Comparing Socioeconomic Status (SES) and Acceptance of Fundraising Bifurcation Among Urban and Rural Communities

**Afiqah Aisyah Saiful Bahar[1], Md Jais Ismail[1],
Nur Ikhwany Kamaruddin[2]**

[1] Conservatory of Music, Universiti Teknologi MARA, Malaysia,
[2] Faculty of Education, Universiti Teknologi Mara, Malaysia

afiqahaisyah@uitm.edu.my mdjais@uitm.edu.my, nikwany@gail.com
Tel: +60175959639

Abstract

Alike marketing practice, the success of fundraising drives correlates heavily with a mass public reception, making the stage of audience targeting immensely imperative. This quantitative research was aimed to uncover the relationship between an individual's socioeconomic standpoint and their decision to engage with online fundraising movements. Collected through Google Form, the questionnaire was dispersed through emails, Facebook, and WhatsApp, consisting of 129 respondents. Through t-test and ANOVA analysis, the data showed that the socioeconomic of individuals in favor of the fundraising approach shift are females, live in the urban, never engaged with previous fundraising campaigns, are quadragenarian, and with financial freedom.

1.0 Introduction

Profoundly dependent on mass reception and support, traditional fundraising movements have always been positioned at highly dense venues. Now that public reliance on online social platforms is inevitable, the initial conjecture that online fundraising would be an easier approach and an infinite success was inaccurate. Online fundraising requires a much more complex process of completion such as computer literacy, confidence in online transactions, and many more. According to Bahar et al., (2022), financial scams and account hacking cases have resulted in a major loss of confidence in online banking services. As online fundraising requires public trust, not to mention, at mass, it is one of the major drawbacks that fundraisers need to overcome.

Realizing the importance of persuading potential donors, most fundraisers and academicians discussed the methods and elements that could eventually increase the credibility of crowdfunding. The discussion concerning the identification of those willing or prone to donate via online platforms nevertheless was overlooked. From the perspective of marketing, audience targeting is indeed important as according to Dahikar (2020), a target audience profile is simply a specific group of customers most likely to respond positively to your promotions, products, and services. Similar to marketing conduct, which aim is to garner support from the main public, identifying the socioeconomic status (SES) of those willing to embrace online fundraising is imperative.

As the world's Non-Governmental Organization (NGO) market is worth billions of dollars annually, comprehensive efforts must be placed to further obtain its full potential. Despite Bahar et al., (2022) reporting that a great number of the majority are now amenable to e- charity, the researcher did not unveil the socioeconomic standpoints. Therefore, this research was specifically dedicated to identifying the characteristics of potential donors.

2.0 Literature Review

A socioeconomic status study enables researchers to identify how one's financial and societal demographic impacts their lifestyle, decision-making process, and own being from many perspectives. Mueller et al., (1981) defined socioeconomic as the relative position of a family or individual in a hierarchical social structure, based on their access to or control over wealth, prestige, and power. Generally, it explains one's societal standpoint in a community. This can be reflected in Navarro-Carrillo et al., (2020) explanation that it is a complex and multidimensional construct, encompassing both independent objective characteristics and subjective people's ratings of their placement in the socioeconomic spectrum. Through this construct, a researcher is not only able to predict a certain outcome from one's socioeconomic status; but it can also be used reversely to pinpoint those in potential danger before things could even happen. Not to mention how it could help marketers pinpoint individuals that they could turn into target audiences based on the similarity of their behavior and purchasing power. Understanding the socioeconomic of those who are in favor and not in favor of online fundraising could further enable fundraisers

to approach potential donors in more effective ways, with less time and effort wasted on those who most likely reject the movements.

As for the embracement of fundraising approach bifurcation, it is understood that the public has several concerns regarding the latter one, online fundraising. Since human interactions are severely limited, the goodwill of charitable movements can not be directly felt and passed from one to another. If the public gets to enjoy the ease of the traditional fundraising approach made available to them, with online fundraising, an individual is expected to make an effort on their behalf to find the right account number, confirm the account ownership, and conduct online transactions. This not only requires trust in the banking process but also puts their full trust in the organizers that the donations would be distributed as claimed. Through the identification of the socioeconomic status of those who are receptive to online fundraising, the researchers could help fundraisers classify and differentiate individuals who have a higher chance of donating.

