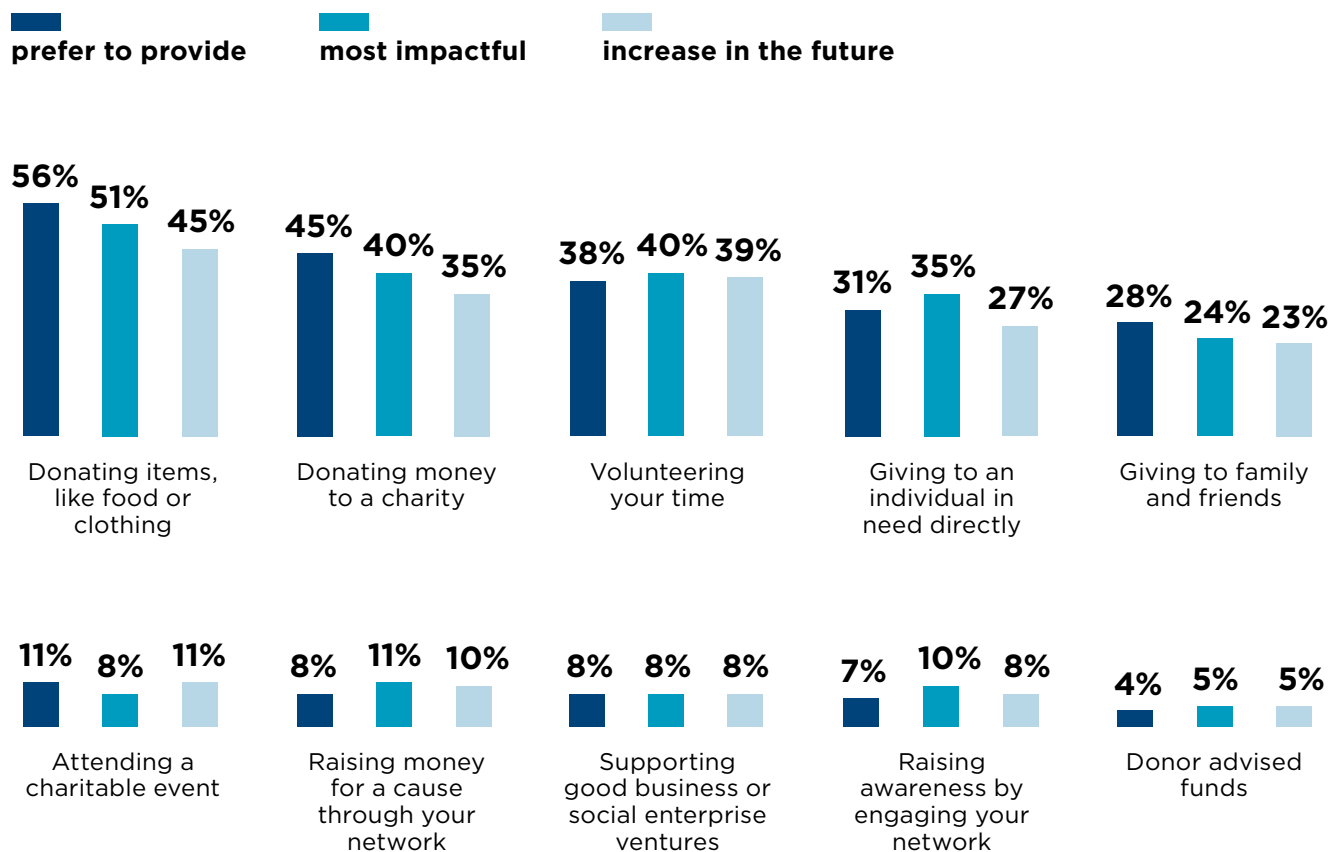
When asked more generally about making a difference, in addition to monetary donations, respondents showed preferences for nonmonetary ways of expressing their generosity. In fact, donors reported that donating items like food or clothes (in-kind donations) was the most preferred and most impactful form of giving, and a way of giving that they most wanted to increase in the future. This was followed by donating money to a charity, volunteering time, giving to an individual in need directly, and giving to family and friends (see Figure 25).

**Figure 25 - Giving Attitudes and Preferences**

**Question 1:** When you think about making a difference, what type of support do you most **prefer to provide?** (Check up to three.)

**Question 2:** When you think about making a difference, what type of support do you think is **most impactful?** (Check up to three.)

**Question 3:** Which of these forms of giving, if any, do you **hope to increase in the future?** (Check up to three.)

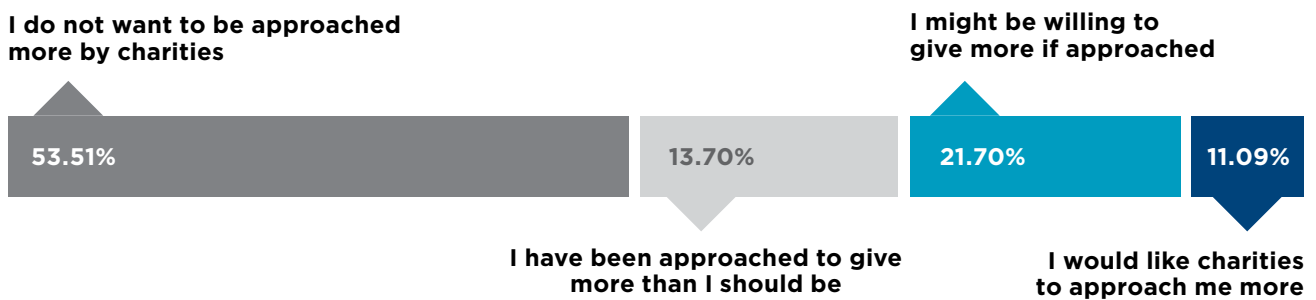


## SOLICITATION AND GIVING

Among all respondents, 11 percent expressed a desire to be approached more by charities while 22 percent expressed that they might be willing to give more if approached. A little more than one half of respondents (53 percent) expressed that they did not wish to be approached more, and only around 14 percent expressed that they have been approached more than they should be (see Table 6).

**Table 6 - Openness to Solicitation**

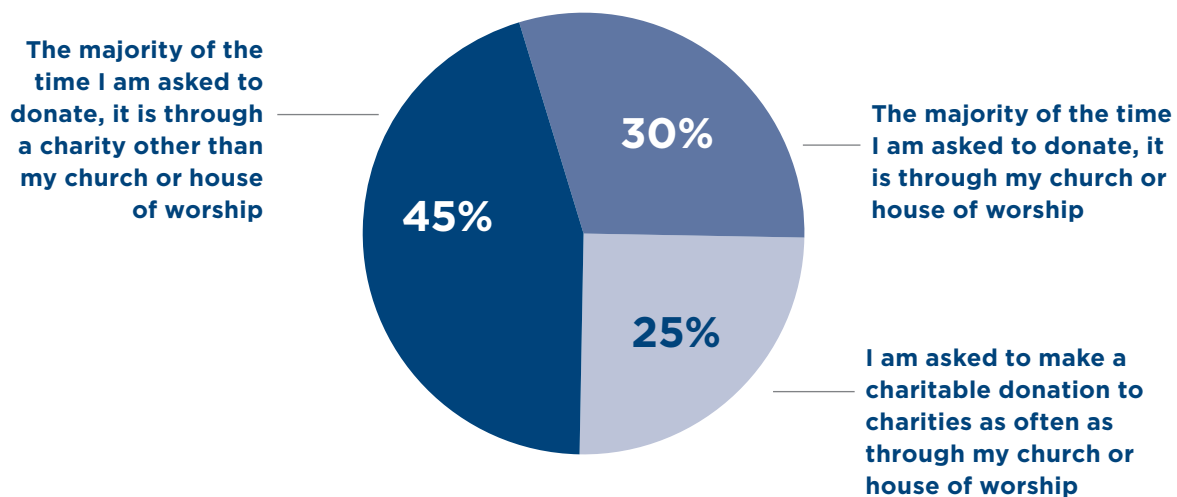
Question: Which of the following best describes you?



Among respondents, 45 percent reported that the majority of time they were asked to donate, it was through a charity (other than their church or house of worship), 30 percent reported that the majority of the time they were asked to give it was at their church or house of worship, and 25 percent reported that they were asked as often by both (see Figure 26).

**Figure 26 - Experience with Solicitation**

Question: Which of the following best describes your experience with charitable solicitations?



Donors reported that in the past year they had been asked to give via diverse channels. The most reported **solicitation channels** were through direct mail (49 percent), by phone solicitors (36 percent), via television advertisements (35 percent), by their church (33 percent), and through email requests (32 percent). The least-reported solicitation methods were through participation in a fundraising event (14 percent), via crowdfunding (10 percent), and to establish bequests (4 percent). Seven percent of respondents reported not having been solicited through any of the listed channels (see Figure 25).

The most reportedly used **giving channels** included at a church or house of worship (53 percent), as a response to a mailed appeal (28 percent), via the charities' website (25 percent), when asked to contribute at a store's checkout counter (24 percent), and when participating in a fundraising event (19 percent). The least-used methods included in response to television or radio advertisements (10 percent), via a bequest (6 percent), through a crowdfunding site (6 percent), and giving via text (4 percent) (see Figure 27).

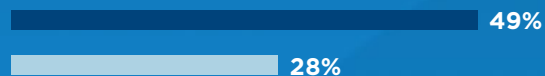
## Figure 27 – Solicitation and Giving Channels

**Question 1:** In the last 12 months, I was asked to give in the following ways (check all that apply). **Question 2:** What channels did you use to donate? (Check all that apply.) For church giving, we drew on the answer to the question in figure 23: In the last 12 months, did you, yourself, contribute any money, property, or other item to any of the following... (your church, synagogue, mosque, or other place or worship).

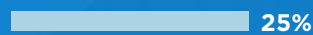
### ■ Solicitation Channel

### ■ Giving Channel

Through Direct Mail



Through a charity's website



By phone solicitors



Through television advertisements



By my church



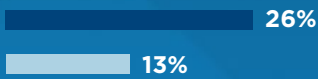
Through email requests



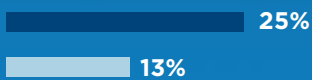
By an agent at a check-out counter



Through social media



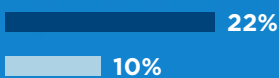
By a store promising to give a portion of the sale



Through a charitable event



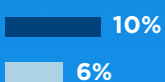
By individuals approaching me on the street



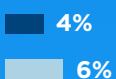
Participated in a fundraising event



Through a crowdfunding site



Included a charity in my will



Donated through text



Exclusive / None of the above



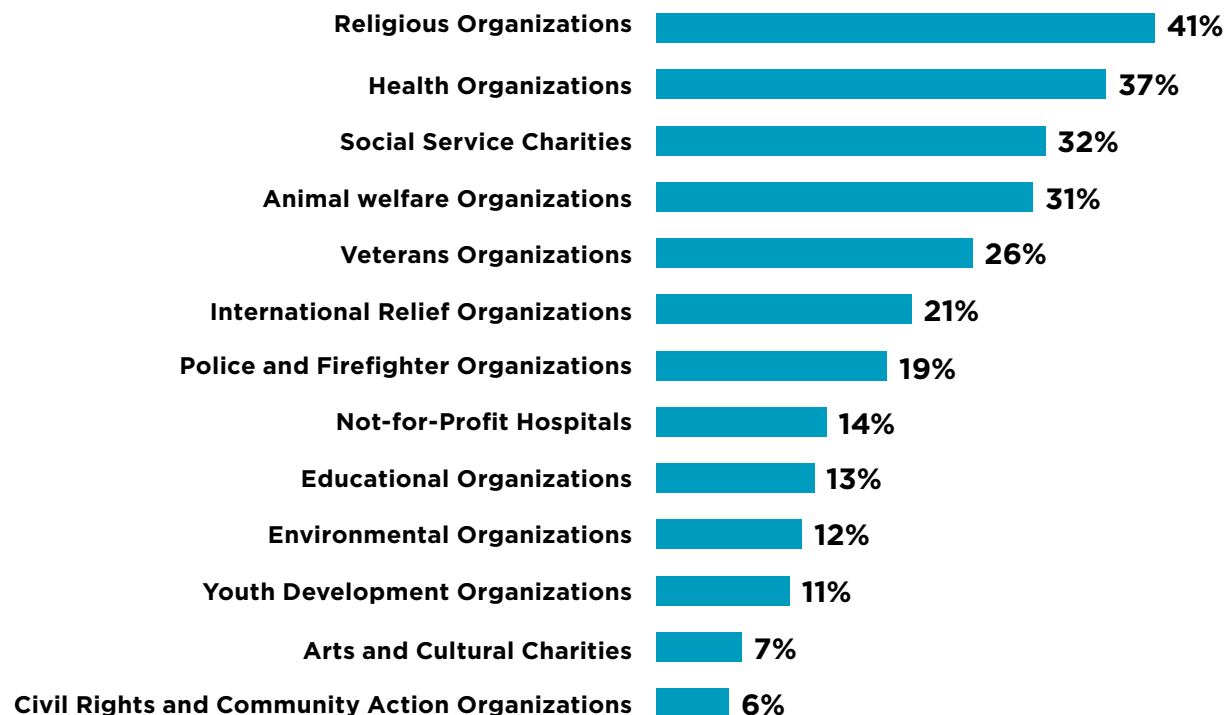
Notably, while phone requests were the second-most-reported solicitation method (36 percent), and television advertisements were the third-most-reported solicitation method, only 11 percent and 9 percent of respondents reported donating in response to those appeals, respectively. On the other hand, 53 percent of respondents reported having given through their church or house of worship, which was well above the 34 percent who reported having been solicited by their church or house of worship. Solicitation by an agent at a checkout counter, via fundraising events, and for bequests were also reported to yield relatively high giving-to-solicitation ratios.

