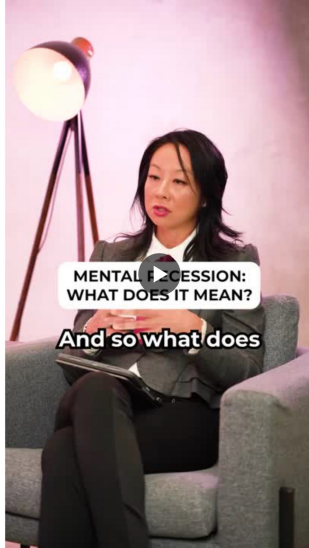


# Cost of Living and Giving

## Feb 2023

# Headline News

proven or guaranteed, they don't want to take risks. This mental recession is an early sign of ...see more



MENTAL RESSION:  
WHAT DOES IT MEAN?  
And so what does



## LATEST NEWS

LYING IN STATE

COST OF LIVING CRISIS

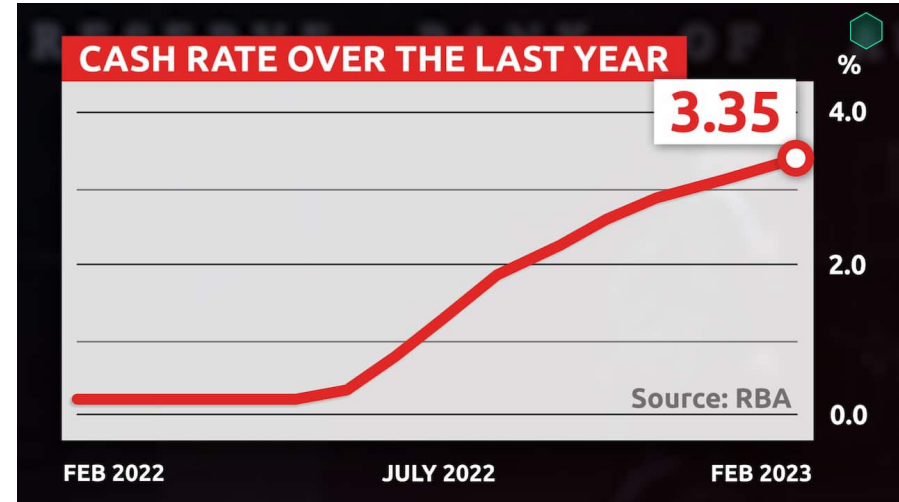
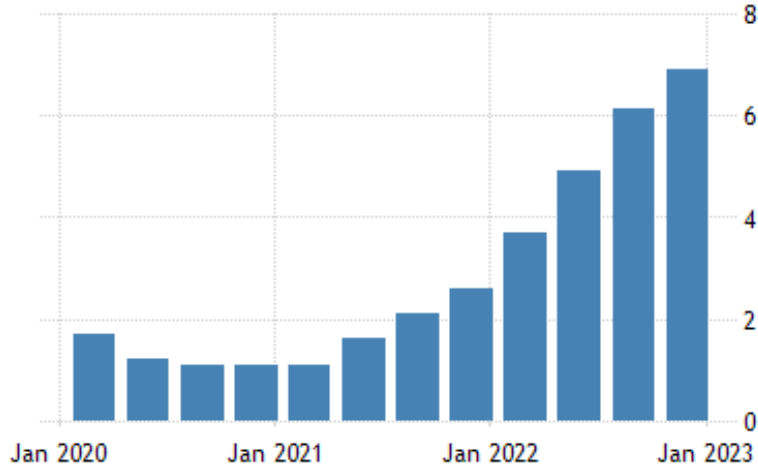


THE PROJECT

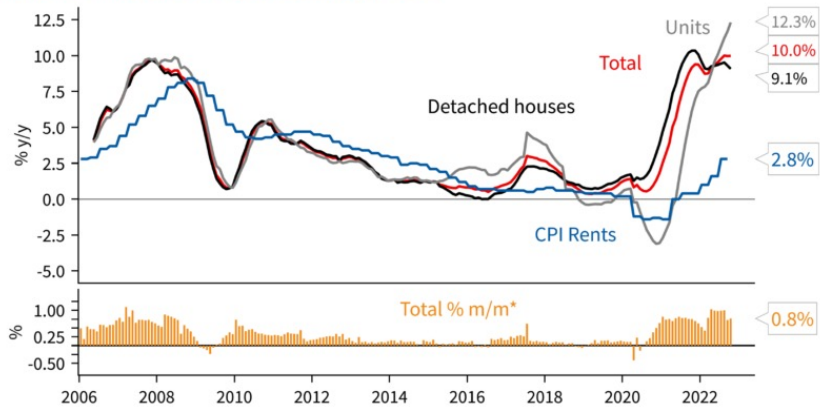
PRICES RISING

COST OF LIVING  
SET TO SHOOT UP

# Economic Woes

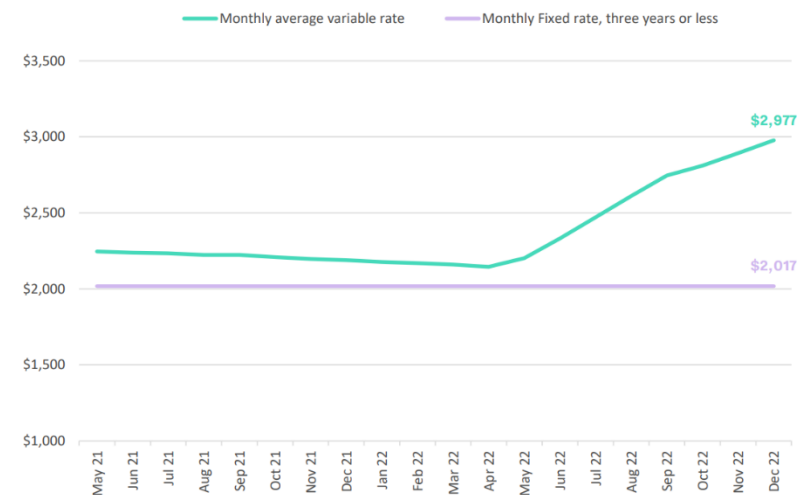


## Australian Listed Dwelling Rents



\*Seasonally adjusted by NAB  
Source: National Australia Bank, CoreLogic

Figure 4: Monthly mortgage repayments since May 2021





# Good strategy beats bad economics

TOTAL CHARITABLE GIVING (INFLATION-ADJUSTED DOLLARS)

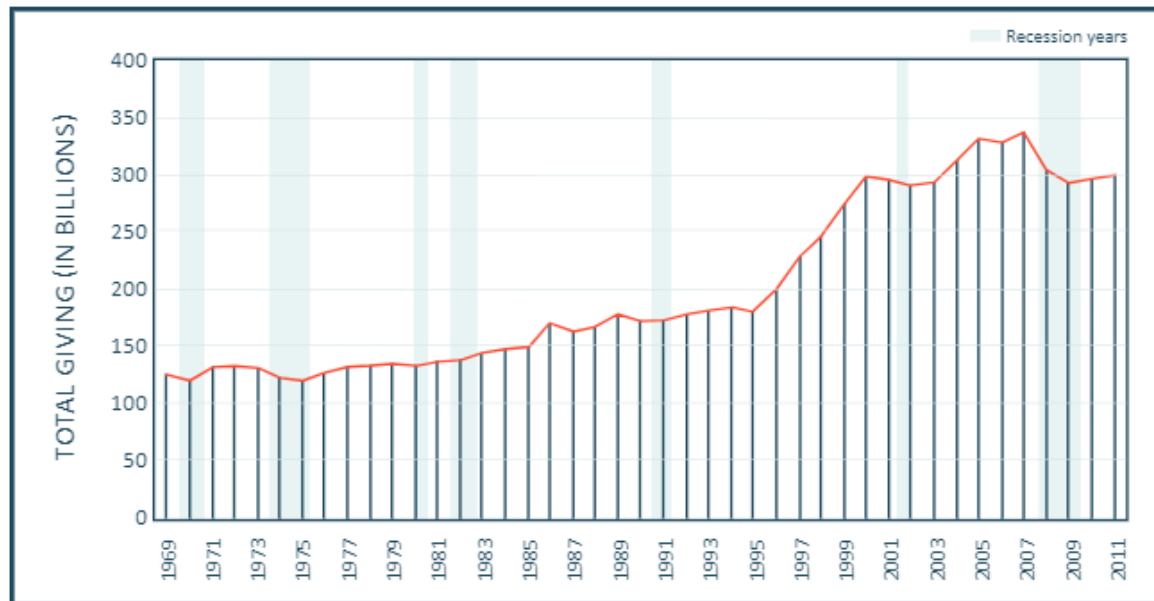
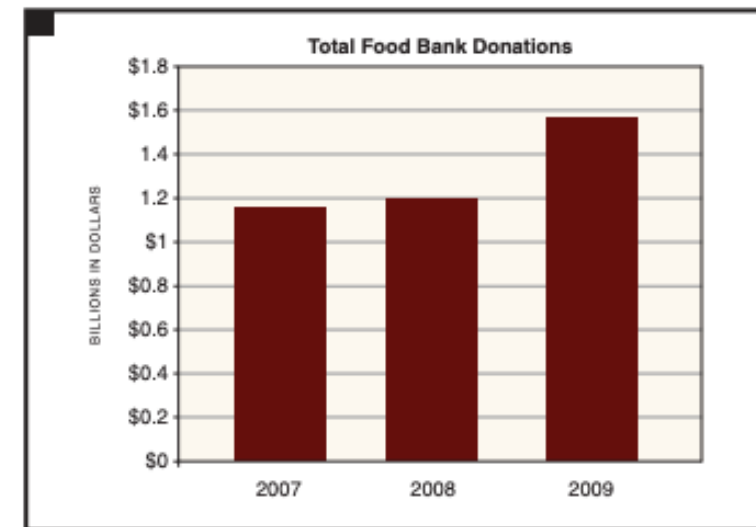


FIGURE 4. Contributions to Food Banks Surge in 2009



Source: Authors' tabulations based on contribution and grant records from food banks' annual reports, IRS Form 990s, and Guidestar/Charity Navigator records.

Figure – Russell Sage Foundation and The Stanford Center on Poverty and Inequality: Charitable Giving and the Great Recession

Decline 3.7% in 2008 and 8.3% in 2009

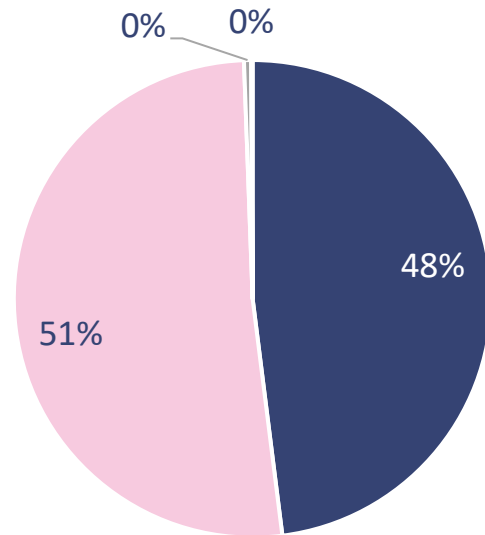
In this case, 06-14, the decline came predominantly from those earning \$200k+ (4.6%)

Empathy drives giving – 32% increase foodbanks

# Panel

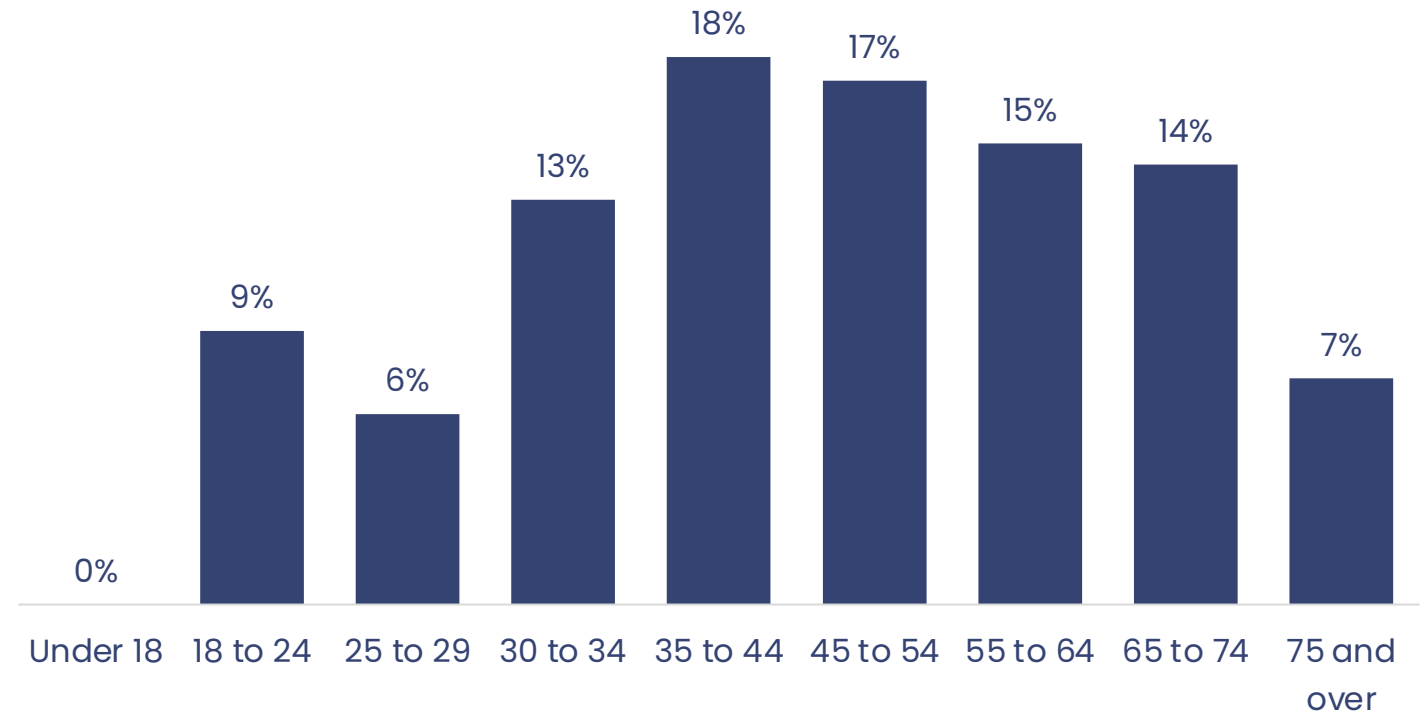
# Panel Profile

Q1 - Do you identify as.....



■ Male ■ Female  
■ Other / don't identify as above ■ Prefer not to answer

Q2 - Which age band are you in?



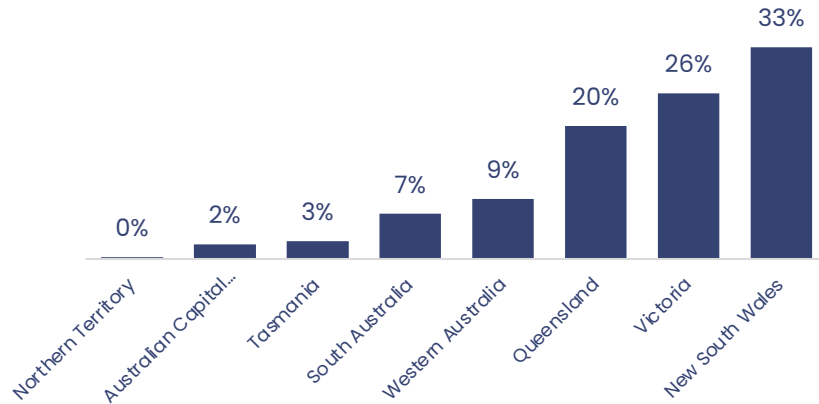
Panel was selected based on age, gender and state location.

# Panel Profile

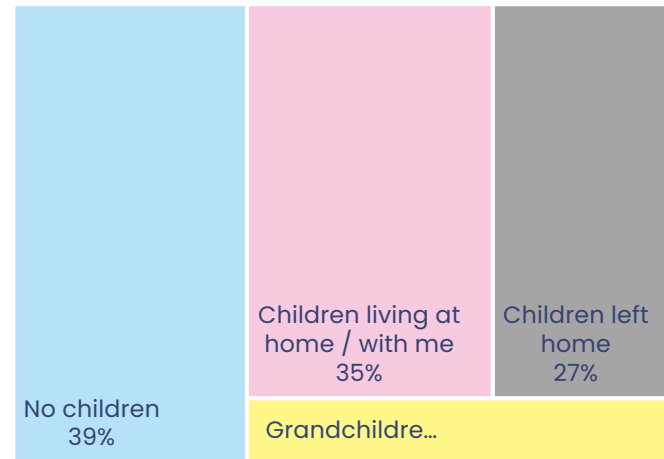
N=1031



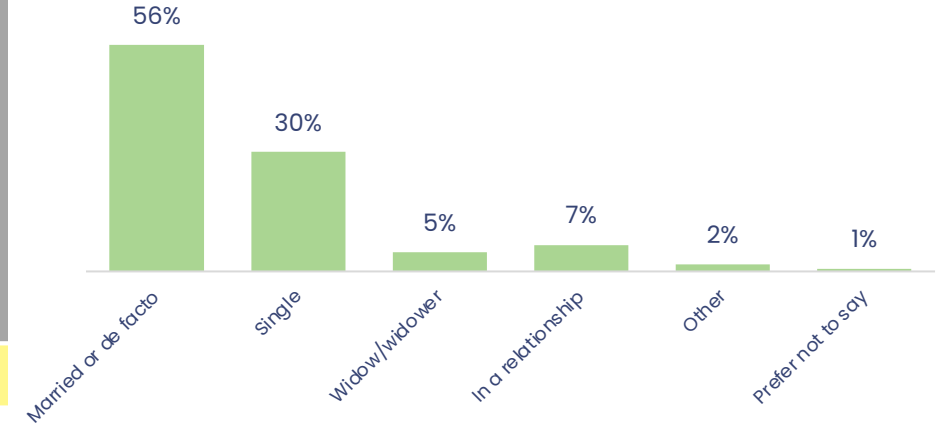
Q4 - In which state or territory do you reside?



