

The word "Tufts" is written in a large, bold, brown serif font. A blue swoosh line starts from the left, passes behind the letters, and curves upwards to the right.

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EVERY DOLLAR MATTERS: EXAMINING YOUNG ALUMNI GIVING BEHAVIOR

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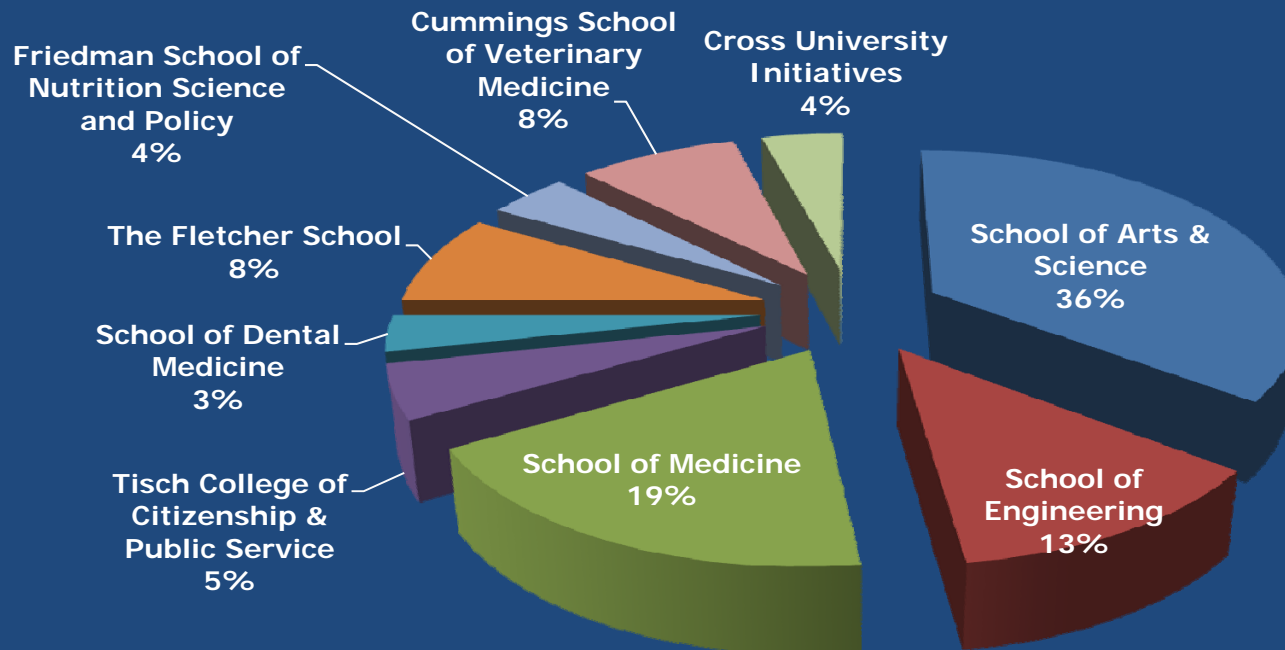
BACKGROUND

- ◆ Research University – Very high activity
 - ◆ 4-year Liberal Arts & Engineering undergraduate schools
 - ◆ 5,164 undergraduates; 5,088 graduate/professional students; 10,252 total enrollment



Background for Research Study

- ◆ Beyond Boundaries: The Campaign for Tufts
 - ◆ University-wide initiative to raise \$1.2 billion
 - ◆ Started in Fall 2006



Goals per School

Purpose of Study

- ◆ Inform Tufts Funds' young alumni fundraising strategy for remaining years of the Campaign
- ◆ Understand priorities and motivators of recent graduates
- ◆ Create positive experience for respondents
- ◆ Identify future opportunities for research



Significance of Study

- ◆ Young alumni typically have lower participation rates of giving than older alumni (Untapped resource!)
- ◆ Too large of a population to ignore
 - ◆ Young alumni are 23% of alumni in the Schools of Arts, Sciences, and Engineering at Tufts
- ◆ Current & future giving is correlated with past giving behavior (Okunade & Justice, 1991; Lindahl & Winship, 1992)
- ◆ Need effective strategies to target potential young alumni donors

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**RESEARCH
QUESTIONS**

- ◆ What are the current motivators and priorities for young alumni?
- ◆ Are there differences in demographics, attitudes, and experiences between donors and non-donors? Among different type of donors?
- ◆ To what extent can the advancement office use these characteristics to provide a more targeted strategy for fundraising?

