Unpacking Donor Retention: Individual Monetary Giving to U.S.-Based Christian Faith-Related, International Nongovernmental Organizations

Ramya Ramanath
School of Public Service, DePaul University, Chicago, IL 60604, USA; rramanat@depaul.edu; Tel.: +1-312-362-7708

Academic Editor: Robert Wineburg
Received: 14 July 2016; Accepted: 31 October 2016; Published: 8 November 2016

Abstract: This article examines an important but relatively overlooked aspect in the field of international giving in the U.S.—individual monetary donations to Christian faith-related international nongovernmental organizations (INGOs)—and outlines the cognitive process influencing donors who choose to keep up their financial support to Christian faith-related INGOs. The propositions forwarded in this article draw on existing literature on Christian giving to international causes, INGO management, donor retention and finally, the logic of self-perception to highlight how existing donors might evaluate their repeat giving decision. The more existing donors of Christian faith-related INGOs can identify themselves with the INGO’s identity—comprising its beliefs and values, its claims to legitimacy, and performance—the more likely it is for donors to be satisfied and decide to maintain a stable relationship with the specific INGO.

Keywords: donor retention; faith-related organizations; Christian; international NGOs; INGOs

1. Introduction

Financial donations from private individuals play a vital role in maintaining select types of international nongovernmental organizations (INGOs)[1]. Retaining such donors, however, remains a challenge for all kinds of NGOs. Sargeant and Woodliffe ([2], p. 2) note that half of all first-time donors to an NGO do not donate a second time; among repeat donors, loss rates as great as 30% annually are very common. Despite the persistence of this fundamental problem facing many NGOs, there is surprisingly little research about the mental process of evaluation of individuals who maintain long-term monetary relationships with an NGO. Of particular interest in this article are the judgement, perception and reasoning of existing donors of INGOs that combine Christianity and humanitarian service, also referred to as Christian faith-related INGOs. This type of INGO is motivated by its Christian doctrinal roots, but its operations are difficult to distinguish from those of secular INGOs.

---

[1] In this article, I view INGOs as a sub-set of NGOs i.e., NGOs that are based in and receive funds from high-income countries, located primarily in the global North but are working to address the needs of those in one or more low-income countries, largely in the global South. NGOs can be defined in a variety of ways, but are often defined by what they are not (i.e., not government or business) rather than what they are. The question of what NGOs are, is widely debated. Lewis ([1], p. 327) argues that there are two ways in which NGOs are distinct—their identity as a subset of third sector organizations that do not make a profit and derive their authority independent of a political process and also that they engage in emergency relief, service delivery and/or policy and rights advocacy. I use the term nongovernmental organization instead of the more US-specific term for this same breed of organizations, namely nonprofit organization (NPO). I do so in order to avoid an overload of terms and abbreviations in this article. I recognize that US-based NGOs, whether international in their scope of activities or not, are referred to as nonprofit organizations. When I am certain that the concerned author is referring to an NGO that is headquartered in a global North country but focuses its operations on the needs—be it emergency relief, service delivery and/or rights-based and advocacy interventions—in the global South, then I use the term INGO.
Religions 2016, 7, 133

Their mission and their working culture reflect the Christian faith and life of their “Christ above Culture theological foundation” ([3], p. 339). Examples include INGOs such as Catholic Relief Services, Catholic Agency for Overseas Development (CAFOD), Church World Service, American Friends Service Committee, Lutheran World Services and Mennonite Central Committee—all of which appeal for funding to both Christian religious and secular sources.

Historically, individuals have accounted for more than half of all U.S. international giving. Herzer and Nunnenkamp ([4], p. 2) state that individual donations, both in cash and in-kind, constitute the most important revenue source for U.S.-based INGOs engaged in international development cooperation. Individual giving to international causes however suffered a considerable setback following the 2008 financial crises. According to Giving USA [5], it was in 2015 that individual giving to international affairs recorded an upward trend for the first time since the 2008 financial meltdown. Despite a slow climb towards pre-2008 levels, the extent of individual giving to international affairs is yet to return to its pre-recession levels and INGOs are finding fundraising increasingly problematic [8]. This, presumably, has created a highly competitive environment among INGOs fundraising in the U.S. More knowledge therefore of how (and why) existing donors to international causes—be it in emergency relief, service delivery and/or advocacy and rights-based interventions—stay committed to their respective INGOs may help explicate the donor base of Christian faith-related INGOs and offer insight into how to reverse the decline of individual contributions to international causes.

While religious motivations were once primary in the establishment of international relief and development NGOs, the arrival of modernity is said to mark a shift in the operating philosophy from an “ethic of [Christian] duty” to an “ethic of results” among INGOs ([9], p. 205). While the former concentrates on the motivations and values that drive organizational actions, the latter type of ethic accords primary importance to measurable consequences of those actions. Although not mutually exclusive, the two philosophies, some argue, can be at odds with one another, requiring Christian agencies to consciously maintain a sense of the sacred and faith alongside the secular ([9], p. 229). Several U.S.- and faith-based INGOs, for instance, are engaging with a more secular identity, attributable to the convention of church-state separation, media distaste for participation in public policy by overtly religious organizations, and an emphasis on greater sensitivity toward increasingly multicultural and multi-faith societies ([10], p. 2; [9]). However, beyond recognition of an organizational shift from chiefly religious to secular values, little is known about how the individual donor base of these agencies evaluates its giving intentions. In particular, this article seeks to address the following: How do individual donors of Christian faith-related INGOs based in the U.S. judge and evaluate their intention to sustain their financial commitment to the INGO?

