

**CHARACTERISTICS AFFECTING CHARITABLE DONATIONS:  
AN INVESTIGATION IN BRUNEI**

**Michael Lwin<sup>1</sup>**

School of Marketing, Curtin Business School  
Curtin University of Technology

**2009008**

**Editor:**

**Associate Professor Ian Phau  
School of Marketing**

**MARKETING  
INSIGHTS  
Working Paper Series  
School of Marketing**

**ISSN 1448 – 9716**

**<sup>1</sup>Corresponding author:**

Michael Lwin  
School of Marketing, Curtin Business School  
Curtin University of Technology  
GPO BOX U1987  
Perth, WA 6845  
Australia  
Tel (+61 8) 9266 9089  
Fax (+61 8) 9266 3937  
Email: [Michael.lwin@cbs.curtin.edu.au](mailto:Michael.lwin@cbs.curtin.edu.au)

# **CHARACTERISTICS AFFECTING CHARITABLE DONATIONS: AN INVESTIGATION IN BRUNEI**

## **ABSTRACT**

This study replicates and extends Schlegelmilch, Love and Diamantopoluos's (1997) study by comparing the demographic, psychographic and sociographic factors of donors and non donors in Brunei. The study found that Brunei's charitable donation is distinct to other nations due to its unique culture and welfare. The findings indicate non donors' lack of charitable donation experience is a major issue in Brunei. Further, the difference between donors and non donors' perception of charitable efficiency is shown to be significant. In addition, new directions radiating from the limitations of the study are proposed.

## **INTRODUCTION**

Driven by competition, charitable organisations are incorporating marketing concepts to new and drastic changes in the social, economic and political environment of the world. These organisations have adopted to function like a business and it is only appropriate to analyse donors as the 'customers' of the organisation. Hibbert and Horne (1996) outlined the importance and relevance of charitable donations due to the major shifts in the charity industry. However, the application of marketing concepts to non-profit organisations has been heavily debated since the 60's (Hibbert and Horne 1996) but has not met with any consensus. Schlegelmilch, Diamantopoluos and Love (1997) suggest that there has been a declining or at best, stagnant level of donations among the UK community. Furthermore, our understanding of donors' characteristics is limited as the majority of research in this discipline has been conducted in a 'westernised' culture (e.g. Basil, Ridgway and Basil, 2008). This paper aims to explore the characteristics of charitable donations in Brunei, a country that is significantly different in terms of demographics, lifestyle and culture to those such as the United States, United Kingdom and Australia. It is also significantly different in culture to those neighbouring nations that are usually associated with Brunei, such as Malaysia, Indonesia and Singapore. Additionally, this paper aims to research the community of Brunei by analysing their demographics, perceptions on charity organisations and their "world mindedness" towards charitable donation.

The paper will be structured initially by briefly describing the socioeconomic and charitable donation behaviour in Brunei. Further, the importance of Brunei culture is also outlined. The following section discusses the existing charitable donation literature and determines certain characteristics of donors. As this study replicates and extends Schlegelmilch, Diamantopoluos and Love (1997) study, the hypotheses formed within that research will be tested amongst the Bruneian respondents. The results will be compared to previous studies to determine whether there is a significant relationship between the previous study, and the characteristics of donors in Brunei. Further, the ‘world mindedness’ construct has not been tested in a charitable donation context (Rajendran and Rawwas, 1996) and it has been incorporated into the questionnaire to explore its relevance. The data collected from these respondents will then be analysed and discussed. Finally, the paper will conclude with implications and limitations of the research.

## **LITERATURE REVIEW**

Charitable donation or the simple act of giving to others has been instilled within the human behaviour for as long as we can remember. The simple act of charity is accredited to the human helping behaviour. This behaviour is explained by the altruism theory. The empathy-altruism hypothesis from social-psychology studies show that people are not always self-seeking and driven by empathy they often help out others (Baston, 1991; Eveland and Crutchfield, 2007). Further, one of the key functions of a charity is to raise funds to enable them to carry out their primary purpose which is, for the relief of poverty or for the advancement of education, or for the advancement of religion or for other purposes beneficial to the community (Charities Digest, 1995). It has also been proposed that people donate to charities that fit with the donors’ self image (Polonsky, 2000). Schlegelmilch, Diamantopoluos and Love’s (1997) research acknowledged that individuals, who are more familiar with the charitable organisation mainly due to previous volunteering experience, are more likely to donate to those charities.

