Women’s Philanthropy: Characteristics, Trends and Patterns

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INTRODUCTION

Women have always been at the centre of philanthropic activities throughout history as they have participated in charities as volunteers, managers and donors of time, effort and finances. In recent years, movements towards economic and social equality and significant changes in gender roles have allowed women to be involved even further in philanthropy through their increased influence on economies (Dale et al, 2015). These changes, coupled with higher educational attainment, usher an age where female wealth, income and participation increases. In fact, between 2004 and 2011, the average total income for women in Canada increased by 16% compared to an increase of 6% for men, according to Statistics Canada (T.D. Report, 2014). This accumulation of wealth encompasses women’s own efforts and is also increasingly encompassing inheritance from family, spouses, and partners (T.D. Report, 2014).

The research definitely confirms that women are “more altruistic, empathetic and charitable than men” and that is more visible in a flourishing non-profit sector in countries with higher female empowerment (Center on Philanthropy, 2011; Dale et al, 2015). In these countries the female donor profile is diverse, with women from various ethnic/racial, religious, economic, and age backgrounds participating in charitable activities. Therefore, these women are continuously breaking the “middle-aged, Caucasian, high socio-economic status” philanthropy mold (Einolf, 2011). The impact of women’s philanthropy is tremendous. In Canada, the Canadian Revenue Agency (CRA) estimates that 300,000 to 350,000 women in Canada have access to, are able to, and have the wish to donate a major gift to charity (i.e. of $10,000 or more) (Investor Economics, 2013). In 2012, it was estimated that women have donated $3.3 billion to charities in Canada (an increase from $1.1 billion in 2002). This is an increase of the average annual gift from $803 in 2002 to $1156 in 2012 (T.D. Report, 2014).

The revolution of female philanthropy stems from women’s historic gender roles, informal occupations in fund raising, organizing for social reform to establishing women’s funding networks, charitable foundations and more recently, giving circles (Dale et al, 2015). That being said, women struggle to this day with the concept of being philanthropists. Even a powerful and established philanthropist such as Melinda Gates is slowly accepting the power and influence that is associated with being the co-chair of the Bill and Melinda Gates Foundation; a multi-billion dollar foundation (Forbes, 2015). Ms. Gates’ courage to increasingly embrace her role came from the necessity to express and advocate for the needs of women and girls around the world. Her motivation and goals to end worldwide and female poverty through empowering women and girls enable her to continue to rally efforts (Forbes, 2015).
This diverse and continuously increasing cohort prompts the need to investigate the differences between male and female philanthropy. This is especially true since many charities and fundraising organizations seem to employ male-centred donor engagement techniques to attract all their donors. Therefore, closer examination of these aforementioned differences would inform targeted fundraising strategies that would support women philanthropists and allow for the most benefit out of this ever expanding sector.

**RESEARCH DESIGN**

**Purpose**

This research project was commissioned by Women for Change (W4C) to create a background research paper that can act as a platform for W4C’s work and discussions related to developing a new understanding and approach to women’s philanthropy. There are several areas that are explored in the body of this research project:

- Current and emerging trends relevant to women’s philanthropy
- Characteristics of women’s giving/philanthropy
- Unmet needs related to supporting women in their philanthropy
- Best practice for women’s philanthropy that reflect the above characteristics

**Research Questions**

What are the trends, patterns, and characteristics in women’s philanthropy? How do women prefer to be supported in their giving/philanthropy? What are the gaps in this support (if any)? What are the best practices to encourage women’s giving/philanthropy?

**Inclusion Criteria**

- Research in the last five to ten years
- North American research for trends and patterns
- International research can be explored for best practice

**Search Strategy**

An initial Google scan was conducted with the keywords (women, female, philanthropy, charity, giving, donor(s), donation(s), trend(s), pattern(s), Canada) to identify organizations, people, news articles and reports pertaining to the research questions. Additionally, a Google Scholar search was conducted with the same keywords to identify research papers and journal articles.
ANALYSIS & FINDINGS

Current and Emerging Trends Relevant to Women’s Philanthropy

The research recognizes several distinguishing trends in female philanthropy. In 2015, as a part of The Women’s Philanthropy Institute (WPI) at the Indiana University, Dale, Osil, Mesch, and Ackerman conducted a comprehensive literature review encompassing four decades of research from various disciplines to summarize these trends. While the findings in each study came from various data collection methods such as surveys, experiments, interviews and institutional records, many complementary trends have emerged. Dale et al, however, acknowledge an important limitation; the majority of the studies examined were U.S.-based, affecting the international generalizability of the findings. Nevertheless, for this report’s Canadian context, it is fair to draw comparisons from American data given the similar historical, political and socio-economic backgrounds. The trends uncovered by Dale et al’s (2015) inclusive literature review are discussed below and the potential reasons behind these trends are explained in the next section.