This article begins with a brief overview of the long-standing relationship between Christianity and international giving in the US. It finds that, over the years, Christian giving to international causes has evolved from one dominated by missionary activities to a gradual expansion into the realm of

---

2 In Herzer and Nunnenkamp’s [4] study, these NGOs (referred to as Private Voluntary Organizations) are those registered with the US Agency for International Development (USAID) and do not therefore include the full sample of US-based NGOs engaged in international affairs (see footnote 3). To qualify for registration with USAID, NGOs are required to fulfill a list of several conditions including the following: have to be US-based, solicit cash contributions from the US general public, conduct overseas program activities consistent with the general purposes of the US Foreign Assistance Act and/or Public Law 480, exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code, incorporated for no less than 18 months and provide financial statements to the public upon request. This registration is necessary to compete for specific funding categories such as development and humanitarian assistance grants.

3 Giving USA’s [5] estimate of giving to the international affairs subsectors includes giving to organizations working in international aid, development, or relief; those that promote international understanding; and organizations working on international peace and security issues. It also includes research institutes devoted to foreign policy and analysis, as well as organizations working in the domain of international human rights.

4 Giving USA [6] attributed the decline in individual giving to international affairs to the non-occurrence of any major international natural disaster in 2014. In 2013, Global Impact [7] ascribed a decline in individual giving to international causes to economic troubles in the US and domestic natural disasters that caused individual donors to lessen their contributions to the international sector.
Religions 2016, 7, 133

development [11]. This expansion paralleled the onset of the Progressive Era during which Christian organizations of a wide variety emerged. Of particular interest to this research are the breed of INGOs that fall in the center of a continuum of religiosity (between faith-embedded on one end and secular agencies on the other) and are referred to as Christian faith-related INGOs. Although there is an abundance of literature on how these Christian faith-related INGOs balance their religious and secular identities, there is comparatively less known about the cognitions that influence the commitment of individual donors of these agencies. This article then reviews factors known in literature to influence donor retention; factors gathered from the perspective of NGOs and to a far lesser extent, from an evaluation of the thought processes of donors themselves. In an effort to therefore begin the process of filling a gap in the literature, this article forwards four propositions on the mental process of knowing, including aspects such as judgment, perception, and reasoning that influence the repeat giving decision of individual donors of Christian faith-related INGOs.

2. Review of the Literature

2.1. Christianity and International Giving in the U.S.

In reviewing popular U.S. literature of the 19th century, Wuthnow [12] finds no apparent link between Christianity and giving. Not until the 1880s did church leaders explicitly emphasize tithing, the designation of one-tenth of a Christian’s income for church or charitable giving. Charity implied several acts including “love in general to helping the poor, and it did not always connote connections with religion” or even money ([12], p. 9). However, most references to charity included discussions on Christian charity, a phrase made popular by a sermon by Massachusetts Bay Colony Governor John Winthrop delivered while aboard his flagship, the Arbella, in 1630. Winthrop voiced his hopes that Christian charity would inspire the behavior of the settlers of the New World toward each other: “We ought to account ourselves knit together by this bond of love, and live in the exercise of it, if we would have the comfort of our being in Christ” [13]. Winthrop thus set forth Christian charity as a key element of American identity. This identity was embedded in a host of organizations, both state and non-state, that bridged religion (mostly Christianity) and individual giving of time, talent and treasure [12,14,15]. Christian charity of the 19th century was a lifestyle, a way of behaving that fell between “a purely ideal general concept of love and something as narrowly conceived as giving money to the church or to some other good cause” ([12], p. 13). This ideal permeated international giving to individual missionaries and missionary organizations, the precursors of cross-border assistance mediated by modern INGOs.

If 19th century missionary work belonged to Christian Protestant missionaries from Britain, then the 20th was dominated by Protestant missionaries from North America ([16], p. 37). Starting in the early 1920s, North Americans have comprised the largest segment of Protestant missionaries overseas, totaling one-half to two-thirds of the world’s missionary force [16]. These Christian missions mobilized committed groups of volunteers who were (and continue to be) motivated by religious precepts and the belief that they were doing God’s work [17,18]. At about the same time period, many missionary organizations expanded their strictly religious focus to include developmental activities. Some entered into a formal relationship with the United Nations, and others began orienting their mission to serve the general public. Religious denominations and organizations began establishing NGO offices to organize their service delivery. This evolution reflected a time when missionaries began efforts to address poverty and suffering brought on by “rapid industrialization, the legacy of slavery, and the First World War and the belief in improvement characteristic of the Progressive era” ([19], p. 87). Nielsse, Okkenhaug and Skeie ([20], p. 19) note that following World War I, “missions had to be justified in secular terms because support simply for evangelisation did not generate funding.” Berger ([21], p. 20) and McClearly and Barro [22] similarly note that the need for resources from a broader base of adherents led many religious organizations to seek formal recognition as NGOs. Casanova [23] traces the evolution of organized religion from a sole emphasis on the private sphere
of moral and spiritual regulation of individual conduct to a more recent attentiveness on shaping the conduct of public life. This reinvented breed of Christian NGOs “did not think of themselves as surrendering to secular and political influences, but as making the ancient religion more relevant to modern society” ([18], p. 534).

2.2. Christian Faith-Related NGOs, Managing Identities

Post-World War II saw a dramatic rise in the number and diversity of Christian NGOs, particularly those referred to variously as faith-related, faith-inspired or secular-Christian NGOs. Like their secular counterparts, they comprise agencies that are engaged in three broad types of activities, namely emergency relief, service delivery, and policy and rights advocacy [24]. Benedetti [25] describes faith-related Christian NGOs as those whose identity, membership, funding, mission and services are indistinguishable from their secular counterparts, who use language similar to that of secular NGOs, but whose mission nonetheless uses Christianity as a point of reference and ideology. Scheitle ([26], p. 3) refers to them as parachurch organizations and “the religious market’s other supplier”. Berger ([21], p. 31) describes them as organizations that venture “beyond notions of social responsibility to assertions of ‘Rights’ and ‘Wrongs’, ‘Truths’ and ‘Untruths’”. These NGOs justify their actions as being inspired and guided by the teachings and principles of Christianity or from a particular interpretation or school of thought within Christianity ([27], p. 1). In essence, Christian faith-related NGOs are those [28,29] in which:

1. Christianity is explicit in their origins or history, but may not be explicit currently;
2. staff are not required to affirm Christianity, but senior staff often do;
3. programs and services are not entirely Christian, but Christian content may be available if desired; and,
4. there is a mix of private and secular funding.