## GIVING TO CHARITIES

When asked which type of charitable organizations most frequently approached them, donors reported that they were most frequently approached by religious organizations (41 percent), health-focused charities (37 percent), social service charities (32 percent), animal welfare organizations (31 percent) and veterans organizations (26 percent) (see Figure 28).

**Figure 28 - Charities Most Frequently Approached By**

Question: I am most frequently approached by these types of charities (check up to three):



## ITEMIZING DEDUCTIONS

Only 3 out of 10 respondents always report or itemize their charitable contributions on their federal income tax forms. Interestingly, and with relevance to recent changes in tax law regarding itemized deductions, only 14 percent of respondents reported that they would give less if they did not receive tax benefits, and 22 percent reported that they would increase donations.

## GIVING IN THE FUTURE

Finally, when asked to define how giving will be different in the future, many respondents report being uncertain about whether donations will be meaningfully different in the future but express desire to increase their giving. Responses also referenced the rise in use of technology, emerging channels to give to a beneficiary directly, crowdfunding, and increased need for due diligence and charity accountability (see Figure 29).



## Figure 29- Giving in the Future

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Question: How will giving be different in the future?

### 1 No Difference / Don't Know

Don't know  
No difference  
No change  
Stay the same  
Depends on current income  
Wait and see/depends on the economy  
People have less money (I have less)

### 2 Increasing Donations

Giving more  
More donations  
Will give more even if can't deduct from taxes  
People will give more to help those in need  
I hope that I can give more both of time and money  
It will increase  
I will give more

### 3 Online / Electronic / Technology

More and more people will donate using the internet  
More opportunities to give when shopping online  
Will increase through online giving sources  
More direct giving from apps  
More online mobile  
It may just be automatically added on to payments for something else, like a gratuity

### 4 Giving More Directly

Will be more individualized  
I may be doing less monetarily but maybe more volunteer-wise

Maybe more people will want to be more directly involved rather than just giving money  
Feed a few more families  
Save more lives  
Giving directly to individuals will be more common

### 5 Social Giving

It will be different because it helps people come together and do something for a good cause  
Social media is changing how people give, which is a positive thing  
Because of social media bringing awareness to different organizations, giving will become more broadened and common  
More ad hoc fundraising via "go fund me" types of online donations  
More social enterprises that bridge the gap between doing well and doing good

### 6 Increased Demand for Accountability

I will ask more details  
People will want to know more about how their money is really being used  
More accountability and full disclosure  
I hope more people pay attention to the financial aspect of charities  
I think people are becoming less trustful of charities on the whole and will be less inclined to give in the future if they don't see any impact  
I think more people will be taken in by fraudulent charities  
Will be easier to find charities worth giving to  
It will become less trustworthy and more organizations will pocket the charity money

As noted above, many survey responses predicted increases in the use of technology and the internet to give. In our 2001 survey conducted by Princeton Survey Research Associates, 6 percent of survey respondents reported having donated online and 22 percent of respondents reported they would consider donating online in the future.<sup>31</sup> In this 2017 survey, when asked about giving channels, 25 percent of respondents reported having donated directly through a charity’s website — a close approximation of the 2001 respondents’ prediction.

In 2001, online giving was reported to be low across generational cohorts, but almost nonexistent among the oldest cohort (1 percent). In contrast, among the 2017 respondents the oldest cohort reported having done more online giving (29 percent) than the younger generations (22-percent Gen Z and 21-percent Millennials).

## **HETEROGENEITY IN ATTITUDES AND PREFERENCES**

When examining self-reported attitudes and preferences around generosity and giving, we found heterogeneity by generation and by race. Previous work on the subject conducted by Blackbaud in 2013<sup>32</sup> and 2015<sup>33</sup> looked at giving practices and solicitation preferences, and identified opportunities for charities to cultivate more willing donors (especially younger, African American, and Hispanic donors). We found that such opportunities persist, and to further fill out the picture, present details on how generational cohorts and racial groups report that they are

solicited, how they wish to be solicited, and how they express their generosity.

## **OPENNESS TO SOLICITATION BY AGE AND RACE**

When asked about their preferences for being solicited by charities, younger respondents (Gen Z and Millennials) expressed a higher desire to be approached more (absolute and relative), and that they might be willing to give more if approached, while older respondents (Baby Boomers and Silent Generation) expressed a desire to not be approached more (absolute and relative) (see Figure 30).

In a similar vein, African American and Hispanic/Latino respondents expressed a relative desire to be approached more, and together with Asian Americans expressed that they might be willing to give more if approached (see Figure 31).

## **HOUSES OF WORSHIP AND OTHER CHARITIES SOLICITATION BY AGE AND RACE**

Among respondents, Baby Boomers and members of the Silent Generation reported that they were more solicited by charities than average, while Millennials reported that they were solicited by their house of worship more than average. Both Millennials and Gen Z members reported being solicited more often by charities and their house of worship relative to the other age groups (see Figure 32).

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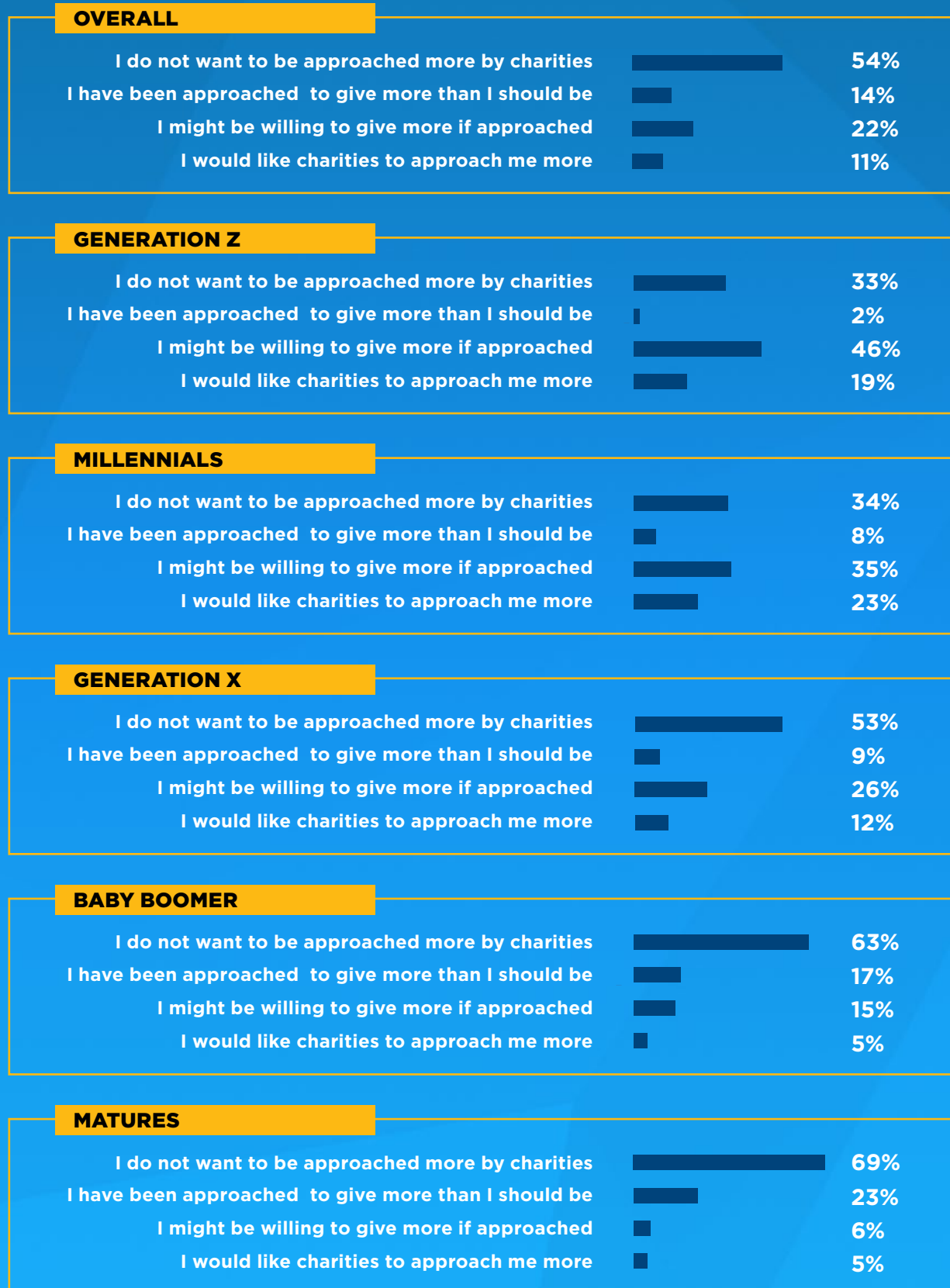
<sup>31</sup> Trend from Gallup Organization for Council of Better Business Bureaus August (1993) and Princeton Survey Research Associates BBB Wise Giving Alliance Donor Expectation Survey (2001). Note that the 2001 survey was conducted via phone, while this 2017 survey was conducted online.

<sup>32</sup> *The Next Generation of American Giving: The Charitable Habits of Generations Y, X, Baby Boomers, and Matures*. Blackbaud, 2013.

<sup>33</sup> *Diversity in Giving: The Changing Landscape of American Philanthropy*. Blackbaud, 2015.

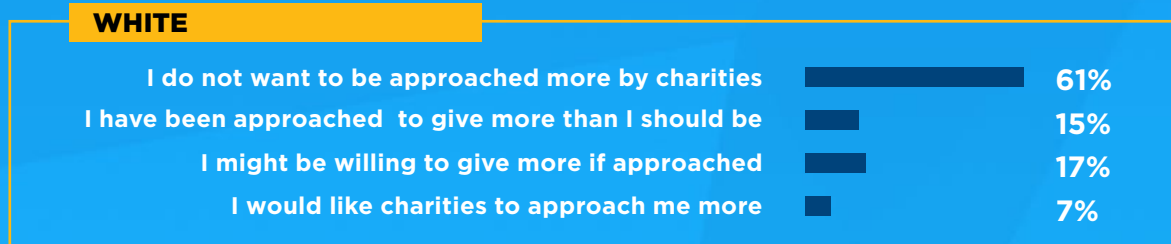
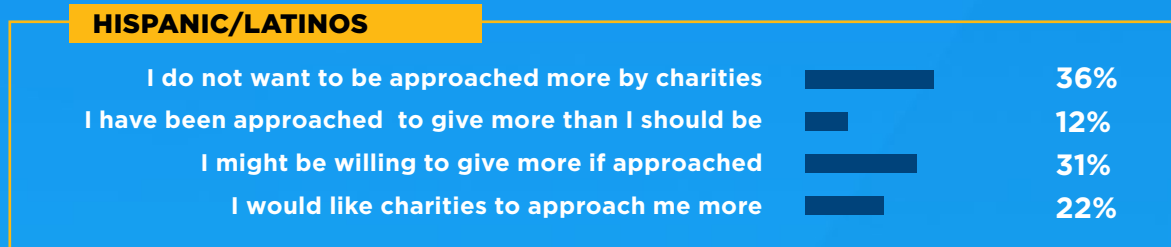
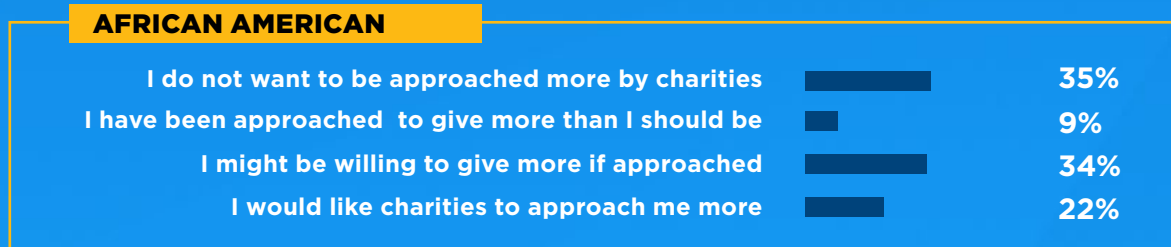
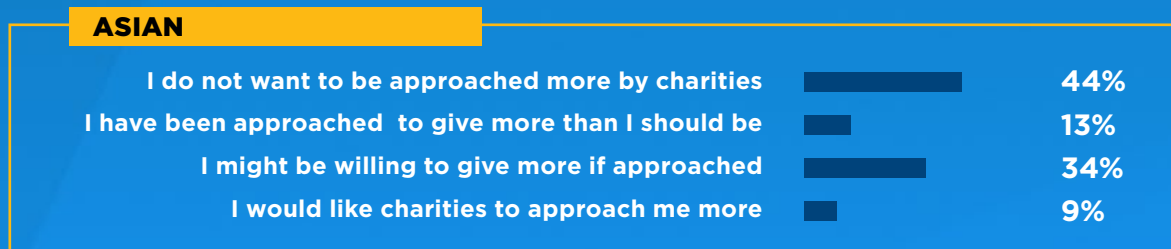
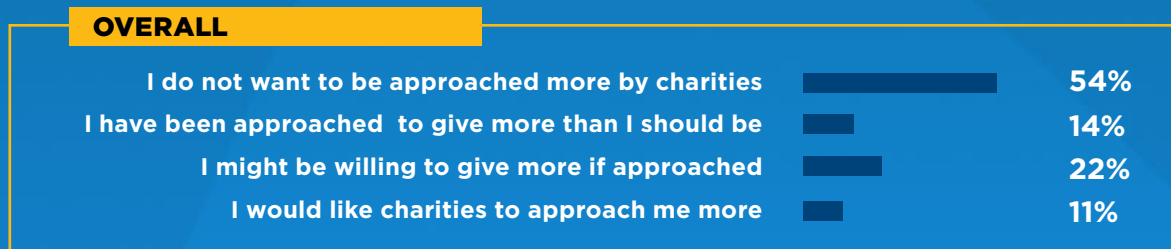
**Figure 30- Openness to Solicitation by Age**