3.0 Methodology

This quantitative research concentrates on gender, age, location, income, educational background, career types, experience in traditional fundraising involvement, and daily social media usage as independent variables whilst the level of readiness to join online fundraising is the dependent variable. Therefore, to study the causal-comparative between the variables, this study adopted a survey research design. As mentioned by Yusof et al. (2022) survey research is used to get information and trusted findings from a group of respondents in quantitative research nature.

The data for this was collected via a Google Form and dispersed to the general through emails and social media platforms such as Facebook, WhatsApp, and Telegram. In total, the researchers managed to get a total of 129 respondents.

The data then was run into SPSS software, and the data of the t-test was acquired. As mentioned by Kim (2015) a t-test is a type of statistical test that is used to compare the means of two groups. As the gender and location items consist of male and female; urban and city respectively, a t-test was adopted into this research. Apart from that, as there are variables with more than two elements, the researchers have adopted the analysis of variance (ANOVA) was also adopted.

4.0 Results

The researchers measured the dependent variables based on three elements: Yes, No, and Maybe. The elements were measured with a 1 for Yes, 2 for No, and 3 for Maybe. Given below is a table consisting of the collected t-test data. In this part, N represents the number of respondents, while M represents the Mean of the t-test between an independent variable and a dependent variable.

Table 1: T-test on trend in socioeconomics and level of acceptance of online fundraising

READINESS IN DONATING TO ONLINE FUNDRAISING			
	N	MEAN	STD DEVIATION
GENDER			
Male	28	1.61	0.916
Female	101	1.45	0.781
LOCATION			
Urban	95	1.46	0.810
Rural	34	1.53	0.825
PAST DONATION IN FUNDRAISING CAMPAIGN			
Yes	116	1.51	0.829
Never	13	1.23	0.599

4.1 The t-test

The data collection started by segregating the males from the females, and the amount was (N=28, M=1.61) for males and (N=101, M1.45) for females.

As for the location where the respondents live, the data collected for urban was (N=95, M=1.46) while, for rural areas, it was (N=34, M=1.53). As the mean of urban is lower than the rural, it shows that the urbanites are more comfortable joining online fundraising.

The final t-test run for this research was to understand whether the respondents had any previous experience donating to any traditional fundraising, a total of (N=116, M=1.51) answered yes, while a total of (N=13, M=1.23) answered No.

Table 2: T-test on trend in socioeconomics and level of acceptance of online fundraising.

READINESS IN DONATING TO ONLINE FUNDRAISING			
	N	MEAN	STD DEVIATION
AGE			
18 years old - 24 years old	18	1.72	0.895
25 years old - 30 years old	30	1.50	0.820
31 years old - 40 years old	31	1.26	0.682
41 years old - 50 years old	17	1.88	0.928
51 years old - 60 years old	32	1.34	0.745
61 years old - 70 years old	1	1.00	.
Total	129	1.48	0.110
TYPE OF WORK			
White collar	99	1.46	0.799
Blue collar	23	1.65	0.935
Not working	2	1.00	0.000
Student	5	1.20	0.447
Total	129	1.48	0.811
TOTAL OF HOUSEHOLD INCOME			
RM 1 - RM 4,850	50	1.52	0.839
RM 4,851 - RM 10, 970	44	1.52	0.876
RM 10, 971 and above	33	1.39	0.704
No income	2	1.00	0.000
Total	129	1.48	0.811
ACADEMIC BACKGROUND			
SPM	13	1.62	0.961
Diploma	23	1.65	0.935
Bachelor Degree	58	1.47	0.777
Master's Degree	30	1.27	0.640
Ph.D	3	2.33	1.155
Others	2	1.00	0.000
Total	129	1.48	0.811
DAILY AVERAGE SOCIAL MEDIA USAGE			

Light user	18	1.56	0.822
Ordinary user	52	1.42	0.750
Heavy user	89	1.51	0.838
Total	159	1.48	0.814

4.2 ANOVA

For the age categories, the researchers classified into six categories, respondents from the age of 31-40 years old consisted of (N=31, M=1.26) while the categories with the highest mean were the 41-50 years old group with (N=17, M=1.88). Nevertheless, it is rather interesting to know that respondents from the age group of 18-24 years old (N=18, M=1.72) were placed just slightly in front of the previous group.

The work categories were divided into four categories, which are white-collar at (N=99, M1.46), blue-collar (N=23, M 1.65), unemployed (N=2, M=1.00), and students at (N=5, M=1.20).