By choosing to classify themselves as NGOs, these religiously-based organizations have taken on “a political identity and inject their uniquely religious voices into a predominantly secular discourse about the nature of the new world order” ([21], p. 19). Some scholars refer to INGOs as essentially “fund-raising institutions, which then either partner with, or subcontract to, non-governmental organizations or community-based organizations [CBOs] in the recipient country” ([30], p. 22). Most INGOs, including Christian faith-related INGOs, adopt a multi-unit organizational structure with local, national, and international components. INGO governance (of such aspects as mission, strategies, and accountabilities) assumes a variety of forms. Some INGOs are centrally controlled, others may have a central secretariat that mobilizes members around shared values but exercises little direct control, and numerous other INGOs fall in between the two extremes of governance arrangements [31]. Generally stated, the central secretariat is headquartered in a global North country and is responsible for executing global actions, controlling service quality, protecting the shared ideological brand, and providing support services such as fundraising, IT, and administration. According to Brown, Ebrahim and Batiwala ([32], p. 1099), a key challenge for INGOs is balancing centralized coordination of aspects such as brand and service quality with less centralized aspects such as local information, capacity, customization, and innovation.

Although Christian faith-related INGOs may not necessarily consider their foundations in Christian conviction to conflict with their global operations, existing literature highlights that managing the two is a continual balancing act. Religiosity is reflected in a number of different components including in the INGO’s mission statement, culture, affiliation to a religious denomination, staffing policies, choice in implementing partners, and sources of financial support, to name a few. Ebaugh et al. [33] conclude that a faith-related NGO publicly expresses its religious identity in its name, its mission statement or the use of religious symbolism. It can also be expressed through its design and implementation methods, the organization’s culture and practices, staffing and funding. World Vision International, one of the world’s largest Christian faith-related INGOs, partners with secular agencies to
Religions 2016, 7, 133 5 of 18
deliver services and maintain its dual organizational identity. Its field offices, notes Stoddard ([34], p. 27), work in partnership with both secular and religious local organizations of all faiths, and it integrates faith into its activities in varying degrees of religiosity depending on the country where it is operating. Chen ([35], p. 111) cites the case of Habitat for Humanity’s reconstruction work in Sri Lanka post-Tsunami. The INGO’s commitment to tackling issues of housing and homelessness draws upon international best practices which in turn allows the INGO “to reduce, if not avoid, negative stigmatism associated with being a Christian NGO.” Downplaying its Christian associations in the course of doing its work in primarily Buddhist Sri Lanka allowed Sri Lankan stakeholders to identify more with Habitat’s professional, pragmatic and technical aspects as a housing provider. In managing their identities, some other faith-related NGOs utilize their faith in a more humanistic than religious fashion by referring to the general, unspecified faith of their target population. Thaut ([3], p. 334) describes the reliance on this humanistic approach through the example of one NGO’s mission statement that reads: “founded on the belief in the brotherhood and sisterhood of all of humankind, and in the faith and goodwill that people have toward each other, regardless of their religious creed.” NGOs can use multiple means to communicate their religious orientation to the public.

Ebaugh et al. [33] identify a range of religious expressions. While some faith-related agencies may require volunteers or staff to pray with clients, others might only display their religiosity by introducing religious principles into discussions of lifestyle or behavioral issues. Staffing policies and practices are yet another window into both understanding and managing organizational expression of religiosity. In its work in Afghanistan, for instance, World Vision’s national office consists of a mostly Muslim staff, and its programs are indistinguishable from those of secular agencies. McGregor ([36], p. 738) notes how some Christian NGOs acknowledge a shared interest in broader spiritual concerns by providing prayer mats and creating Muslim prayer spaces within their offices. Like secular agencies, a faith-related NGO might also consciously limit “how much government funding it may accept without compromising the goals of the organization” ([3], p. 334). Christian Aid restricts government funding to 30% of its total income in order to maintain its independence (though, notably, not to protect its religious goals [3], p. 335). Vanderwoerd [37] argues that even though government funding might alter NGO religiosity, government funding is not the cause of adaptations in NGO structures and processes. Other scholars reinforce this notion in observing that religious NGOs, unlike secular ones, are in fact better placed to avoid the mission creep problem because they can appeal to a religious base for monetary support ([34], p. 29).

Thus, even though we have considerable understanding of the strategic approaches that Christian faith-related INGOs use to manage their service delivery, we know far less about the characteristics—be it attitudinal, behavioral, geographic or demographic—of their individual donor base. Of particular concern to this article are the cognitions or psychological evaluations of donors that continue their financial support to the INGO.