Parsons (2002) has outlined that charities generating revenue through retail outlets need to provide diverse range of services. Traditionally, “thrift” shops are often temporary, volunteer managed, selling donated goods at low prices. While modern outlets are more “upmarket” shops, which employ aid management, sells new and

donated goods, and occupy more prominent premises (Parsons, 2004). Due to the diversity of its customers charities function like a business while maintaining their core set of beliefs such as providing essential services to the community.

Further, as with most businesses, competition is an important factor that has affected the function of the non-profit industry. Competition has increased professionalism of the non-profit industry however, success comes at a cost. A current trend outlined by Horne (1998) shows the effects of competition on charity shops in the distribution system. The research observed downturn in the number of goods being donated to a shop due to a lack of 'park and drop' facility. Instead, these donations went to other charities that offered a "pick up" system. Further, as most second hand goods are donated, there is less control in supply of products. Therefore, there is no continuity of stock for donated goods. The customer will purchase in one shop and move onto the other to search for compatible goods (Horne, 1998). This implies that loyalty and retention towards a charity shop is relatively low in the industry and therefore may prove to be detrimental to the 'new look, business concepts charity shop'. Hence, the competition in operating charity shops is two folds, collection and selling of donation goods.

### **Demographic Factors**

Literature shows demographic variables such as age, income, occupation and geodemographic are important factors that can be segmented to explore the impact on giving behaviour (Sargent, 1999). Demographics factors such as, gender, age, income, education and family size are discussed.

Gender seems to be an issue that is highly inconsistent amongst the literature (Schlegelmilch, Diamantopoluos and Love, 1997). Scholars suggest that gender is an important variable when trying to measure the characteristics of charitable donations (Schlegelmilch, Diamantopoluos and Love, 1997). Adversely, other readings suggest that women tend to donate more than men (Schlegelmilch, Love and Diamantopoluos, 1997). On the other hand, it has been put forward that women who donate more than men are shown as an insignificant increase. Furthermore, these issues are blurred by the fact that these respondents could be influenced by the social desirability factors (Louie and Obermiller, 2000).

Schlegelmilch, Love and Diamantopoluos (1997) has outlined that the donations to a charitable organisation is directly linked with the age. However, other studies found that the younger generation or even age is not a factor when considering the characteristics of charitable donors (Louie and Obermiller, 2000). It has been further summarized that these inconsistencies are accredited to the recent changes in trends of donating to charity.

Most of the literature indicates that income is an important characteristic to determine donations to charitable organisations. It states that disposable income is directly linked with the likelihood to charities (Schlegelmilch, Diamantopoluos and Love, 1997). Bennett (2003) further emphasises the fact that people with a lower disposable income tend to donate to “more needy people” as they empathise more with them. However people with a higher disposable income tend to donate more to charities that are concerned with the environment, third world issues or other global worldwide issues.

Past studies have shown a positive correlation exists between the level of education and disposable income (Chua, 1999). Thus, education can have an indirect impact on charitable donation. However, there is evidence to support that the education level has no affect on charitable donations (Schlegelmilch, Diamantopoluos and Love, 1997). The literature further emphasises that individuals who had left school at an earlier age or left school without graduating are more likely to donate to charity in comparison to higher educated donors.

In addition, the number of children in a household has a direct impact on the likelihood of charitable donations (Bennett, 2003). His research outlines that households with children tend to donate less as compared to households that have no children. Kanabar (2004) further proposed that the “size of the family” is seen as a characteristic that affects the tendency for Australians to donate.

Based on the demographics factors the following hypotheses are depicted:

**H1:** There is a significant relationship between gender and charitable donation

**H2:** There is a significant relationship between age and charitable donation

**H3:** There is a significant relationship between income and charitable donation

**H4:** There is a significant relationship between education and charitable donation

**H5:** There is a significant relationship between family size (number of children) and charitable donation

### **Psychographic Factors**

Further Schlegelmilch, Diamantopoluos and Love (1997) have outlined a number of psychographic factors that can influence charitable donations. These factors include, perceived generosity of self, perceived financial security of self and importance of religion. Schlegelmilch, Diamantopoluos and Love (1997) found that the more generous donors perceive themselves to be, the more likely they are to donate to charity. Perceived generosity of self was an important variable in distinguishing between donors and non donors on their donation intentions. In the same research, no relationship was recorded between perceived financial security of self and charitable donations. Further, the study acknowledges that if an individual regards themselves as financially secure or “not too worried” about their financial state in the future does not predict future donation.