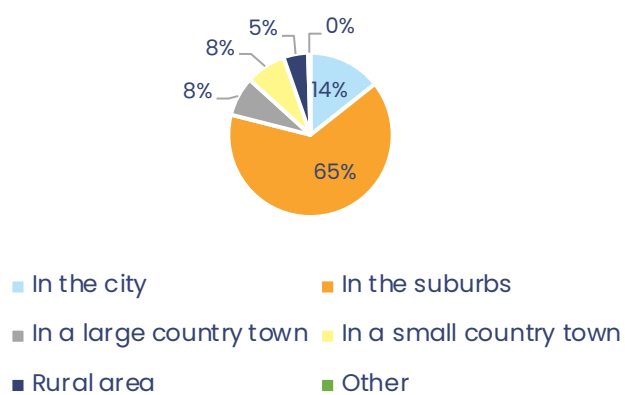
Family



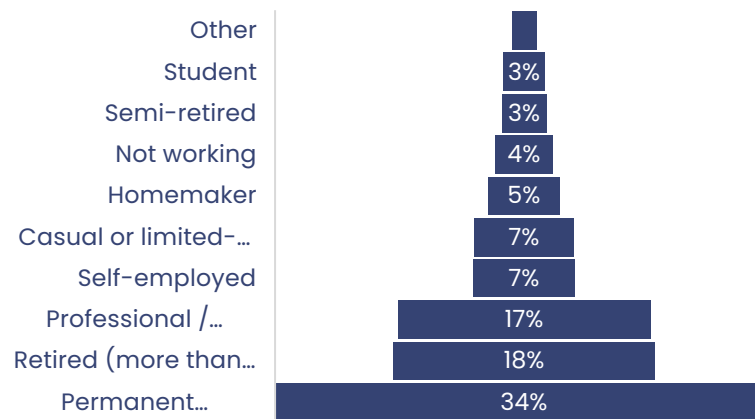
Q10 - Which of the following best describes your relationship status?



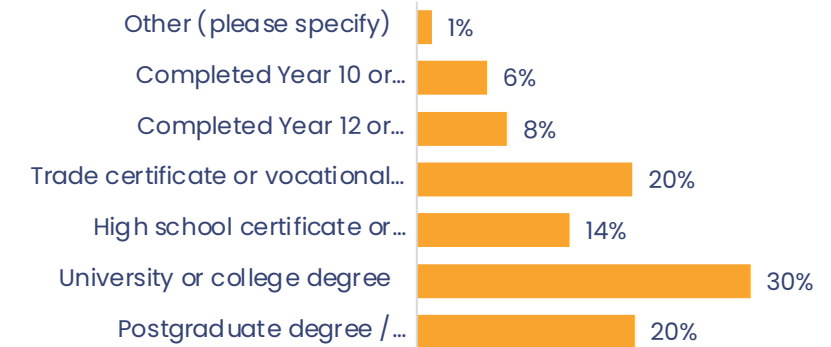
Q11 - Would you describe the area you live as:



Q8 - Which of the following best describes your employment situation?

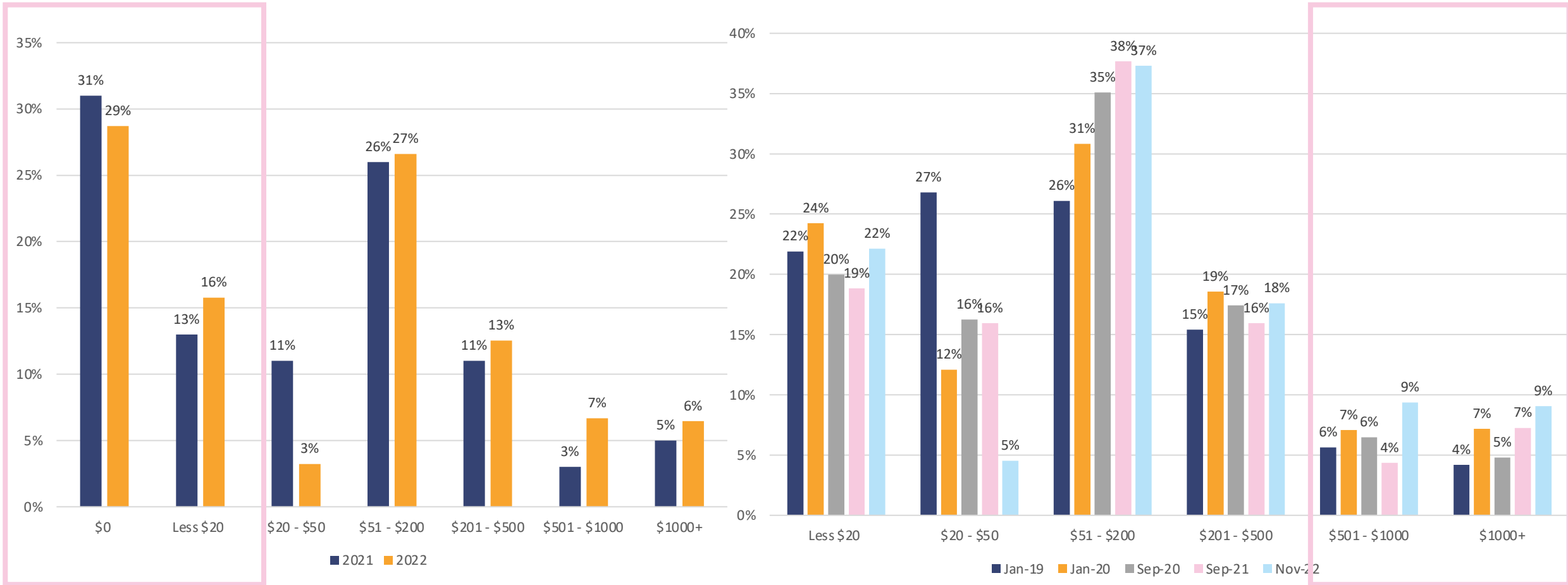


Q7 - What is the highest level of education you have attained?



# Donation behaviour

2022 n=1857 2021 n=1037 2020 n= 1624



**45% of the population give less than \$20 per year. We did see some growth in higher end giving in 2022 resurging from early 2020.**

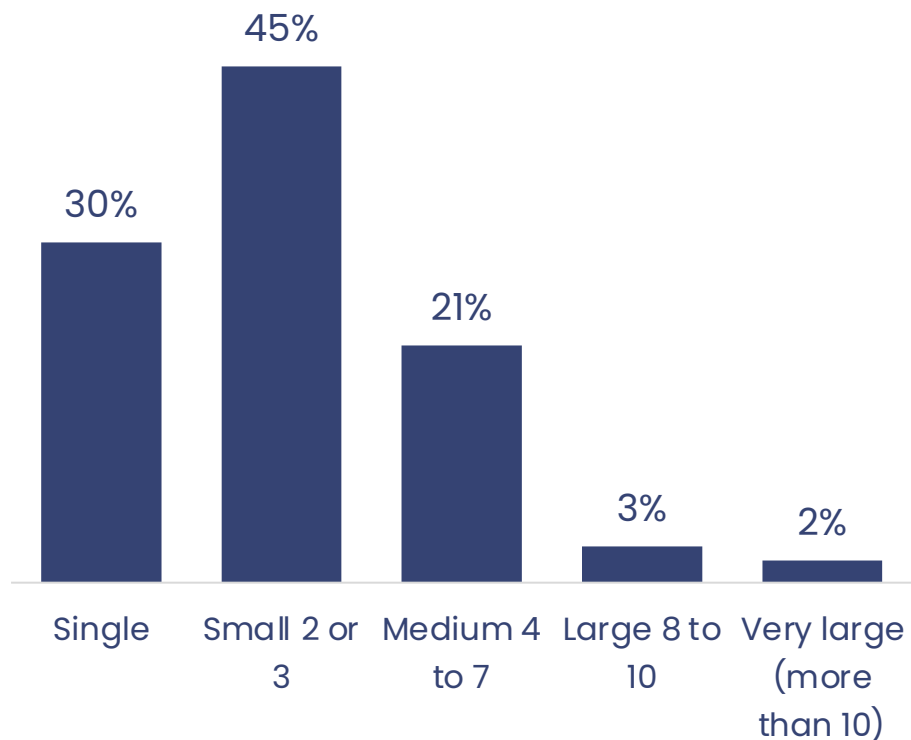


# Giving amount and portfolio

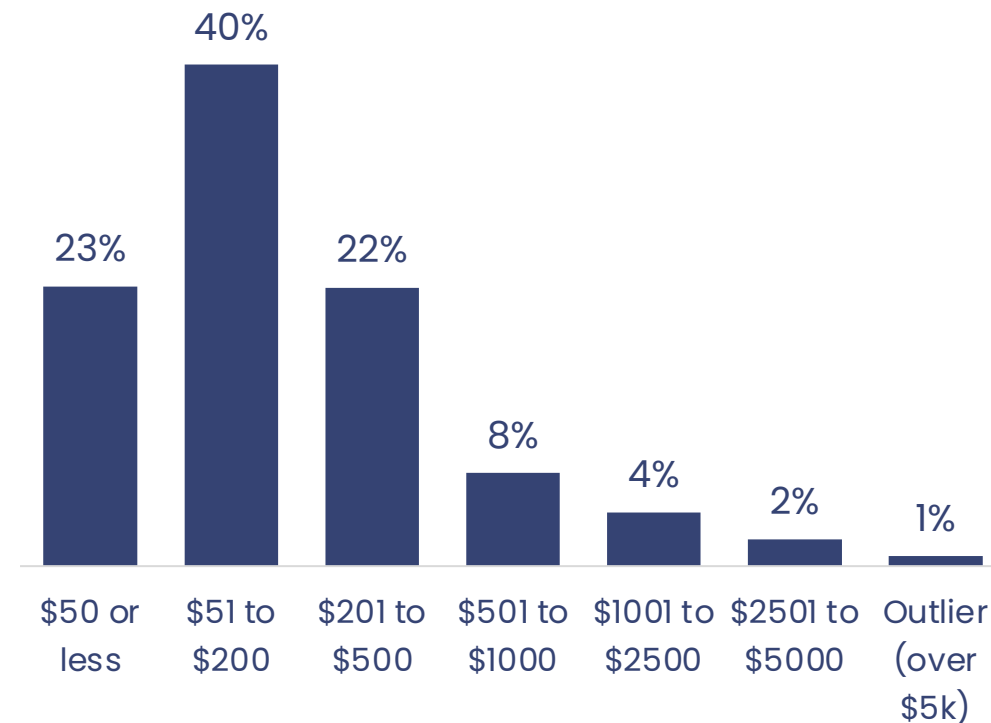
N=830



## Number of charities supported



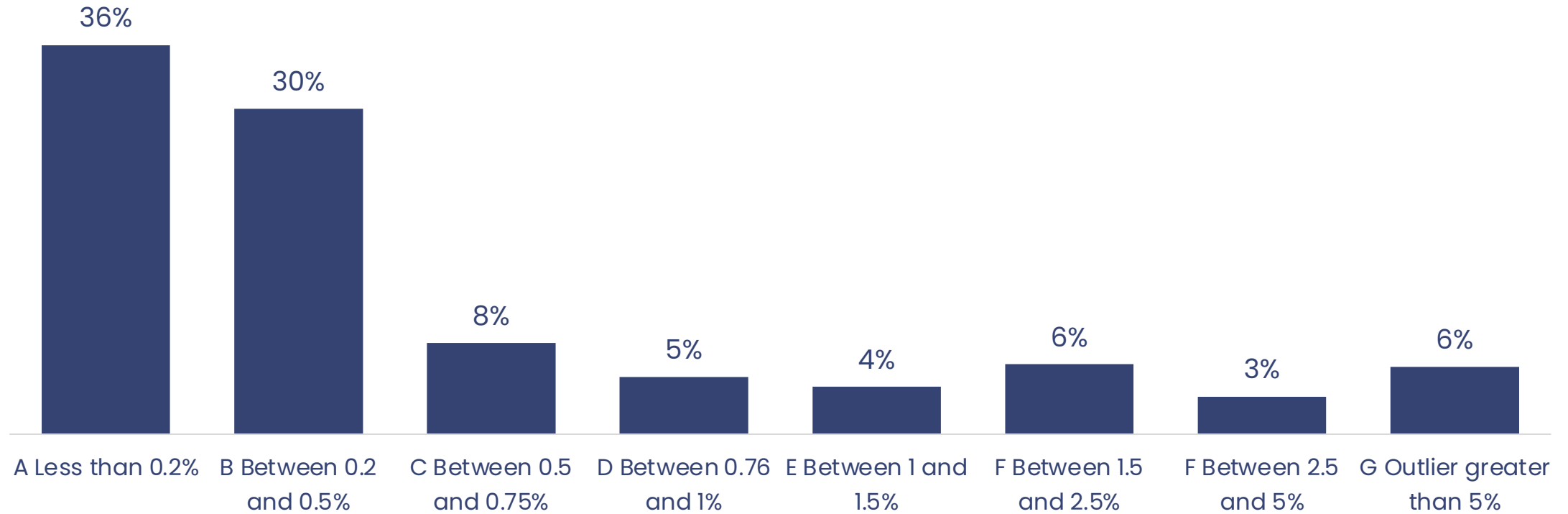
## Self reported annual Giving



Amongst the people who say they have given the majority are only giving to less than 3 organisations with a value of under \$200. Caveat of a public panel compared to known donors who would be quite different on both counts.

# Giving proportion of income

Giving Proportion Band

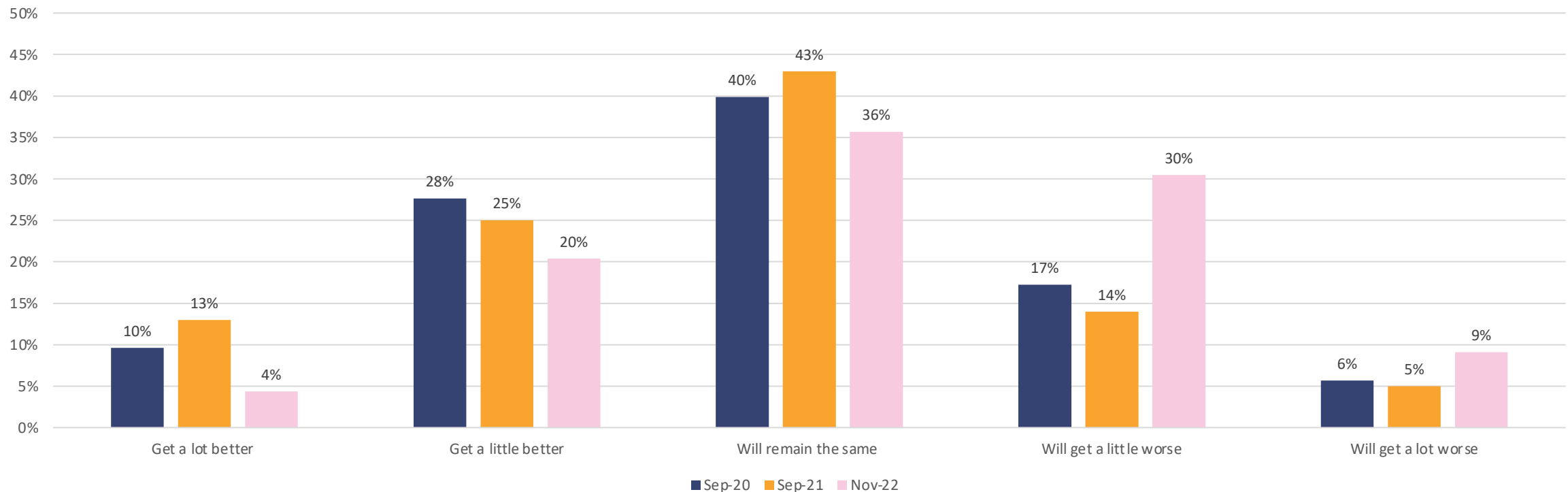


Based on a combination of self reported income and self reported giving we can find a rough indicator of the level of giving (as a % of income)

# Outlooks

# Financial Expectations

How do you think your financial situation may change in the next 12 months?



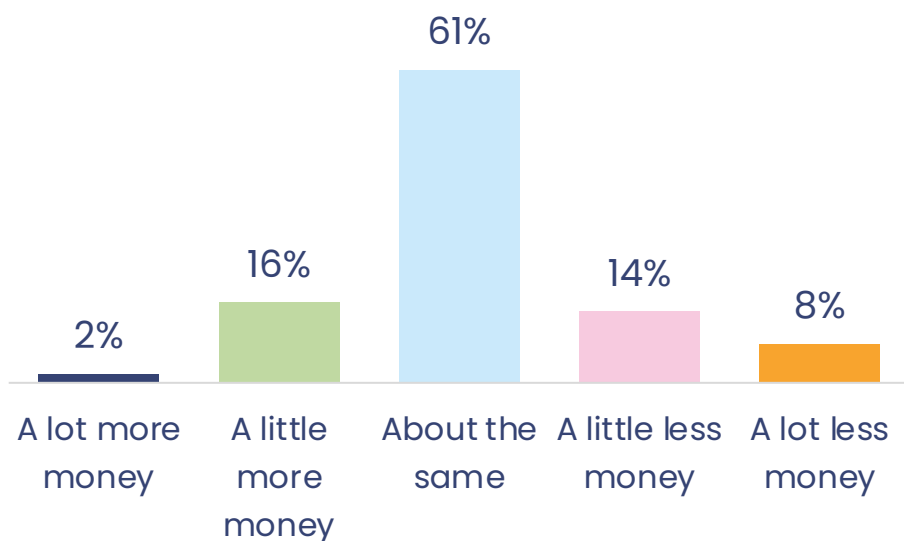
There has been a significant shift this year with almost 40% of Australians feeling they will be worse off in the coming 12 months.

# Giving Expectations

N= 1031

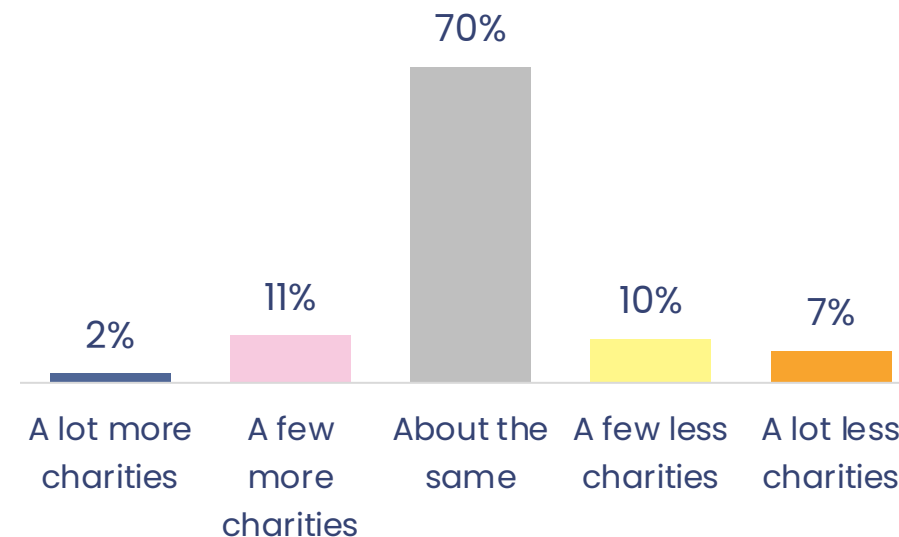


Q16 - Thinking about your charitable giving in the next year. Do you expect to give more or less money than the year before?