2.3. Donor Retention as One Expression of Loyalty to an NGO

Scholarship on donor retention is perplexing. It tends to confuse the notion of retention with loyalty. Referring to this prevalent misinterpretation, Wymer and Rundle-Thiele ([38], pp. 173–74) write that “an examination of the context in which the term loyalty is used and examining the way in which loyalty is measured often makes it clear that retention (not loyalty) is the true focal construct being investigated.” In focusing on donor retention (as an outcome) this article recognizes that donor loyalty/commitment (an antecedent) can and does manifest itself in a variety of ways besides through a donor’s sustained monetary contributions to one or more NGOs [39]. Scholars have documented how donors express loyalty through attitudes and behaviors such as proximity-seeking and long tenure [40,41], positive affect [42], motivation and involvement [43], and behaviors such as performance and obedience to organizational policies [44]. Thus, although donor loyalty has been variously used to encompass antecedents and consequences of attachment, for the purposes of this paper, donor retention is conceived of as a consequence of one’s loyalty to an NGO, a loyalty expressed
by keeping up financial support of an NGO over time ([45], p. 154). Duration as a measurement of loyalty differs among researchers. Sargeant [46] and Bennett and Ali-Choudhary [47] define a committed giver as one who has made monetary contributions to the NGO in the preceding 18 months. Naskrent and Siebelt [48] define retention by identifying two types of donors: committed givers and cash donors. Committed donors are active donors with ongoing direct debits and cash donors are those who have given two or more cash gifts to the NGO, including one within the preceding 24 months. This article considers both types of donations made within the preceding 24 months in examining donor retention.

Attention to donor retention remains a challenge and a failing within the NGO sector. One chief reason for this lack of consideration is a poor record in relationship-building. Sargeant and Shang ([49], p. 7) fault the sector for being “content simply to refill an increasingly leaky bucket and ignoring opportunities to build meaningful relationships with supporters over time.” They argue that this process demands implementation of a significantly better “business model” for fundraising. Many other scholars and fundraising associations ([50], p. 157; [51–54]) recommend adopting the repurchasing perspective of commercial customer retention. Willingness to give again (or donate a larger amount or recommend the NGO to family and friends) is an expression of a donor’s loyalty to the NGO [1]. According to Sargeant ([55], p. 1), even small improvements in the level of donor attrition can have profound impacts on the “profitability” of fund-raising.

Arnett, German and Hunt ([56], p. 90) borrow from business-consumer marketing literature to develop an identity salience model of relationship marketing success between NGOs and individual donors. They recommend that NGO managers focus on increasing the salience of their donors’ NGO-related identity and on developing such identities in potential donors. This is reflected in the suggestion forwarded by Choi and DiNitto ([57], p. 111) who urge service delivery NGOs to identify and target existing and potential donors on religious grounds or to partner with faith-based organizations, particularly if their donor base has given only or predominantly to religious organizations. Arnett, German and Hunt [56] further recommend that NGOs encourage their existing and potential donors to become more actively involved in NGO-related activities while also maintaining and, when possible, improving organizational prestige. In the context of donors for whom religiosity is salient, changes in religious giving is directly related to attendance in religious services or in other words, sustained (and higher mounts of) giving is found to be positively related to frequent attendance in religious activities [58,59]. This is found to be true for secular givers as well i.e., the same people who commit the most time to an organization also give the most money to it ([60], p. 172). Activities that increase involvement and attachment are known to increase identity salience5, which in turn encourages donors to promote (and donate to) the NGO in the future [61]. Treating individual donors like customers dedicated to patronizing a specific store requires NGOs to focus on attracting and maintaining a rapport with their donor-customers. Here, NGOs can draw on extensive research on which factors foster the development and maintenance of relationships, including trust, commitment, mutual control, satisfaction, compliance, internalization and identification, to name a few. Although there is no consensus on which factor is most influential in retaining individual donors, researchers seem to agree that the NGO must offer donors, like a retail store would its customer, a good reason to repurchase [62].

5 Identity salience is a concept grounded in identity theory. According to Arnett, German & Hunt ([56], p. 89), identity salience posits that people have several “identities,” that is, self-conceptions or self-definitions in their lives. These identities are arranged hierarchically and salient identities, according to identity theory, are more likely to affect behavior than those that are less important. Therefore, increasing the salience of NGO-related identity refers to increasing the importance of the NGO in defining the identity of the donor.
2.4. Repeat Donor Intention as Expressed by the Donors Themselves

The limited amount of literature on the psychological evaluations of individuals may be explained partly by the general scholarly consensus that philanthropic individuals, by giving large or frequent gifts, exercise undue influence over NGO activities [63,64]. Fundraising campaigns, notes Kelly [65], are anchored by a few lead donors who usually restrict the use of their major gifts. As such, there is greater scholarly interest in understanding motivations of a few, well-heeled donors rather than stretching the net wide to uncover interests of several, smaller donors. Furthermore, many faith-based organizations, especially very large ones such as Catholic Charities, depend heavily on external funding sources, often including the government. Very few can survive or count on individual donors to sustain them [66].

Thus, detailed information on the mental process of evaluation that drives individual donor commitment (which in due course sustains commitment) to an NGO receives less than needed attention in the academic community. Some notable exceptions include the works of Nathan and Hallam [67] who studied both committed donors and lapsers of eleven different NGOs from the vantage point of recruitment, communications, tipping points and decisions to lapse. They concluded that NGOs were not meeting the needs of their donors, with most lapsers of a given NGO reporting that “they had never really had any loyalty to it [the NGO] in the first place” ([67], p. 317). The lack of understanding and respect for needs was found to run both ways. Naskrent and Siebelt [48] drew similar conclusions when they studied donor retention in Germany from the donor’s point of view. They found that NGOs must communicate both qualitatively and emotionally about how the donor has contributed to the prior success and activities of the NGO if they want to foster repeat giving. Ciconte and Jacob ([68], p. 117) refer to it as the “care and feeding” approach which begins with informing and educating donors about the NGO and how their contributions will make a difference. This approach is echoed in the findings of Khodakarami, Petersen and Venkatesan [69] who analyzed donation data gathered over two decades in a public university. They draw a distinction between intrinsic and extrinsic motivators and find that the latter, more so than the former, influenced repeat giving by donors. Intrinsic motivators are those that are an endogenous part of a person’s engagement in an activity. For example, a donor may choose to give to an NGO because they can inherently relate to it or have personal experience with that very NGO and/or believe that they will benefit from the cause that the NGO is engaged in. Extrinsic motivators on the other hand originate outside the person and encourage them to achieve a desired outcome. These may include the NGO’s communication and relationship building efforts, the NGO’s marketing efforts or a sense that the NGO is responsive to the donor’s concerns. As the donor’s relationship with the university evolved, Kodhakarami et al. [69] found donors to have learned more about new initiatives that were worth supporting and these were less related to their intrinsic motivators. It was the donors who felt appreciated and/or whose concerns were addressed by the university that were significantly more willing to donate repeatedly. Beldad, Snip and van Hoof [70] are another set of scholars to conduct a survey among residents of two cities in the Netherlands to determine the factors influencing repeat donation intention. Like Kodhakarami et al. [69] they found that repeat donations were predicated on donors’ positive experience with the NGO. This positive experience meant that the “transaction” between the donor and the organization proceeded without any problem and that the donation act did not cause difficulty and inconvenience for the donor. However, unlike Kodhakarami et al. [69], the authors Beldad et al. [70] find repeat donation intention to be positively influenced by such intrinsic motivators as a donor’s affinity with the cause, trust in the NGO and the NGO’s positive reputation. Surprisingly, donor intention to repeatedly donate was not found to be influenced by a moral obligation to help others. Beldad et al.’s [70] survey instrument, however, did not did not ask respondents their religious affiliation nor the extent of their religiosity.