Literature identifies religion as an important issue on the characteristics of charitable donations. Schlegelmilch, Diamantopoluos and Love (1997) proposed that it is very important to take into consideration the religious donations to Mosques and churches and other religious organisations as donations is one of the fundamental aspects or criteria in the teachings of religion. The majority of the literature suggests that the more religious a person perceives themselves to be, the more likely they are to donate to charity as depicted within Schlegelmilch, Diamantopoluos and Love’s (1997) study. However, Kanabar (2004) replicated research in the Australian context rejected this theory of religion. With this in mind, religion would play a significant role in determining the characteristics of charitable donations in the context of Brunei as it is a country that is heavily governed by Islam.

Based on these findings, the study predicts the following:

**H6:** Donors perceive themselves as more generous than non donors

**H7:** Donors perceive themselves as more financially secure than non donors

**H8:** Donors perceive that religion is more important than non donors

### **Sociographic Factors**

Moreover, Schlegelmilch, Diamantopoluos and Love (1997) identified sociographic factors such as, charities' efficiency and attitude towards charities to be important. Additionally, the concept of "world mindedness" is adopted in the study to measure its impact in a charitable donation context.

The government's declining level of involvement within the charity sector has pushed the private sector to provide more services to the needy (Schlegelmilch, Diamantopoluos and Love, 1997). However, the general public may perceive that there is a need for their government to provide more to charitable services through their regular tax payments to the state. Brunei is a totally different context and the study will provide a different perspective as there are no income taxes in Brunei.

The perceptions towards charitable organisations differ greatly as the process of donation to charity becomes more elaborate. It is a common practice for donors to perceive that all of what they donate will 'reach' the actual needy cause, yet many other individuals are aware of certain administration costs and fundraising. Schlegelmilch, Diamantopoluos and Love (1997) have proposed that organisational accountability greatly affects an individual's tendency to donate to charity. That is, the donors want to ensure that most, if not all of their donations reach the actual cause or the needy. The administration costs as well as the efficiency of any costs associated with the charitable organisation, is deemed to play a significant role in donations to that particular charitable organisation.

"World mindedness" individuals are individuals that are described as being people who have a great knowledge as well as interest in global issues as well as people who value the world spirit and its development (Rajendran and Rawwas, 1996). The increase in multinational marriages and increasing developments in technologies have created more 'hybrid' cultures across the globe (Rajendran and Rawwas, 1996). These hybrid cultures are more appreciative towards a sharing world. They have a strong understanding on welfare and show more empathy to other societies. Rajendran and Rawwas (1996) describe this phenomenon as world mindedness. It suggests that world mindedness is positively related to their willingness to purchase foreign



products. This factor has not been tested previously in a charitable donation context. Yet there is evidence that suggests that the world mindedness of an individual may affect their charitable donations.

Based on these assumptions, the study hypothesises:

**H9:** Donors identify charities to be more efficient than non donors

**H10:** Donors have a more positive attitude towards charities than non donors

**H11:** Donors who are world minded are more likely to donate more than non world minded people

## **METHODOLOGY**

### **Data Collection**

Data was collected via a mail questionnaire and it was distributed in a number of selected areas in Brunei. The respondents however, were selected randomly within these selected areas. The respondents included permanent resident holders, expatriates and even foreigners (Green identity card holders) who have at least lived in Brunei for not less than 5 years. A cross sectional study of individual donor in Brunei is empirically measured using these parameters.

### **Survey Instrument**

A replica survey questionnaire from Schlegelmilch, Diamantopoluos and Love's (1997) research was used in the study. Additionally, the concept of "world mindedness" has been added to the questionnaire. The questionnaire consists of three sections. Section one measured psychological factors and it consisted of three scales, perceived generosity of self, perceived financial security of self and perceived importance of religion. Section two measured the donor's sociographic characteristics using three scales, perceived charity efficiency, attitude towards charities and world mindedness. An exploratory factor analysis was conducted on the 6-item attitude towards charities scale. Three factors emerged from the Varimax rotation and were named "government responsibility", "postal appeals" and "effectiveness of national/international charities". As such, these three factors were used independently to test donors and non donors' attitude towards charities. All items were measured on a five-point Likert scale with 1 representing "strongly disagree" and 5 representing "strongly agree". Section three comprised of demographic information of

respondents. The dependent variable of the study was the categorised into donors who had a) donated locally and b) donated overseas, both within the past year prior to the questionnaire.