-4

Q17 - Thinking about your charitable giving in the next year. Do you expect to give to more or less charities than the year before?

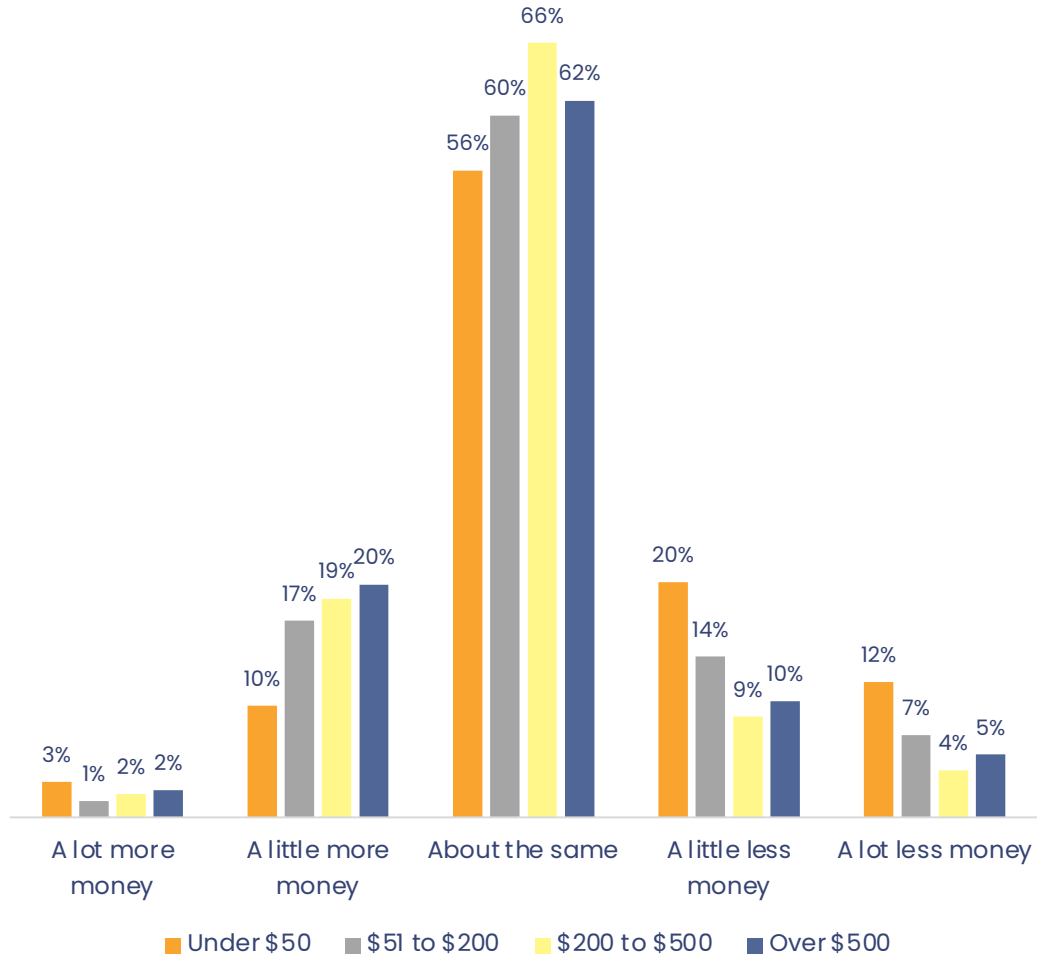


-5

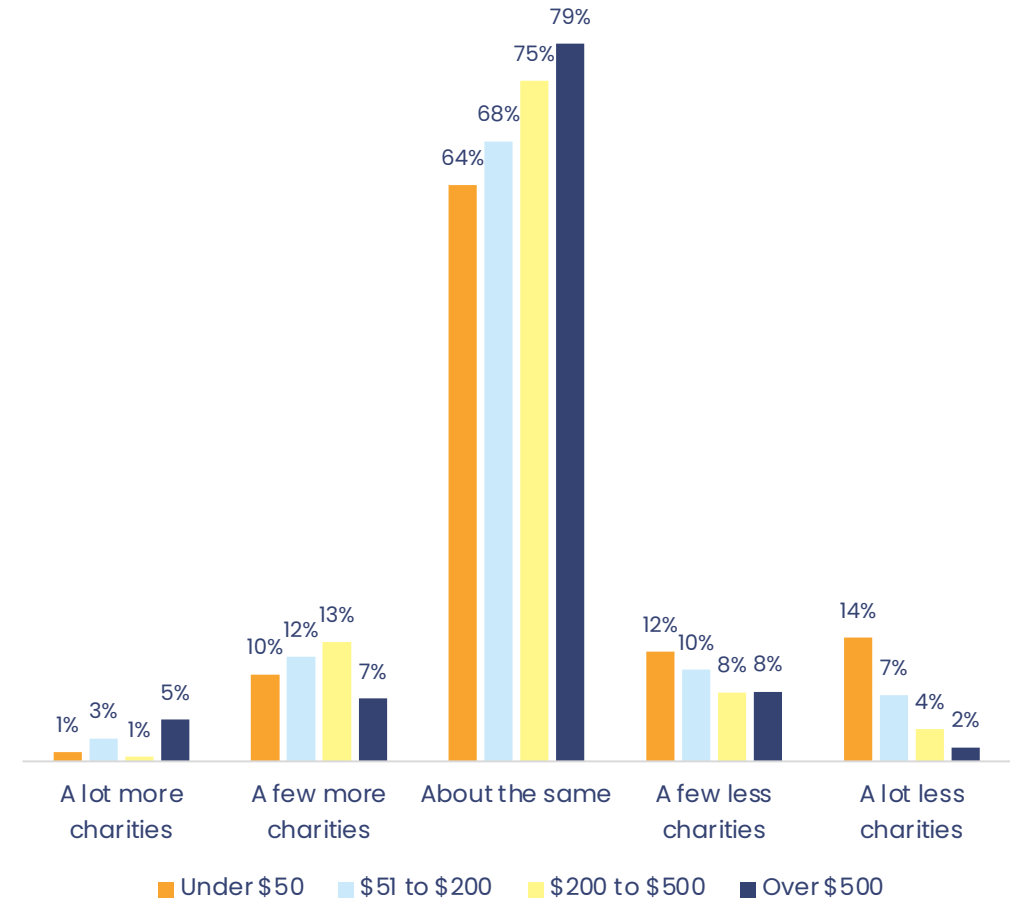
Respondents largely expect their donations to remain the same and are even less likely to reduce the number of charities. Despite the poor economic outlook and personal pessimism they don't expect to cut back on giving. Marginally more people expect to cut back than increase

# Giving intention by value

Intention by current giving \$

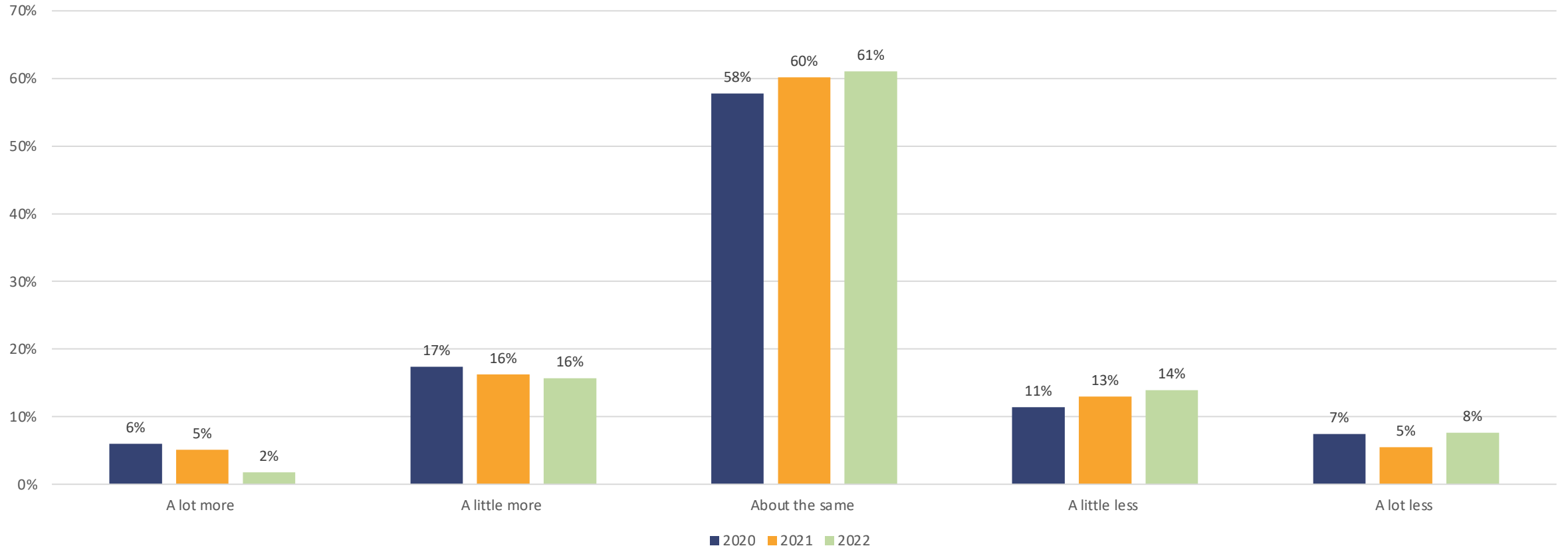


Intended Number by current giving



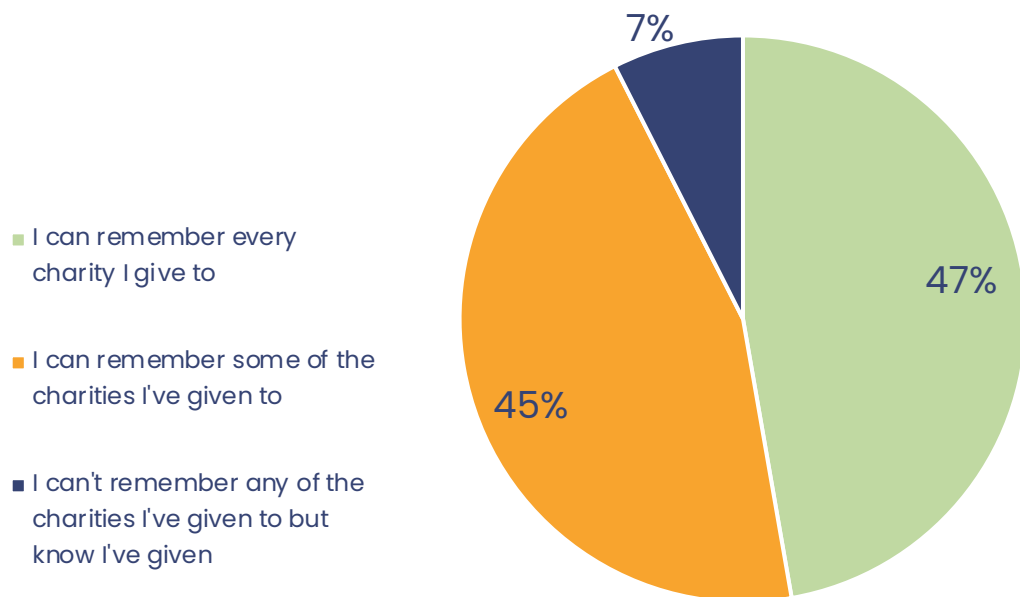


# Giving Intentions



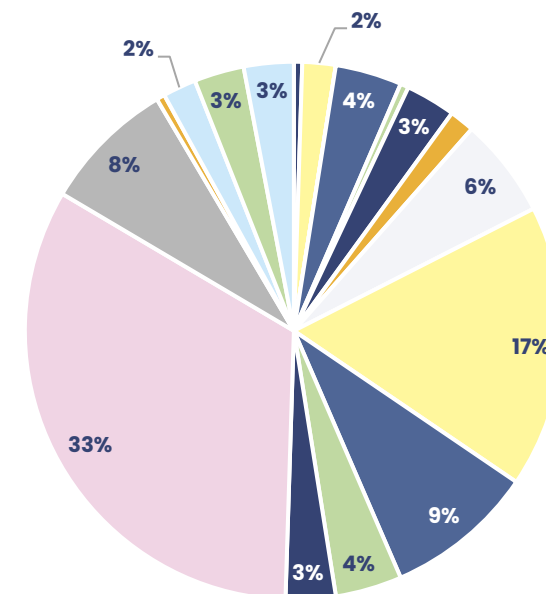
There is a small amount of movement potentially reflecting lower optimism that means they'll more likely keep their giving the same or a little less.

Q20 - When thinking about the charities you donate to would you say?



## Memorable experiences (2019)

- 100% given
- Appeal
- Campaigning
- Community
- Contact beneficiary
- Customer service
- Donate goods
- Emergency
- Event
- General
- Impact
- N/A
- Negative
- Nothing
- Personal Connection
- Reciprocity
- Story telling
- Thanked/Recognised
- Volunteer



### Nothing (33%)

*"can't think of anything memorable."*

*"No memorable experience loose change at supermarket"*

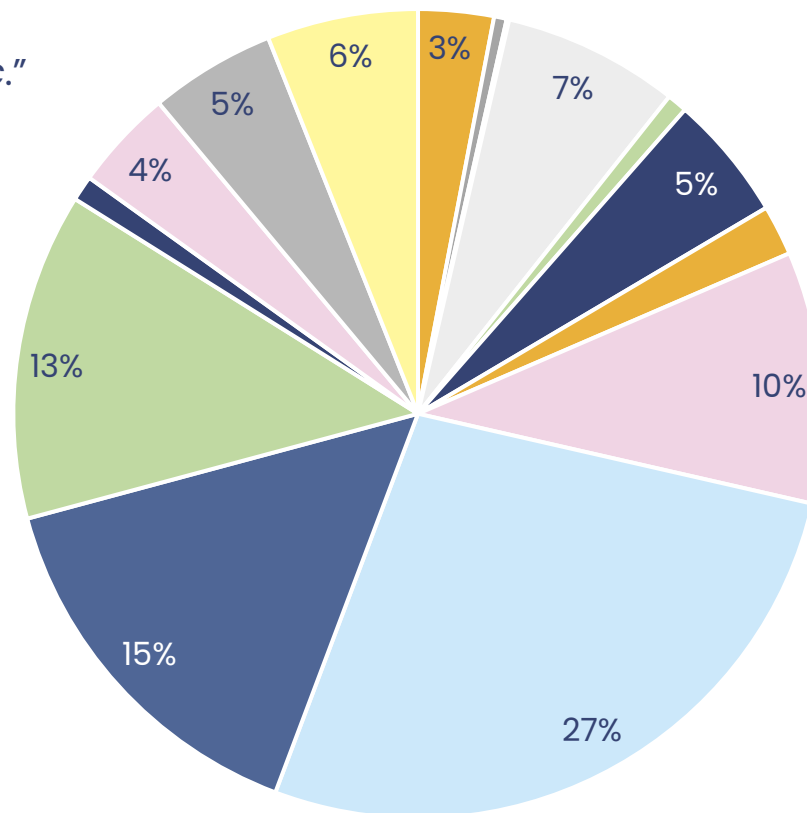
Nearly half the people can't remember all the charities they support. Remembering is associated with higher value and smaller portfolio of charities. 52% of people giving to more than 4 charities cannot remember them all.

# What's memorable?

N=618



## Memorable experiences



### Personal connection (13%)

*"My brother has a disability and is Autistic."*

*"My friend was dying of cancer."*

### Impact (15%)

*"Loved knowing it was changing lives."*

*"Getting an email of how my donation was helping their cause and what had improved."*

### Participated in an event (10%)

*"Lots of friends got together and we walked for 24hrs straight. Good food and drinks and lots of enjoyment."*

*"...by growing a mustache, getting donations & making donations to others."*

### General (27%)

*"Always feels good to donate a charity"*

- 100% given
- Appeal
- Campaigning
- Community
- Contact with beneficiary
- Customer Service
- Donate goods
- Emergency
- Event
- General
- Impact
- Personal Connection

# Staying top of mind

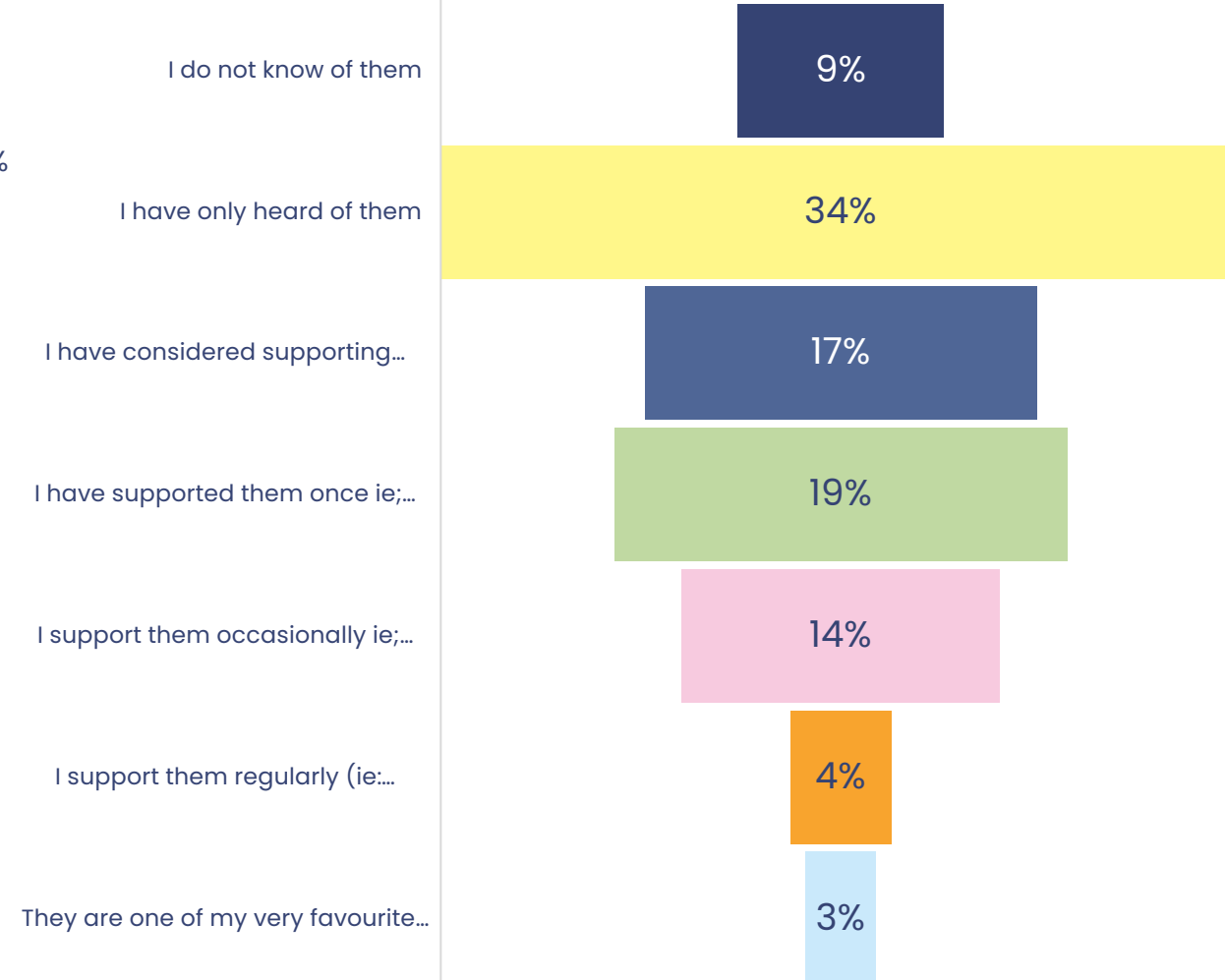
N=1031



Q29 - Which sorts of organisations do you most like to support with donations? Please select up to 3 that you most frequently support.