As the sustainability of many Christian INGOs and their projects depends largely on regular monetary donations, it is important to understand not only why people donate but also to know the mental process of judgment, perception and reasoning that governs repeat donations. Although the
factors influencing first-time donations might influence repeat donations as well, the intent of the propositions forwarded in the next section is to utilize the logic of self-perception from the discipline of social psychology to identify how repeat donors of Christian faith-related INGOs are likely to rationalize their commitment to monetary giving.

3. Proposition Development: Christian Faith-Related INGOs and Individual Donors’ Evaluation of Retention

Hou, Zhang and King [71] utilized the logic of self-perception developed by Bem [72] to examine how donors make sense of a breach of trust and the decision-making behavior deployed by donors to restore their violated trust. This logic is particularly useful in understanding donor retention behavior for it posits that rather than determining whether an INGO is worthy of continual trust (exercised, for instance, through repeat monetary giving), donors come to view themselves as a trusting or a trustworthy person. Donors have “virtually no knowledge” a priori of their internal states and about which stimuli or cues influenced their repeat giving behavior to the INGO in question ([72], p. 6). Individual donors have therefore to be “explicitly trained” and this occurs when they come to “know their own attitudes, emotions, and other internal states partially by inferring them from observations of their own overt behavior and/or the circumstances under which the behavior occurs” [72].

Self-perception of generalized trust and trustworthiness—the belief, for example that a few providing assistance to the multitude of the world’s poor is basically good—is traced to socialization that occurs through early parenting [73,74], moral education [75], and/or religious upbringing [76]. These beliefs and attitudes are intrinsic motivators that, according to the theory of self-perception, are cues drawn from the individual’s own overt actions. Such internal cues can, as was reviewed earlier, be reinforced through INGO-led efforts that include repeat trust interactions between the INGO and the donor ([77], enabling a donor’s “emotional buzz” of feeling good, elated, and energized from interactions with INGO staff, leadership, other donors, and/or beneficiaries [78], or recognition and approval of those in their network [79]. But according to the theory of self-perception, since donors draw on their own past behaviors to gather evidence for their existing beliefs and attitudes, it is critical that such external reinforcements from the INGO remain “subtle or less discriminable” and do not discount any intrinsic motives that the donor may hold ([72], p. 9). Thus, the logic of self-perception emphasizes that following the first donation, an INGO’s subsequent appeals for funds should not be so strong or excessive that it is construed as a “hard sell” because the donor is more likely to give again if his or her repeat giving decision is seen by him or her as freely chosen ([2], p. 282). The theory therefore builds on the idea that a donor’s trust and trustworthiness can be developed through a process of gradual exposure to the INGO; a process of induced self-perception change where the donor comes to trust the specific INGO and complies (i.e., gives) again (or gives higher sums) out of a desire to maintain the instilled self-view.

This is depicted in Figure 1 as a mental process comprising confirmation, perceived validity and satisfaction. A high level of confirmation is formed when INGO performance is evaluated by a donor to be greater than or equal to donor expectation; a low level of confirmation (or disconfirmation) is formed in the opposite case. Perceived validity or legitimacy is the comparison between the actual performance and the expectation post-giving. Perceived validity has a positive effect on the satisfaction of individual donors donating to a specific INGO. When first-time individual donors accumulate some giving experiences and improve levels of confirmation, perceived validity increases. Improved levels of confirmation lowers perceived risk (enhances perceived benefits), thus creating conditions that increase the chances of continued giving to the specific INGO. The process is developed into four propositions elaborated below.
Confirmation is the comparison between INGO performance as perceived by an existing individual donor and their expectations prior to making their financial donation. If the performance of the INGO is perceived to be greater than or equal to the expectation prior to giving, then the INGO donor is satisfied and is more likely to trust the INGO with his or her money in the future. That donors have expectations on how they will be treated after making a contribution is well known. But the problem for INGOs, quite like for any NGO, is in recognizing what those expectations might be. This is made more difficult because, often, donors themselves are unaware of their expectations.