Question: Which of the following best describes you?



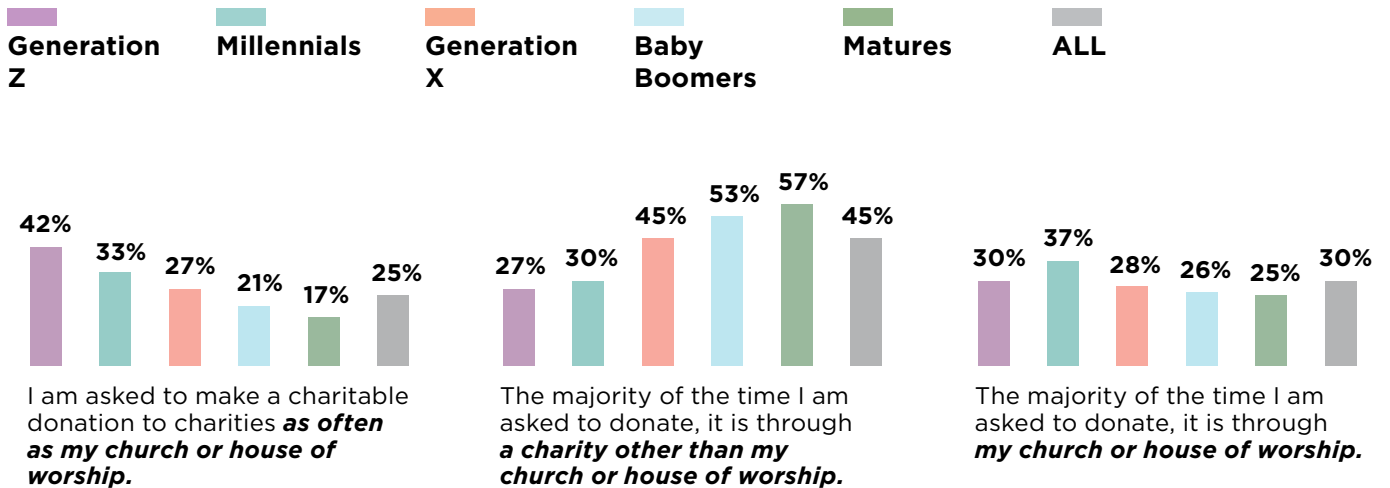
**Figure 31-** Openness to Solicitation by Race

Question: Which of the following best describes you?



**Figure 32- Charitable Donation by Age**

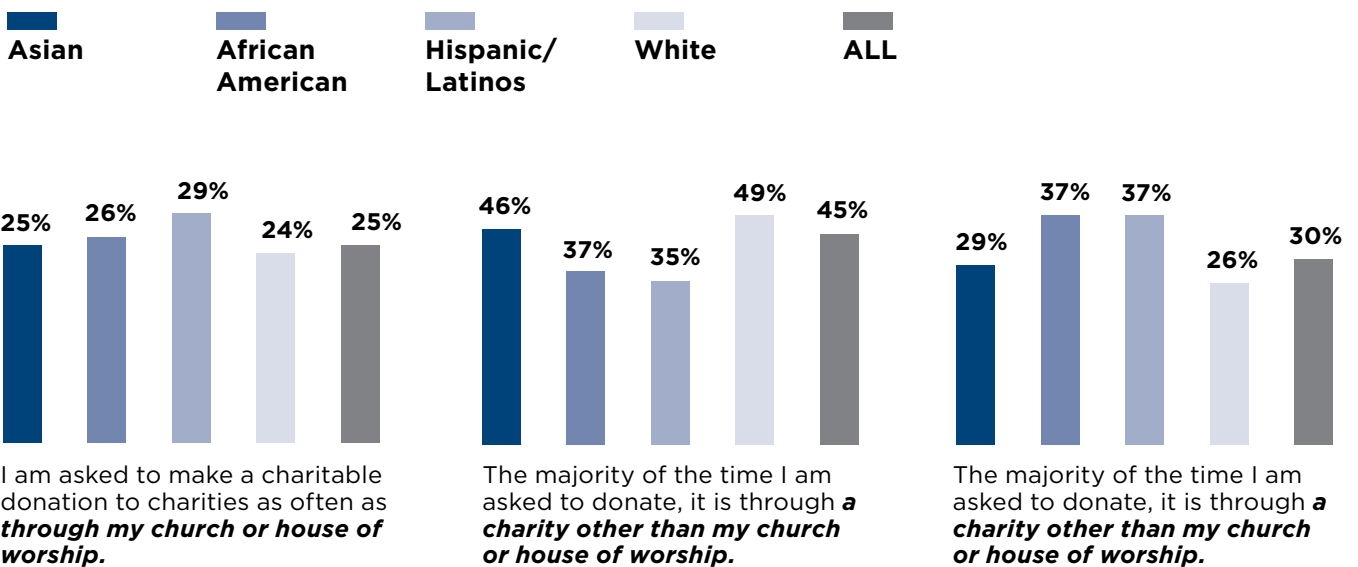
Question: Which of the following best describes your experience with charitable solicitations?



Among respondents, African Americans and Hispanic/Latinos expressed being solicited by their house of worship relatively more than average (see Figure 33).

**Figure 33- Charitable Donation by Race**

Question: Which of the following best describes your experience with charitable solicitations?



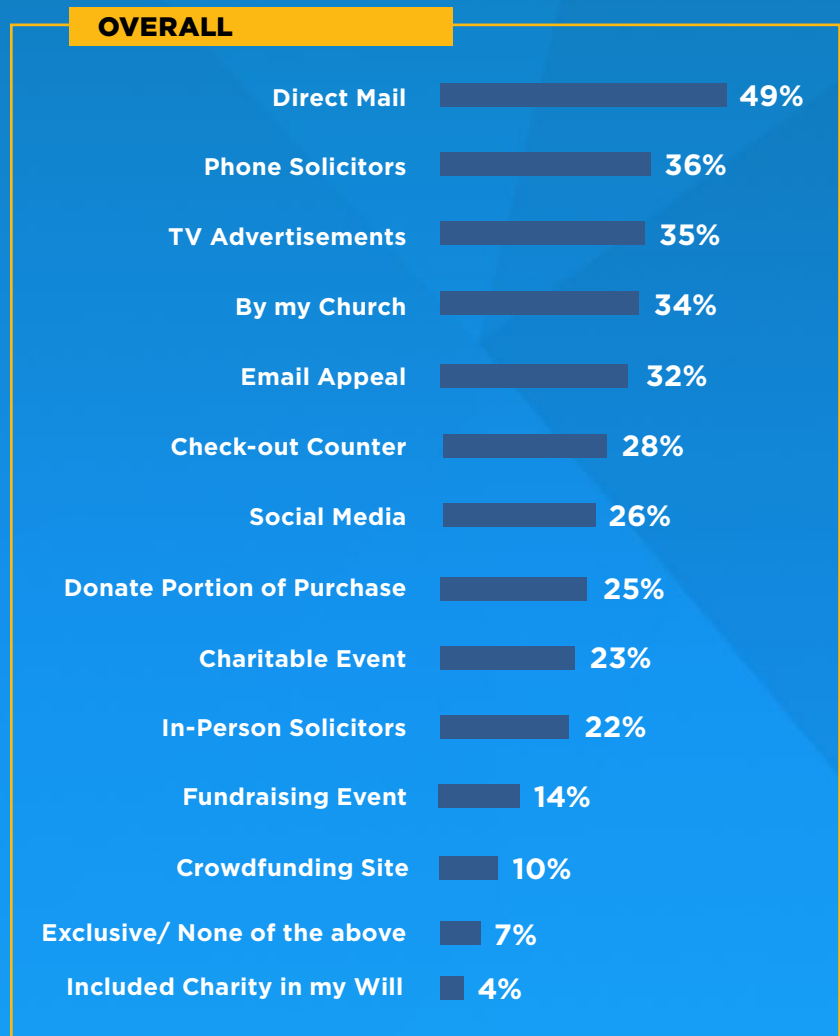
## SOLICITATION CHANNELS BY AGE AND RACE

Members of the Silent Generation reported being solicited relatively more than average across the board. The distribution seems to follow an age pattern (with younger generations solicited less) with exceptions for Gen X who reported relatively high direct mail solicitation, and in the case of social media solicitation where Gen Z, Millennials, and Gen X report that they are solicited relatively more often (see Figure 34).

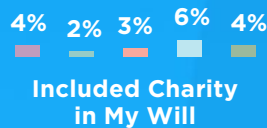
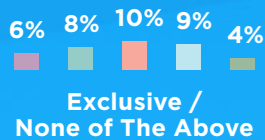
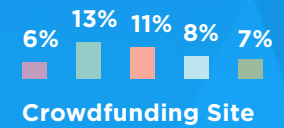
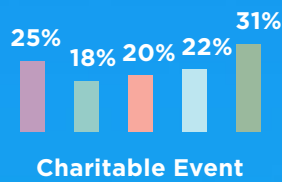
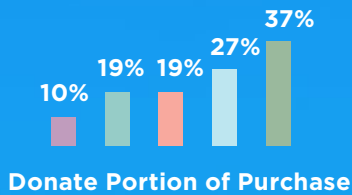
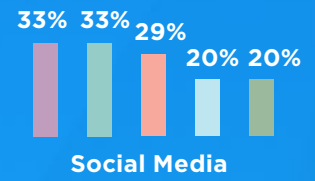
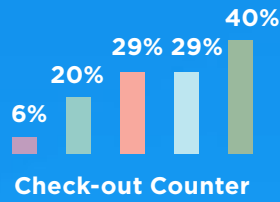
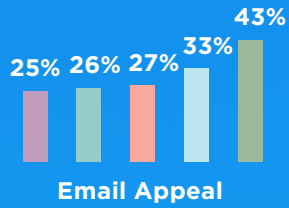
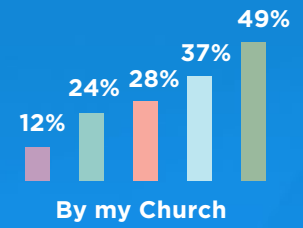
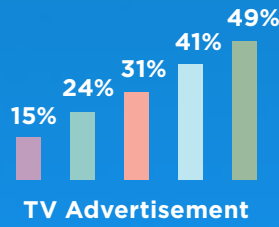
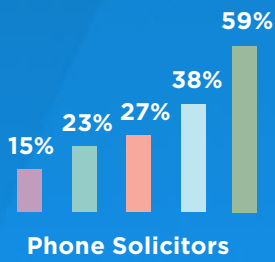
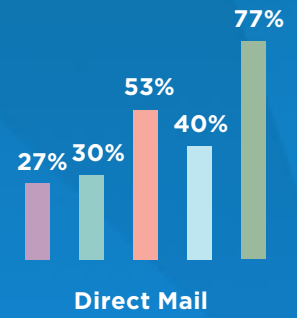
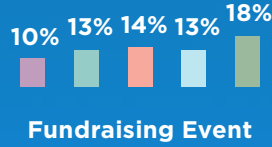
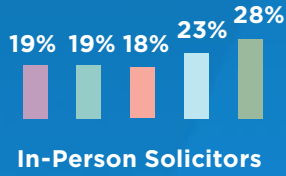
When looking at solicitation methods by race, with the exception of social media where Hispanic/Latinos reported being relatively more solicited than average, White respondents reported receiving relatively more solicitation across the board than average (see Figure 35).