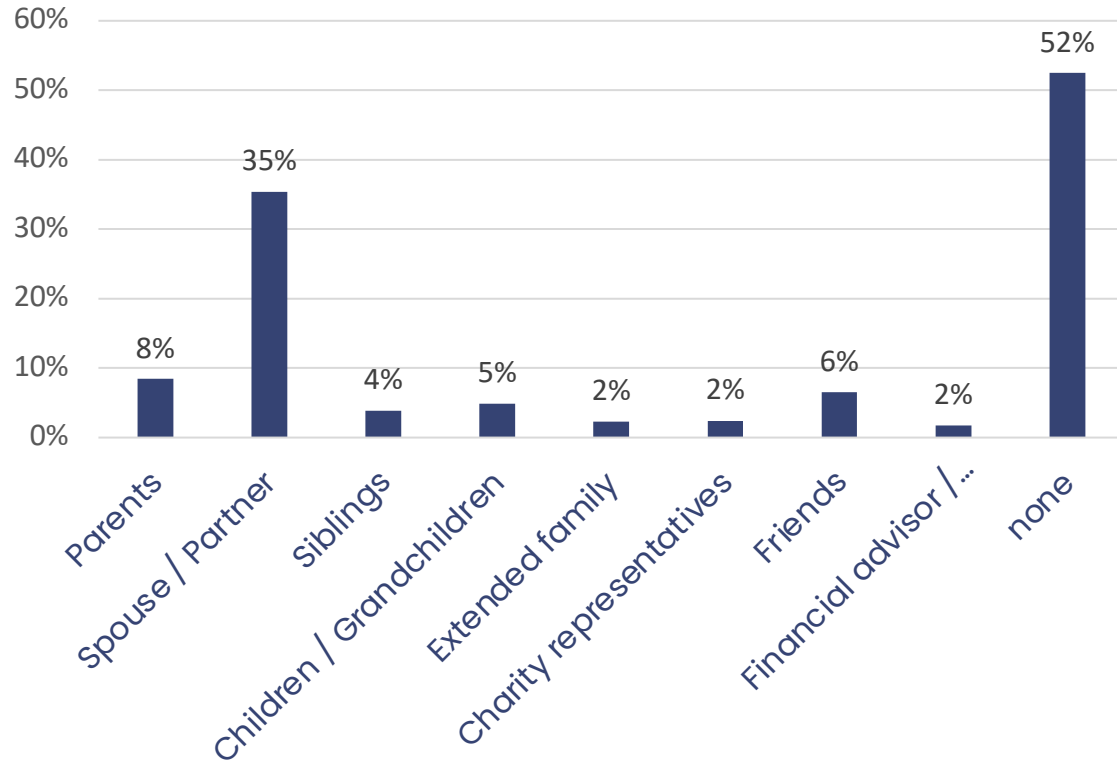


## Brand Funnel

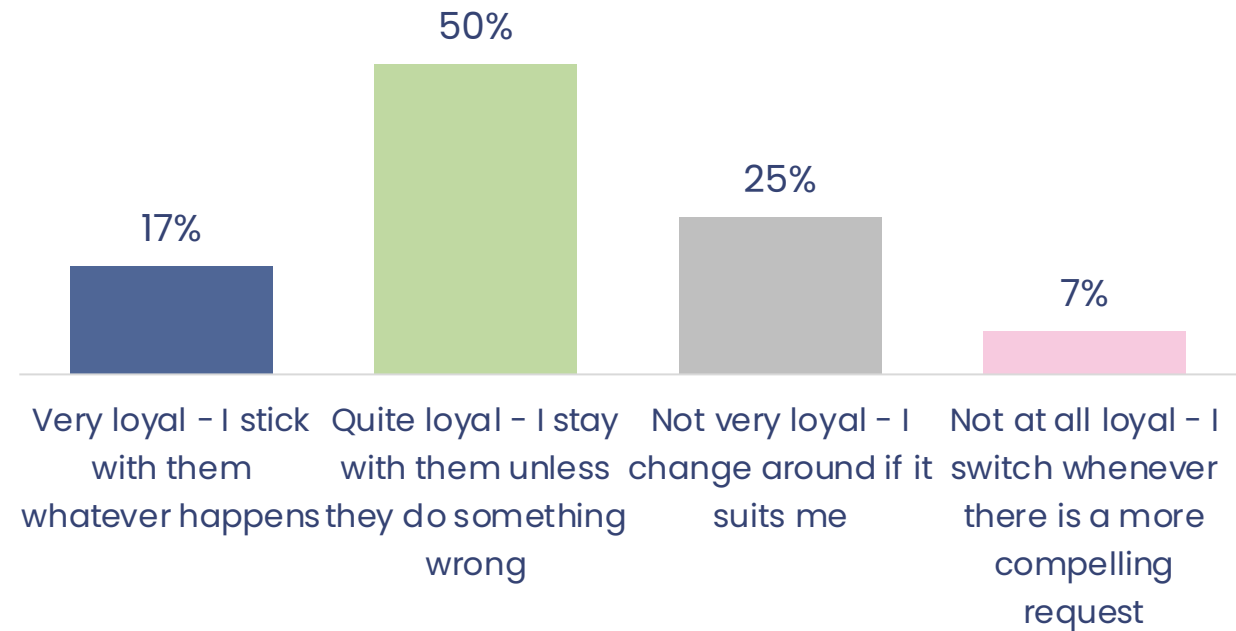


# Loyalty and influence

Q18 - When making decisions about your charitable giving do you discuss the details with anyone?



Q21 - When thinking about your relationship with the charities you support would you say you were?



# Favourite charity attributes

N= 1031



Q23 - Why is CharityX your favourite charity? Select the three that most apply to you.

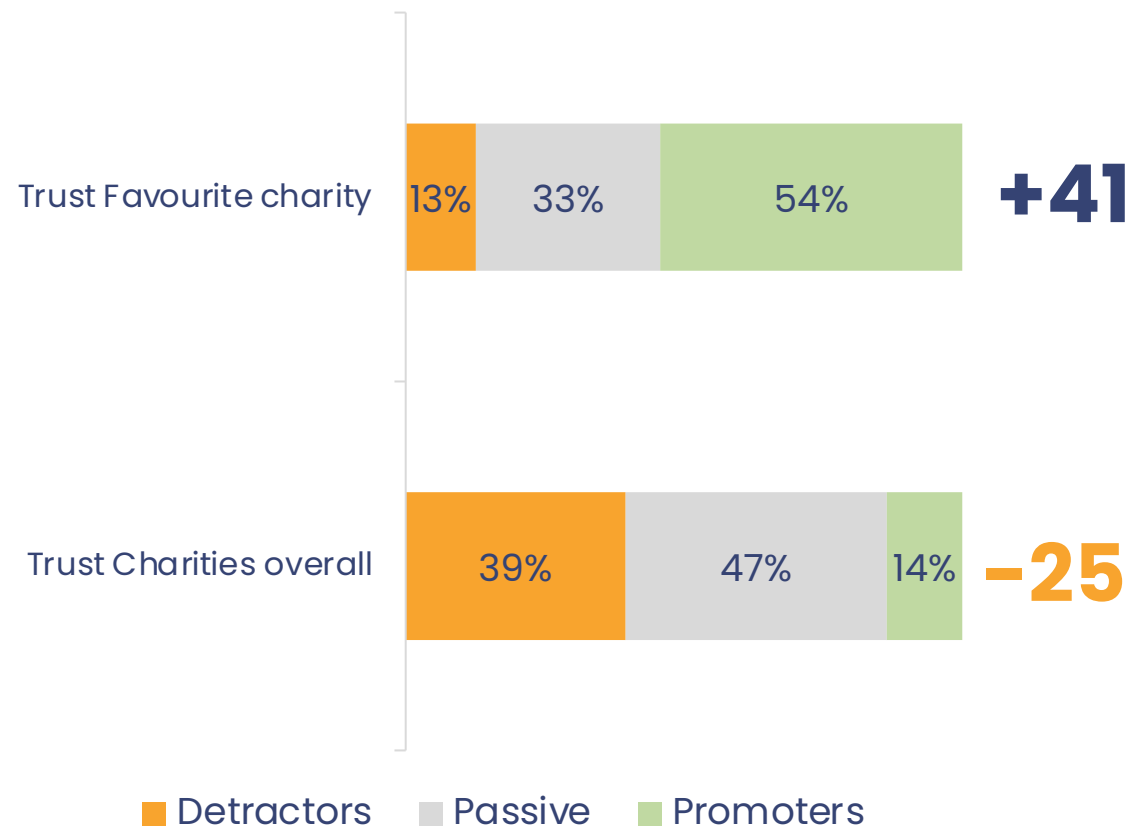
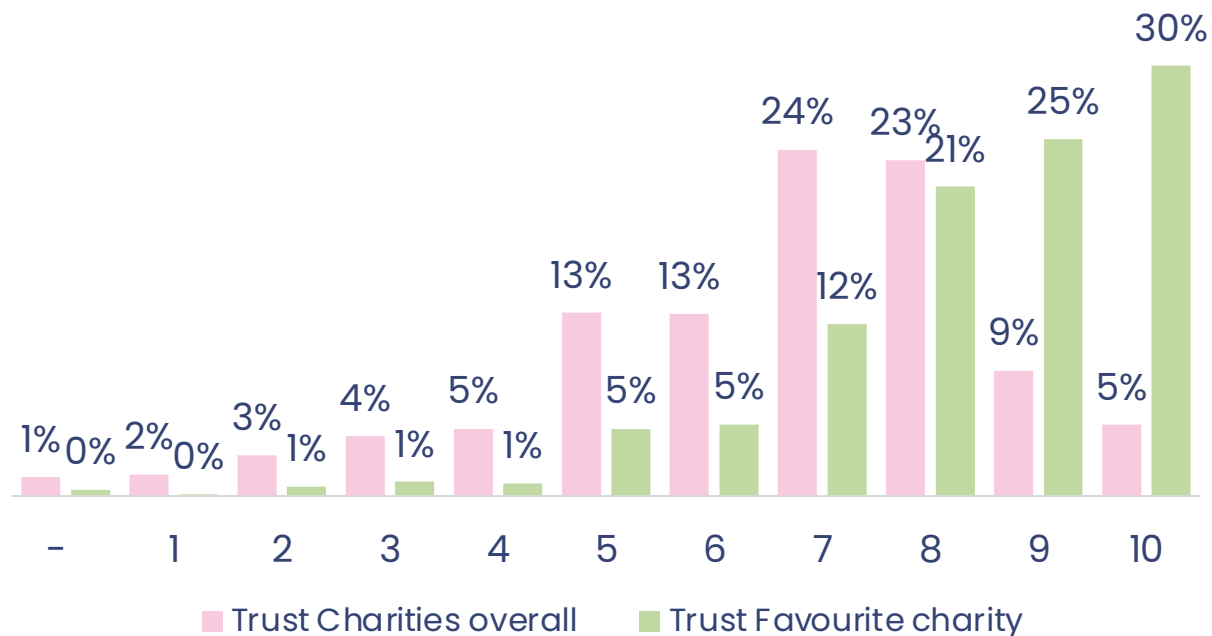


Preparing for uncertain economic times: Plan, Passion. Proximity. Then impact and effectiveness. People want to believe



# Trust levels

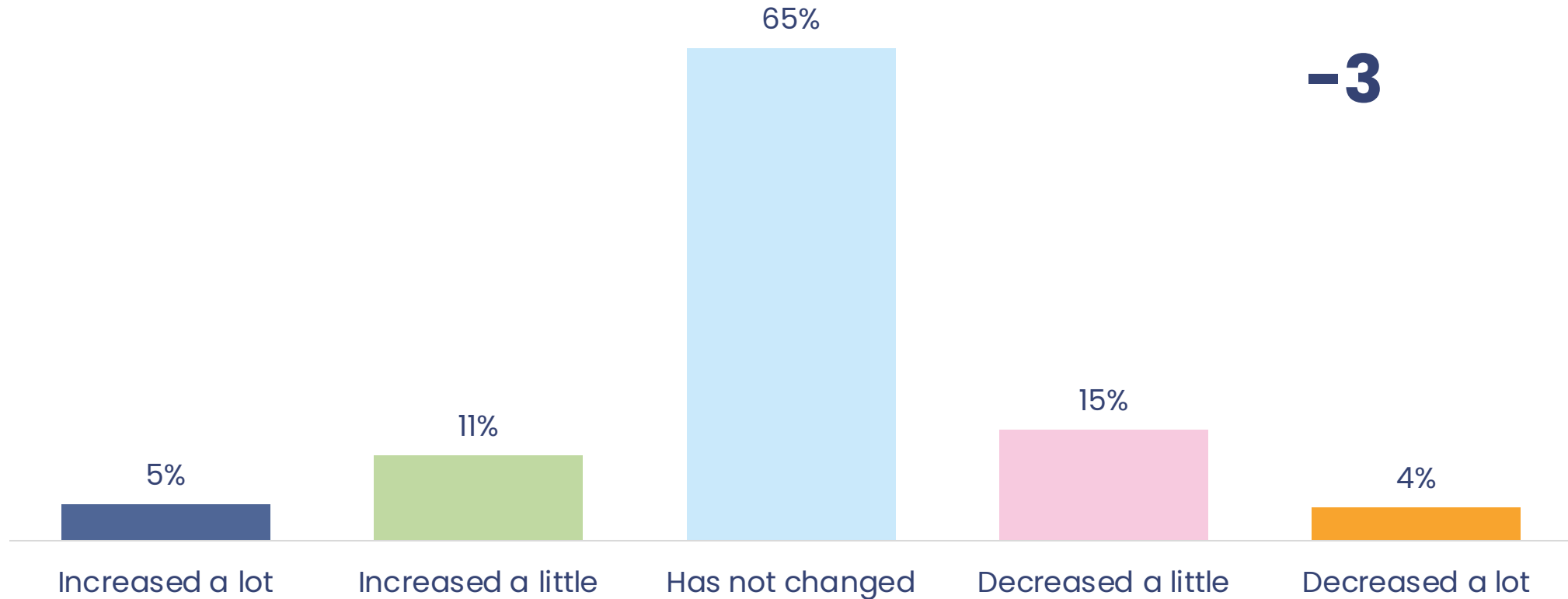
Q24 - Overall how much do you trust charities? 0 is not at all and 10 is completely. Move the slider bar left or right.



There is a significant gap between the favourite and the sector score. We have a significant category issue

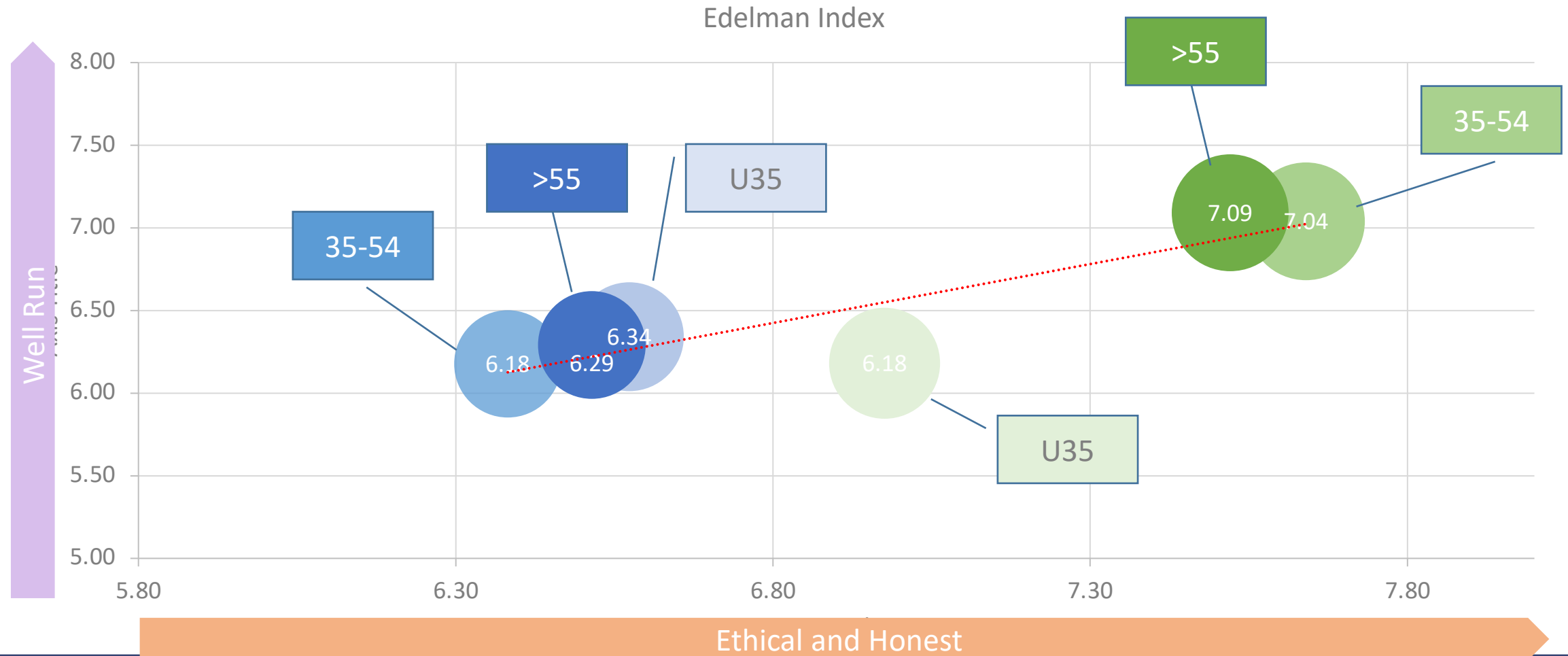
# Trust changes

Q25 - Has your trust in charities changed over the past 3 years?