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PARTICIPANTS

- ◆ Alumni from the last ten graduating classes (Classes 2008 - 1999), N = 1,405
- ◆ Demographics
 - ◆ Sex: 62.2% Female, 37.8% Male
 - ◆ Graduation Years: 59.1% Classes 2008-05; 26.0% Classes 2004-02; 14.8% Classes 1999 - 2001
 - ◆ Location: 25.6% Boston, 19.9% NYC, 8.6% California, 7.8% Washington D.C., 1.1% Florida, 37.0% Other
 - ◆ Donor status: 60.0% Donated in last six years

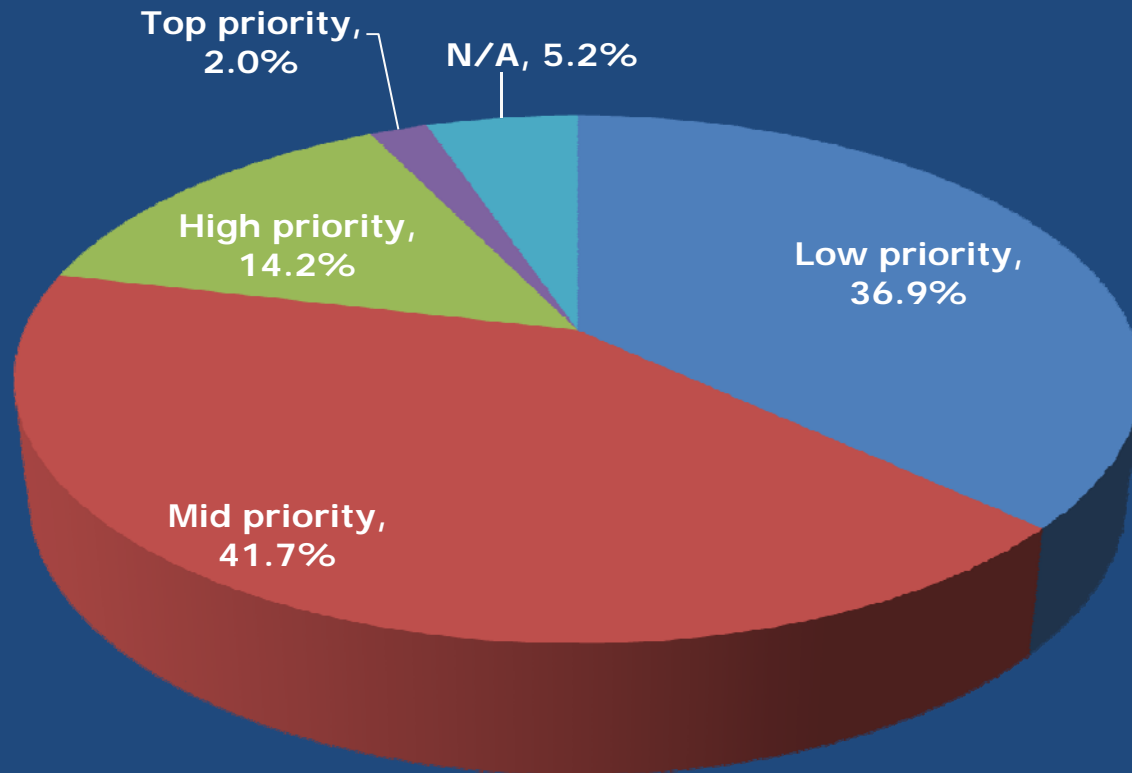
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I N S T R U M E N T

- ◆ Developed by OIRE and University Advancement
- ◆ 25 Items
 - ◆ Satisfaction with undergraduate and alumni experiences
 - ◆ Gauge level of interest in particular alumni events and activities
 - ◆ Evaluate motivations to give along with satisfaction with the giving process
 - ◆ Assess likelihood of donating to particular areas/funds for the university