## **FINDINGS AND DISCUSSION**

### **Sample**

In total, 300 useable questionnaires were collected from the Brunei population. Of these 274 respondents had donated before. Table 1 outlines the demographic profiles respondents whom participated in the study. There were more females (53.7%) than males respondents (46.3%). In terms of age, the majority of the respondents fall between the “26-35 years of age” (34.7%) and the “less than 25 years of age” (32%). Additionally, the majority of the respondents are “single” (52.3%) or “married” (40%). In terms of household income, a large number of respondents fall into the “less than \$20,000 income” bracket (43.3%). Not surprisingly, a large group of respondents recorded an income bracket higher than that of \$46,000 (30.3%). The results reflect a high level of income per capita as suggested by the literature. Furthermore, the results from the “family size” were very surprising. It showed that the majority of the respondents fall into the “5+” family size category (39.3%). Moreover, analysis reports that respondents with “no” children accounted for a majority (45%). A child was classified as being 16 and under. This indicates that even though the majority of respondents have significantly large families and, there are also households with no children. This suggests that when children grow old, they take on the responsibility of looking after the entire family.

**Table 1: Demographic profile of respondents**

| <b>Demographic profile</b> | <b>Scale</b> | <b>Frequency</b> | <b>Percent</b> |
|----------------------------|--------------|------------------|----------------|
| <b>Gender</b>              | Male         | 139              | 46.3           |
|                            | Female       | 161              | 53.7           |
| <b>Age</b>                 | <25          | 96               | 32.0           |
|                            | 26-35        | 104              | 34.7           |
|                            | 36-45        | 52               | 17.3           |
|                            | 46+          | 48               | 16             |
| <b>Marital status</b>      | Single       | 157              | 52.3           |
|                            | Engaged      | 14               | 4.7            |
|                            | Defacto      | 0                | 0.0            |
|                            | Married      | 120              | 40.0           |
|                            | Divorced     | 7                | 2.3            |
|                            | Widowed      | 2                | 0.7            |
| <b>Household income</b>    | <20k         | 130              | 43.3           |
|                            | 20k-35k      | 44               | 14.7           |
|                            | 36k-45k      | 35               | 11.7           |
|                            | >46k         | 91               | 30.3           |
| <b>Level of education</b>  | 'O' levels   | 44               | 14.7           |
|                            | 'A' levels   | 39               | 13.0           |
|                            | Technical    | 36               | 12.0           |
|                            | college      | 3.0              | 1.0            |
|                            | Certificate  | 33               | 11.0           |
|                            | Diploma      | 96               | 32.0           |
|                            | Degree       | 25               | 8.3            |
|                            | Masters      | 24               | 8.0            |
| <b>Family size</b>         | 1            | 19               | 6.3            |
|                            | 2            | 21               | 7.0            |
|                            | 3            | 38               | 12.7           |
|                            | 4            | 52               | 17.3           |
|                            | 5            | 52               | 17.3           |
|                            | 5+           | 118              | 39.3           |
| <b>Number of children</b>  | None         | 135              | 45.0           |
|                            | 1            | 61               | 20.3           |
|                            | 2            | 46               | 15.3           |
|                            | 3            | 36               | 12.0           |
|                            | 4+           | 21               | 7.3            |
| <b>Total sample size</b>   |              | 300              | 100.0          |

**Relationship between gender and charitable donation**

To measure charitable donation, respondents who have donated within the past year are included in the sample. Pearson's chi square test was used to test H1-H5 and the results are depicted in the Table 2. According to the Fisher's Exact test, there was no significant difference between the gender of the respondents and their propensity to

donate ( $0.538 > 0.05$ ). The analysis shows that gender does not influence an individual's tendency to donate, and thus, H1 is rejected (Table 2). The finding coincides with the results from Kanabar (2004) and Schlegelmilch, Love and Diamantopoluos (1997). It shows that no significant relationship exists between gender and donation.

### **Relationship between age and charitable donation**

Hypothesis 2 predicts that donors are more likely to be older individuals. However, the chi square test failed to show any significant relationship between age and charitable donations ( $0.861 > 0.05$ ). Kanabar (2004) has rejected this hypothesis previously and in the same vein, H2 is also rejected (Table 2). Results indicate younger people are more likely to donate than older individuals.