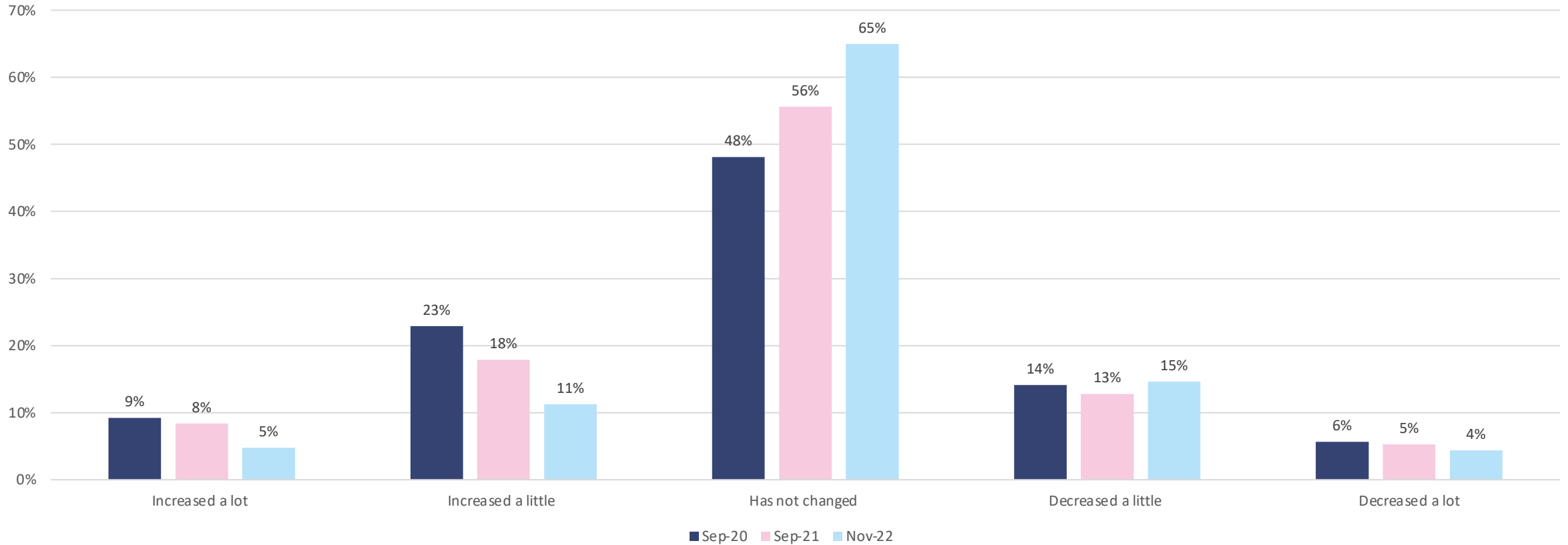
Trust has remained stable for most but it has decreased for more people than it increased.

# Audience Mapping (average scores)



Donors have much higher scores across all 3 dimensions but the younger donors are lower than their older counterparts.

# Trust over 3yrs



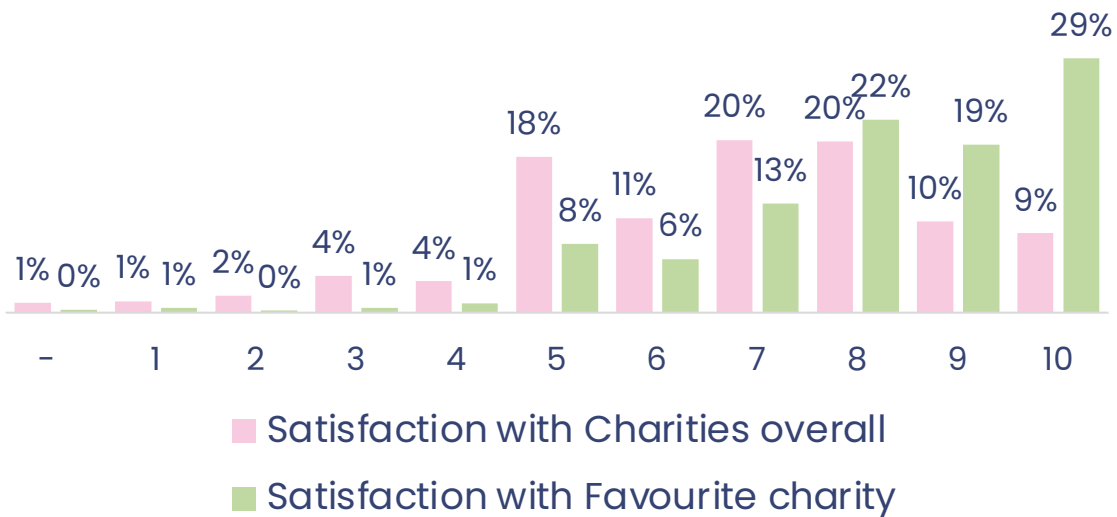
**Improvements in trust have stabilized with more people saying their trust in charity has not changed in the last 3 years.**

# Satisfaction Levels

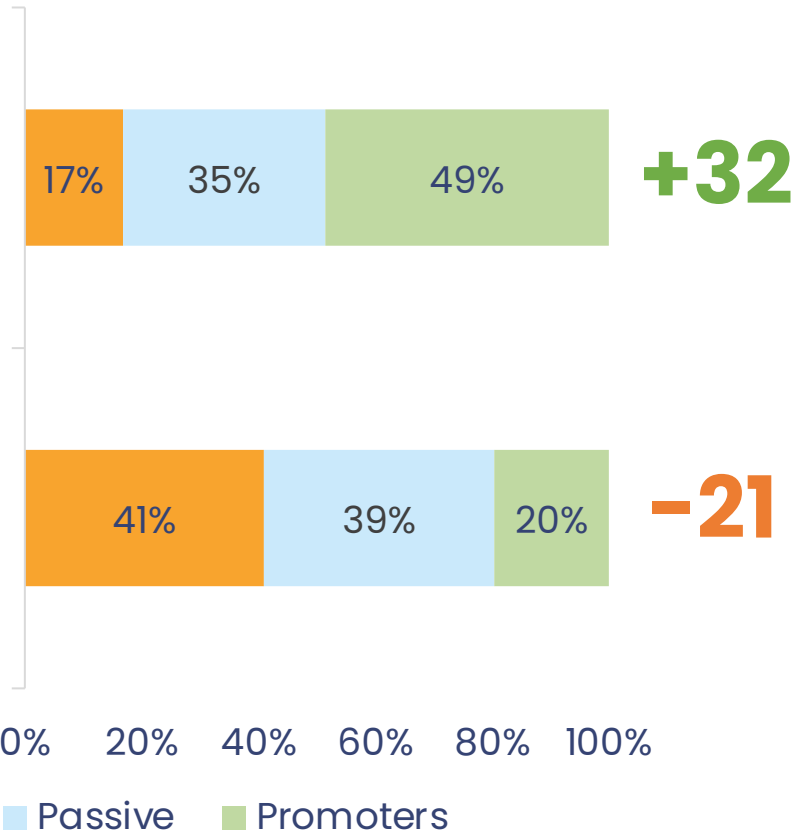
N=1031



Q26 - Overall how satisfied are you with the way charities engage with you? 0 is not at all and 10 is completely. Move the slider bar left or right.



Satisfaction with Favourite charity



Satisfaction with Charities overall

Satisfaction with a favourite charity was high but with the sector low.

# Open Comments

N=196



Q27 - How could charities improve the way they engage with you? (6 or less)

- Engagement = asking
- Transparency and altruism
- Don't waste it (on admin and mailings)
- Channel preferences (email but not too many)
- Over asking / harassing
- Do OK
- Respect: data, choices, unsubscribe
- Relevance to me

*Use the money that's donated instead of withholding for their own interest*

*Stop sending shit in the post that I don't ask for*

*not spending more money than I donate trying to get more money out of me*

*no need - all they have to do is their job*

*"Stop buying lists of people's phone numbers and also don't badger people about giving to your charity -"*



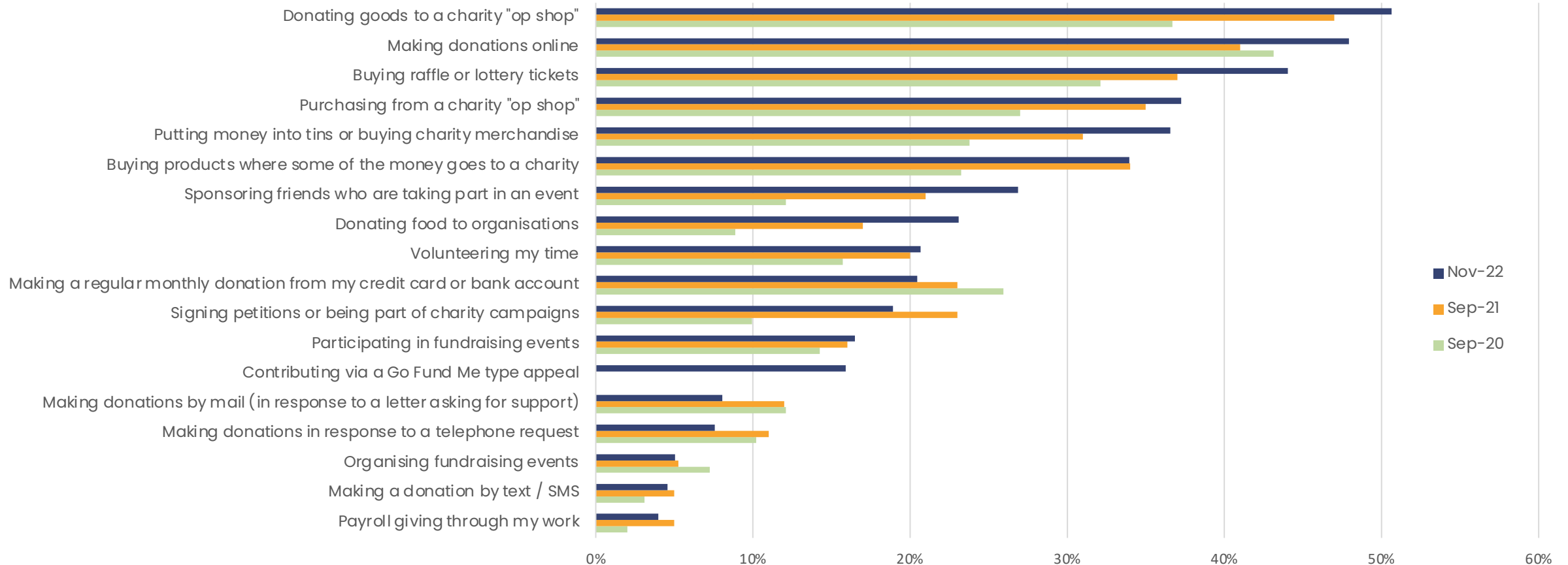
# Engagement

# Engagement: Past 12mths

2022 n=1031 2021 n=585  
2020 n= 1049



In the past year, in which of the following ways have you supported charities?



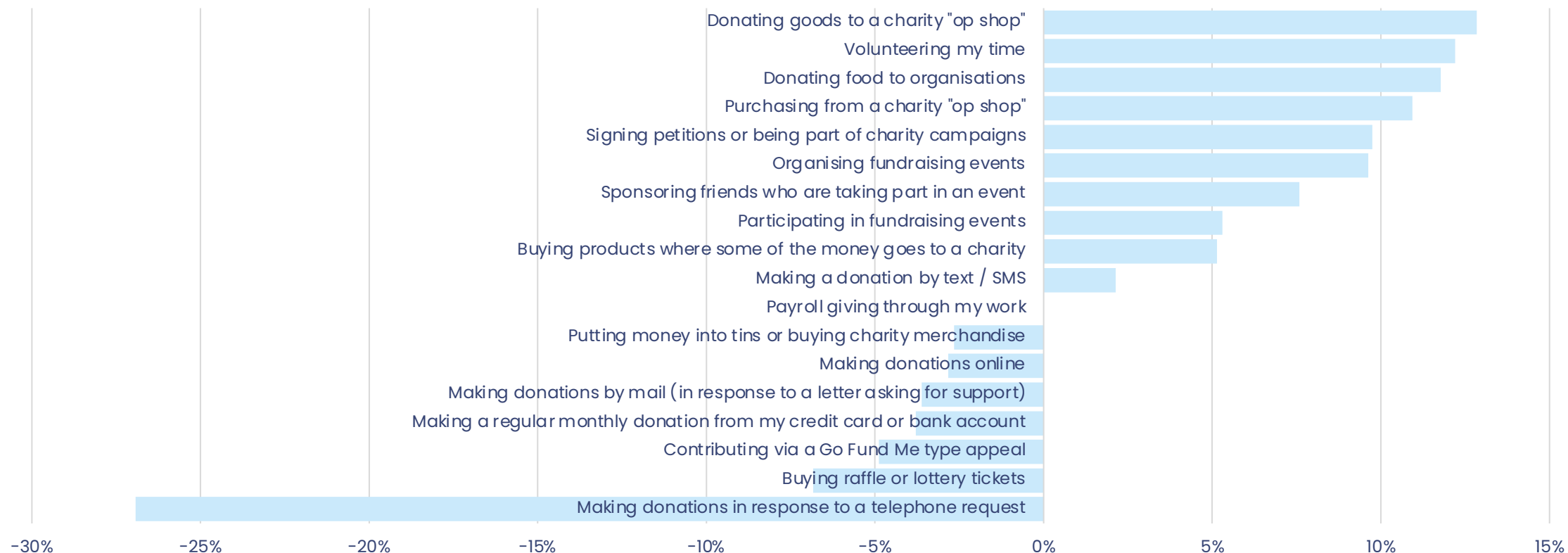
Increasing - Online donations, Lotteries, Donating to fundraiser , Tins/charity merch, Op Shops – purchase & give, Donating food, Go fund me  
 Fluctuating - Signing petitions  
 Decreasing - Regular giving, Mail donations, TM donations, organising events

# Engagement: Next 12mths

N=Varied



## Net change

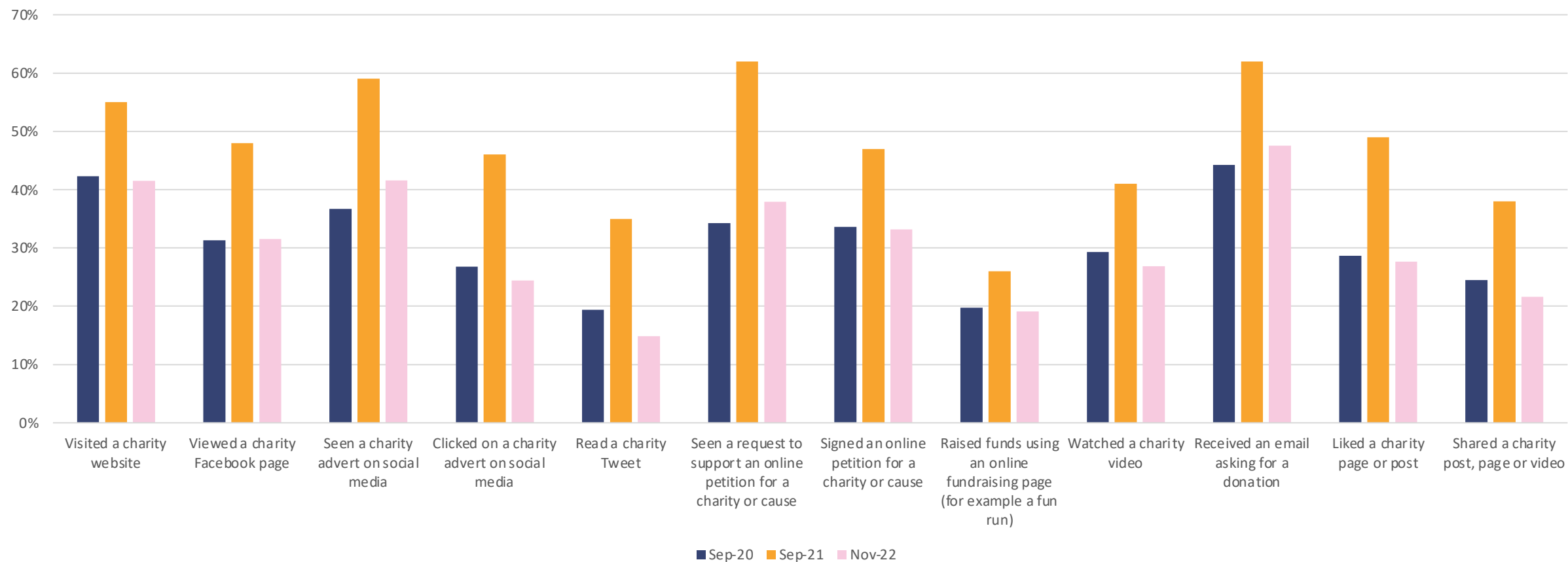


For those using each channel the greatest potential decreases is in Phone, lottery, crowdfunding.  
People expect to do more of the cheap things

# Digital Exposure

# Digital Engagement

Done in past 3 months



Digital activity has broadly returned to pre-2021 lockdown levels more aligned with results from 2020