Given this obscurity, it is reasonable to draw on existing research that points out that donors expect quality service that fulfills some key fundamentals, namely: (a) that the act of making the first (and subsequent) donation is easy and trouble-free; (b) that the INGO meets the promise/s it makes at the time of soliciting funds; (c) that it gives priority to their interests on an ongoing basis; and (d) the overall donation experience remains a positive one. For an INGO donor who has made his or her first donation, the intent to give again lies in the INGO meeting these minimum expectations applicable to donors of a variety of NGOs. Of particular interest to this research are the expectations that may be specific to the donor of a Christian faith-related INGO. There are no absolutes with respect to what each INGO donor might expect and what could be done to satisfy his or her need for confirmation but Bennett and Barkensjo [80] suggest the adoption of “relationship fundraising” wherein every effort is made to segment the donor base and to develop a uniquely tailored service, and a carefully researched understanding of the “quality of service” for each of the identified segments. Unlike the more prevalent a priori segmentation method (where the number and types of segments are determined in advance by the fundraiser) a post-hoc segmentation model could be utilized where the number of segments and segment characteristics is inferred from data collected via questions and feedback from existing donors of Christian faith-related INGOs. Such inferences are drawn from statistical techniques (like K-means clustering) and is deployed in the works of Wedel and Kamakura [81], and Durango-Cohen, Torres, and Durango-Cohen [82]. Such post-hoc segmentation could be useful because the traits of donors of Christian faith-related INGOs are not known. What we do know from existing research is that one likely segment characteristic is the religiosity of their donor base. A Christian faith-related INGO attracts a donor base similar to that of a secular INGO and will therefore recruit some that are deeply religious or strongly affiliated to the Christian church and others that are less so. A deeply religious donor may therefore expect the INGO to meet its stated promise of serving a Christian mission. For instance, Catholic Relief Services (CRS), on its webpage, declares its commitment “to the Church and its teaching” and highlights that it does so by putting its “faith into action to help.

**Figure 1.** Repeat giving decision of an individual INGO Donor. Source: Adapted (with permission) from ([71], p. 9).

**Level of Donor Confirmation and Satisfaction**

**Proposition 1.** Confirmation from existing donors has a positive influence on donor satisfaction and the resulting repeat giving decision to the INGO.

Confirmation from existing donors has a positive influence on donor satisfaction and the resulting repeat giving decision to the INGO. This proposition is supported by empirical research that shows a positive correlation between donor satisfaction and the likelihood of repeat giving. When donors perceive that their expectations have been met, they are more likely to feel satisfied and continue giving. This can be achieved by ensuring that the INGO meets the promises it makes, prioritizes the interests of donors, and provides a positive donation experience. By doing so, the INGO can build trust and enhance donor satisfaction, leading to increased repeat giving.
the world’s poorest create lasting change” [83]. The governance of the agency is tied to the Catholic Church and to bishops who comprise its board of directors, a board that is “selected by the National Council of Bishops and is staffed by men and women committed to the Catholic Church’s apostolate of helping those in need” [84]. While a deeply religious Catholic donor may seek confirmation from the aforementioned details presented in the INGO website, those less religious donors may draw on the same expectation-conformation process or may seek it from other organizational attributes such as the INGO’s ability to fulfill promises made at the time of soliciting funds.

A donor may, for instance, expect CRS to live up to its stated promise of devoting its resources “where it’s needed most” [83]. Donors may have been socialized by their parents who instilled in them trust in kith and kin by letting them learn through experience that they can rely on others [73,74]. If an INGO such as CRS were to breach this long-instilled generalized expectation, then the INGO could hurt its ability to retain this donor. In their research of eleven different UK charities, Nathan and Hallam ([67], p. 322) found that donors were often offended by spending that they found to be unnecessary, such as on highly paid staff. The realization that their case NGO had “made the Sunday papers where one of the directors was living in Hampstead with a six bedroom house and three bathrooms” had influenced this research participant’s sense of pride, resulting in him suspending his donations to the NGO ([67], p. 322). Some INGO donors may expect the INGO to use the donated sum to fulfill its stated purpose and this propensity to trust may have its origins in one’s religious beliefs or in early childhood experiences. When this generalized expectation—that the INGO mirror their religiosity or that media coverage favorably portray INGO’s use of public donations—is not confirmed then it is likely to hurt the donor’s positive sense of self. This is rendered worse when the INGO fails to explain itself to the donors.

As such, the expectations and the source/s of expectation–confirmation that trigger repeat giving may be different for different clusters of donors. But evidence on how different levels of religiosity or how different aspects of an individual’s intrinsic characteristics influence repeat giving intentions is yet to be studied. Donor expectations that are confirmed by the INGO may directly lead to satisfaction, trust, and consequent repeat giving or may be preceded by a validity-check i.e., a procedure of determining the credibility or the soundness of the INGO’s appeals for more funds (see Figure 1). This is addressed in propositions 2 and 3 below.

**Proposition 2.** *The perceived validity of donors has a positive influence on donor satisfaction and their repeat giving decision to the INGO.*

**Proposition 3.** *Confirmation from existing donors has a positive influence on perceived validity and the said donor’s repeat giving decision to the INGO.*

If confirmation is the reassurance of one’s already held beliefs about INGO performance, then validity is interpreted in this article to refer to the verification of these beliefs by an external entity. For an INGO, questions about the validity of its performance, are questions primarily of perceived legitimacy. INGO legitimacy, writes Vestergaard ([85], p. 98) depends on the “perceived validity of each of the three actors in the humanitarian exchange—the benefactor, the beneficiary and the donor.” Although INGOs base their legitimacy largely on the premise that they are accountable to the populations they serve i.e., its beneficiaries, they are accountable to a host of different stakeholders from the local to the transnational level. The list typically includes donors (private, public, and/or corporate), government from the donor country (in the case of this article, the US government), host national government (i.e., the country where the INGO’s beneficiaries reside), host local government, the INGO board, leaders, staff, and volunteers, and partner agencies (such as Southern NGOs and CBOs), licensing and accrediting bodies, and other INGOs. Each one of them influences organizational performance and the overall perceived legitimacy of the INGO. As a result, there is little scholarly agreement on the precise set of measures to help evaluate INGO performance but existing approaches broadly fall under “reputation” and the “hybrid multi-dimensional” categories ([86], p. 440).
Reputation measures are particularly important since they influence the INGO’s ability to both recruit and retain donors. Forman and Stoddard [87] write that northern donors have expressed a clear preference for donating to high performance, and, by implication, highly reputed NGOs. Reputation plays a critical role for INGOs because, as Meijer ([88], p. 36) argues, “not only is the service intangible, the donors also do not consume it. . . . In view of the fact that the charity [in this case, the INGO] does not directly deliver a product to the donor and that it is often difficult for the donor to check on the output of the charity, reputation becomes an important issue.” Donating to a high performance INGO helps donors develop self-continuity, self-distinctiveness, and self-esteem [89]. Some scholars such as Breeze ([90], p. 14) find that an existing donor’s need for self-worth may translate into the donor feeling unable to alter his or her previous giving decision and this, in turn, enables donor retention.