### **Relationship between income and charitable donation**

An analysis between the relationship between the respondents' household income and charitable donation was conducted to test hypothesis 4. The result shows no significance ( $0.076 < 0.05$ ), hence H3 is rejected (Table 2).

### **Relationship between education and charitable donation**

The Pearson's chi square test was used to test the relationship between respondents' education level and charitable donation. The findings confirm that there was a relationship between these two factors ( $0.014 < 0.05$ ). Thus, H4 is accepted (Table 2). This coincides with Schlegelmilch, Diamantopoluos and Love's (1997) research and shows donors with higher education actually do donate more than donors with lower levels of education.

### **Relationship between family size (number of children) and charitable donation**

The Pearson's chi square test was used to determine the relationship between family size and charitable donation. The results show that there is no significant relationship between ( $0.205 > 0.005$ ). Kanabar's (2004) study within the Australian context shows no significant relationship between family size and charitable donation and in the same vein H5 is rejected (Table 2).

### **Differences between donors and non-donors' perceived generosity of self**

An independent t-Test was used to test H6-H11 and the results are depicted in the Table 2. The first t-Test was conducted between perceived generosity of self and charitable donation. The findings indicate that there was no significant difference between donors and non-donors' perceived generosity of self ( $0.562 > 0.05$ ). Hence, H6 is rejected. This result contradicted with the findings from Kanabar's (2004) and Schlegelmilch, Diamantopoluos and Love's (1997) research. They suggested that donors perceived themselves as more generous than non donors.

#### **Differences between donors and non donors' perceived financial security**

An analysis between donors and non donors' perceived financial security was conducted to test hypothesis 7. Results indicate that there was no significant relationship between donors and non donors' perceived financial security and ( $0.079 > 0.05$ ). Therefore H7 is rejected (Table 2). This result coincides with Schlegelmilch, Diamantopoluos and Love's (1997) conclusions. However, Kanabar's (2004) study in the Australian context showed donors perceived themselves more financially secure than non donors.

#### **Differences between donors and non donors' perceived importance of religion**

Importance of religion in a charitable donation context is measured using an independent t-Test. Results show that the majority of respondents deemed their religion as a 'very important' aspect of their lives (44.7% of respondents). Further, a large majority indicated that religion is also 'quite important' in relation to their lives (24% of respondents). The findings show the importance of religion in the Bruneian charitable donation context. This notion is further supported by the independent t-Test results. The results indicate that there is a significant relationship between the donors and non donors' perceived importance of religion ( $0.000 < 0.05$ ). Hence, H8 is accepted (Table 2).

#### **Differences between donors and non donors' perceived charity efficiency**

Donors and non donors show different perception of charity efficiency (See Table 4). Result shows that there is a significant relationship between donors and non donors' perception on charity efficiency ( $0.049 < 0.05$ ). In summary, donors perceived charities to be highly efficient compare to non donors. Thus, H9 is accepted (Table 2).

### **Differences between donors and non donors' attitude towards charities**

Attitude towards charities consisted of three dimensions, “government responsibility”, “postal appeals” and “effectiveness of national/international charities”. Government responsibility measured the role of government in providing social services for the needy. Postal appeals consisted of the annoyance and the increasing number of charity appeals that are posted through mail. Additionally, the effectiveness of national/international charities dimension consisted of donors and non donors' perception of national or overseas charities. Results indicate that there are no significant differences between donors and non donors on each dimension of attitude towards charities (Government responsibility  $p = 0.688$ , Postal appeals  $p = 0.947$ , Effectiveness of national/international charities  $p = 0.975$ ). Based on these empirical findings H10 is rejected (Table 2).

### **Differences between donors' world mindedness and non world mindedness**

Hypothesis 11 was tested using an independent t-Test. Result shows that there is no significant relationship between donors and non donors' world mindedness ( $0.291 > 0.05$ ). Therefore H11 is rejected (Table 2). Hence, there are no differences in donors' donation whether they are world minded or non world minded people.

### **Summary of findings**

A summary of the research findings is presented in Table 2. Table 3 provides a comparison between this study's findings with the UK and the Australian research.