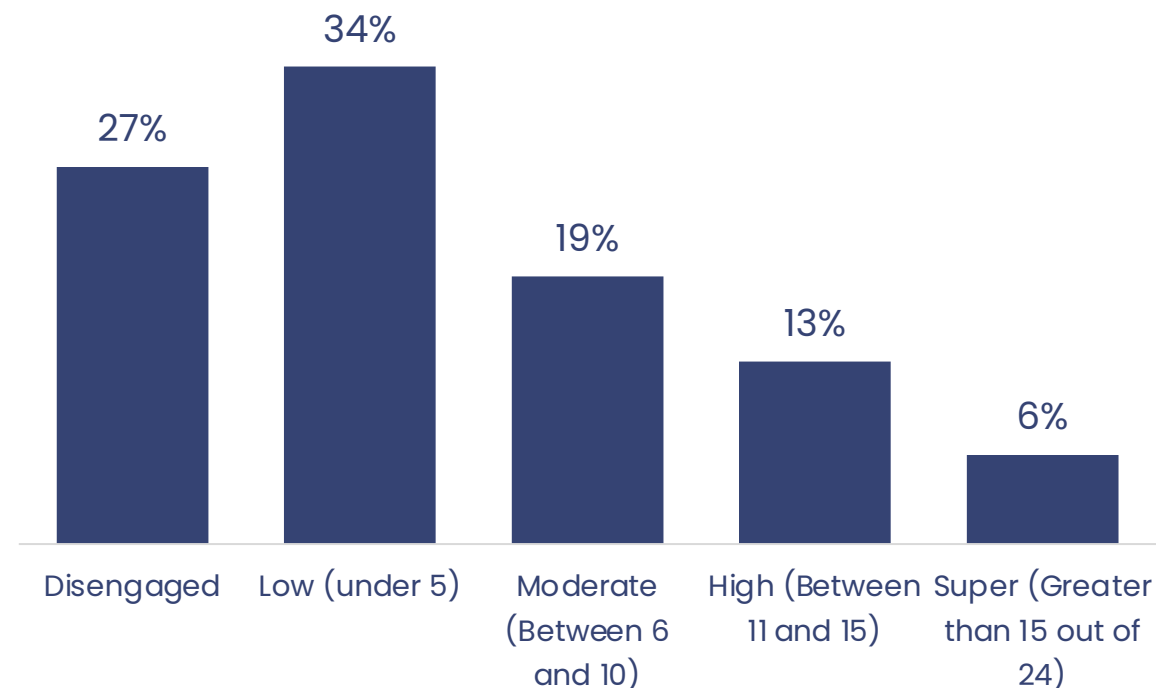
# Digital engagement scores

N=1031



	No	Yes, once	Yes, multiple times
Visited a charity website	0	1	2
Viewed a charity Facebook page	0	1	2
Seen a charity advert on social media	0	1	2
Clicked on a charity advert on social media	0	1	2
Read a charity Tweet	0	1	2
Seen a request to support an online petition for a charity or cause	0	1	2
Signed an online petition for a charity or cause	0	1	2
Raised funds using an online fundraising page (for example a fun run)	0	1	2
Watched a charity video	0	1	2
Received an email asking for a donation	0	1	2
Liked a charity page or post	0	1	2
Shared a charity post, page or video	0	1	2

Digital Engagement Band



The digital engagement score is based on 2 points of multiple engagement with a channel, 1 point for a single engagement. Max score is therefore 24

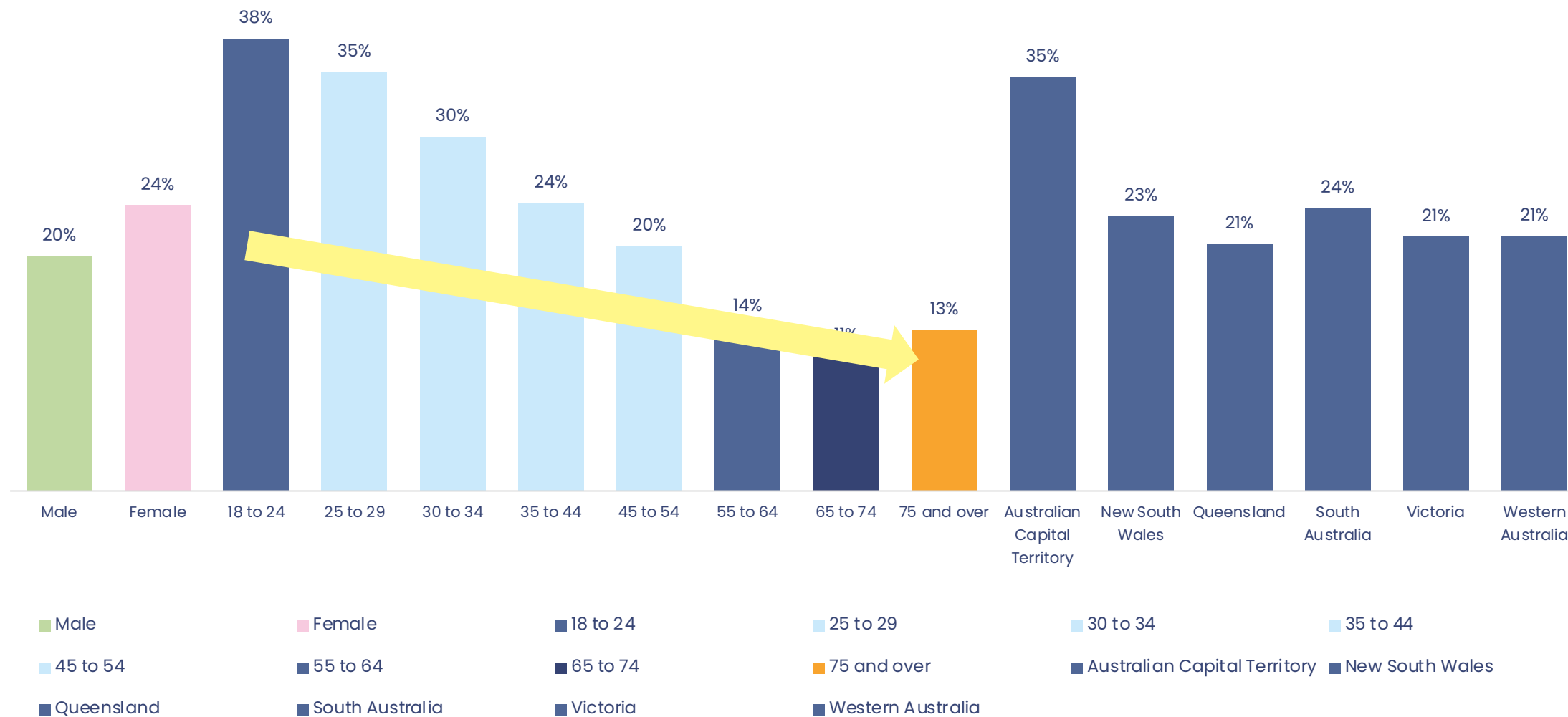


# Digital Engagement Scores

N=1031



## Digital Engagement

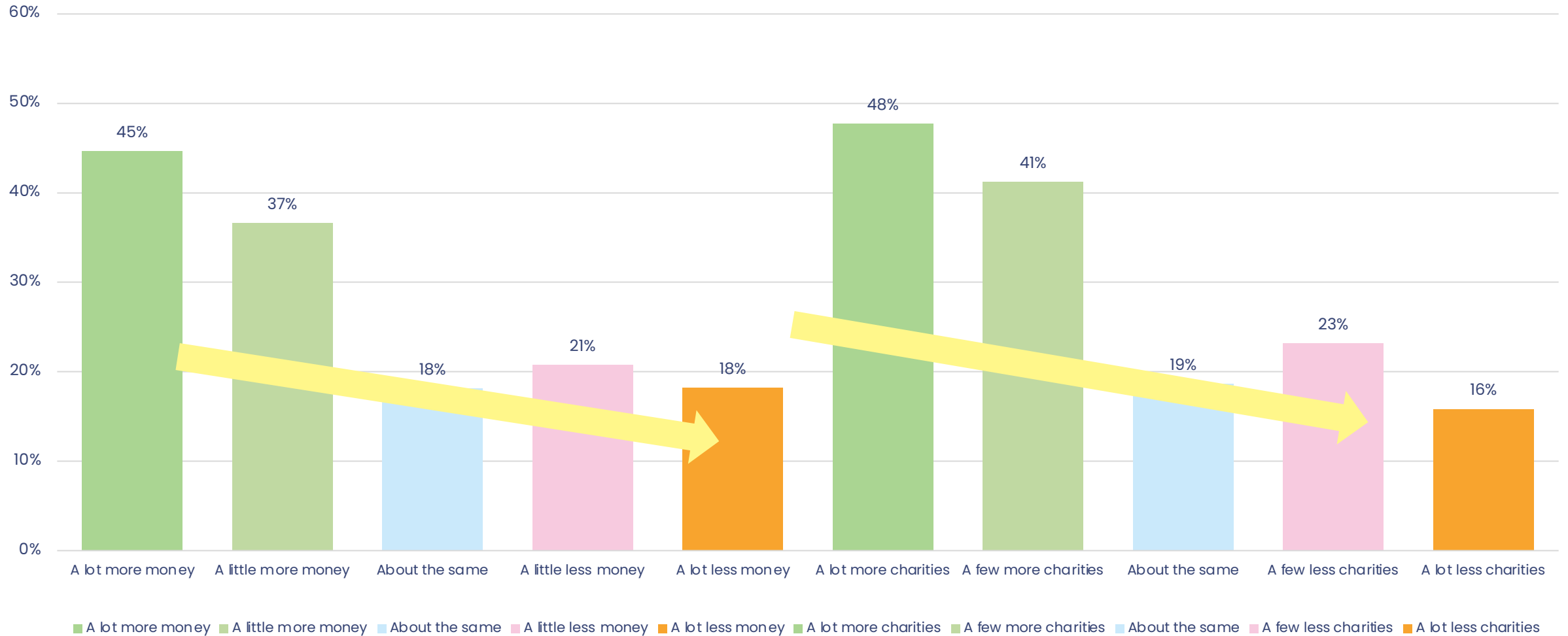


# Digital Engagement Scores

N=1031



## Digital Engagement



# Aggregated Scoring

# Westpac Consumer Confidence



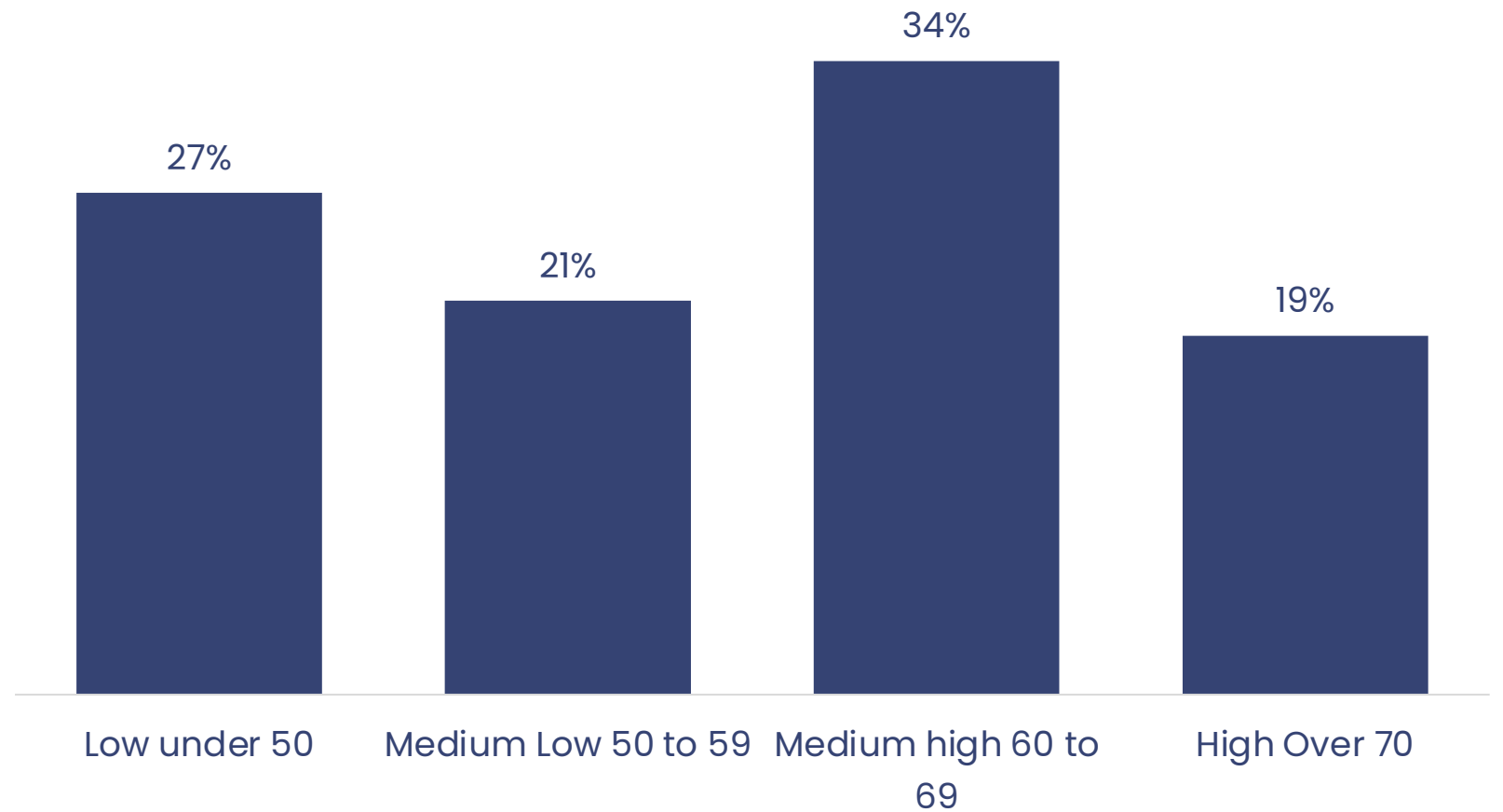
Fast post COVID bounce back – the relief – inexorable decline – minor rally

# Donor Confidence Index

N=1031



Donor Confidence Index (DCI%)



Economic Outlook (1-5)

Personal financial Outlook (1-5)

Giving Intention \$(1-10)

Giving Intention No. (1-10)

Trust Change (1-5)

Trust score (0-11)

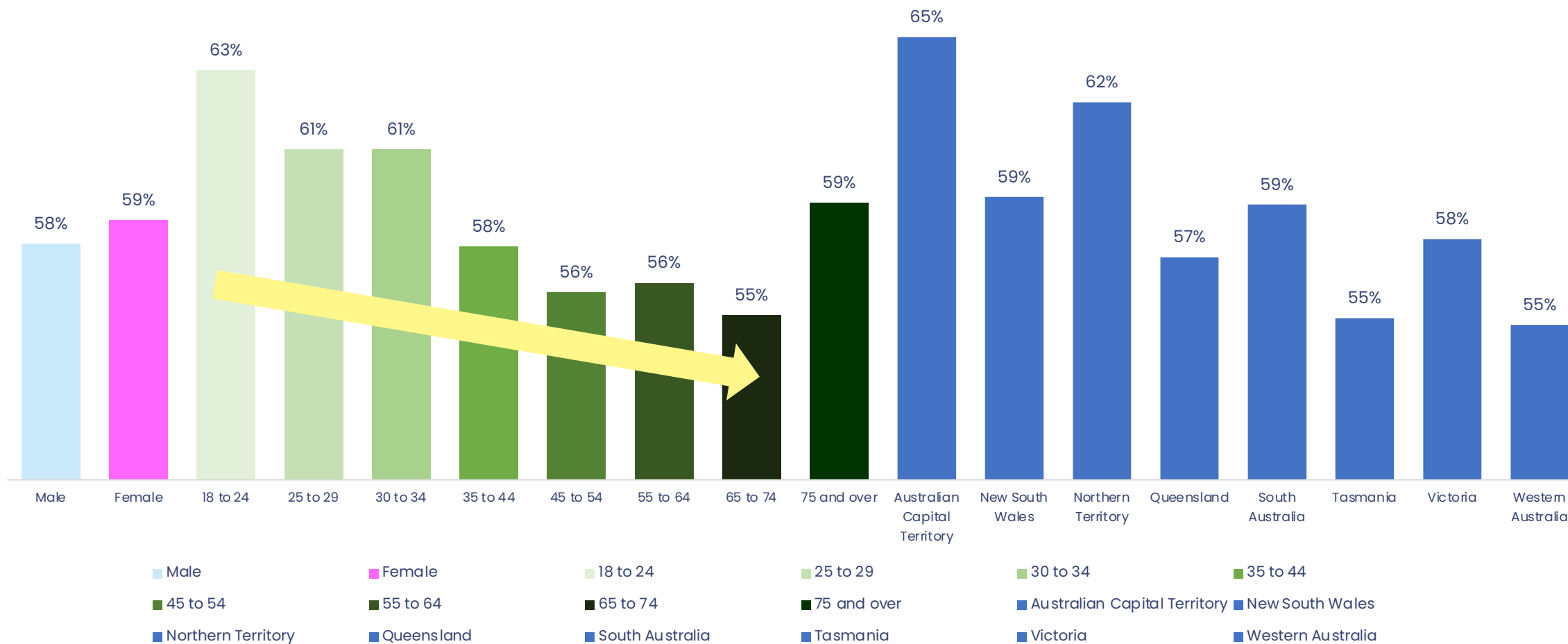
Satisfaction score (0-11)

