

# Who Gives More?

## Socioeconomic Predictors of Charitable Giving

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### 0 Question

Do factors concerning household income, family size and level of education affect charitable giving?

### 1 Introduction

Most studies indicated that socioeconomic status in particular household income, family size and education, significantly impact philanthropy. Positive relations between the level of education and giving are found in most empirical studies (Bekkers and Wiepking 2011). Schervish (1997) suggests that Higher levels of education are also associated with giving a higher proportion of income. In addition, giving is household behavior, which is not decided by individual. Research provides overwhelming evidence for a positive relationship between income, family composition (including marriage and the number of children), and amount donated to charity (Wiepking and Bekkers 2012). (see Figure 1)

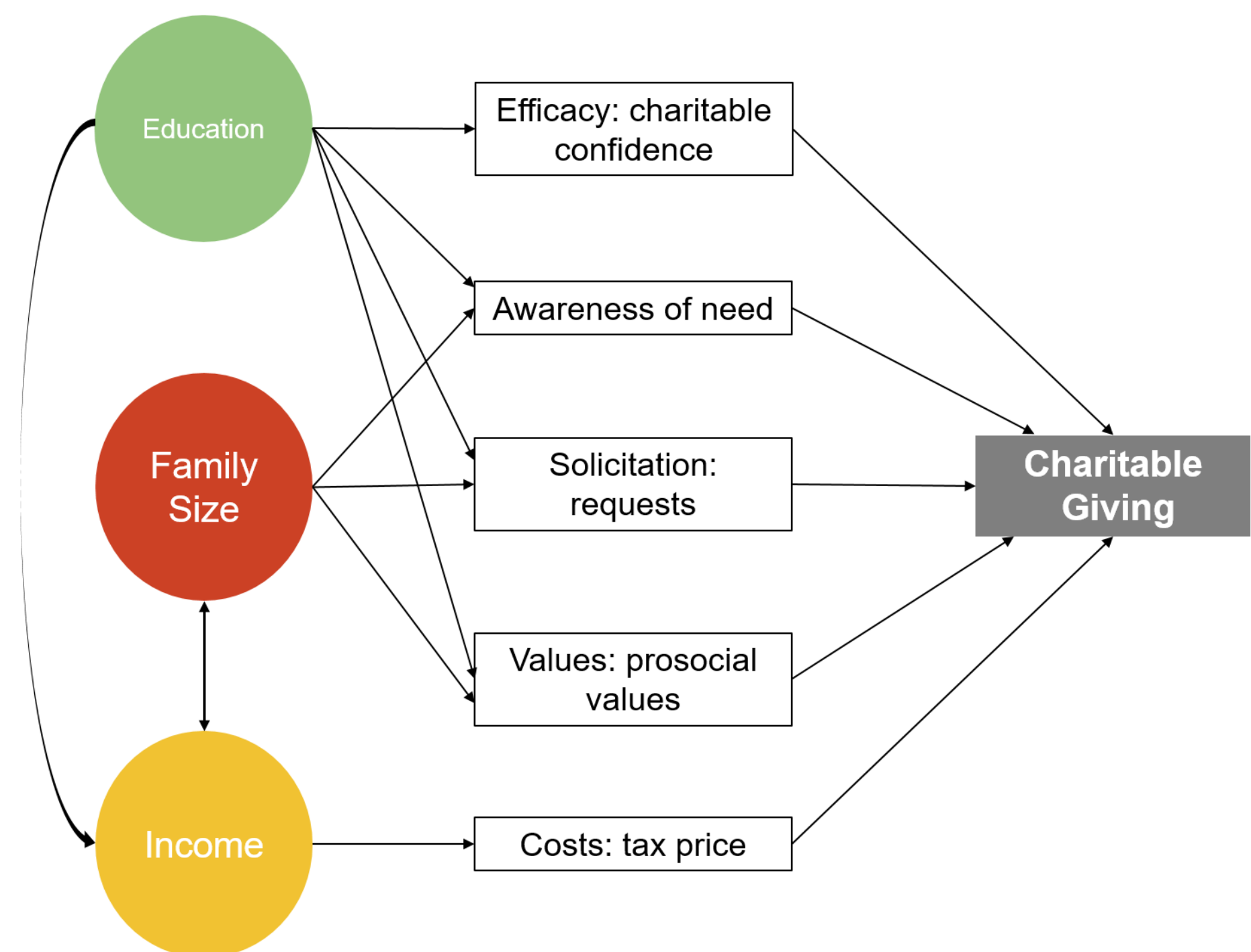


Figure 1 Mechanisms explaining the relationships between socioeconomic factors and charitable giving

In this study, we used statistical scales in a simulation of giving to the victims of Hurricane Katrina to examine our hypothesis:

- There will be a positive correlation between the level of education achieved and the amount given to the victims of Hurricane Katrina (Study 1).
- Participants deemed to have higher income will be significantly more charitable than those with a relatively lower income (Study 2).
- Respondents from larger families will give a greater amount to charity than those from households with smaller members (Study 3).

### 3 Results

#### Study 1

- A weakly positive correlation between education and charitable giving was found,  $r=0.102^*$ . However, there are no significant differences in each level,  $F(3, 514) = 2.159, p=0.092$ .

#### Study 2

- The result shows that household income significantly increase in proportion to charitable giving,  $F(2, 515) = 3.889, p=0.021$ .

#### Study 3

- It shows that participants from large families donated significantly less than people from smaller families,  $t(516) = 2.132, p=0.033$ .

### 4 Discussion and Conclusion

The results of education and household income support our hypothesis that people who earn more and in a higher level of education may donate more than others. This is not surprising: the higher level of education a household acquires, the more money a household owns and earns, the more it can donate to charitable causes. In addition, multiple mechanisms explain the relationship between education and giving, including awareness of need, solicitation, costs, and values.

In contrast to our hypothesis in family size, the result shows that people who have larger families donated significantly less than those people in small families. Similar results also were found by Houston (2006). One possible explanation for this is that smaller social connectedness is likely to promote a greater sense of identity and belonging. People who come from a small family may donate more on charity based on a sense of need.

Our findings support that socioeconomic factors like household income, family size, and education are significantly associated with amount given to charity. But the mechanisms of how these factors work on charitable behavior still need more research.

## Acknowledgements

Thanks for TS-12 group members' hard working and cooperation.  
Thanks for generous support from Shirley-Ann Rueschemeyer and Alex Reid.

### 5 Method

We collected data on a crib sheet from 620 participants and selected 518 valid data.

#### Measured Variables

- Donation to charity amount (\$0 - \$100)
- Household income
  - low = \$5,000 - \$19,999
  - medium = \$20,000 - \$59,999
  - high = \$60,000 - \$175,000
- Family size
  - small = 1-4 people in household
  - large = 5+ people in household
- Level of education
  - less than high school
  - high school
  - some college
  - bachelor's degree or higher

#### Scale Construction

- Demographic information
- Presentation check
- Decision-making task
  - Each participant was hypothetically given \$100 and asked to decide how much they would give to a welfare charity aimed at improving the lives of those affected by Hurricane Katrina.
- Question about the food pantry recipients
- Survey question about poverty and another issue

### 6 Literature Cited

- Bekkers, R. H. F. P., and P. Wiepking. 2011. "Who Gives? A Literature Review of Predictors of Charitable Giving. I – Religion, Education, Age, and Socialization." *Voluntary Sector Review*.
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