The first apparent trend was that giving for both genders in general differed in terms of marital status. Single women are more likely to give to charity (Mesch, 2010). Even when controlling for variables other than gender such as education, income, wealth, age, and others, the trend still carried forward. Single women also gave higher monetary amounts compare to single men with similar situations (Mesch, 2010). Moreover, single women appear to give more for every charitable sector in comparison to single men (Mesch, 2010). The only exception found here was for the sector of sports and recreation. Men appear to give more in this specific sector, especially as a part of alumni donations to their alma mater (T.D. Report, 2014). In that same spirit of diversifying charitable giving, single women also tend to be more unrestricted in terms of giving to organizations or charities (T.D. Report, 2014). Women prefer to distribute their giving to multiple/many organizations to support a higher number of causes, while single men would rather concentrate on a one/a few (T.D. Report, 2014). A report in 2011 shows that 25% of women support one cause, 43% support two to three, 19% support four to five, and 13% support more than six (Ipsos Reid, 2011).

On the other hand, marriage seems to increases the pattern of giving and provides an overall positive influence on charitable activities for both men and women (Brooks, 2007). The research indicates that the increased joint financial resources and the partner’s influence (from networks and experiences) make married couples more inclined to give when compared to single men and women (Dale et al, 2015). This is especially true for men as they even tend to give in higher amounts after they are married (Brooks, 2007). Most couples also decided
on giving jointly to increase their philanthropic impact (Andreoni, Brown, & Rischall, 2003). However, data shows that when there are differences in charity preferences between the couple; the choice almost always goes towards the husband’s preference (Wiepking & Bekkers, 2010).

Alternatively, in married households with a single decision maker, the decider is usually the partner with higher educational background or higher income (Andreoni, Brown, & Rischall, 2003). A male decider is more likely to give a higher amount than female or joint deciders. Female deciders however, continue to follow the trend of single women and are more likely to diversify the allocation of charitable resources (Dale et al, 2015).

Finally, the research shows that women, whether married or single, are more likely to donate more than in the monetary sense (Center on Philanthropy, 2011; Einolf, 2011; T.D. Report, 2014). Specifically, women donate their time more than men as the trends show that single women volunteer almost twice as many hours as men (Mesch et al, 2006). This difference could be attributed to specific characteristics of female philanthropy such as motivation and involvement in the work force (Mesch et al, 2006). These characteristics will be described in more detail in the section below.

**Characteristics of Women’s Philanthropy**

The previous section outlined trends in women’s philanthropy in comparison to men’s and found various differences. There are many factors that impact giving, and researchers have various theories that attempt to correlate these factors with gender differences. To this end, an overview of the overall characteristics that motivate and inspire women to give is essential. The following is an examination of why there are differences between female and male philanthropy.

Even on the concept of philanthropy itself, the majority of women did not define it in primarily financial terms but rather as a time and effort commitment and a desire to help others by sacrificing those personal resources (Piper & Schneof, 2007; Statistics Canada, 2012). Theories from the field of psychology explain that this stems from the empathetic nature of women (Brunel & Nelson, 2000). Women also tend to be more altruistic than men in that their charitable practices come from a desire to benefit others in the near or distant communities, while men gravitate towards the self-benefits of giving (Brunel & Nelson, 2000). Moreover, women are motivated by empathy especially in the case of a life-altering event happening to them or to a close member such as conflict, immigration, poverty, health issues. Thus, they would tend to give to charities or organizations that work in these corresponding sectors as a means of support and solidarity (T.D. Report, 2014).
Researchers in the field of economics theorize that these differences between men and women’s giving originate from women’s motivation by the collaborative nature of giving (Eckel & Grossman, 2001; T.D. Report, 2014). That is, several individuals coming together to provide funds, talents, and time to a specific cause or organization thus causing more impact as a whole compared to a singular effort. On the other hand, women tend to avoid risk through diversifying their giving. Instead of channeling all resources to one organization or cause, spreading resources would ensure that there is at least one positive outcome to their investment (Croson & Gneezy, 2009). Furthermore, women give more when they determine that they are financially secure thus they would be able to donate without risk to them or their loved ones (T.D. Report, 2014). Giving without risk, consequently allows them to give enough to make an impact to a particular charity or cause. The majority of women also investigate the charity, organization or cause they donate towards thoroughly before donating (T.D. Report, 2014). These investigation methods range from volunteering at the organization, accessing literature (financial or otherwise) to meeting with previous donors or board members/manager and visiting the sites.