# DCI Scores

N=1031



## Demographics and location

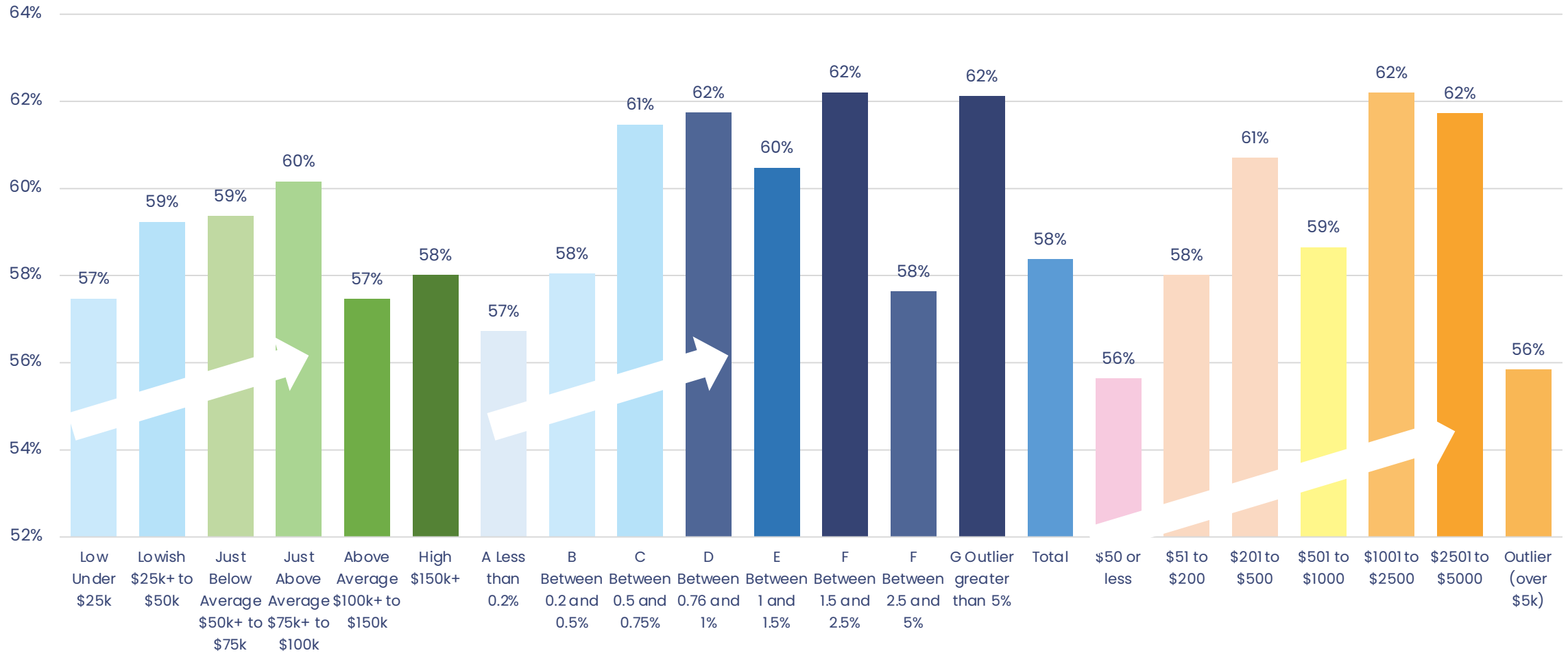


# DCI Scores

N=1031



## Donor Confidence

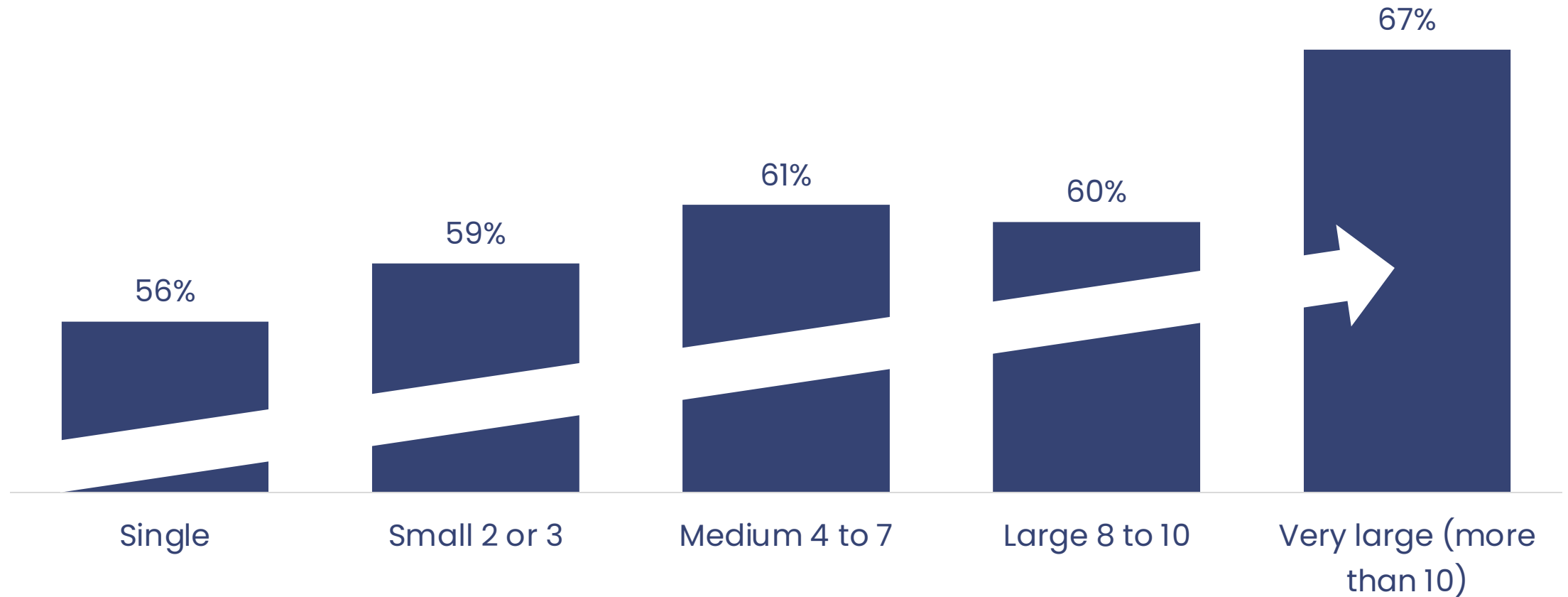


# DCI Scores

N=1031



## DCI and Number of charities



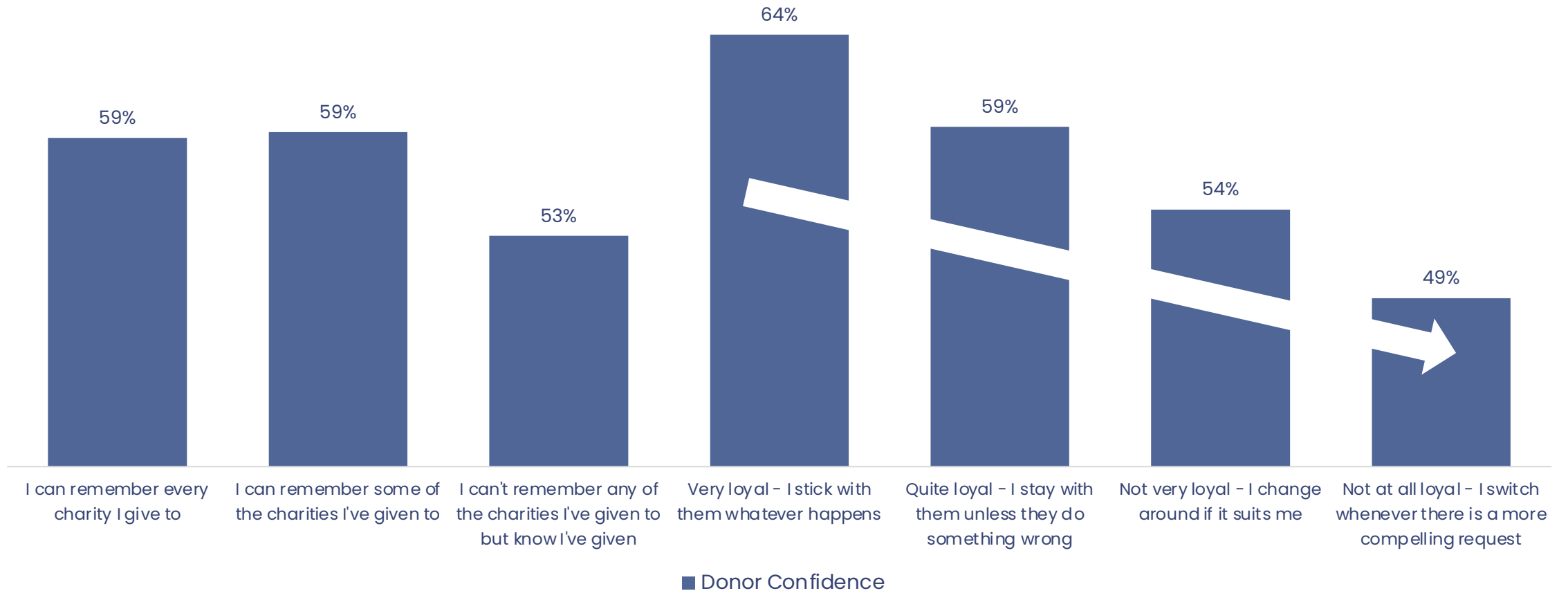


# Donor Confidence Index

N=1031



## Donor Confidence



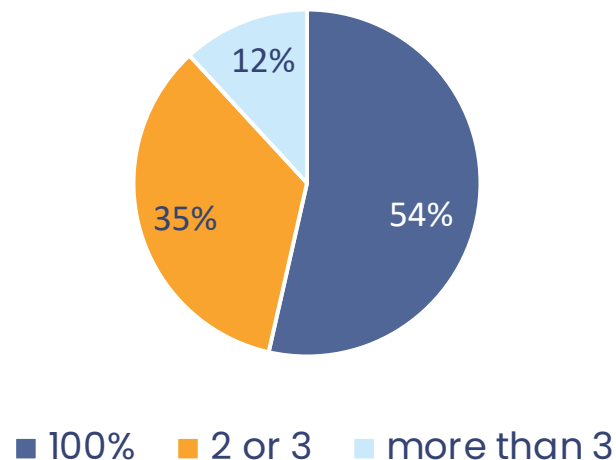
# RG and Event Intentions

# Regular giving portfolio

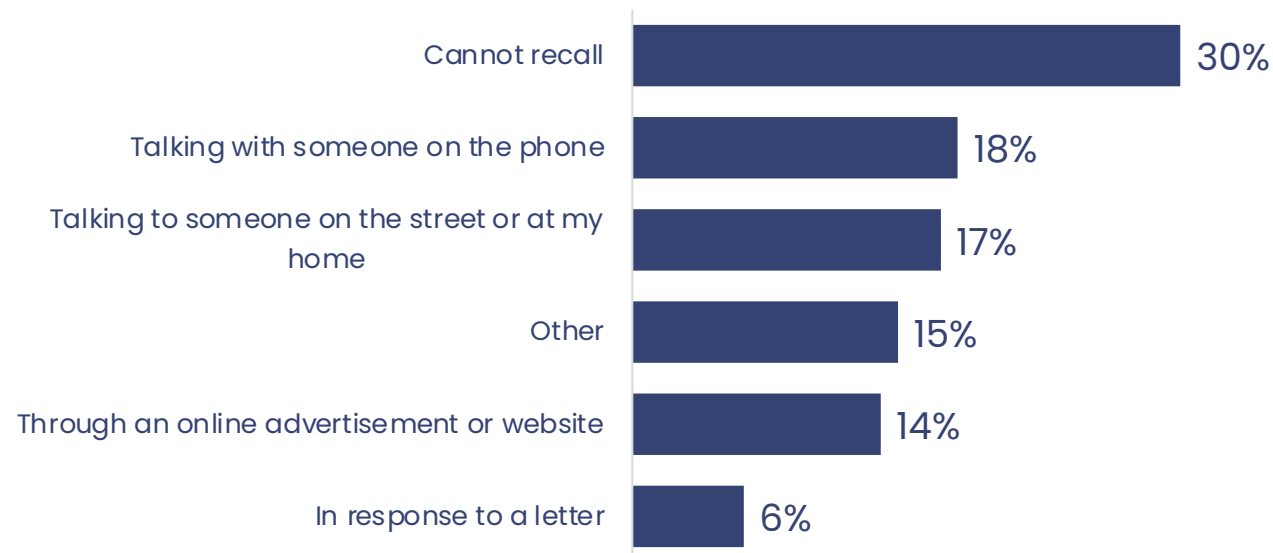
N=211



Q37 - You mentioned that you make regular monthly donations to charities, how many charities do you support in that way?



Q38 - For the most recent monthly commitment you made, can you recall how you first decided to make a monthly donation?



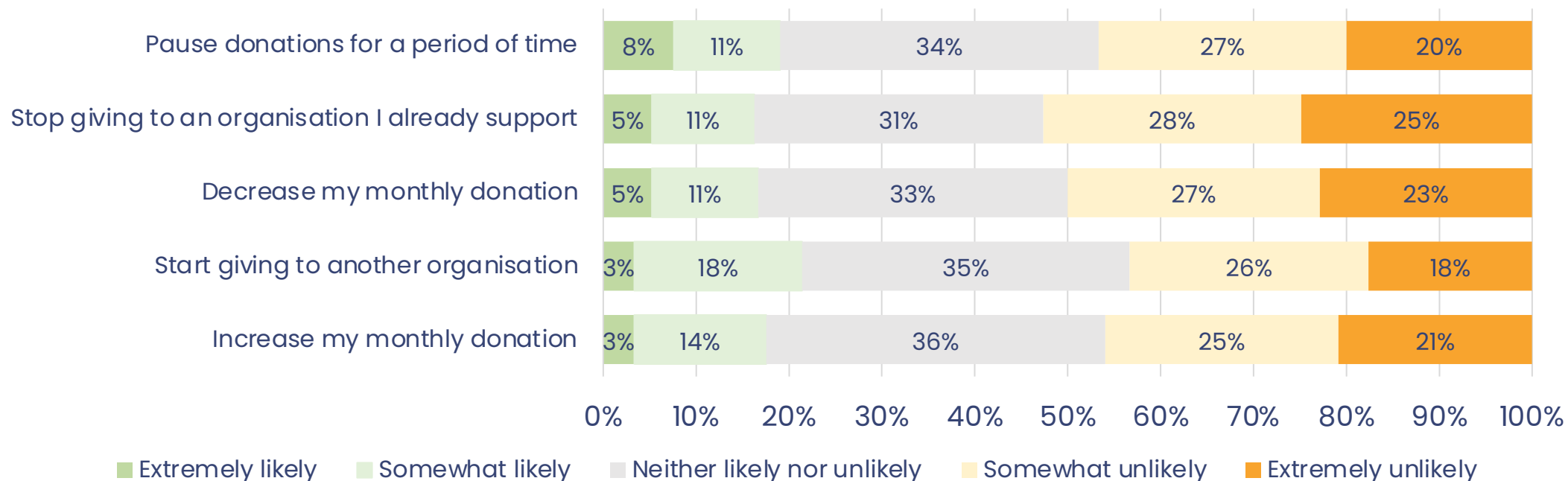
Of the 211 self declared regular givers, half give to a single organisation. Around 1 in 3 were the result of an interaction with the charity.

# Regular Giving Intentions

N= 211



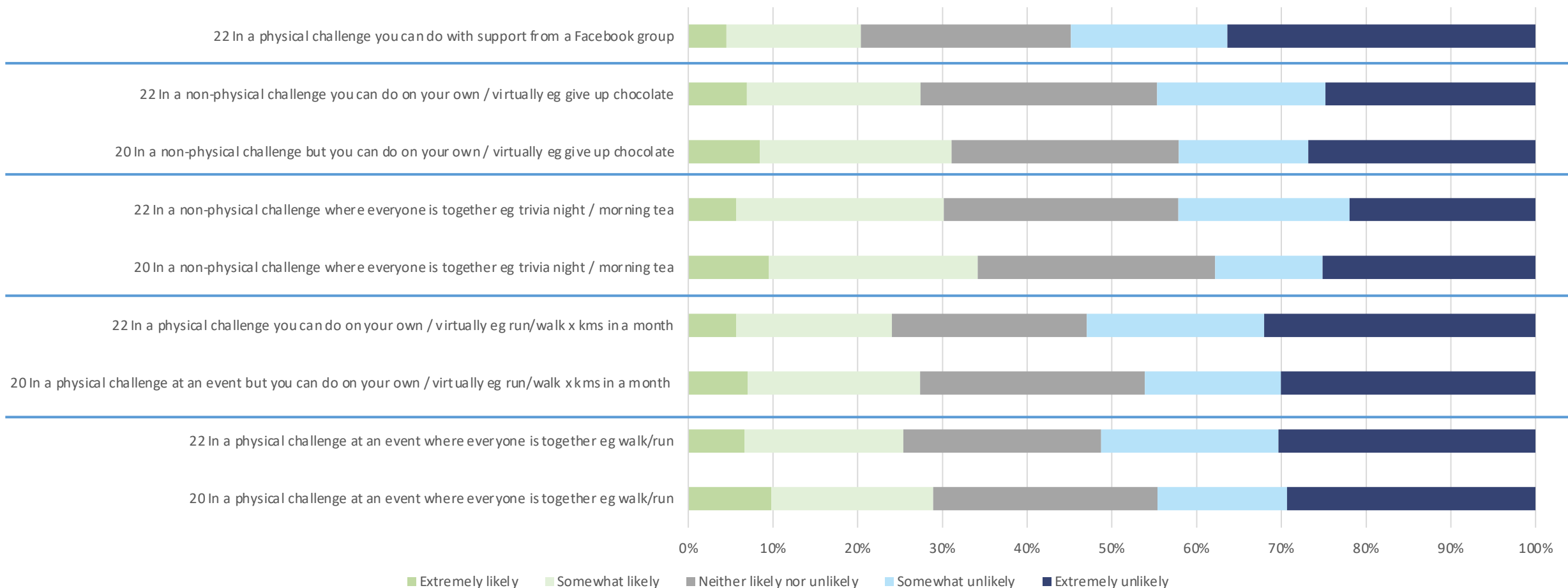
Q39 - How likely are you to change the way you support organisations with regular monthly donations over the next 12 months?



Nearly 1 in 5 regular givers are at risk of reduced contributions , though marginally fewer may increase their value. The older group were most likely to remain as is

# Social Fundraising Intentions

N=1,028



**Unsurprisingly the younger group were far more receptive to all types of event engagement**

**All are slightly lower in 'extremely and somewhat likely' to participate compared to Sept 2020**

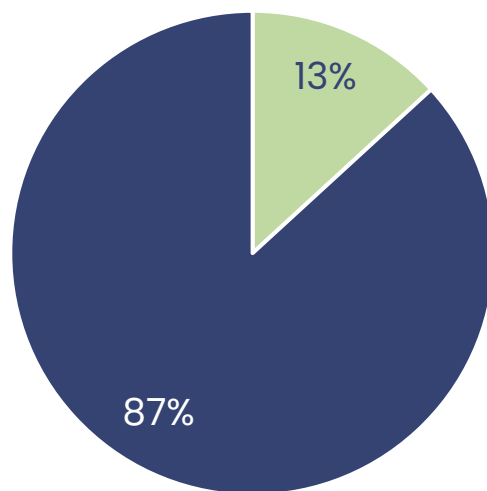
# Gifts in Wills

# Gifts in Wills: Confirmed

N= 1031

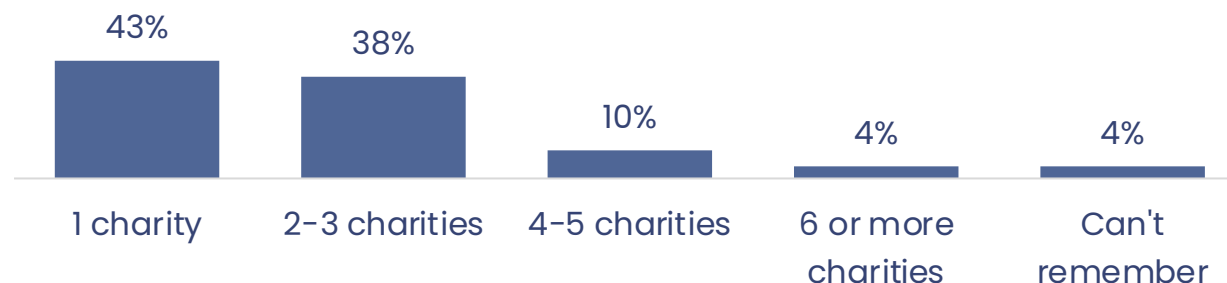


Q41 - Have you left a donation to charity or not-for-profit organisation in your Will?

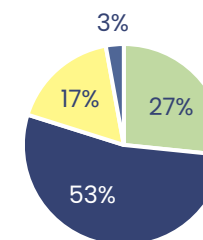


■ Yes ■ No

Q42 - How many charities have you included in your Will?