**Figure 34 – Solicitation by Age**

In the last 12 months, I was asked to give in the following ways (check all that apply):

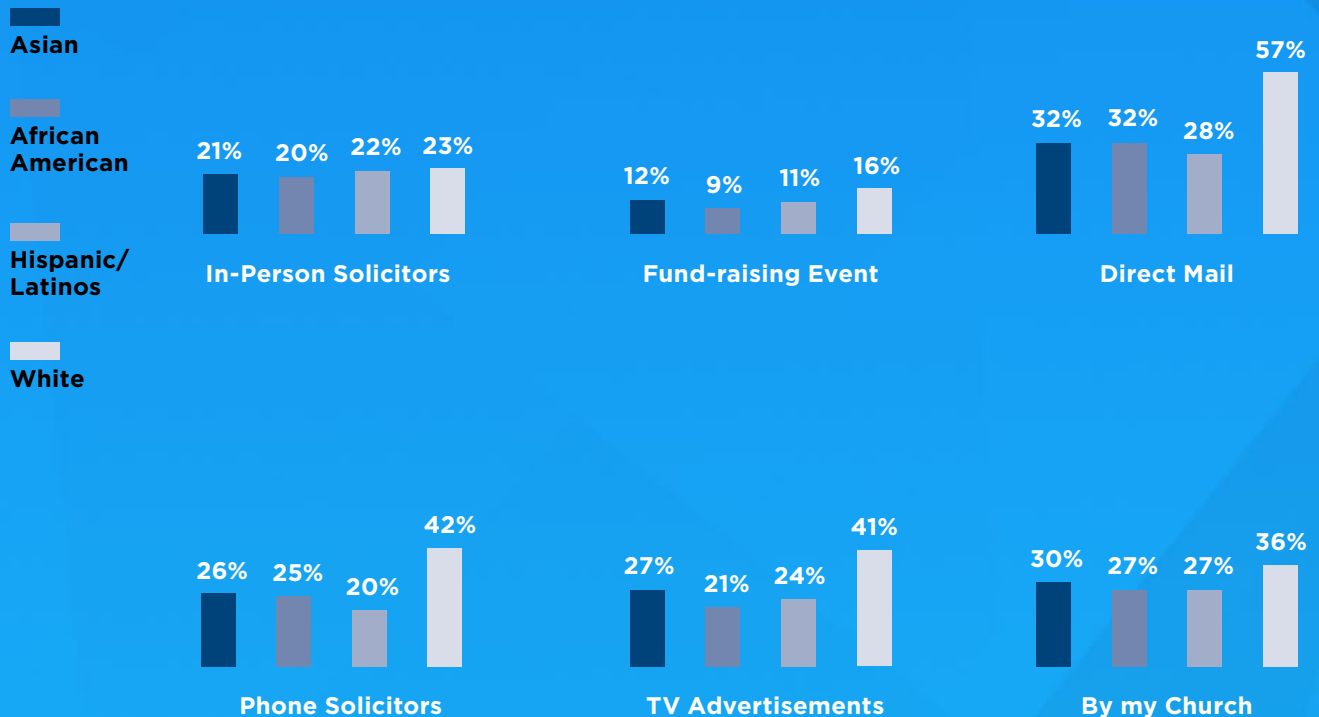
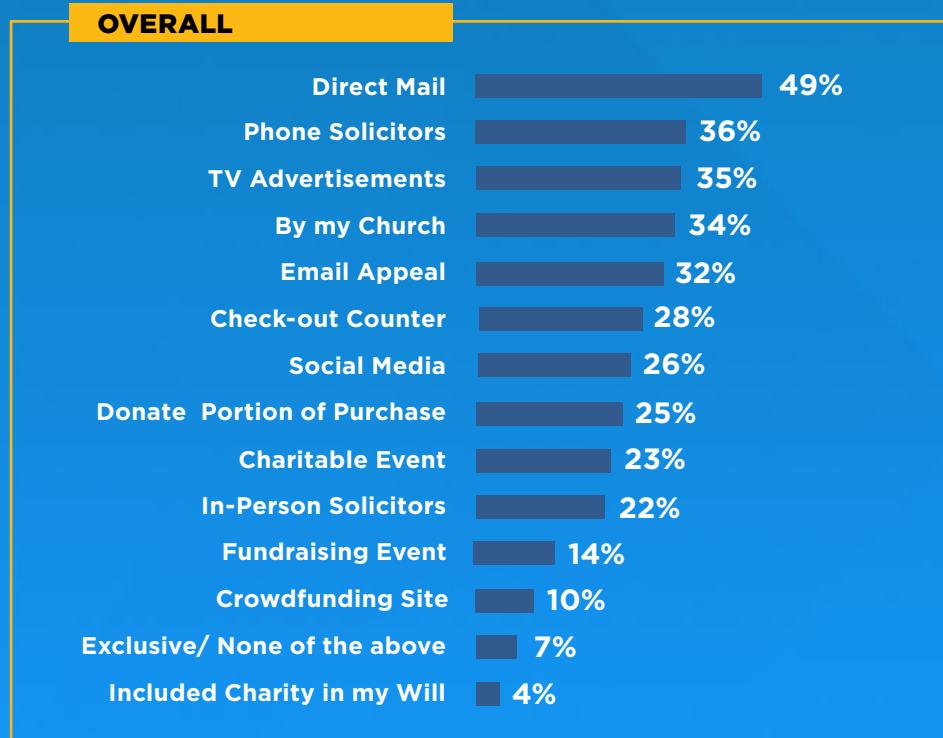


■ Generation Z   
 ■ Millennials   
 ■ Generation X   
 ■ Baby Boomers   
 ■ Matures



**Figure 35 - Solicitation by Race**

In the last 12 months, I was asked to give in the following ways (check all that apply):

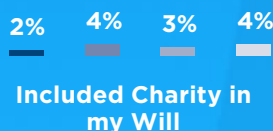
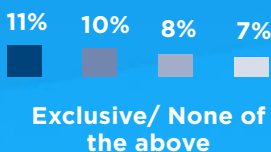
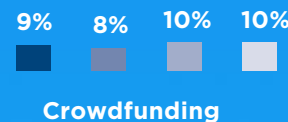
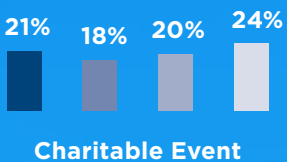
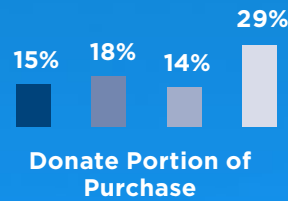
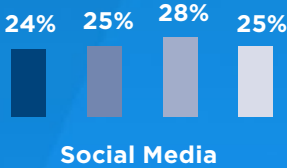
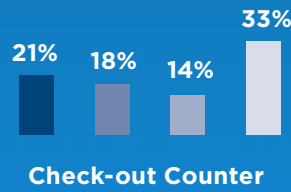
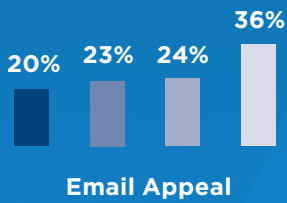




## GIVING CHANNELS BY AGE AND RACE

When asked what channels were used to donate, compared to the average, Silent Generation and Baby Boomers were relatively most likely to have given in response to a direct mail appeal. Among respondents, Generation X, Baby Boomers, and members of the Silent Generation were most likely to have reported donating through a charity's website. Gen Z and Millennials were most likely to have given through social media, through door-to-door or in-person solicitations, or to have donated through text (along with Generation X). Gen Z respondents were also most likely to have responded to a phone appeal (see Figure 36).

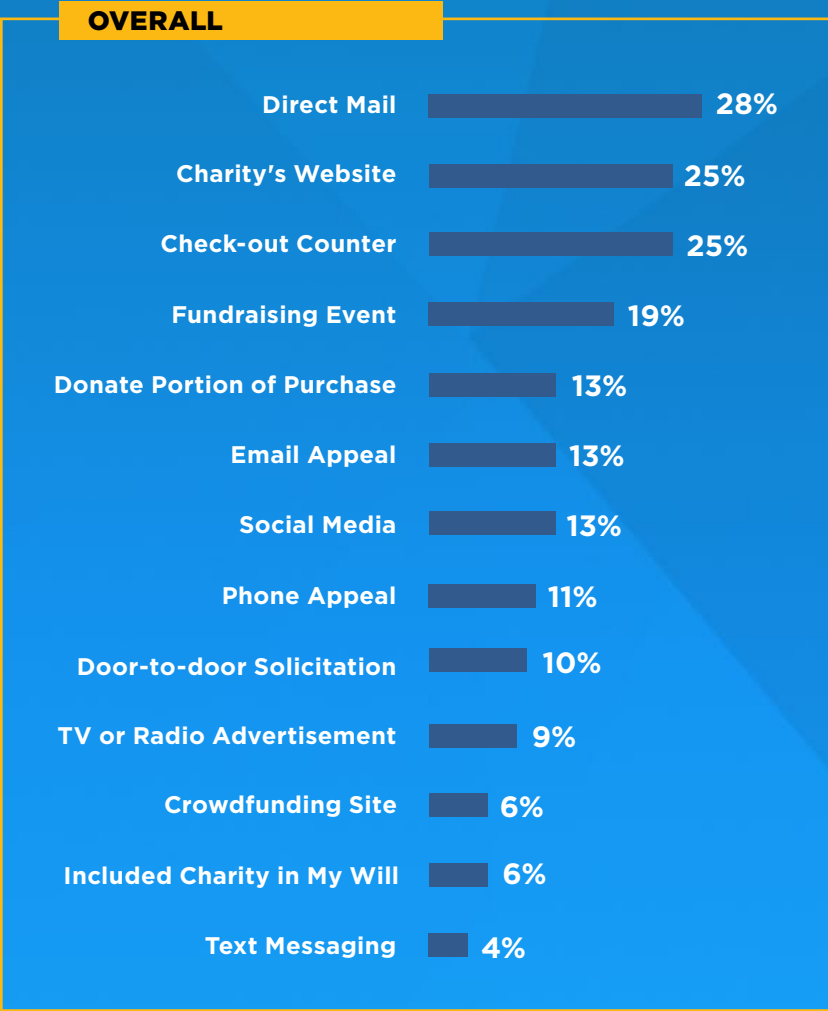
Compared to the average, White respondents were relatively most likely to have given as a response to direct mail, checkout counter, and



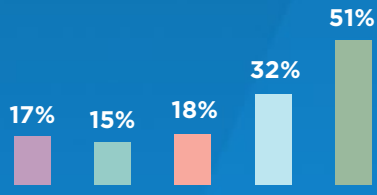
fundraising events. Whites, Hispanic/Latinos, and Asians were slightly more likely to have given through a charity’s website. Asians were more likely to have given in response to a door-to-door or in-person appeals and email appeals, while Hispanic/Latinos were by far most likely to have given through social media appeals, and African Americans were by far most likely to have given in response to phone appeals and TV and radio ads (see Figure 37).