From the perspective of the field of sociology, there is a gender difference to charitable giving due to the differences in social networks and societal norms between males and females (Center on Philanthropy, 2011; Dale et al, 2015). Women appear to be more motivated by their social capital such as their upbringing, community, and faith or religious beliefs than men (Einolf, 2011; T.D. Report, 2014). Thus, if philanthropy is practiced or preached in these networks then women would be more inclined to give. However, it is important to note that women would give regardless of the social norm of giving in comparison to men (Meier, 2007). That is, women’s giving is not tied to how much or to where the majority of their networks are giving while men use social queues to determine their philanthropic practices. Women also saw their involvement in charitable organizations/giving as a connection to a greater community of women and as a way of empowerment through democratic decision making; perhaps tying with the aforementioned collaboration aspect (Cox & Deck, 2006; T.D. Report, 2014).

In Canada, Women’s giving is mainly focused on health-related causes (excluding hospitals) and social services, following similar trends around the world. As previously mentioned, women generally tend to donate higher to all other categories except for sport and recreation-focused charities where men are more likely to donate (Statistics Canada, 2012). In addition, Canadian women identify with women and girls’ causes (i.e. education, empowerment, etc, as important) and they also identify with local issues particular to their city or town as a priority for giving. In comparison to men, women are less motivated by tax relief or recognition but rather the main motivation for these choices is to leave a legacy for their family.
and/ or children and to see the impact of their gifts during their lifetime (TD report, 2014; Dale et al, 2015).

**UNMET NEEDS & RECOMMENDATIONS**

Currently, most charities and organization employ a generic donor engagement profile that is usually geared towards men, i.e. higher donation amounts, longer commitment periods and output-focused results (T.D. Report, 2014). This blanket technique does not provide enough support to attract women philanthropist. The aforementioned characteristics and trends indicate the need for female-specific donor engagement to harness the powerful and growing effects of women’s philanthropy.

Women donors prefer having an ongoing relationship with the charity or organization they give to, thus providing continuous and meaningful communication is important (T.D Report, 2014). This can be initially sparked through emphasizing a clear connection between the cause and the women’s motivations (i.e. empathy, social context, collaboration, and avoiding risk) (Krotz, 2009). The message that charities should adopt is to demonstrate how donors can make a difference and where would their money and/or efforts go to rather than just a solicitation of donations (T.D. Report, 2014).

As the frequency of engagement increases, organizations should provide ample opportunities for women to volunteer within the organization in various leadership positions (Krotz, 2009; Dale et al, 2015). This allows women to transparently witness how their donations are utilized and creates a deeper connection to the charity and/or organization, thus increasing the likelihood of repeat donors (Connor, 2002). Moreover, women recognize that there is a need to attract more women interested in philanthropy (T.D. Report, 2014). The majority recognize that setting an example and being a role model to their families, extended circles, and other women is an important step. However, rather than being formally recognized, women prefer having the opportunity to participate in donor education sessions or workshops to help them in becoming more informed donors and recruiters (Krotz, 2009).

More recently, focus has also been given to the millennial generation as the future donors. Specifically, since younger donors are increasingly engaging in philanthropy, charities need to adopt social media and more instantaneous forms of communication (Krotz, 2009; T.D. Report, 2014). These efforts could be focused towards young adults in schools and universities as a beginning to an ongoing relationship. Charities and organization could also increase the use of online tools and models of giving such as crowdfunding and online donation management to attract a wider range of donors (Krotz, 2009).
Communication of progress and results is an essential area for female donor engagement. A number of women indicated that the assessment of the progress of charities through financial record analyses was limiting and misleading as it is geared towards a specific niche of donors who are able to process such high level information (T.D., 2014). Thus, organizations and charities should work on donor-specific communication of outcomes that are accessible and understandable to a wide range of contributors (T.D., 2014). As such, these organizations should provide other avenues to share success, similar to the donor education sessions.

Additionally, and perhaps most importantly, women are more likely to engage in philanthropy through collaborative giving (Dale et al, 2015). Thus, charities and organizations that aim to attract diverse female donors should initiate community-based giving circles. This gives the opportunity for women of varied financial backgrounds to be able to participate given that the resources would be pooled and the impact would be greater than small onetime donations (Dale et al, 2015).

In conclusion, the fact that the abovementioned best practice guidelines correspond with the unmet needs of the majority of female philanthropists exposes the slow rate of uptake of these guidelines by many charities and organizations. However, as highlighted throughout this report, female donors are crucial players in shaping the future of worldwide philanthropy and giving. Therefore, extensive research is needed on the differences between male and female giving. This report attempted to summarize the literature pertaining to these aforementioned differences in hopes that this information becomes more readily available to be put in use when developing strategies to attract and engage female donors. To be able to cater to the specific female philanthropist population in Hamilton or even Ontario or Canada, continuous and more detailed research is key to a future of well-informed and sustainable philanthropy.
REFERENCES


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