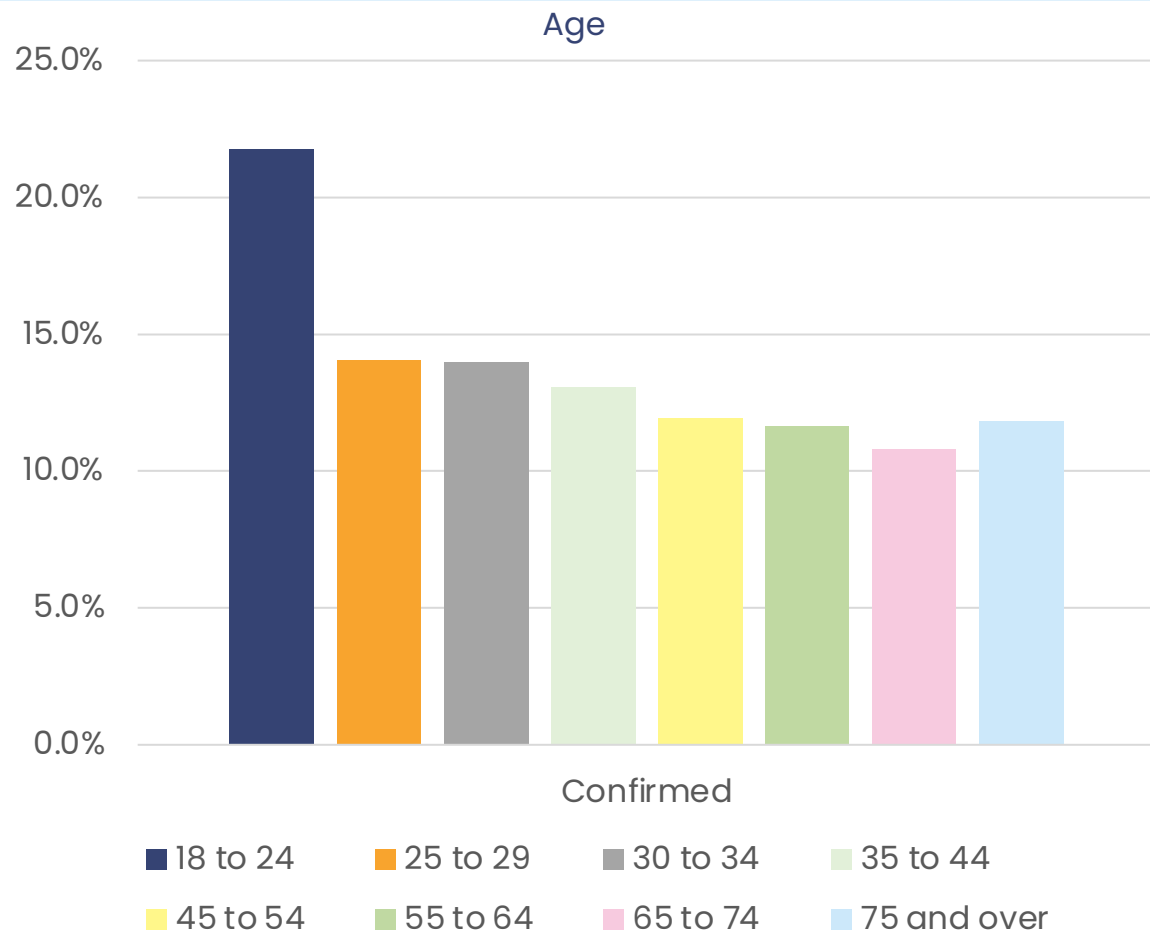
Q43 - What type of gift have you left to your nominated charity/ies?



■ A % of my estate ■ A gift in a fixed amount ■ Can't remember / Prefer not to say ■ Other

An encouraging 13% say they have already includes a charity with the majority leaving a fixed amount to less than 3 organisations.

# Gifts in Wills: Confirmed



Age - growing appeal with younger audiences.

Income - statistically significant when income jumps up over \$75k. There is also a large group under \$25k likely due to retirees

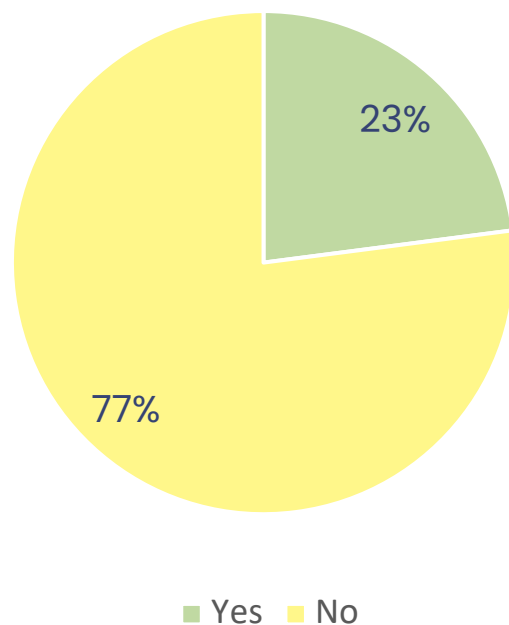


# Gift In Will: Consider

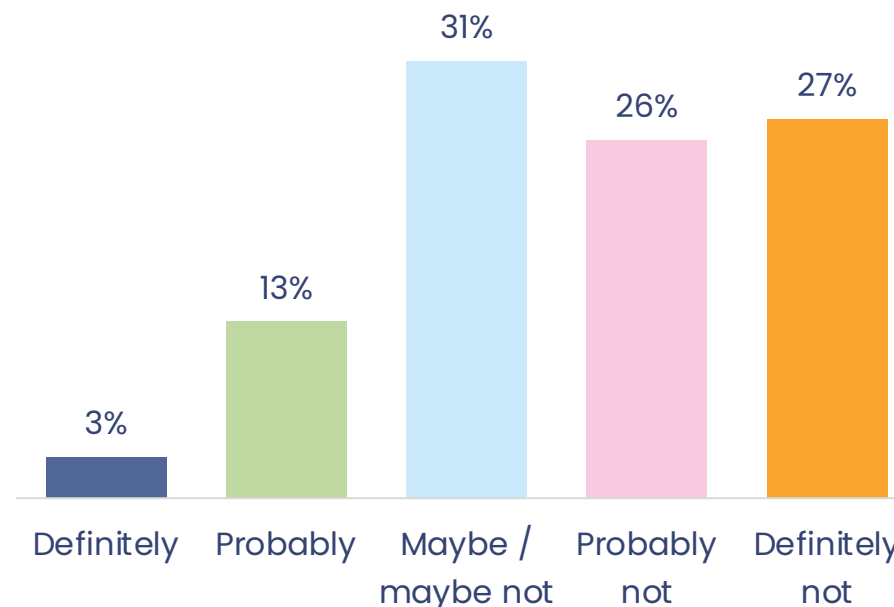
N= 889



Q44 - Have you ever considered leaving a donation to a charity or not-for-profit organisation in your Will?

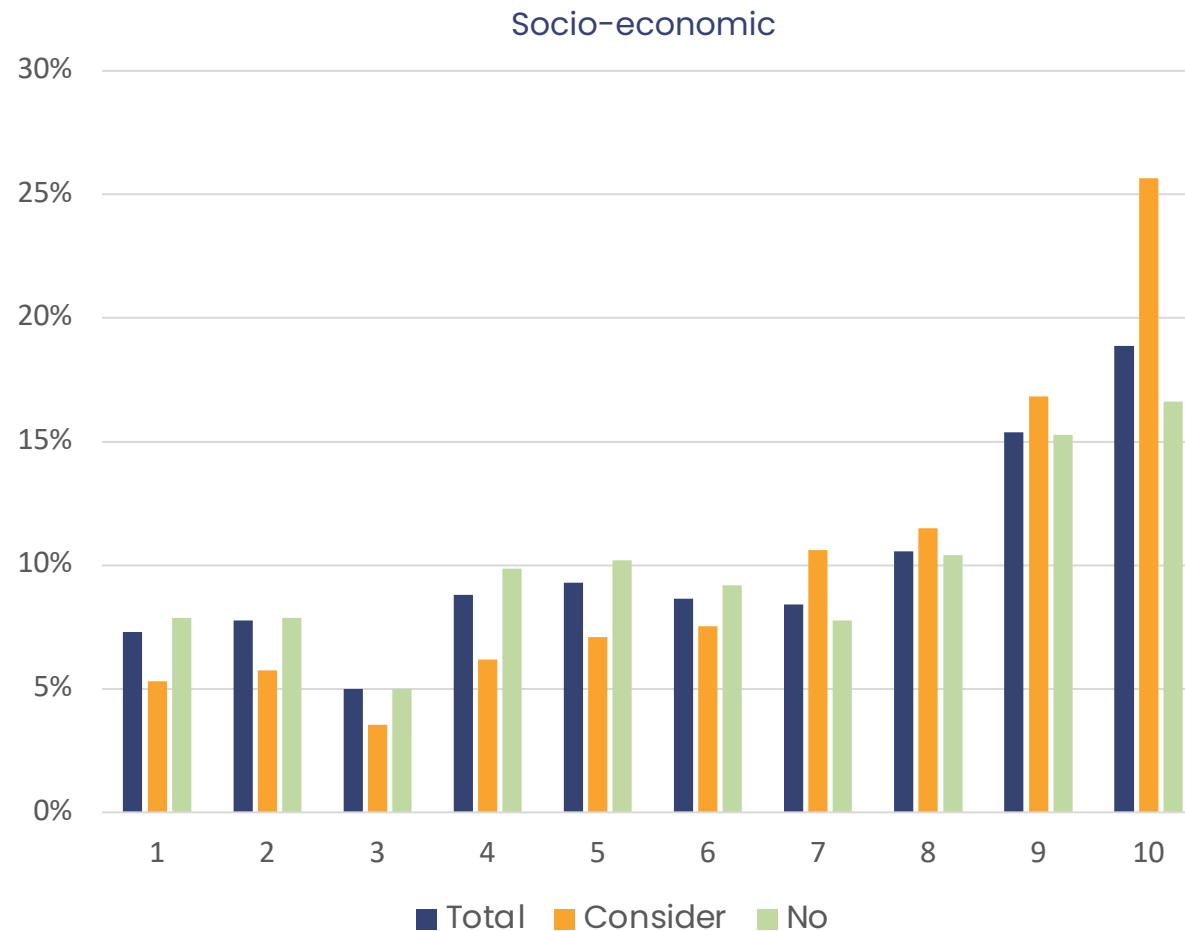
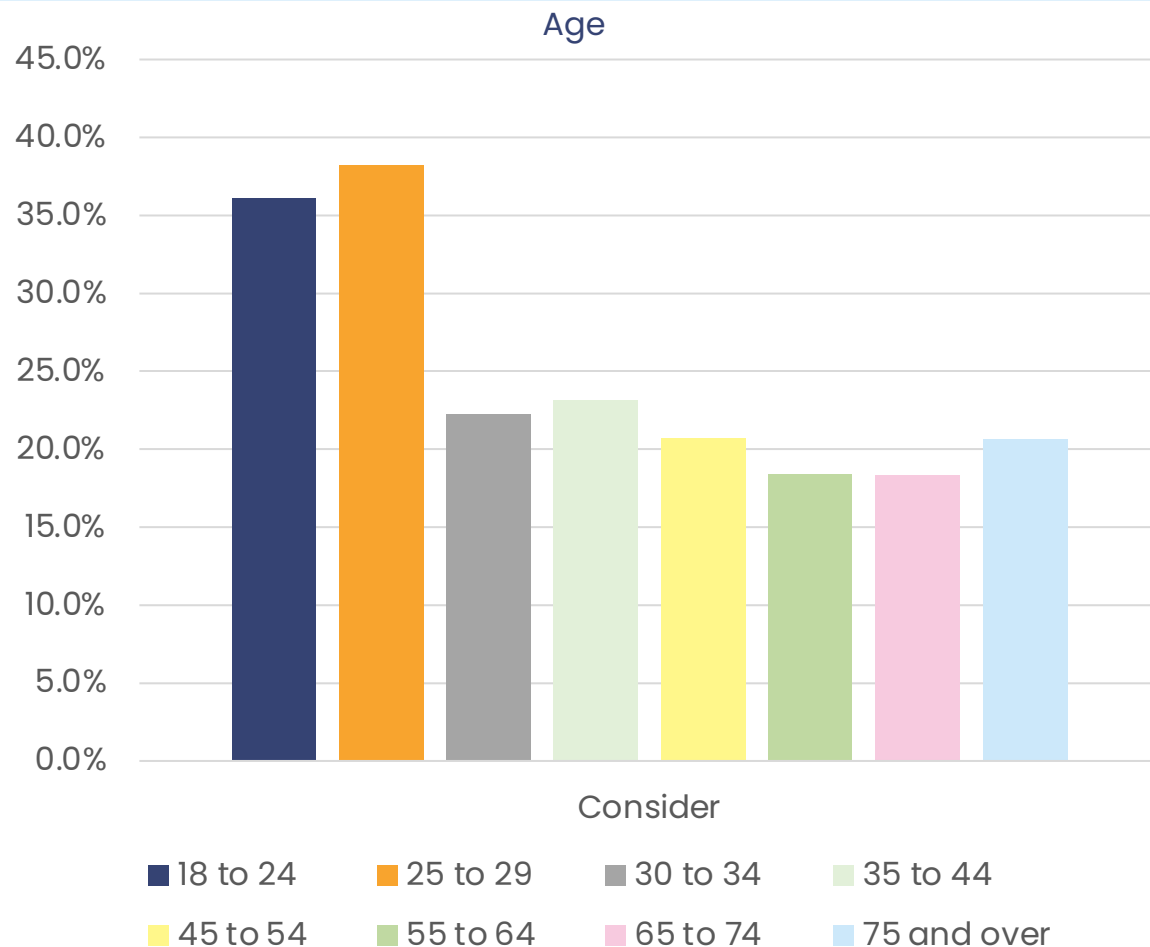


Q45 - When you make or next update your Will, how likely are you to leave a donation to a charity or not-for-profit organisation in your Will?



Amongst those that have not already included a charity, nearly 1 in 4 would consider doing so with 1 in 6 quite likely to do so.

# Gifts in Wills: Consider



Age - growing appeal with younger audiences.

Socio-economic - less likely to be disadvantaged socio-economically

# What to do....

Support a growth mindset

Resist unilateral equitable cost cutting

Be future focused in any restructure

Monitor the market and relative performance

Prime good fortune and inequality

Protect the fans

Elevate memorable experiences

Focus on quality acquisition

Be number 1 – by the way you treat people

Prove competency with impact

# Research insights to your inbox

## The Next Generation of Supporters

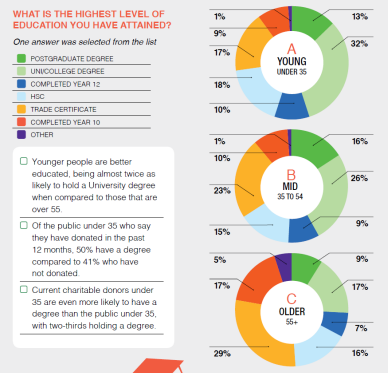
### Money and Meaning

AUSTRALIAN RESEARCH STUDY 2022



### Education

How well-educated people are impacts their propensity to engage with good causes and make donations.



- Younger people are better educated, being almost twice as likely to hold a University degree when compared to those that are over 55.
- Of the public under 35 who say they have donated in the past 12 months, 50% have a degree compared to 41% who have not donated.
- Current charitable donors under 35 are even more likely to have a degree than the public under 35, with two-thirds holding a degree.

Build long term relationships with students

Many studies have revealed the strong link between education and giving, but will this continue now that higher education is more prevalent? Maintaining a strong culture of fundraising, giving and altruism through the school years may help encourage subsequent giving.

This is especially powerful through experiences that drive empathy, such as World's Greatest Shake, 40 Hour Famine or Ration Challenge. However, the fundraising presence at Australian Universities is far less prominent than in some other countries, where it is a training ground for future fundraisers through "rag" activities.

### Instability

Young people may face greater challenges when contemplating giving if they are not secure in their home, work or relationships.



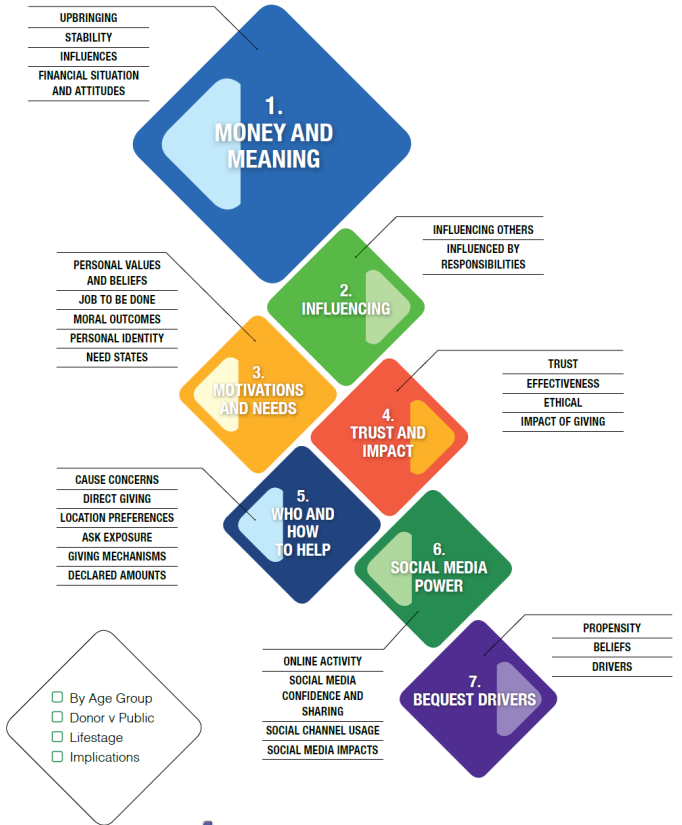
- Young people, indeed those under 55, have less stability in their employment, housing, relationships and family life.
- Young people who report greater stability donate more.
- Social connection and belonging become less stable for the 30-35's than the 19-24's.

Housing affordability is the second greatest concern for young people, and the current rental and housing market may negatively impact their perceived ability to give. We need to understand not just their age but their situation, and engage young people in supporting causes in the most appropriate way for them. For younger people, this may be through participation in events, micro-volunteering or social advocacy rather than money. As not-for-profits, we need to set goals and measure lifetime impact, not just lifetime value. Young people can contribute, but not all will be able to afford to.

“Stability is a precursor to giving.”

## Publication Series

This is the first of seven publications exploring in great depth the lives of Young People and how they think, feel and behave towards causes and giving.



# Our Research Partner



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