**Figure 36 - Giving Channel by Age**

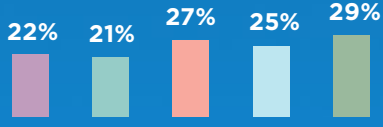
What channels did you use to donate? (check all that apply):



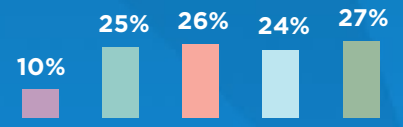
■ Generation Z
 ■ Millennials
 ■ Generation X
 ■ Baby Boomers
 ■ Matures



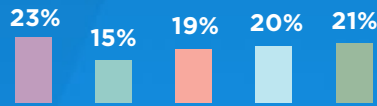
Direct Mail



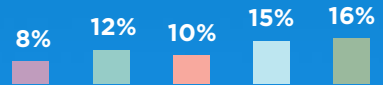
Charity's Website



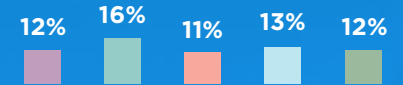
Check-out Counter



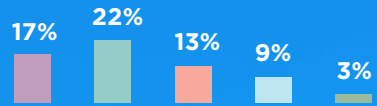
Fundraising Event



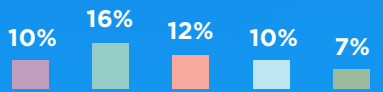
Donate Portion of Purchase



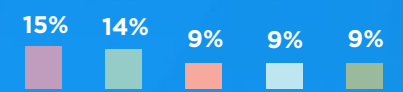
Email Appeal



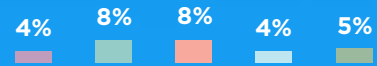
Social Media



Phone Appeal



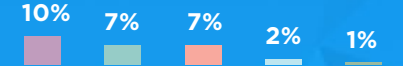
Door-to-door Solicitation



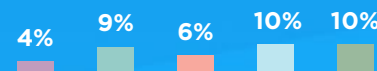
Crowdfunding Site



Included Charity in my Will



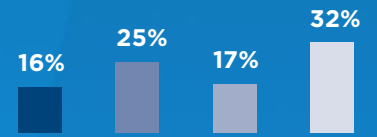
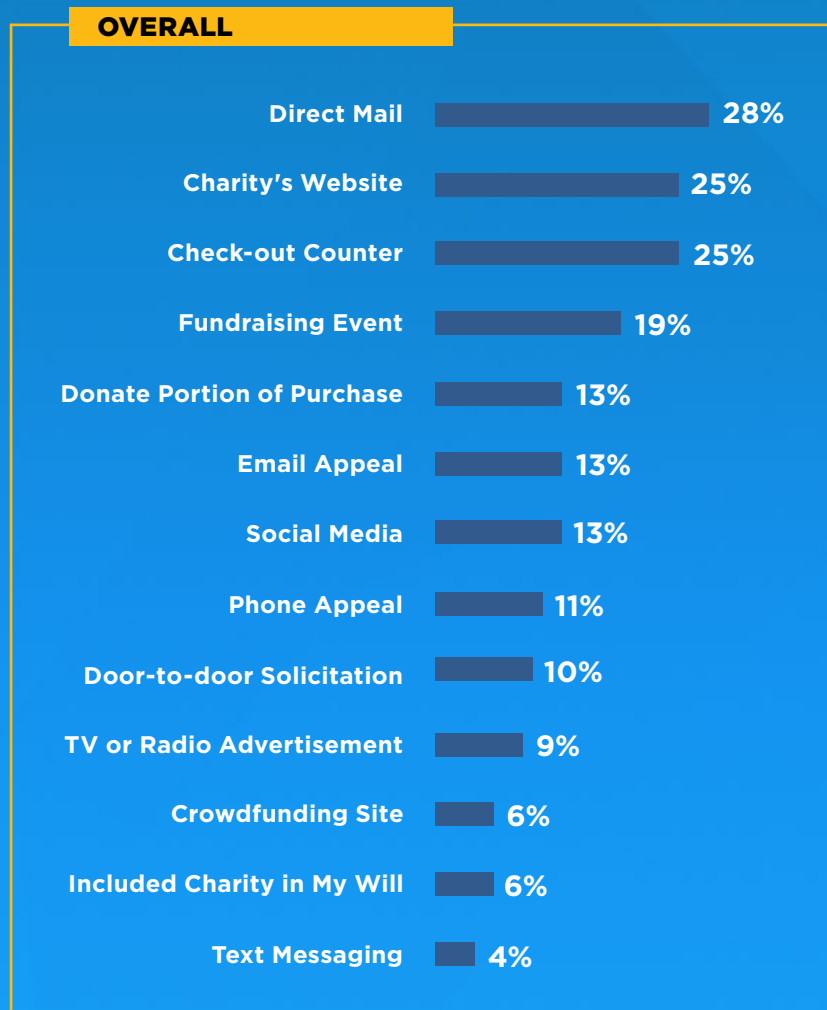
Text Messaging



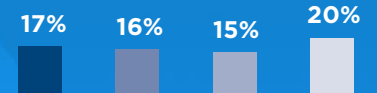
TV or Radio Advertisement

**Figure 37 - Solicitation by Race**

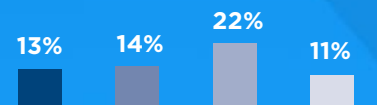
In the last 12 months, I was asked to give in the following ways (check all that apply):



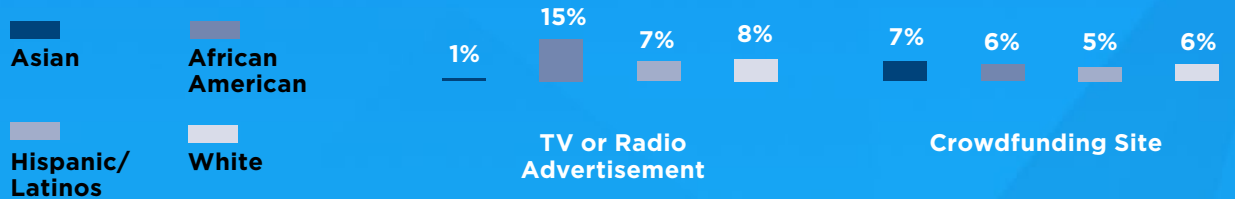
Direct Mail



Fundraising Event



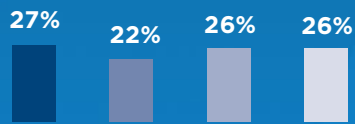
Social Media



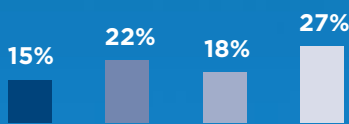
## GIVING TO CHARITY OR INFORMALLY BY AGE AND RACE

While giving to charity was clearly favored over giving informally to people in their network by all respondent groups, compared to the average, Silent Generation respondents were slightly more likely to have given to charity relative to Gen Z and Millennial respondents (93 percent versus 81 percent and 81 percent), while Gen Z and Millennials were slightly more likely to have given informally (19 percent and 19 percent versus 7 percent for Silent Generation respondents).

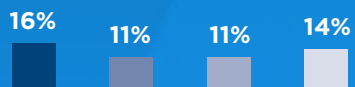
Looking at the same question, compared to the average, Asian American and Hispanic/Latino respondents were slightly more likely to have given informally (22 percent and 19 percent versus 14 percent average), while African Americans



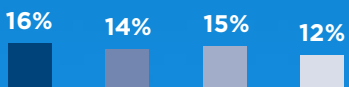
Charity's Website



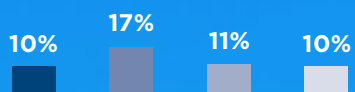
Check-out Counter



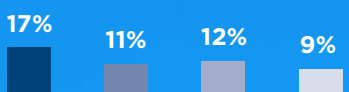
Donate Portion of Purchase



Email Appeal



Phone Appeal



Door-to-door Solicitation



Included Charity in my Will



Text Messaging

and Whites were slightly more likely to have given to charity (87 percent and 88 percent versus 78 percent for Asian Americans and 81 percent for Hispanic/Latinos).

### GIVING TO CHARITIES, CHURCHES, AND INDIVIDUALS BY AGE AND RACE

When asked about giving to charities, churches, and individuals in the past year, compared to the average, Silent Generation respondents were relatively more likely to have contributed to their place of worship (61 percent versus 53 percent average) and charities (78 percent versus 68 percent average). Millennials were less likely to have contributed to charities (58 percent versus 68 percent average). Gen Z and Millennials were relatively more likely to have supported family and friends both inside (52 percent and 53 percent versus 45 percent average) and outside of the United States (40 percent and 38 percent versus 25 percent average).

When compared to the average, Asian Americans and Whites were slightly more likely to have given to charities (71 percent and 71 percent versus 59 percent and 59 percent for African Americans and Hispanic/Latinos). African Americans and Hispanic/

Latinos were more likely to have given to family and friends living inside the United States (51 percent and 51 percent versus 45 percent average). Hispanic/Latinos, African Americans, and Asian Americans were relatively much more likely to give to family and friends outside of the United States (42 percent, 37 percent, and 39 percent versus 19 percent for Whites) and slightly more likely to give to their house of worship than the average.

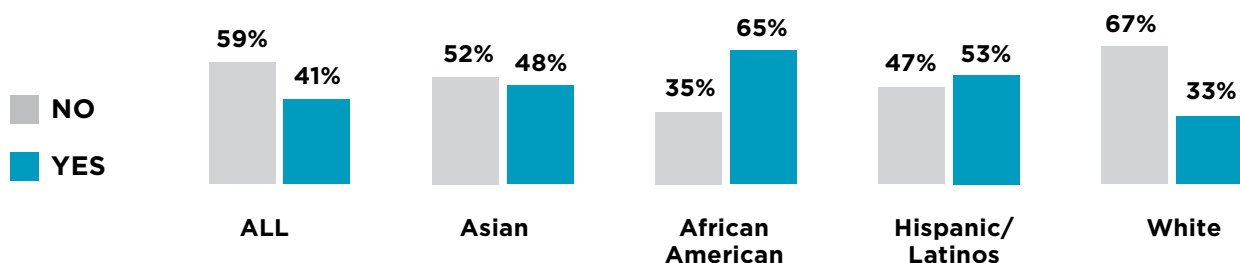
### GIVING TO ORGANIZATIONS SERVING SPECIFIC COMMUNITIES

When asked whether they had a preference for giving to organizations serving the needs in their ethnic communities, both African American and Hispanic/Latino expressed a preference for such giving while Asian and White respondents did not (see Figure 38).

When asked whether they had a preference for giving to a charity that works domestically or one that works internationally, respondents reported a strong preference to giving to domestic charities. Within the age groups, younger respondents reported being more inclined to support charities that work internationally than the older generations (see Figure 39).

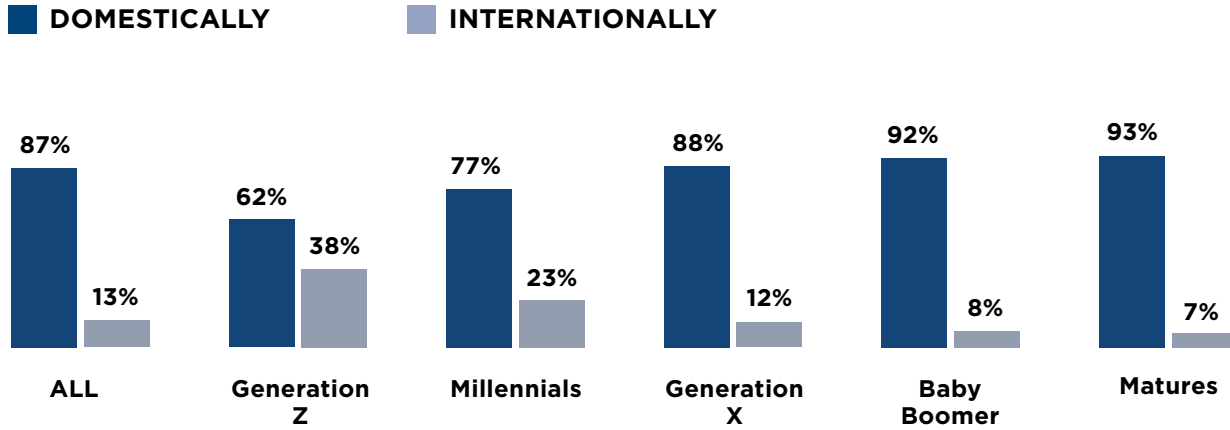
**Figure 38-** Charity Serving Need in Your Ethnic Community - Race

Question: Do you prefer donating to a charity serving specific needs in your ethnic community?



**Figure 39-** International or Domestic Preference - Age

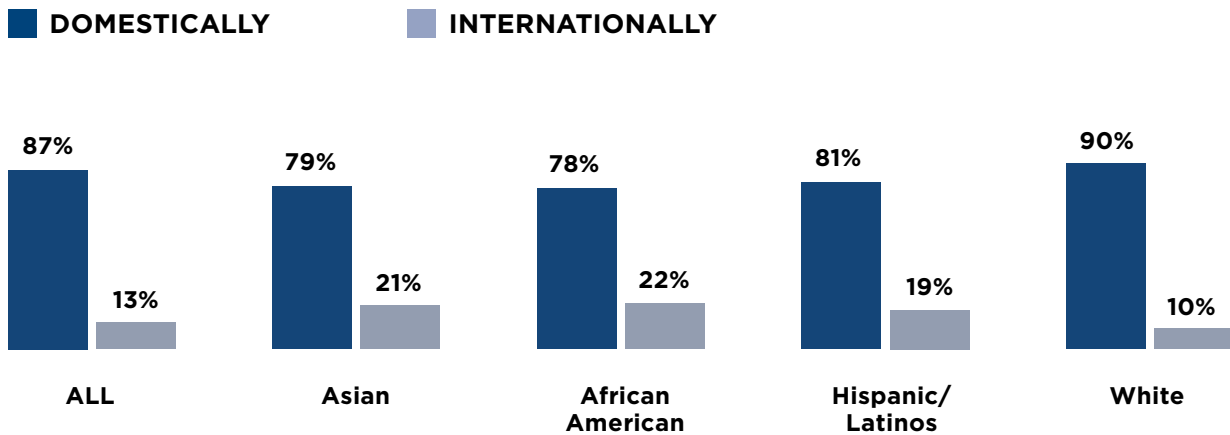
Question: Do you prefer donating to a charity that works domestically or one that works internationally?



