Financial Sustainability of Nonprofit Organizations: Determinants of Fundraising Campaigns on Donation Intention

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Abstract

Purpose: As nonprofit organizations have made strides in international development, ensuring financial resources has become pivotal to determine what nonprofits strive for and how they perform with the budget generated without efforts for profit-making. The purpose of this research aims to investigate the determinants of donation intention that are affected by television fundraising campaigns in order to improve financial sustainability. This study applied the effects of emotional sympathy, economic value, accountability, relevance, and sustainability on donation intention.

Research design, data, and methodology: This study collected data via an online survey by classifying respondents based on donation experiences and applied statistical analyses such as factor analysis, regression, and ANOVA. This study selected television fundraising campaigns aligned with criteria of the Sustainable Development Goals (SDGs).

Results: The results of this study showed that emotional sympathy was a dominant variable regardless of previous donation experiences, while economic value was significant for inexperienced donors.

Conclusions: The results provide implications to nonprofit organizations for fundraising as to what aspects need to be addressed in order to draw donors’ motivation for giving behavior. Given efforts for successful implementation of development agenda, it is fundamental to establish financial sustainability of nonprofit organizations and build up public awareness.

Keyword: Nonprofit, Financial Sustainability, Donation, Campaigns

JEL Classification Code: L31, M37, M30

1. Introduction

Nonprofit organizations determine significant impact on policy processes in terms of global governance, since they are capable of dealing with both market and non-market functions, such as contributing to economic development, delivering social services, and promoting human rights (Keith & Roger, 1993; Wolch, 1990). Nonprofit organizations also have reached a point where they can provide services beyond the limits of government and public institutions. How nonprofit organizations provide better services has critically relied on the magnitude of voluntary participation by donors that delivers a significant amount of financial resources. In order to effectively solicit supports from the public, it is important to understand how potential donors receive fundraising messages from nonprofit organizations.

To perform its organizational purposes, ensuring financial resources with adequate fundraising strategies has become important issues for nonprofit organizations and international development sectors. In order to build up financial competence, nonprofit organizations strive to raise donation behavior from individual donors who are voluntarily willing to join, which provides the basis of the organizational budget (Casey, 2016). Regarding the features of fundraising, earlier fundraising activities applied many theories and strategies from the aspect of marketing, which need to be analyzed based on the characteristics of nonprofit organizations (Lindahl & Conley, 2002). Fundraising strategies have affected not only the amount of donations but the way the public perceives global poverty (Brooker et al., 2015). According to Brooker et al. (2015), if people could not understand the necessity of what nonprofit organizations try to achieve, it would ultimately cause...
lower participation from the public. Thus, setting strategic approaches to promote donation behavior induces sustainable competences through fundraising as it is one of the prioritized activities in the nonprofit sector.

The purpose of this study is to investigate the factors of donation intention in response to television fundraising campaigns of nonprofit organizations. In particular, this study focuses on television campaigns as important intermediary channels in the process of individual donor acquisition (Yörük, 2010). In order to classify different topics of fundraising campaigns, this study selected cases of natural disaster, hunger, diseases, lack of education, and sanitation in line with the criteria of the Sustainable Development Goals (SDGs). Previous studies rarely examined the effects of television fundraising campaign on giving behavior in line with the global development agenda. Considering the gap of existing literature, this study brings its uniqueness by addressing intention of giving behavior towards specific issues of global development aligned with SDGs.

As nonprofit organizations are prominent players overlapping with SDGs such as social welfare, environmental conservation, health, education, and human rights, successful achievement of the goals can depend on the role of nonprofits leveraging their capacities (Salamon & Haddock, 2015). The following research questions have been developed to identify the determinants on donation intentions in relation to television fundraising campaigns of nonprofit organizations: how likely are individuals willing to donate based on perceived emotional sympathy, economic value of donation, organizational accountability, relevance of the program, and sustainability for beneficiaries? This study measured questions by classifying respondents based on donor experiences. Furthermore, research questions regarding effects on donation intention are also corresponding to the purposes of SDGs, including SDG 1 (no poverty), SDG 2 (zero hunger), SDG 3 (good health and well-being), SDG 4 (quality education), and SDG 6 (clean water and sanitation).