The next data collected was the average household income. The researchers had divided into three categories of income classification in Malaysia, Below 40% for RM1 to RM4,850 stood at (N=50, M=1.52), Middle 40% for RM4,851 – RM 10,970 at (N=44, M=1.52), Top 20% for RM10,971 and above at (N=33, M=1.39), two respondents with no income due to being unemployed.

The academic background of the respondents was also collected with those with master's degrees with the lowest mean at (N=30, M=1.27), those with a doctorate at the highest mean (N=3, M=2.33), and diploma holders at (N=13, M=1.62) whilst degree holders at (N=23, M=1.65).

The ANOVA data ends at the collection of respondents' daily social media usage with ordinary users of 1 hour 30 minutes to 2 hours 30 minutes daily at (N=52, M=1.42), heavy users of 2 hours 30 minutes above at (N=59, M=1.51), and light users of 30 minutes to 1 hour 30 minutes at (N=-18, M=1.56).

5.0 Discussion

Ultimately, the major purpose of this research is to identify the characteristics of individuals in favor of online fundraising and vice versa. Both are important to be recognized by fundraisers as it would give a more concise audience targeting, allowing them to approach those with higher chances of donating and at least get acknowledged by those who need a greater and more consistent approach to get them to donate through online transactions. Despite its purpose and intention, the market of crowdfunding is undeniably huge. In one way or another, it regulates both local and international economies. Equipping oneself with this knowledge would eventually help fundraising organizers to move astutely.

In comparison, the mean of the female was lower than the male at 1.45 and 1.61 respectively. As the value set for the dependent variable; readiness to donate to online fundraising was 1 for Yes, 2 for No, and 3 for Maybe, the result showed that females are prone to be more adaptive toward online fundraising compared to males. This result is

aligned with the finding reported by Sylke (2008) that women are more likely to donate to charitable causes but men are more generous in terms of the amount given. The result for respondents' location also turned out as expected with the urbanites being more accepting of the idea of donating online as it is deemed that their comfort level to be higher than those living in rural areas. Online money transactions are not an uncommon procedure amongst these urbanites as according to Sulaiman et al (2005) 65.9% of 123 Malaysia urbanites have transacted online. However, the difference in mean between the urbanites and those living in rural areas is not much different. Nevertheless, it is rather surprising to see that those who donated by traditional means are less receptive to online fundraising compared to those who had never donated before. This might be due to their comfort level with something they are more familiar with, in this case, physical donation.

In terms of age, those who are the readiest to donate through online transactions were 31 years old to 40 years old. Expectedly, the quadragenarian finds it harder to adapt to the virtual fundraising movement as Boz et al., (2011) reported that in their study, individuals between the age of 40 and 50 years was indeed the smaller group of internet users compared to those between 30 and 39 years. As for the relationship between donors' type of work and one's readiness to donate online, the result came as expected as those who have white-collar jobs, which is said to have better wage are more open to donating online than those with blue-collar jobs. As for the socioeconomic status of wage, the result also came out as predicted that those in the higher tier of wage are more open to the idea of donating online, aligned to a report by Wiepking (2012) that the amounts of individuals' donations increase with their financial resources. The data for the respondents' academic background was also as expected with the master's degree leading the acceptance of online fundraising compared to those with diploma certifications. Unexpectedly, those with a doctorate however came out to be less agreeing with online fundraising. As for the last independent variable, despite being exposed the most to social media platforms where most online fundraising campaigns are available, this group of individuals is less interested in engaging in the movements.

6.0 Conclusion

In conclusion, almost all findings are adjacent to previous studies. As expected, those who are more open to the shift of fundraising approach are those who reached financial stability. Being highly literate in technology development would not ensure one's level of readiness to engage with online fundraising movements. Though, undeniably, this group of people is more receptive compared to those individuals usually grouped as technology laggards.

Through this study, it is acknowledged that utilizing online mediums as fundraising platforms does not have much effect on charity acceptance and readiness. The main factor that steers one's decision to donate is one's financial standpoint.

Therefore, if fundraisers intend to extend the fundraising approach to online platforms, it is suggested to proceed with the idea as eventually, those who have the means to donate, do not find the extra process of conducting online transactions as a problem. However, it is

important to mind that by solely conducting a fundraising campaign on the online platforms, the organizer would not be able to reach certain communities like the technology laggards.

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Article Contribution to Related Field of Study
This article brought a new perspective on how one's socioeconomic status affects one commitment to online charity.

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