Similarly, while there was an overall reported preference across races for supporting charities that work domestically, Asian, African American, and Hispanic/Latino respondents expressed a preference for supporting charities that work internationally when compared to White respondents (see Figure 40).

**Figure 40-** International or Domestic Preference - Race

Question: Do you prefer donating to a charity that works domestically or one that works internationally?



## SUPPORT PREFERENCES, GIVING IMPACT, AND FUTURE GIVING BY AGE AND RACE

Across all groups, when examining the **types of support that people report they prefer to provide**, we found a preference for making in-kind donations, donating money to charity, and volunteering. We found that compared to the average, members of the Silent Generation expressed the strongest relative preference for making in-kind and monetary donations. Millennials and Gen Z expressed above average preferences toward attending charitable events, fundraising through their networks, raising awareness among their networks, and giving through donor-advised funds (see Figure 41).

When looking at the data by race, we found that White respondents expressed an above average preference for making in-kind and monetary donations, African American respondents expressed above average preferences for giving directly to an individual in need as well as giving to family and friends, and that Hispanic/Latino respondents reported a relative preference for attending charitable events, raising money for a cause through their networks, and raising awareness by engaging their networks (see Figure 42).

When we asked respondents **what they saw as the most impactful form of making a difference** the results were not entirely consistent with the above preferences. While Silent Generation members reported feeling that in-kind and monetary donations were most impactful, Baby Boomers and Gen Z respondents reported a larger above-average impact for raising money for a cause through their networks, and Gen Z respondents also stood out as reporting high

impacts for attending charitable events, and raising awareness through their networks (see Figure 43).

Asian American respondents stood out as identifying fundraising through their networks and donor advised funds as impactful, and together with African Americans, Hispanic/Latinos reported above average impacts for raising awareness by engaging one's network. Relative to other groups, Asian Americans reported giving through donor-advised funds as particularly impactful (see Figure 44).

When asked **which forms of giving they planned to increase in the future**, Silent Generation respondents expressed an above average preference to increase their future in-kind and monetary donations. Gen Z reported relative preferences toward increasing their charitable event attendance, supporting good business/social enterprise ventures, raising awareness, and giving through donor-advised funds. Millennials expressed a relative preference for raising money through social networks (see Figure 45).

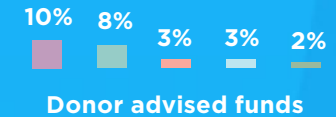
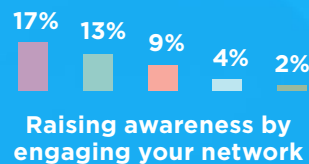
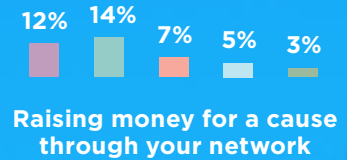
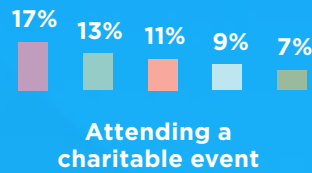
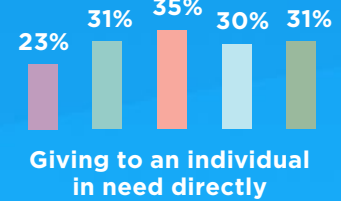
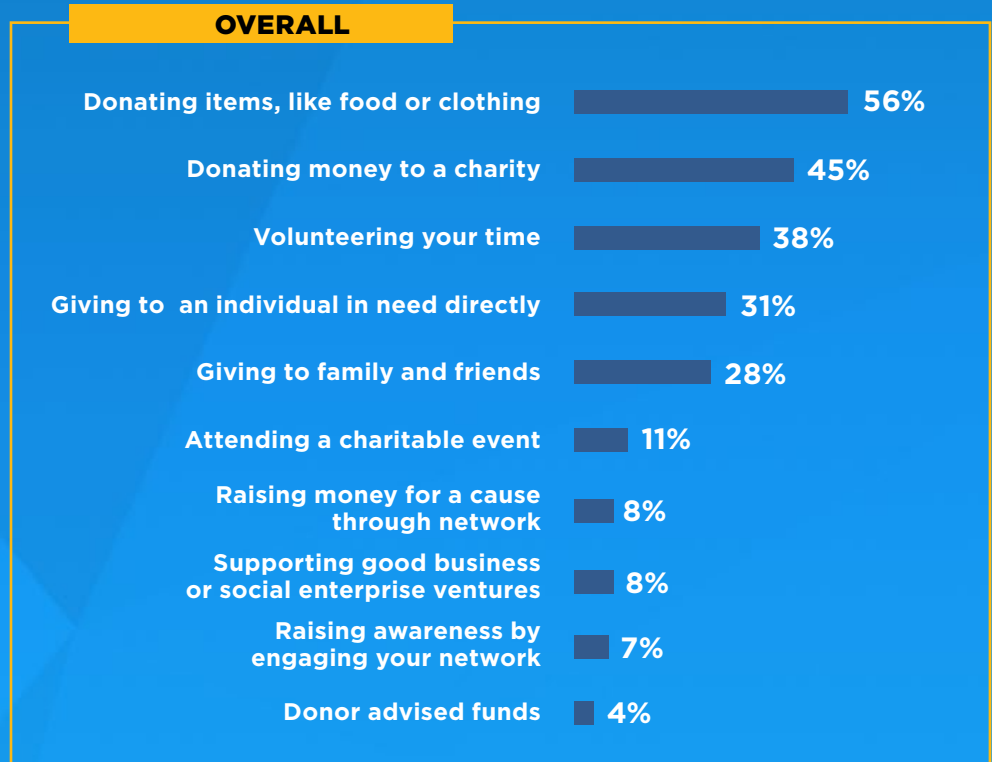
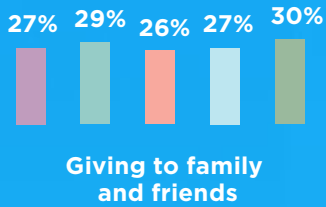
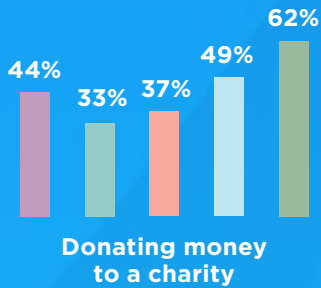
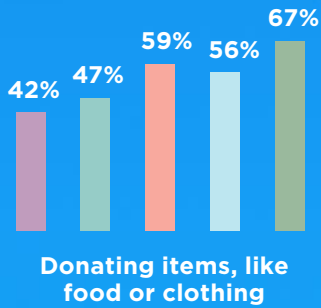
African American and Hispanic/Latino respondents expressed a relative preference for increasing support by attending charitable events, fundraising for a cause through their networks, and raising awareness by engaging their networks. Asian Americans also expressed relative preference for raising awareness and together with African Americans expressed plans to increase support for good business/social enterprise ventures. Hispanic/Latinos expressed a relative preference for giving to family and friends (see Figure 46).



**Figure 41 - Preferred Support by Age**

When you think about making a difference, what type of support do you most prefer to provide? (Check up to three.)

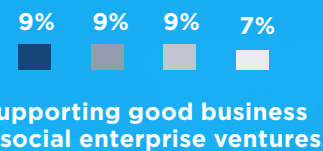
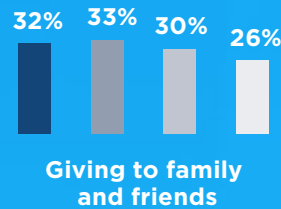
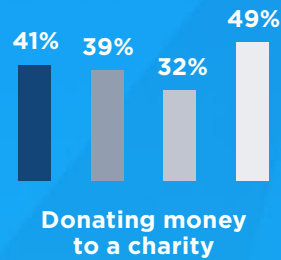
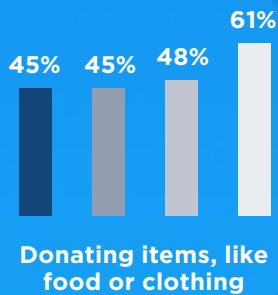
- **Generation Z**
- **Millennials**
- **Generation X**
- **Baby Boomer**
- **Matures**



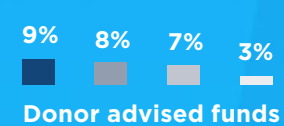
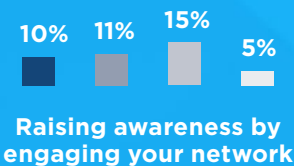
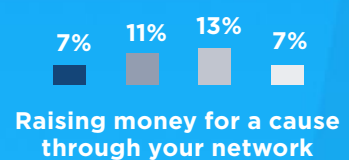
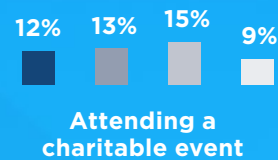
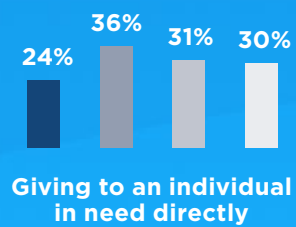
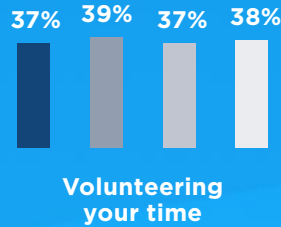
**Figure 42 - Preferred Support by Race**

When you think about making a difference, what type of support do you most prefer to provide? (Check up to three.)

Asian  
 African American  
 Hispanic/Latinos  
 White



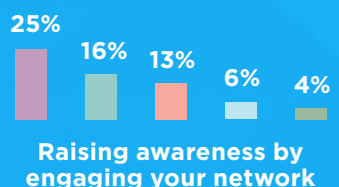
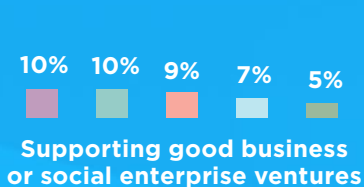
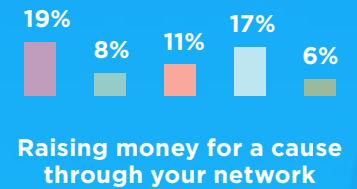
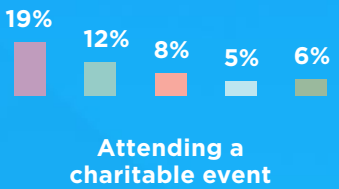
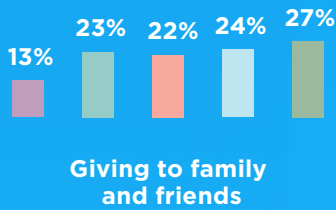
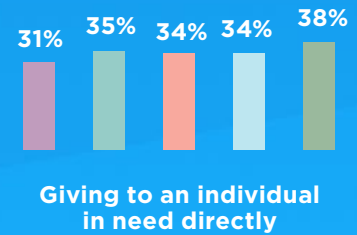
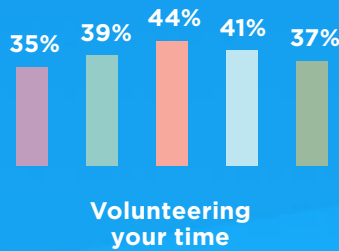
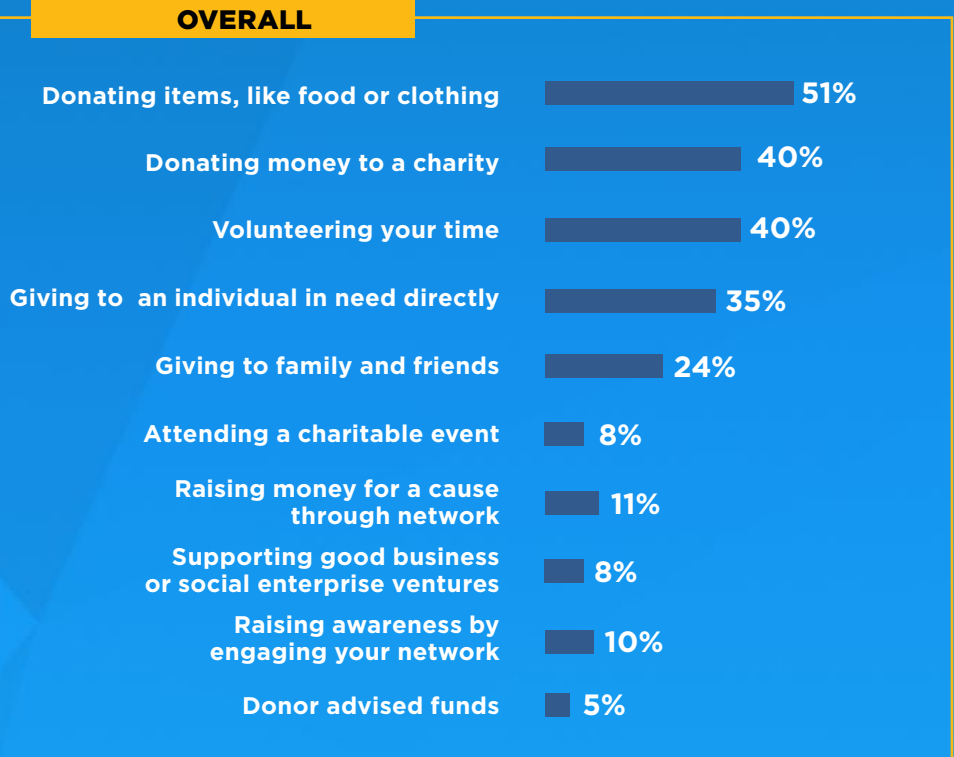
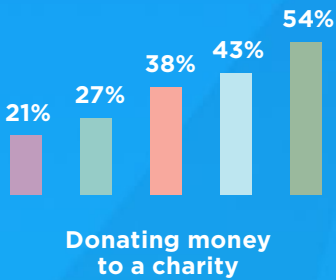
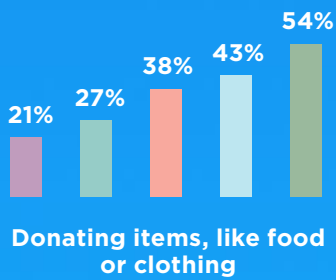
**OVERALL**