2. Literature Review

2.1. Nonprofit Fundraising

In terms of nonprofit organizations, fundraising can no longer be regarded as a request for monetary assistance, but the exchange of values and expectation, which meets the donors’ needs (Andreasen & Kotler, 2008). Concerning the objectives of nonprofits, it is often hard to describe in commercial ways, even though the goal of fundraising marketing seems like “making a profit” (Teri, 2001). This means that there are a number of factors to consider when setting up a fundraising strategy in nonprofit sectors, bringing a different approach compared to for-profit organizations, which simply aims at the economic gain. Therefore, on the side of nonprofit organizations, fundraising is a process of ensuring validity by not only raising funds to carry out organizational missions but also convincing the necessity of their activities (Cačija, 2013).

When it comes to the outcomes of fundraising, existing studies have tried to find out explaining variables that determine donation intention and donation behavior. Considering photographic images used for fundraising to demonstrate the poverty, images that arouse sadness to the viewer are more likely to show charitable behavior (Baberini, Coleman, Solvic, & Västfjäll, 2015). When people come across advertisements that evoke empathetic feelings, it is expected to respond positively to donation request in favor of nonprofit organization (Benett, 2015). While charity appeals deliver positive attitude for the viewers toward organizations, it turned out hard to predict donation behavior (Erlandsson, Nilsson, & Västfjäll, 2018). After recognizing the problem situation through fundraising message, people communicate with nonprofit organization to decide their donation behavior (Zheng & McKeever, 2016). As relationships grow through interpersonal communication with nonprofit organizations, this encourages donors to engage in more donations by maintaining a high level of trust (Waters, 2011). Accordingly, internal controls and efforts to increase organizational accountability have a positive impact on donors to perceive the quality of services provided by nonprofits (Becker, 2018).

2.2. Television Fundraising Campaign

Krugman (1965) asserted that television advertisement induces a buying behavior by introducing a new perspective of a product while people are exposed to the content. In terms of nonprofit fundraising, television campaign has become one of the important tools to solicit financial assistance as well as to create the organizational brand (Aldrich, 2004). Since the World Vision began to air a type of documentary program showing the reality of the postwar poverty to promote donations in 1972 (Waters, 1998), many nonprofit organizations have evolved it as an important channel to demonstrate the need in poverty and call an action. Especially, by drawing prompt response from the viewers, television fundraising is efficient to raise emergency funds for cases of natural disaster by convincing the urgency of the situations (Aldrich, 2004). When broadcasting a fundraising campaign, it is shown more effective in encouraging donation behaviors that a nonprofit organization proposes a specific amount required to solve the problems (Reiley & Samek, 2018).
2.3. Donation Intention

Previous studies have applied intention (Bae, Kim, & Oh, 2019; Phan, Nguyen, & Bui, 2019) Given the voluntary nature of nonprofits, it is also important to inform the public of organizational goals and activities by drawing participation from the public (Leighann, Francois, & Anahit, 2012). In recent years, individual donations collected through fundraising activities have been one of the main funding sources for nonprofit organizations (Smka, Grohs, & Eckler, 2003). This relates to the key characteristic of the nonprofit sector, “voluntary,” for the financial capacity of organizations depends on voluntary donation behavior from citizens. Accordingly, it is important to consider ways to increase donation intention to build up organizational capability in terms of financial resources. Therefore, the competition for donations has highly increased so that fundraising techniques have been developed further to promote donation behavior based on basic marketing concepts (Éva, 2010). Waters and Tindall (2011) argued that sharing and reporting on the development of work for which required donations are used is a way to build a trusting relationship and to improve institutional accountability.

2.4. Financial Sustainability

Empirical literature has researched how to achieve the financial sustainability of nonprofit organizations. From an organizational management perspective, it is to increase the organizational efficiency and effectiveness in conducting business (Chetkovich & Frumkin, 2003) and to satisfy the expectations of funders (LeRoux, 2009). Kingma (1993) applied modern portfolio theory to define financial sustainability of nonprofit organizations with revenue diversification and financial stability. It helps improve the independence of organizations in case of financial instability resulting from resource dependency (Froelich, 1999; Tinkelman, 1999), even though the nature of nonprofits can be shown as relying on donor voluntary contributions (Carroll & Stater, 2008). Furthermore, considering the timeframe of financial capability, it is resilient to economic volatility in the short term and carries out the mission of the nonprofit in a sustainable manner in the long term (Bowman, 2011).

