

New Zealand Asia Institute

Research snapshots

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The New Zealand Asia Institute (NZAI) undertakes research focusing on engagement with Asia, provides a forum for informed debates, and offers a bridge to Asia-related expertise and research within the University of Auckland.

How demographics and morality shape personalized charitable giving: A new approach from Indonesia

The millions of charities and non-profit organizations vying for individuals' donated time and money need to know how personal characteristics, especially demographic and psychological (or moral) factors, combine to shape our "pro-social" intentions, or intentions to give.

Most studies of charitable giving use correlational approaches like regression analysis. These somewhat lump together the net effects of predictor characteristics on an outcome. For instance, overall, being female and having strong empathy may predict high pro-social intentions. But such net effects ignore individuals with contrary characteristics. That means, males with low empathy might end up having equally pro-social intentions, provided those characteristics are combined with other factors. And when the charity sector is worth US\$370 billion in the United States alone, marketers cannot afford to let anyone slip through their net.

Recent research in Indonesia** in this area takes up calls to apply more holistic complexity theory and configurational instead of correlational approaches. The researchers used the evocatively named fuzzy-set qualitative comparative analysis (fsQCA) to tease out multiple pathways through which subtle configurations of three psychological and four demographic causal conditions could lead to the same two outcomes: inclining people to donate either time or money.

The researchers studied 140 customers of Ridogalih hospital in Sukabumi, 100km south of Jakarta. The demographic characteristics they considered were customers' gender, age, education and whether they were employees or entrepreneurs.

The researchers also measured three psychological factors: moral emotion (specifically compassion), moral judgment and moral identity. In terms of moral judgment people are categorized as either consequentialists or formalists. While consequentialists care most whether actions do good, formalists focus on whether actions are done correctly. For instance, formalists value honesty. Moral

identity is fairly complicated, but essentially asks how far we base our self-identity on moral virtues. In this research, people were categorized as either internalizers or symbolizers.

No fewer than 18 combinations or causal "recipes" predicted strong intentions to donate time, and eight to donate money – itself an important distinction. For example, female non-entrepreneurs who scored highly in compassion, consequentialism, formalism, internalization and symbolization showed high intentions to give time, but not necessarily money.

Meanwhile, regression analysis on the same 140 respondents sacrificed a lot of these real-world complexities. Importantly, that comparison validates the need for configurational analyses like fsQCA.

Although these results are complex, the researchers are confident that managers and service workers – starting with Ridogalih hospital – can apply the "recipes" in their online and print advertising to target individuals' personalized giving. Targeted marketing is increasingly feasible.

Future research could extend the focus of such analyses beyond the context of one Indonesian hospital. However, this study already makes an extra contribution to the literature through its setting in that country. Most research on charitable giving occurs in the West, but non-Western cultures can make a difference, especially to moral emotion and moral judgment.

** The full study results are available in an article authored by Felix Septianto, Jake An and Bambang Soegianto: "Personalized giving: Configurational approach in examining demographics, morality, and prosocial intentions". Journal of Global Scholars of Marketing Science, 29:3, 330–342, 2019.



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