**Figure 43 – Support Impact by Age**

When you think about making a difference, what type of support do you think is most impactful? (Check up to three.)

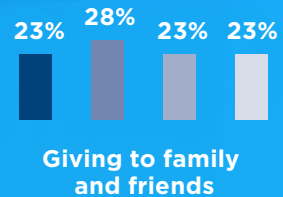
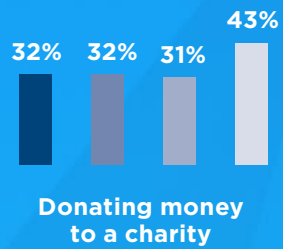
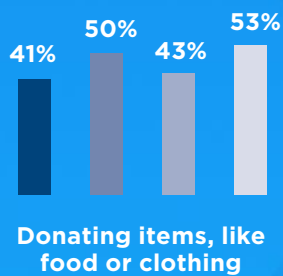
- **Generation Z**
- **Millennials**
- **Generation X**
- **Baby Boomer**
- **Matures**



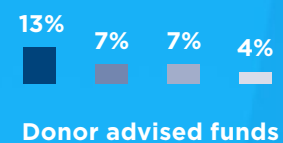
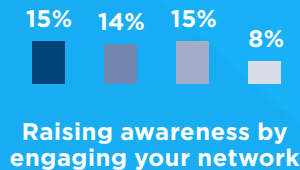
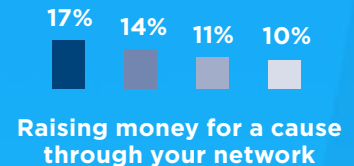
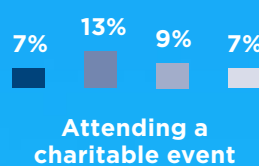
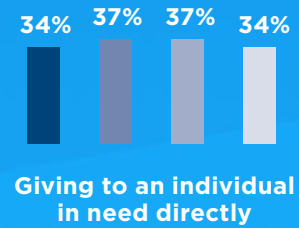
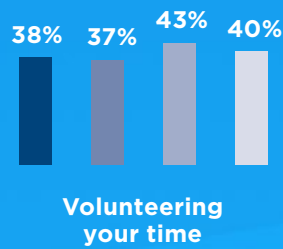
**Figure 44 - Support Impact by Race**

When you think about making a difference, what type of support do you think is most impactful? (Check up to three.)

- Asian
- African American
- Hispanic/Latinos
- White



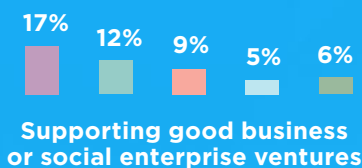
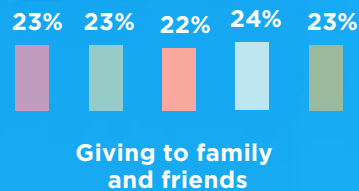
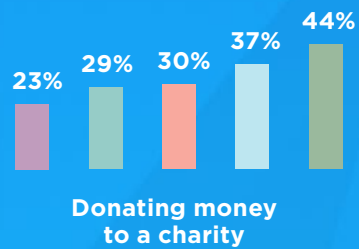
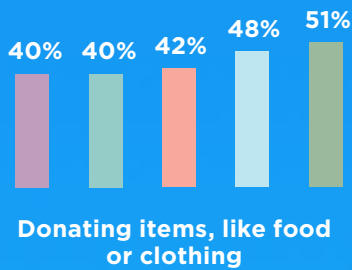
**OVERALL**



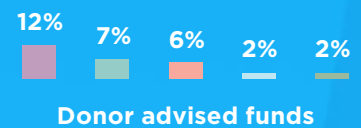
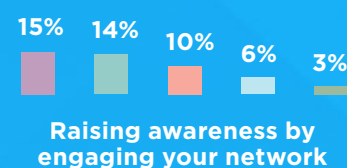
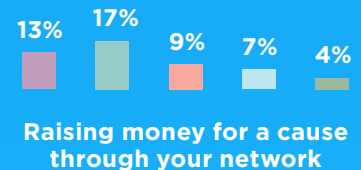
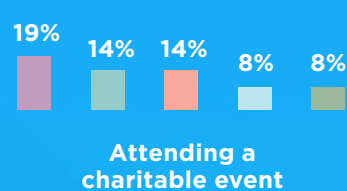
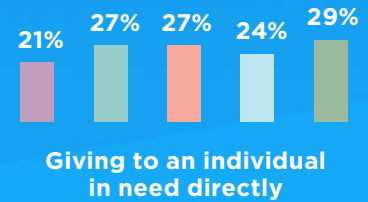
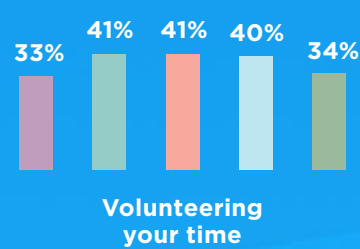
**Figure 45 – Plan to Increase Support by Age**

Which of these forms of giving, if any, do you hope to increase in the future? (Check up to three.)

- **Generation Z**
- **Millennials**
- **Generation X**
- **Baby Boomer**
- **Matures**



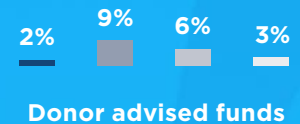
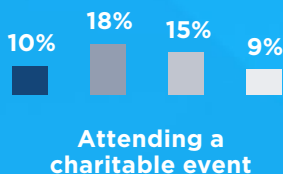
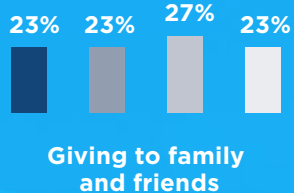
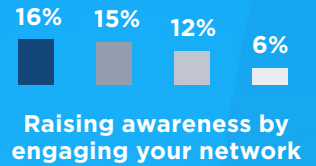
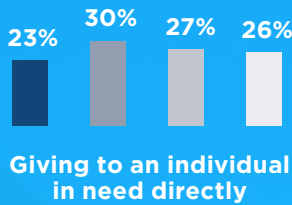
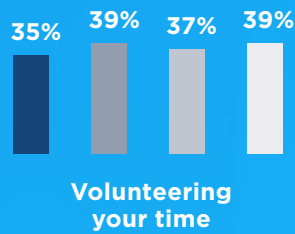
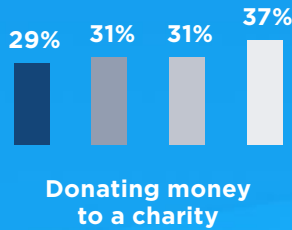
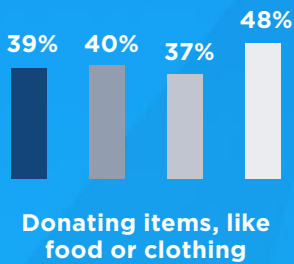
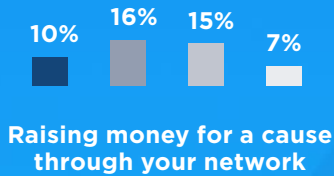
**OVERALL**



**Figure 46 - Plan to Increase Support by Race**

Which of these forms of giving, if any, do you hope to increase in the future? (Check up to three.)

Asian  
 African American  
 Hispanic/Latinos  
 White



## **CHARITY SOLICITATION BY ORGANIZATION TYPE, BY AGE, AND RACE**

When asked what type of charitable organizations approached them, Silent Generation respondents reported being approached relatively more often by veterans organizations, health organizations, religious organizations, and police and firefighter organizations. Baby Boomers reported being relatively more approached by animal welfare organizations, veterans organizations, and police and firefighter organizations. Millennials reported being approached relatively more often by religious organizations and not-for-profit hospitals, civil rights organizations, youth development organizations, and arts organizations. Gen Z respondents reported being relatively more approached by youth organizations and health organizations (see Figure 47).

When asked what type of charitable organizations approached them, Asian respondents reported being relatively more approached by religious organizations, international relief organizations, not-for-profit hospitals, and environmental organizations. African American respondents reported being relatively more solicited by social service organizations, youth development organizations, and civil rights organizations. Hispanic/Latino respondents reported being relatively more approached by religious organizations, White respondents reported being relatively more approached by animal welfare; veterans, police, and firefighter organizations; educational organizations; and youth organizations (see Figure 48).

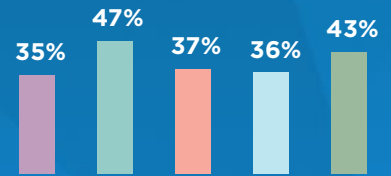
## Figure 47 - Approached by Organization Type, by Age

I am most frequently approached by this type of charity (check up to three):

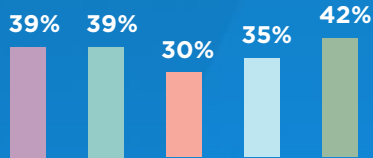




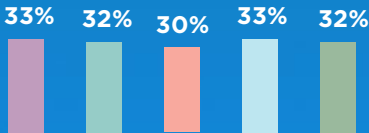
■ Generation Z
 ■ Millennials
 ■ Generation X
 ■ Baby Boomers
 ■ Matures



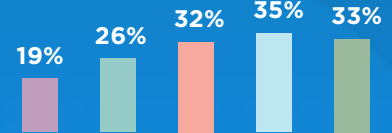
Religious organizations, including your place of worship



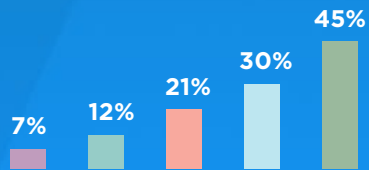
Health organizations such as medical research charities



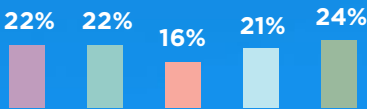
Social service charities, such as homeless shelters



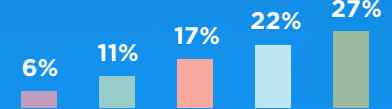
Animal welfare organizations



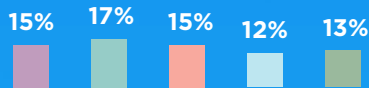
Veterans organizations



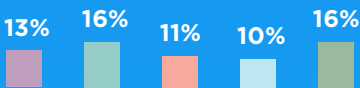
International relief organizations



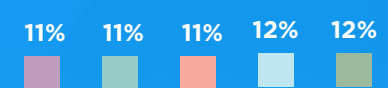
Police and firefighter organizations



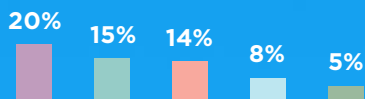
Not-for-profit hospitals



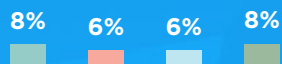
Educational organizations, including colleges