3. Hypothesis Development

To analyze what determines donation intention in response to television fundraising campaigns, five distinctive factors are identified: emotional sympathy, economic value, accountability, relevance, and sustainability. Considering different contents of fundraising campaign, this study selected five cases including natural disaster, hunger, disease, lack of education, and sanitation in line with the criteria of SDGs. To examine the effect of previous donation, this study classified respondents as experienced and inexperienced donors.

3.1. Emotional Sympathy Factor

Empirical studies have shown that sympathy based on emotional stimuli such as guilt or empathy may influence the giving behavior of donors (Clary & Snyder, 1991). Accordingly, traditional fundraisers focused on inspiring potential donors to be willing to give through images that trigger emotional responses (Babin & Darden, 1998). Emotions have significant impacts on intention and decision to donate, and it has shown that it is rather difficult for donors to decide their donation when emotional factors are entirely excluded (Faseur & Geuens, 2012; Polonsky & Sargeant, 2007). Andreoni (2006) argued that donors who are encouraged to donate by sympathy perceive the emotional utility as a benefit of donation. When donors encounter fundraising campaigns that inspire emotional sympathy and show distressing realities, they try to counteract through their giving behavior (Merchant, Ford, & Sargeant, 2010) based on their expectations of social justice (Lerner, 1975). Bennett (2015) noted that donors show positive behaviors of giving in regard to emotional fundraising campaigns. Therefore, this study hypothesized the effects of emotional sympathy on donation intention (H1) and in response to five different contents of fundraising campaign in line with the criteria of SDGs for experienced donors (H1a–e) and inexperienced donors (H1f–j).

H1: Emotional sympathy affects donation intention in response to television fundraising campaigns.

H1a–j: Emotional sympathy affects donation intention in response to television fundraising campaigns about natural disaster, hunger, diseases, lack of education, and sanitation.

3.2. Economic Value Factor

In terms of social marketing for the nonprofit sector, “price” is the cost of achieving what organizations set as their program goal and the amount of donations that encourages donors to pay (Aboramadan, 2018). The price of giving was defined by Weisbrod and Dominguez (1986) as the amount a donor contributes for the future output generated by an organization. What matters is the extent to which donors perceive the price of giving to be economically valuable (Wiepking & Breeze, 2012). Bridgeland, McNaught, Reed, and Dunkelman (2009) suggested that nonprofit organizations that established
greater financial efficiency in their program operations were able to attract more donations. Therefore, donors will determine their giving behavior based on how reasonable or acceptable they find the price of the product or services to be offered by nonprofits. Therefore, this study hypothesized the effects of economic value on donation intention (H2) and in response to five different contents of fundraising campaign in line with the criteria of SDGs for experienced donors (H2a–e) and inexperienced donors (H2f–j).

**H2:** Economic value affects donation intention in response to television fundraising campaigns.

**H2a–j:** Economic value affects donation intention in response to television fundraising campaigns about natural disaster, hunger, diseases, lack of education, and sanitation.

### 3.3. Accountability Factor

Considering the unique characteristics of the nonprofit sector, organizational accountability counts on the performance measurement (Poole, Nelson, Carnahan, Chepenik, & Tubiak, 2000; Nguyen & Tu, 2020; Nguyen, Duone, Tran, Ha, & Phung, 2020). When a nonprofit requests a donation, donors expect the organization to demonstrate how reliable they are in managing financial resources and administering for the purposes of soliciting the funds (Glaser, 1994; Sargeant & Lee, 2004). As nonprofit organizations are required to prove their organizational accountability, Carman and Fredericks (2008) tried to define evaluation criteria in terms of verifying transparency in accounting operations and informing donors. Sloan (2009) stated that the accountability of the nonprofit sector can be based on how well an organization performs its business while meeting fiscal and ethical codes of conduct. In order to improve the reputation and the perceived quality of services, organizational accountability is important to be monitored and certified (Becker, 2018). The goal of constructing nonprofit accountability is to promote better donation behavior and ultimately build public trust in organizational consistency of financial operations and governance (Carman & Fredericks, 2008). Therefore, this study hypothesized the effects of accountability on donation intention (H3) and also aligned with the five SDGs in the case of experienced donors (H3a–e) and inexperienced donors (H3f–j).