But other scholars argue that in a highly competitive funding environment where potential and existing donors are increasingly aware of the accountability deficits of INGOs, leaving retention to a donor’s continual need for self-worth may not be sufficient. Donors can be won over by another INGO, perhaps because the INGO is perceived to be performing better and/or because it offers better incentives to induce repeat giving by its donors [91]. Furthermore, not all Christian faith-related INGOs have the resources necessary to build the reputation and image that the few large, high-profile INGOs enjoy. The perceived validity of performance of INGOs (regardless of size and public profile) could be nurtured among existing donors through adoption of a hybrid multidimensional approach, mentioned earlier. This approach measures INGO reputation but also considers the INGO’s goals and resources. Several watchdog groups, such as Charity Navigator, adopt such an approach. They host financial data on aspects such as overhead ratios (i.e., all of an INGO’s expenses other than those spent on programs and services it delivers), together with information on accountability, transparency and outcomes.

However, in keeping with the logic of self-perception which recommends the adoption of means that make sense to each donor, unless the information is made relevant and is simplified, donors will resist consuming it to make decisions on repeat giving. As a source of validation, an INGO could offer its existing donors, irrespective of the size of their existing donation/s, with a ‘behind-the-scenes’ tour of the INGO’s facility where they get to meet other donors, raise concerns, offer feedback and engage with members of the board of the INGO, leaders and staff that administer the INGO’s programs and members of partner organizations from developing countries who may be visiting the INGO headquarters. Such face-to-face interactions provide donors access to at least some of the people, products and processes that make up the overhead costs and more importantly, support achievement of INGO mission. It also provides INGOs direct access to qualitatively and emotionally communicate to the visiting donors about how they have contributed to the prior activities of the INGO. This, in turn, has the potential to generate self-attribute (rather than attribution by an external entity such as a watchdog group), a process where donors get to formulate their own perception of INGO performance, even considering involvement in areas where the INGO might need their skills and expertise. By dedicating more time to donor relations, Worth ([92], p. 242) says that these efforts can yield “more over time than the occasional foundation gift.”

**Proposition 4.** An existing donor’s satisfaction with the service quality can have a positive effect on trust and increase the likelihood of the INGO retaining the donor.

This proposition draws on the previous three to suggest that the quality of INGO service must meet or surpass donor expectations in order to enable retention. A number of scholars suggest that from a donor’s perspective, INGOs are better served in addressing issues of service value than of cause value [62,93]. Cause value is the primary work of the INGO such as providing relief to victims of war or natural disasters, improving access to clean water or fighting global poverty and injustice. Service value, on the other hand, are the things that an INGO does specifically for the donor, such as showing appreciation and acting on donor complaints and feedback. If individual donors are satisfied with
the quality of the service, then they are likely to trust the INGO and this trust may create a behavioral response i.e., a donor’s decision to continue to donate.

In the INGO context, the amount of cause value that an INGO delivers depends on how well it accomplishes its work, which could be measured as how much change the INGO brings about for every donated dollar spent. But the notion of change can be hard to quantify because its meaning varies depending on the type of work being measured, its aims and the capacity of the INGO in question. For an INGO that is providing earthquake relief in Haiti, change is relatively easily measured by counting the delivery of emergency supplies and the number of people assisted. As Ebrahim and Rangan ([94], p. 19) write, even though providing emergency relief in the immediate aftermath of a disaster “is a complex activity, requiring highly sophisticated coordination and supply chain management capabilities,” it focuses on meeting survival needs rather than longer-term changes and is therefore possible to quantify the change that such an INGO delivers. Similarly, if an INGO engages in post-emergency community development in Haiti and provides services such as access to education and health care to all children below the age of five, then defining, tracking and reporting on progress to donors, although resource intensive, is doable. However, for a Christian faith-related INGO that aims to implement longer-term changes such as ending gender violence, it is nearly impossible to attribute changes solely to its interventions. Eradicating gender violence in Haiti or any given geography would require analysis and interventions at multiple levels including individual, interpersonal, community, and societal. It would furthermore involve several organizations, institutions, and coalitions, both governmental and nongovernmental.

Because it is hard for all INGOs to collect and share objective measures on all aspects of their performance, scholars such as McGrath [62] recommend implementing donor satisfaction by working towards improving service value. This is an aspect related to what the INGO does for its donors. In the general NGO context, Sargeant and Lee [95] have demonstrated that satisfaction and involvement do not directly engender retention but that their impact is mediated by commitment. Commitment, according to Allen and Meyer ([96], p. 3), is of the normative, continuance and affective kind. Normative commitment refers to commitment that donors feel if they think about giving as a behavior that they must engage in. Continuance commitment is what they feel they need to do, and affective commitment is what they want to do. It is one or any combination of the three types of commitment that “provide a means to increase donor satisfaction so that donors will want to give again” ([61], p. 129).