**Table 2: Summary of Results (H1-H10)**

| Hypothesis | p value (5% confidence) | Conclusion (Accept/Reject) |
|------------|-------------------------|----------------------------|
| H1         | 0.538                   | Reject                     |
| H2         | 0.861                   | Reject                     |
| H3         | 0.076                   | Reject                     |
| H4         | 0.014                   | Accept                     |
| H5         | 0.205                   | Reject                     |
| H6         | 0.562                   | Reject                     |
| H7         | 0.079                   | Reject                     |

|   |       |        |
|---|-------|--------|
| H8  | 0.000 | Accept |
| H9  | 0.049 | Accept |
| H10 – Government responsibility                         | 0.688 | Reject |
| H10 – Postal appeals                                    | 0.947 | Reject |
| H10 - Effectiveness of national/international charities | 0.975 | Reject |
| H11   | 0.291 | Reject |

**Table 3: Comparison of results between Brunei, UK and Australia**

| Hypotheses               | Brunei   | UK       | Australia |
|--------------------------|----------|----------|-----------|
| H1- Gender               | Rejected | Rejected | Rejected  |
| H2- Age                  | Rejected | Rejected | Rejected  |
| H3- Income               | Rejected | Accepted | Rejected  |
| H4- Education            | Accepted | Accepted | Rejected  |
| H5- Family size          | Rejected | n/a      | Rejected  |
| H6- Perceived generosity | Rejected | Accepted | Accepted  |
| H7- Financial security   | Rejected | Rejected | Accepted  |
| H8- Religion             | Accepted | Accepted | Rejected  |
| H9- Charity efficiency   | Accepted | Rejected | Rejected  |
| H10- Charity attitudes   | Rejected | Rejected | Accepted  |
| H11-World mindedness     | Rejected | n/a      | n/a       |

## **IMPLICATIONS**

Firstly, H1 and H2 are rejected and these findings are reflective of previous studies in the UK and Australia. It shows that there is no relationship between gender and age, and the person's likelihood of a donation. Thus, anyone could be a donor and donors cannot be stereotyped into one group. The UK study shows that "income" predicted the donors' propensity to donate (H3). However, this suggestion was rejected within the Australian and Bruneian culture. Hence in Brunei, charitable donors could be the poor or the rich. Donors are more likely to be highly educated in Brunei and UK (H4). Additionally, family size did not play a role in the likelihood of a donation (H5). Therefore non-profit managers in Brunei could target donors based on donors' education level.

Results show that perceived generosity does not play an important role in Brunei compare to the other two studies (H6). The cause of this phenomenon could be due to the influence of the Bruneian culture. That is, the government takes a large responsibility for charitable events in Brunei and for this reason charitable donations from citizens are limited. Thus, that may have impacted on the perceived generosity in the study. Further, from the observations, the study found a large and significant amount of respondents stating that they “don’t know” to the perceived generosity of self question. Due to the lack of donation experience and Bruneian’s introverted culture non donors’ lack of knowledge may have compounded the impact of perceived generosity. Moreover, donation is apart of the everyday life amongst both the Bruneian government and its people. Therefore questioning how much one donates in comparison to another isn’t an important factor to its people.

The findings state that there is no difference between donors and non donors’ perception of financial security (H7). One major factor that may have influenced this relationship is that the data was collected during the economic boom when the oil prices hit record highs. Brunei is an oil producer and during this economic environment the country profited from low levels of employment and high levels of prosperity. Hence, that may have contributed to donors and non donors’ attitude on financial security.

Analysis of the results shows that H8, “importance of religion”, plays a significant role in determining a donor in Brunei and the UK. This hypothesis was rejected however in the Australian context. This result however is not surprising as religion is already an important aspect of the Bruneian lifestyle. It is heavily incorporated in nearly every aspect of the nation. Brunei and its people focus heavily on its religion and also boast that most of their everyday on goings revolves around religion. This implies that charity organisations will most likely need to urge more donations by focusing on mainly the religious aspect of the donation to charity, or the affiliating the organisation with certain religious backgrounds.

Furthermore, perceived charity efficiency is shown to be major factor of charitable donation in Brunei. A significant difference was recorded between donors and non



donors' perceived charity efficiency (H9). That is donors perceived charitable organisations to be efficient and as a result they are likely to donate to charities. In the same vein, non donors perceived charities to be inefficient and assumed that a large amount of the donation will go to administration costs. Hence, they were less likely to donate. The studies from UK and Australia found no differences, and it suggests that non donors' knowledge of charities is relatively high. Due to the Bruneian culture, non donors lack of knowledge about charities' operations. Limited charitable donation experience may have contributed to the lack of knowledge and this is understandable since a large number of charitable events are held by the government. Hence, charitable organisations in Brunei should look to rectify this issue by educating non donors about their operations. This may increase the likelihood of a charitable donation in Brunei.