**H3:** Accountability affects donation intention in response to television fundraising campaigns.

**H3a–e:** Accountability affects donation intention in response to television fundraising campaigns about natural disaster, hunger, diseases, lack of education, and sanitation.

### 3.4. Relevance Factor

Empirical studies suggested that donors are more open to engaging with nonprofit organizations that can contribute to what donors care about and where donors perceive their communities to be (Kelly, 1991; Philipp, 1999). Considering that donors put their donations for nonprofit fundraising to addressing the issues of global poverty, donors want to make sure that their donations can contribute to changing realities (Worth, 2002). Klein (2009) stated that donors decide to give based on a “giving to a cause” principle in fundraising campaigns due to natural disasters. Studies have indicated that the stronger the need for help, the more people want to provide it (Staub & Baer, 1974; Wagner & Wheeler, 1969). In terms of “awareness of need,” how donors perceive the need for help also plays a critical role in determining donation behavior (Bekkers & Wiepking, 2011; Lee & Farrell, 2003). By showing how funds will be relevantly used for the cause of poverty, nonprofit organizations provide the rationale that allows donors to evaluate how much their donations are needed (Johnston, 2002). Accordingly, clarifying the impact of donations is one of important strategies of fundraising to increase donation behavior (Waters & Tindall, 2011). Therefore, this study hypothesized the effects of relevance on donation intention (H4) and also aligned with the five SDGs in the case of experienced donors (H4a–e) and inexperienced donors (H4f–j).

**H4:** Relevance affects donation intention in response to television fundraising campaigns.

**H4a–j:** Relevance affects donation intention in response to television fundraising campaigns about natural disaster, hunger, diseases, lack of education, and sanitation.

### 3.5. Sustainability Factor

According to Weerawardena, McDonald, and Mort (2010), sustainability in nonprofit organizations will be determined by how efficient and effective they are, rather than just the fact that they continue to bring its budget sources. What matters is the effectiveness of problem-solving with beneficiary-centered performance beyond whether the organization can maintain its existence. With regard to the performance (Firman, Mustapa, Ilyas, & Purta, 2020; Lee & Kim, 2019; Pinto, 2019) of nonprofits contributing to improve poverty in the long term, when it comes to operating their fieldwork, nonprofit organizations put their attention on beneficiaries who are their main clients, but when communicating with donors, sharing information about beneficiary-centered outcomes is insufficient (Campbell, 2010). In designing a fundraising campaign, nonprofits put more emphasis on inspiring donors in terms of their giving decisions, overlooking whether the campaign is having a sustainable impact of its performance on beneficiaries (Chetkovitch & Frumkin, 2003; McDonald, 2007). Therefore, this study hypothesized the
effects of sustainability (Choi, Kim, & Kim, 2019) on donation intention (H5) and also aligned with the five SDGs in the case of experienced donors (H5a–e) and inexperienced donors (H5f–j).

**H5:** Sustainability affects donation intention in response to television fundraising campaigns.

**H5a–j:** Sustainability affects donation intention in response to television fundraising campaigns about natural disaster, hunger, diseases, lack of education, and sanitation.

### 4. Methodology

This study explored the determinants of donation intention in response to television fundraising campaigns of nonprofit organizations showing five cases in line with the criteria of SDGs. An online survey was conducted to randomly selected samples those who are previously exposed to television fundraising campaigns and potentially participate in donations. This study distributed surveys to those age of 20 or higher and diverse nationalities. The questionnaire was written in two versions, Korean and English, allowing participants to choose and respond according to their convenience. The validity of the questionnaire between the two versions was verified by back translation. The purpose of the study was explained to the participants, and the privacy and anonymity of the data were addressed. A screening question was asked as to whether respondents have ever seen television fundraising campaigns before. According to previous donation experienced, it classified respondents as experienced donors and inexperienced donors. Among the respondents, 66.5% have previously participated in donation and 33.0% have not donated to a nonprofit organization. The survey was distributed to 271 people, and a total of 205 responses were collected with response rate of 75.6%. Of the 205 respondents, 55% were female. The mean average age of the respondents was 41 years. Table 2 summarizes the demographics of the respondents.