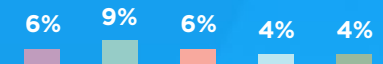
Environmental organizations



Youth development organizations



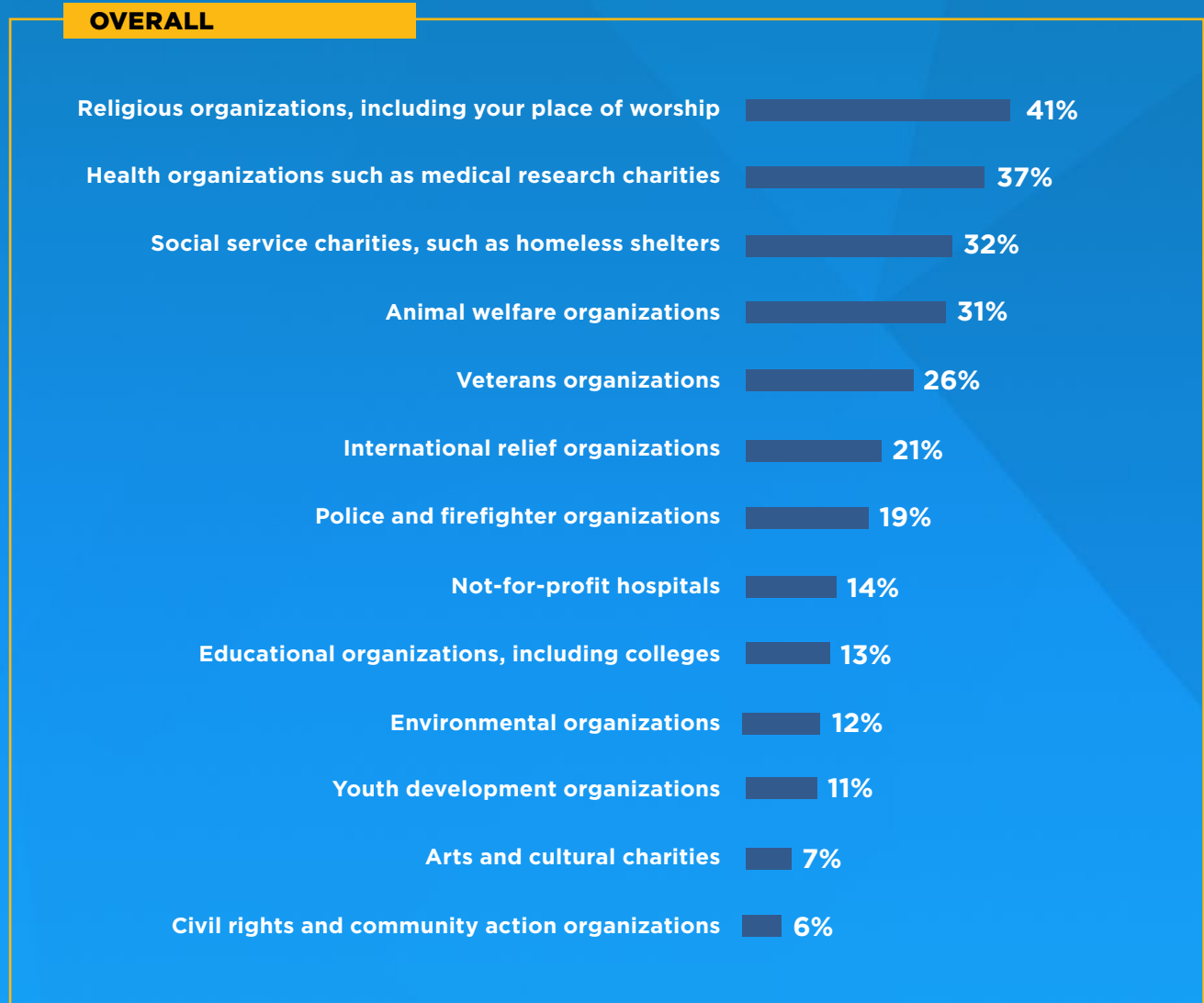
Arts and cultural charities

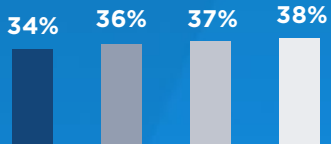
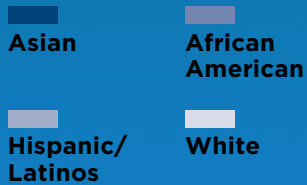


Civil rights and community action organizations

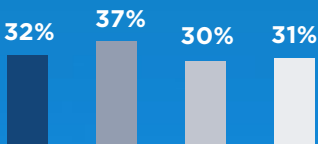
**Figure 48 - Approached by Organization Type, by Race**

I am most frequently approached by this type of charity (check up to three):

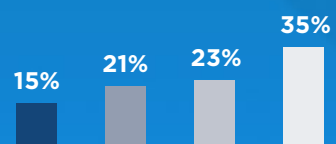




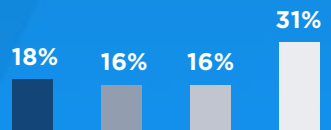
Health organizations such as medical research charities



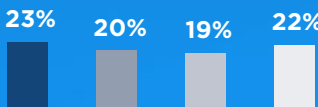
Social service charities, such as homeless shelters



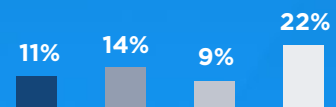
Animal welfare organizations



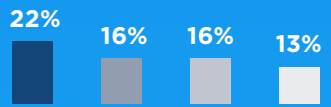
Veterans organizations



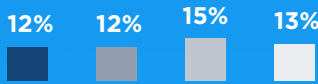
International relief organizations



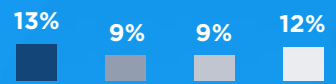
Police and firefighter organizations



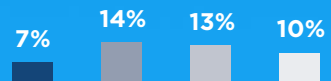
Not-for-profit hospitals



Educational organizations, including colleges



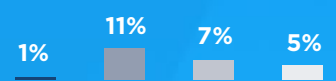
Environmental organizations



Youth development organizations



Arts and cultural charities



Civil rights and community action organizations

# CONCLUSION

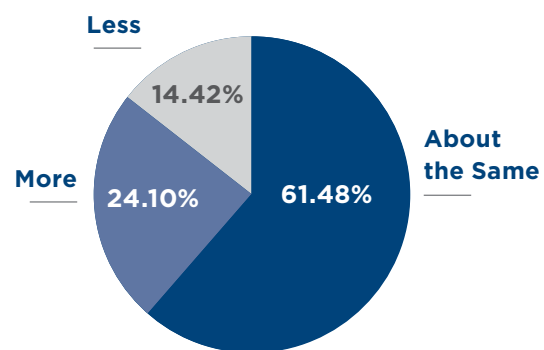
The ability of charitable organizations to thrive in the future is closely tied to their ability to understand how rising (and more diverse) generations build trust with charities, how they want to be engaged by charities, and (more broadly) how they prefer to exercise generosity and bring about change.

The good news is that donors are optimistic about their ability to do good. Most respondents (86 percent) say they feel the same or more empowered to do good than they did five years ago. Our report aims to help the charitable sector capitalize on this sense of hope by offering insights into how donors view trust in the sector and how their attitudes toward giving are changing (see Figure 49).

**Figure 49-** Power to Do Good Compared to Five Years Ago



Question: Compared to five years ago do you feel that you have more, less, or about the same level of power to do good? Why?



Through our research, we confirmed others' findings that the charitable sector is the most trusted institution in the nation,<sup>34</sup> but we also learned that confidence in charities' ability to deliver what they promise is not necessarily higher than that observed in other institutions. Our findings suggest that relative **trust in the sector may not be accompanied by higher levels of confidence, loyalty, or engagement; and that while people are optimistic about their power to do good, they are pessimistic about the sector becoming more trustworthy over time.**

We found that older generations and White respondents tend to be less trusting of charities and highly value the ability to verify a charity's trustworthiness through third-party monitoring organizations before giving. On the flip side, younger generations and racial minorities are more likely to say that verifying trust seems relatively easy and they attribute more value to perceived passion and sincerity in the appeal. In our view, assuming that charities are trustworthy, **believing that verifying a charity's trust is easy, and embracing passion as a cue of trust could make younger generations and racial minorities more vulnerable in their giving choices.**

<sup>34</sup> 2018 Edelman Trust Barometer and *The Chronicle of Philanthropy*.

<sup>35</sup> BBB Wise Giving Alliance New Survey: *Millennials Are Raising the Next Philanthropic Superheroes*, November 16, 2018. Available at: <http://www.give.org/news-updates/news/2017/11/new-survey-millennials-are-raising-the-next-philanthropic-superheroes/>.

In an earlier survey about Millennial parents,<sup>35</sup> we reported that Millennial parents are more likely to research charities than both Generation Xers and Baby Boomers. While our newest survey confirms that younger generations say they research a charity before giving to it, we found that younger generations and racial minorities describe doing research largely in terms of looking into information offered by the charity itself (the solicitation appeal and charity’s website). This is consistent with other studies on modern donors which argue that the majority of donors do not comprehensively survey the market or do additional research before giving.<sup>36</sup> Not only do many donors not do research, but some have concluded that deliberate thought in the giving process may reduce the emotional response triggered by a small donation.<sup>37</sup> Through this survey, we are reminded that donors continue to care about clear accomplishments, the impact of their donation, and the trustworthiness of charities. However, we also see that younger donors define research more loosely and expect more immediate and easily digestible information. Consequently, **including quick triggers of trust in charitable appeals is increasingly important.**

**We found that younger respondents and ethnic minorities express significantly more desire to be approached by charities.** We know that younger donors give less, both in net and as a portion of their earnings, and we sometimes hear that charities have a harder time engaging younger or minority donors. What is more, demands on the sector push charities to narrow their fundraising efforts to fewer and bigger donors, eroding the donor base and distancing the sector from the general public.<sup>38</sup> However, our survey shows that older generations and White donors report being asked to give more across most solicitation channels and younger generations and minorities are relatively under-solicited. **Our findings suggest that there might be a disconnect between how younger generations and racial minorities desire to be engaged with causes and how charities currently solicit. If charities hope to capitalize on this desire to be engaged, solicitations should be more tailored to the donation preferences of younger generations and racial minorities.** Younger generations express readiness for different ways to give – both within the traditional charitable space and in new forms of practicing generosity or bringing about change.

Our report confirms that, **while traditional forms of giving continue to be at the core of how donors express their generosity, the way donors think about generosity and their role in bringing about change is in a state of flux.** Younger generations and technological advances are increasing the focus on volunteerism, network engagement, and giving voice to causes. Society is also broadening and shifting attitudes about how we understand doing good by embracing social enterprise and the reinvigoration of civic activism as levers of change. **For charities to prosper in this changing landscape, they must adapt to the way people want to be engaged in advancing their favorite causes and understand how to signal and build trust moving forward.**

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<sup>36</sup> Such as *The 2018 Modern Donor Contours Research: The Donor Has Seized Control of the Giving Process*. Available online: <https://www.cohort3.com/2018-donor-contours-download-landing-page/>

<sup>37</sup> Karla and Wood, “The Effect of Effectiveness: Donor Response to Aid Effectiveness in a Direct Mail Fundraising Experiment “ (2014).

<sup>38</sup> As pointed out by Nicole Wallace for *The Chronicle of Philanthropy’s* “Where Are My Donors?” June 5, 2018.

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## AUTHORS / CONTRIBUTORS

### **Elvia Castro**

**Elvia Castro** is the Manager of Regional Charity Reporting for the BBB Wise Giving Alliance (WGA). She previously worked on programs and development at the Wildlife Habitat Council and EarthShare. Elvia has an MA in Global Environmental Politics from American University School of International Service, an MBA from Loyola University New Orleans, and a BA in Economics from Yale University.

### **Ezra Vázquez-D'Amico**

**Ezra Vázquez-D'Amico** is a Research Analyst with the BBB WGA. He has over ten years of non-profit experience working on education, environment and indigenous peoples affairs in Washington, D.C., Ecuador and Bolivia, as well as a stint as a program officer with Rockefeller Philanthropy Advisors in New York City. Ezra studied Music and Ethnicity, Race and Migration at Yale, and received his Master's Degree in Public Policy from Princeton's Woodrow Wilson School.

### **Rubens Pessanha**

**Rubens Pessanha, PhD, PMP, SPHR, GPHR, SHRM-SCP**, is a former Senior Director of Market Research, Insights and Strategy with Council of Better Business Bureaus. He has more than 25 years of global experience in marketing, strategic organizational development, project management and market research. He has presented at conferences in the U.S., Japan, South Africa, Belgium and his native Brazil. A production engineer with an MBA, he completed his doctorate at George Washington University in May, 2017. In his spare time, Dr. Pessanha currently serves as an adjunct professor at Strayer University.

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3033 Wilson Blvd, Suite 600  
Arlington, VA 22201  
(703) 276-0100 | [guide@give.org](mailto:guide@give.org)