



Centre for  
Social Impact  
and Philanthropy

# Motivations and Barriers to Household Giving in India

First Chapter of the Series on 'Perspectives on Giving in India'



# Motivations and Barriers to Household Giving in India

## Executive Summary

'Motivations and Barriers to Household Giving in India' is the first attempt to gain a nuanced understanding of the factors that might motivate and inhibit Indian households from donating to religious and non-religious organisations. The study is the first chapter in the series of proposed studies on perspectives on giving in India. Focusing on the North and South regions of the country, the present report draws from a sample of 828 households from Kantar World Panel's existing national panel. It presents key motivations which drive household donations towards religious and non-religious organisations. It also covers deterrents which inhibit donations and the underlying reasons behind them. The sample, therefore, was drawn from both donors and non-donors. The categorical distribution of the sample size for the study is presented in the tables below:

Category	Planned Total	Achieved Total	North Region	South Region
<b>Donors</b>	600	548	276	272
<b>Non-Donors</b>	200	280	147	133
<b>Total</b>	<b>800</b>	<b>828</b>	<b>423</b>	<b>405</b>

Category	Giving to Religious Organisations	Giving to Non-Religious Organisations	Giving to Both	Total
<b>Donors</b>	296	96	156	548

The households were interviewed in person using a semi-structured tool which captured the households' attitudes and practices that influence donation to 'religious organisations' and 'non-religious organisations'. In the following sections, we present the key findings from the study.

### What motivated households to donate?



'Religious customs', 'religious beliefs', 'family traditions', and 'mental satisfaction' emerged as the most reported motivations for households giving to both 'religious organisations' and 'non-religious organisations'.



Households ranked 'religious beliefs' as the most important motivation (ranked #1) for donation, followed by 'religious customs' and 'self-motivation'.



'Self-Motivation' is a key driver in the South, in SEC A and in large towns. In small towns, 'family traditions' play an important role, while in the rural areas, 'social customs' emerged as a more important motivator.



'Tax benefit' did not appear as a primary driver for donation. Awareness about tax benefits was also reported to be limited.



For those households which gave exclusively to 'non-religious organisations', 'mental satisfaction' is a more common motivation than 'religious beliefs'. The motivation to 'support a particular cause' also becomes an important driver for households donating only to 'non-religious organisations'.



For households which did not donate during the study period, but intend to donate in the future, 'religious customs' and 'religious beliefs' are likely to be the primary motivations for donations.

## Who donated to 'non-religious organisations'?

Majority of the donations to 'non-religious organisations' came from SEC A (50%) and large towns (51%).

## When did households donate?

Households (30%-60%) cited 'occurrence of religious festivals /events' and 'upon visiting religious places' as occasions they mostly donate on. When households are approached by organisations, they feel more encouraged to make donations, particularly in rural areas (43%).

## What were the barriers to donations to 'non-religious organisations'?

The category of households which donated to 'religious organisations' but did not donate to 'non-religious organisations' reported 'distrust in organisations/individuals seeking funds' (44%) and their perception that 'funds will not be used for the intended cause' (30%) as primary reasons.

About 9% of those households which donated to 'religious organisations' but stopped donating to 'non-religious organisations' did so on account of negative experiences with 'non-religious organisations'.

Among the 'non-donor' households (households which did not make any donations during the study period), only 14.2% had never made any donations; all others reported to have donated at some point. When asked if they intend to donate, 11.4% households said that they do not intend to make any donations. The most cited reason for not intending to donate was 'lack of sufficient resources to donate' and the expectation that 'organisations require a significant donation amount'.

## Nature and extent of ‘acts of generosity’



About 71% households reported to have ‘fed someone’ and 52% said they ‘extended helping hand to someone in need’ at least once in their lives. Other instances of ‘non-cash’ giving were also reported. For example, about one-third of households claimed to have ‘given time/volunteered’ and 17% said they ‘donated effort/skill’ at least once in their lives. Around 8% households stated that they had ‘lent voice for a cause’.

## What can help boost household donations?



### Acceptance of Cash<sup>1</sup>

About 43% households selected ‘organisations accepting donation in cash’ as a facilitating factor. However, there was a slight regional variation, with 46% in the south and 40% in the north selecting this option. Nearly half of the households in SEC B and 47% in SEC C+D/E also recorded that ‘acceptance of cash’ would encourage more donations from them. More than half of the households in small towns said that this would help them donate.



### Clarity in purpose of soliciting donation

The second most reported way that could facilitate household donation is clearly explaining the purpose of donation. About 31% households believed that it is important for them to have a clear understanding of the intended use of donation money. The households in the South (38%) seemed to be relatively more concerned about knowing the intended use of donation than North (25%). Clarity about the purpose of soliciting donation was considered a significant facilitator across all SECs. The households in the large towns (34%) are keener on understanding the intended use of donation than other areas.



### Personal visits build trust in organisations

27% households stated that ‘personal visits build trust in organisations’. The households in North region (28%) seem to be more interested in such efforts by the organisations than the households in the South region (25%). There is not much variation among the SECs. For small towns (29%) and rural households (30%), these relationship building efforts by the organisations are more important than in large towns (21%).

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<sup>1</sup>This could also imply a preference to being able to make small-sized donation in cash. This is a facilitating factor for giving to religious organisations, as shown in CSIP’s ‘How India Gives: 2021-22’ report and the findings of this current report. In this report, households’ perception that ‘non-religious organisations’ expect a significant size of donation has also been noted as a barrier to donations.



### **Liaising with the same person from the organisation**

One in every four households expressed that 'liaising with the same person from the organisation' may help unlock more donations from them. A higher percentage of households in the North (27%) than in the South (20%) felt the need for this. About 24% households in SEC A and 27% in SEC C+D/E stated this. 'Liaising with the same person' is also one of the reported facilitators in small towns (30%).



### **Reputation of the organisation**

Overall, 12% households said that 'how well the organisation is known has a role to play in influencing their decision to donate. Reputation plays a slightly more important role in the South (14%) than in the North (10%). Households in SEC A (16%) and large towns (15%) deem reputation of the organisation to be important.



### **Ease of online donations and verification of activities**

The ease of making online donations and verification of organisations' work on their websites is important for the households from the South, SEC A and large towns.

The objective of the report is to inform stakeholders in the philanthropy and social sector about the potential of household giving in the country. By providing insights on motivations and deterrents to giving, it aims to enable a variety of stakeholders in their respective endeavours. We hope this report is of significance to academics and researchers, as well as to practitioners in the philanthropy ecosystem.



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