The questionnaire included the captured images of television fundraising campaigns broadcasted on national television channels, providing five examples of campaigns for natural disaster, hunger, disease, lack of education, and sanitation respectively. Selected fundraising campaigns are corresponding to the criteria of SDGs as well. Given the ethical concerns with designing the questionnaire, extreme contents of fundraising campaigns were excluded. This study also excluded the names and logos of nonprofit organizations in the campaign contents. To set the reliability of the questionnaire with the captured images, this study checked Cronbach's alpha. Cronbach's alpha for natural disaster was 0.934, hunger was 0.894, disease was 0.932, lack of education was 0.936, and sanitation was 0.946.

### Table 1: Summary of Demographics

| Demographics | % |
|--------------|---|
| Gender       |   |
| Male         | 44.4% |
| Female       | 55.6% |
| Age          |   |
| 21-25 years old | 12.2% |
| 26-30 years old | 17.7% |
| 31-35 years old | 6.3% |
| 36-40 years old | 5.9% |
| 41-45 years old | 7.8% |
| 46-50 years old | 9.8% |
| 51-55 years old | 13.2% |
| 56-60 years old | 12.2% |
| 61-65 years old | 13.2% |
| 66-70 years old | 1.5% |
| 71 years or older | 1% |
| Education    |   |
| High school  | 22% |
| College degree (2 years) | 9.8% |
| Bachelor's degree (4 years) | 45.9% |
| Master's degree | 20% |
| Ph.D.        | 2.4% |
| Employment   |   |
| Student      | 19.5% |
| Full-time employed | 36.6% |
| Part-time employed | 8.3% |
| Working without pay (volunteer) | 1.5% |
| Unemployed   | 1% |
| Home duties  | 14.1% |
| Retired      | 3.9% |
| Other        | 15.1% |

To examine the internal construct of determinants, in the case of data for experienced donors, Cronbach’s alpha for emotional sympathy was 0.881, economic value was 0.854, accountability was 0.926, relevance was 0.798, and sustainability was 0.806. In the case of data for inexperienced donors, Cronbach’s alpha for emotional sympathy was 0.903, economic value was 0.825, accountability was 0.897, relevance was 0.835, and sustainability was 0.928.

### 5. Data Analysis

This study applied factor analysis to check the validity of the determinants of donation intention in response to different contents of fundraising campaign. This study applied principal components as the extraction method with a Varimax rotation of Kaiser Normalization. The results of factor analysis represented the major determinants with Eigen values greater than 1.00. This study conducted factor analyses separately for data based on experience of
participation in donation. To test how significantly determinants affect donation intention, regression analysis was applied to test the hypotheses using factor scores. Table 2 summarizes the results of multiple regression analysis for determinants influence donation intention for both experienced donors and inexperienced. Overall, the ANOVA analysis showed that the model was significant at 0.01 level with $F = 26.540$ ($r$-square = 0.513). In case of experienced donors, perceived emotional sympathy and sustainability affect their donation intentions that support H1 and H5. For inexperienced donors, emotional sympathy affects their donation intention. Therefore, regardless of previous donation experiences, emotional sympathy has the greatest impact on donation intentions, and experienced donors consider long-term effects for beneficiaries.

Table 2: Effects of Determinants on Donation Intention

| Variables | Standardized Coefficient (Sig) | Experienced Donors | Inexperienced Donors |
|-----------|-------------------------------|--------------------|---------------------|
| Emotional Sympathy (H1) | 0.636 (***), 0.587 (***), 0.240 |                      |                     |
| Economic Value (H2) | 0.068 | 0.213 |                     |
| Accountability (H3) | 0.028 | 0.100 |                     |
| Relevance (H4) | 0.233 (*) | 0.248 (*) |                     |
| Sustainability (H5) | 0.334 (***), 0.239 |                      |                     |

*** Significant at 0.01

This study also analyzed according to different contents of fundraising campaigns including natural disaster, hunger, disease, lack of education, and sanitation which are aligned with the criteria of SDGs respectively. Table 3 summarizes the results of the effects of determinants on donation intention for experienced and inexperienced donors in response to television fundraising campaigns. Overall, the results showed that experienced donors are dominantly affected by emotional sympathy for their giving behaviors, accepted H1a–e. Additionally, in case of campaign about hunger, experienced donors consider how their donations will meet the demands of beneficiaries that approved H4b. For campaign on lack of education, experienced donors look at how well their donation will be spent, supported H2d. In case of inexperienced donors, economic value of their donation was the most influencing determinant for their donation intention, supported H2f–j. Inexperienced donors are affected by emotional sympathy in term of fundraising for hunger and disease.