Christian faith-related INGOs, like other NGOs working internationally, are known for their ability to represent, through imagery, the distant others as a cause of public action. The imagery as part of fundraising appeals are utilized by INGOs to generate a “shock effect” or a “positive image”—both of which generate normative commitment among potential and existing donors. The former type of normative appeal, writes Chouliaraki ([97], p. 10), is meant to invoke guilt and indignation but runs “the risk of fatigue and apathy”. The latter, although a positively framed appeal for donations, “glosses over asymmetries of power and runs the risk of denying the need for action on the grounds that it may be unnecessary or, even, unreal” [97]. Continuance commitment is based on calculations of the costs that an individual thinks he or she may incur upon terminating donations to the INGO. It is a commitment derived from cost-benefit analysis undertaken to fulfil a financial need (for instance the possibility of losing on tax savings) but is predominantly a commitment realized from the donor’s psychological need for gratification, the type of satisfaction identified earlier as the “emotional buzz” of feeling good about oneself. The final type of commitment is the affective kind and translates as the sense of identification and affiliation that the donor feels with the achievements (and struggles) of the INGO. Given that commitment is the most directly influencing variable of retention, donor retention is best achieved when the INGO cultivates all three types of commitment. Naskrent and Siebelt ([48], p. 772) find that information shared with donors on how they have contributed to the success and recognition of the INGO has potential to strengthen all three types of commitment, and hence the service value of donor contributions.
But if the logic of self-perception is to be applied to increasing service value of a donor’s contribution, then all such INGO communications may be more effective if the appeals are subtle and do not overuse emotions (of guilt, shame, pity or anger). Chouliaraki [97] refers to communications devoid of emotions as the “post-humanitarian” nature of appeals where the focus is not on the moral question of ‘why give’ (or ‘why give again’), but rather on an introspection of donors themselves. Madianou [98], pp. 255–57 cites the case of the US-based INGO WaterForward that works on clean water projects in developing countries. She finds that the webpage does not share a single image or story of the people being helped through the INGO. There is not even any context of the specific projects funded nor the national contexts. The emphasis, instead, is on the network of users because the site is designed as a digital photo album where users can invite their friends (via existing accounts on Facebook or Twitter) but at a price. Users buy space for their friends’ portraits for $10 each and collected funds are used for clean water projects. But doing so, Madianou [98] points out, can render donor action [of initial and continued giving] hollow, and even meaningless.

In citing Madianou’s [98] example of the aforementioned INGO, I do not intend to highlight that service value is best created by de-emotionalizing INGO appeals for more funds but instead, that donor retention may require a better balance between the emotional and moral appeals common among strongly Christian INGOs at one extreme, with the technocratic, aestheized appeal of INGOs such as WaterForward, at the other. To achieve this balance, a more strategic approach to donor segmentation may be required. The INGO may consider, for example, a branding strategy that is viable for both those who are strongly affiliated to Christian doctrines and others who are more skeptical of emotional and moral funding appeals.

4. Conclusions

This article examines an important but relatively overlooked aspect in the field of international giving in the US—individual monetary donations to Christian faith-related INGOs—and outlines the cognitive process influencing donors who choose to keep up their financial support to Christian faith-related INGOs. Since the era of World War II, these INGOs have grown in prominence as representatives of their local donor publics. Today, they deliver services such as health care, disaster relief and education, influence policy and build capacity of people and their organizations across various parts of globe. Differing from congregational and denominational structures, which tend to focus on the development of their membership, the Christian faith-related INGOs addressed in this article seek to fulfil explicitly public missions. The extent to which they emphasize their religious or spiritual foundations varies considerably, as does their financing. That said, many are privately funded with a substantial portion of their financial resources coming from a large number of smaller donors.

Despite the critical role of individuals in helping sustain funding of Christian faith-related INGOs, there is surprisingly little research on how individual donors personally evaluate their repeat purchase decision. This article does not examine the demographic characteristics such as age, gender, level of education, income levels, race or ethnicity of those that sustain their giving intentions to an INGO. Instead, it relies on the logic of self-perception which postulates that individuals more easily focus on, process, recognize and retrieve self-relevant rather than self-irrelevant information. As institutions that identify themselves as mediators acting on behalf of US public’s concern for the well-being of distant others, INGOs can and do influence donor intent to continue giving. The propositions forwarded in this article highlight that the more existing donors can identify themselves with the INGO’s identity—comprising INGO’s beliefs and values (proposition 1), its claims to legitimacy (propositions 2 and 3) and performance (proposition 4)—the more likely it is for them to be satisfied and decide to maintain a stable relationship with the specific INGO.

Given the paucity of a priori information on the characteristics (attitudinal, behavioral, geographic and demographic) of the donor base of a US-based Christian faith-related INGO, this breed of organizations may benefit from post-hoc segmentation. Such a donor segmentation strategy relies on no pre-judgment about the segment bases of the donors. Instead, the segmentation places existing
donors of Christian faith-related INGOs into groups with others who have similar views/responses to questions asked and feedback received. The segments so created are likely to be more understandable to this breed of INGOs and offer an opportunity to each such INGO to communicate its beliefs and values, its claims to legitimacy and its performance more effectively and in doing so, increase the likelihood of retaining its individual donor base.

Conflicts of Interest: The author declares no conflict of interest.

References


70. Ardion Beldad, Babiche Snip, and Joris van Hooft. “Generosity the second time around: Determinants of individuals’ repeat donation intention.” *Nonprofit and Voluntary Sector Quarterly* 43 (2014): 144–63. [CrossRef]


93. Altaf Merchant, John B. Ford, and Adrian Sargeant. “‘Don’t forget to say thank you’: The effect of an acknowledgement on donor relationships.” *Journal of Marketing Management* 26 (2010): 593–611. [CrossRef]


© 2016 by the author; licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC-BY) license (http://creativecommons.org/licenses/by/4.0/).