Analysis showed no difference between donors and non donors' attitude towards charities (H10). This result was also reflected in the UK study. However, the Australian study showed that donors' attitude towards charities was more favourable than non donors. In Brunei, donors and non donors both believed that the government has a major role in providing social services. Hence, it is part of the reason why no significant differences between donors and non donors is reported in Brunei.

World mindedness of an individual has no impact on the propensity to donate and thus H11 is rejected. The concept of world mindedness has no impact on charitable donations in an Asian context. However, it has not been tested previously in a western context and it provides an interesting stream to study in the future.

## **LIMITATIONS AND FUTURE DIRECTIONS**

The sample population used in this research was 300 and it does not represent the true opinions of Brunei as a whole. However, please note that the population of Brunei is relatively small (just over 300,000). Thus, the sample size of the study is quite high in relative to the population size compared to other studies (i.e. Australia and UK).

Further, Brunei does not have many charity appeals through the post and this was reflected by a low mean score ( $\bar{x} = 2.84$ ) for the second dimension (postal appeals) of attitude towards charities. Hence, that may have an effect on some of the results.

As discussed earlier the data was collected during a boom time in a resource rich country and this may have an effect on this research's findings. Hence, a replicate study in a different economic environment may show a different result. Further, Brunei is a unique country due to a small population size and rich resources. Therefore the generalisability of the findings is limited even within the Asian context. It will also be interesting to explore the differences between donors and non donors in nations such as South Africa and other nations from the Middle East.

## REFERENCES

Basil D.Z., Ridgway N.M., Basil M.D., "Guilt and Giving: A Process Model Of Empathy and Efficacy." *Psychology and Marketing*, Vol. 25, No. 1 (2008): 1-23.

Bennett, R., "Factors Underlying the Inclination to Donate to Particular Types of Charity." *International Journal of Non-profit and Voluntary Sector Marketing*, Vol. 8, No. 1 (2003):12-29.

Central Intelligence Agency (CIA), "Brunei." <https://www.cia.gov/library/publications/the-world-factbook/geos/bx.html> (accessed March 1, 2009).

"Charities Digest." 1995. <http://www.charitychoice.co.uk/> (accessed October 19, 2004).

Eveland, V., Crutchfield T., "Understanding why people do not give: strategic funding concerns for AIDS related nonprofits." *International Journal of Non-profit and Voluntary Sector Marketing*, Vol. 12, No. 1 (2007): 1-12.

Hibbert, S. and Horne, S., "Giving to Charity: Questioning the Donor decision Process." *Journal of Marketing*, Vol. 13, No. 2 (1996): 4-13.

Horne, S., "Charity Shops in the UK." *International Journal of Retail and Distribution Management*, Vol. 26, No. 4 (1998): 155-161.

Kanabar, T., "Characteristics affecting Charitable Donations in Australia." 2004.

Louie, T., Obermiller, C., "Gender Stereotypes and Social Desirability Effects on Charity Donation." *Journal of Psychology and Marketing*, Vol. 17, No. 2 (2000): 121.

Parsons, E., "Charity Retail: Past, Present and Future." *International Journal of Retail and Distribution Management*, Vol. 30, No. 12 (2002): 586-594.

Parsons, E., "Charity Retailing in the UK: a Typology." *International Journal of Retail and Consumer Services*, Vol. 11, No. 1 (2004): 31-40.

Polonsky, M., "Helping Behaviour Models-Are they Appropriate in Australia?" O'Cass, A. (eds.), *Australian & New Zealand Marketing Academy Conference*, Queensland (2000).

Rajendran, K. and Rawwas, Y., "The Influence of World Mindedness and Nationalism on Consumer Evaluation of Domestic and Foreign Products." *International Marketing Review*, Vol. 13, No. 2 (1996): 20-38.

Schlegelmilch, B.B., Diamantopoluos, A. and Love, A., "Characteristics Affecting Charitable Donations: Empirical Evidence from Britain." *Journal of Marketing Practice: Applied Marketing Science*, Vol. 3, No. 1 (1997): 14-28.

Schlegelmilch, B.B., Love, A. and Diamantopoluos, A., "Response to Different Charity Appeals: The Impact of Donor Characteristics on the Amount of Donations." *European Journal of Marketing*, Vol. 31, No. 8 (1997): 548-560.