This study found that people with previous donation experiences put more weights to decide their giving behavior. In the absence of a donation experience, people focus on how valuable their donation will be used for beneficiaries. Once they become experienced donors, donation intention is mainly affected by emotionally appealing contents of fundraising campaigns. In addition, as the topic of campaigns varies, respondents showed different considerations to decide their donation. Overall, organizational accountability and sustainability couldn’t make significant impact on donation intention.

Table 3: Effects of Determinants on Donation Intention aligned with SDGs Criteria

| Variables | Standardized Coefficient (Sig) | Experienced Donors | Inexperienced Donors |
|-----------|-------------------------------|--------------------|---------------------|
| Natural Disaster | 0.562 (***), 0.135 |                      |                     |
| Emotional Sympathy | 0.007, 0.455 (***), 0.014 |                      |                     |
| Economic Value Accountability | 0.034, 0.174 | 0.051, 0.140 |                     |
| Sustainability | 0.000 | 0.038 |                      |
| Hunger Emotional Sympathy | 0.666 (***), 0.431 (***), 0.077 |                      |                     |
| Economic Value Accountability | 0.011, 0.404 (***), 0.248 (*) | 0.018, 0.077 |                     |
| Relevance | 0.233 (*) | 0.055 |                     |
| Disease Emotional Sympathy | 0.682 (***), 0.248 (*) |                      |                     |
| Economic Value Accountability | 0.087, 0.400 (***), 0.170 | 0.095, 0.049 |                     |
| Relevance | 0.072 | 0.137 |                     |
| Education Emotional Sympathy | 0.154, 0.137 |                      |                     |
| Economic Value Accountability | 0.111, 0.203 | 0.145, 0.085 |                     |
| Relevance | 0.053 | 0.014 |                     |
| Sustainability | 0.046, 0.085 | 0.209, 0.121 |                      |

*** Significant at 0.01; * Significant at 0.1

6. Conclusion

6.1. Findings

This study aims to analyze the determinants of donation intention in response to television fundraising campaigns of
nonprofit organizations. The determinants are selected to measure how donors can be motivated in their giving intentions when a nonprofit organization solicits the financial contribution. Previous studies on donation intention have rarely examined the impact of the content of television fundraising campaigns produced by nonprofit organizations. This study filled the gap by revealing the predictor variables of donation intention especially associated with television fundraising campaigns about different topics of poverty issues aligned with the criteria of SDGs. Especially, to clarify the difference in perceiving fundraising campaign according to donation experiences, this study divided respondents into two groups, experienced donors and inexperienced donors.

Regardless of the contents of fundraising campaigns, this study first analyzed the donation intention according to overall television fundraising campaign. Apart from the donation experience, all respondents were influenced to show their donation intention according to the extent of emotional sympathy caused by the fundraising campaign. This indicates that donors contribute in nonprofits on the basis of emotional empathy appealed by the reality of poverty apart from previous experience. Experienced donors also consider how sustainable their financial contribution can be managed for beneficiaries that accepted H1. It is notable that there is a difference in the view of perceiving the television fundraising campaigns according to the donation experience. The intention to donate was insignificant about economic value of donation, accountability of nonprofit organizations, and relevance of program operation for beneficiaries that rejected H2, H3, and H4 apart from donation experience. This illustrates that it does not influence on donors’ decision in giving intentions.

This study also classified effects for both groups with respect to the five cases of fundraising campaigns aligned with criteria of SDGs. First, emotional sympathy appears to be the most significant determinant in all case of problem situations for experienced donors. Therefore, H1a–e were accepted. In case of fundraising campaign about hunger, experienced donors consider whether their donations would be used to meet the needs of the actual beneficiaries. Therefore, H4b was accepted. Second, for inexperienced donors, the greatest impact on their intention to donate for all types of fundraising campaigns was economic value. Emotional sympathy also affected their intention regarding hunger and disease-related campaign. Therefore, H2f–j were accepted. This study also found that overall effects were stronger with experienced donors rather than inexperienced donors.

There were distinctive differences in exhibiting donation intention according to previous experience. Experienced donors realized their intention to donate based on how emotionally convinced by the content of fundraising campaign, while inexperienced donors more consider how their donation would be economically valuable. Experienced donors showed significant effects of economic value on intention in the case of lack of education and effects of relevance on intention in the case of hunger. Inexperienced donors showed significant effects of emotional sympathy on intention in the case of disease. Results implied how fundraising campaigns provide intentions differ based on existence of experiences and perceived contents of campaigns.

6.2. Managerial Implications

This study provides managerial implications. This study provides implications to fundraising organizations as to which aspects need to be addressed to draw motivation, as effects of determinants on donation intention were different. When designing a fundraising campaign to attract new donors and expand the donor pool, it is important to deliver how well the donors’ contribution will be valued in the field. The results of this study demonstrated that managerial aspects such as accountability and relevance were less weighted in the intention level of donors. It indicates that organizational performances are undervalued in terms of donors’ intentions. Since fundraising campaigns focus primarily on which organizations will do what to solve or improve, while donors hardly perceive information about accountability. Also, if donors are not well aware of external audits or internal procedures to increase organizational accountability, it is difficult to influence donation intentions (Becker, 2018). In terms of the relevance, it may be necessary for the donors to have previously earned knowledge in determining how relevant the project is to solve the problem of poverty. For example, to solve a health problem in a village suffering from malaria, donors may need more than the information available from fundraising campaigns to determine which method is appropriate to solve the problem. Consideration may be given to the difficulty for donors in determining institutional credibility and business adequacy based on the information provided in fundraising advertising.

Nonprofit fundraising campaigns are often used as a communication channel to represent the reality of poverty (Gourville & Rangan, 2004). It can be used to effectively inform the role of nonprofit organizations in society and to actively encourage the participation of ordinary citizens (Brown & Kalegaonkar, 2002). Consequently, how well organized the nonprofit sector communicate with the general public will in return provides a foundation for institutional sustainability (Iwu, Kapondoro, Darko, & Tengeh, 2015). If nonprofit organizations disregard the function of their fundraising campaigns for information
transfer and blindly focus on raising funds based on methods such as the shock effect, it will not be helpful considering the influential presence of the organizations in the long term (Ong, 2015). As results showed, better strategies based on different SDGs criteria should be applied to evoke donation intentions. Sustainable development is possible through innovative efforts (Leach et al., 2012) and must overcome the limitations of the traditional techniques used for fundraising for centuries, which are overly dependent on emotional appeals. As it becomes more complex in identifying the motives of donors for making donations, the importance of strategically encouraging donation behavior should be highlighted (Eikenberry, 2009).

6.3. Policy Implications

Nonprofit organizations have made major strides in the field of international development beyond political relations between states and the authorities of decision-making from intergovernmental organizations. The results of the study will analytically suggest that nonprofit organizations could consider and develop more effective strategies for financial sustainability by designing donor-focused fundraising. Moreover, television fundraising campaigns, which are well organized to bring financial resources for organizations and to provide a better understanding of poverty, will ultimately enable the public to recognize that the universal goal is to pursue a sustainable world for everyone. In the long term, this will build up the common discourse that everyone is aware of the mutual responsibility to be involved in international development with a sense of global citizenship.

Nonprofit organizations have evolved remarkably, encouraging citizens to voluntarily participate in areas not covered by governments or businesses. Especially considering the calls for the implementation of the SDGs, this research puts more weight on active engagement of the nonprofit sector. Nonprofit organizations can not only build citizen participation in donation intentions by showing the reality of the fields, but also illustrate further through its institutional experiences and knowledge in order to form and improve public awareness in the targeted areas of SDGs. Organizations can expand the influence of its implementation by utilizing the media to promote donation behavior of the public (Bowen, Kahindi, & Herremans, 2010). Ultimately, active involvement of the public will play a decisive role in achieving the development agendas within the targeted time. This study provides implications to design effective fundraising campaigns for increasing giving intentions of donors and to ensure the financial sustainability of nonprofit organizations and thereby to enhance public awareness for more successful implementation of SDGs.

6.4. Additional Findings

To find out whether intention for donation intentions differs based on prior experiences of donation, this study conducted an independent samples t-test. The results showed that there is a difference in determining donation intention with fundraising campaigns based on experiences. ANOVA analysis on demographics showed that donation intentions differ by age groups and the level of education.

6.5. Limitations and Future Research

Future research will increase sample size and might look into different types of media. Further studies may need to be supported by in-depth qualitative research to analyze the factors that determine donation intentions.

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