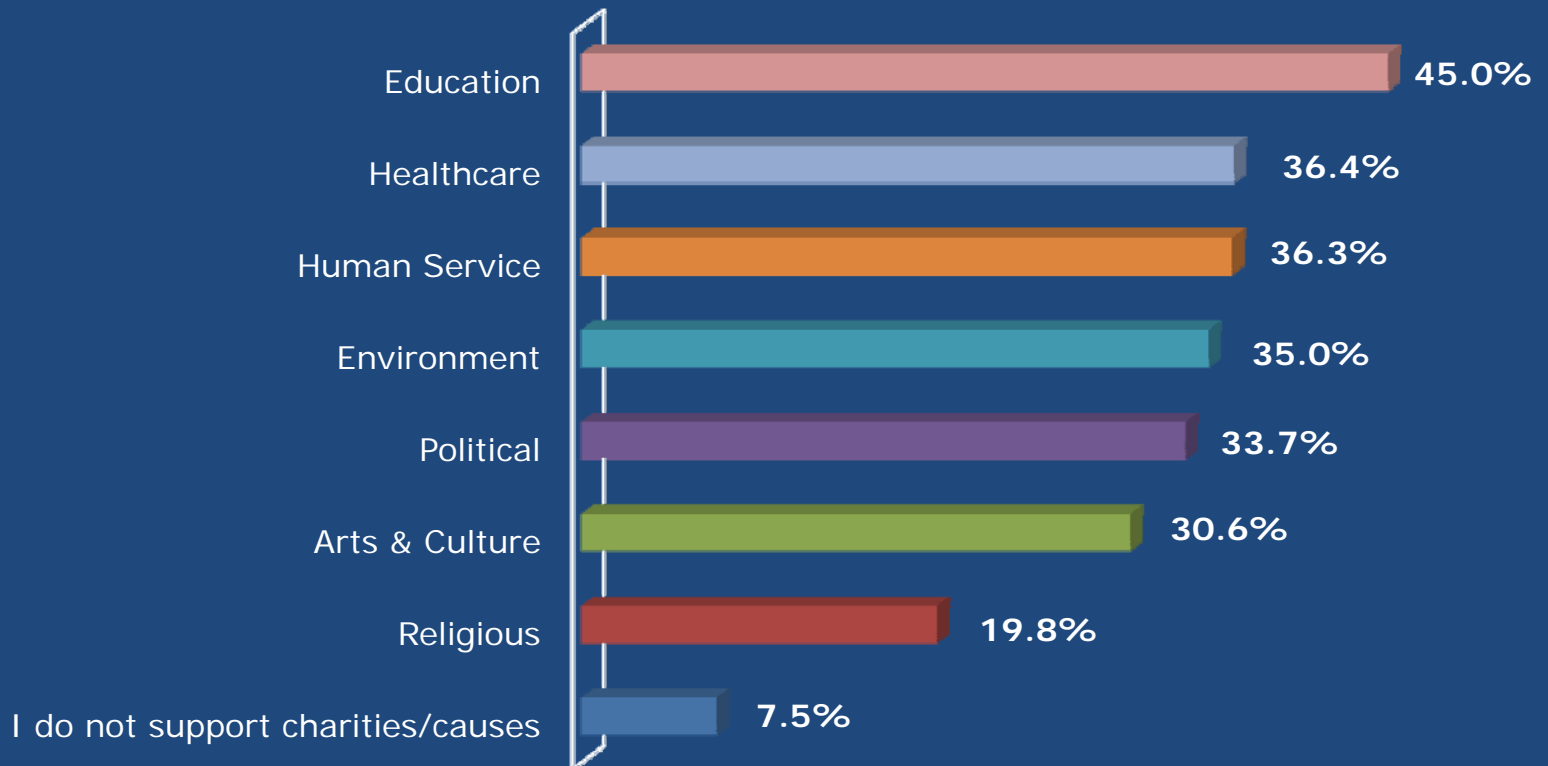
Selected questions

How would you rank Tufts on your list of philanthropic priorities?



Selected questions

Excluding Tufts, what causes/charities do you support? (% Yes)



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METHODOLOGY

- ◆ Donor Predictor Model
 - ◆ Binary Logistic Regression
 - ◆ Young Alumni (coded as 1 for “yes” and 0 for “no”)
 - ◆ SPSS 15.0 with MLE
 - ◆ Data for Predictors
 - ◆ Young Alumni Survey Responses
 - ◆ Advancement ‘s Giving Information Database
 - ◆ Tufts Data Warehouse
 - ◆ National Student Clearinghouse Enrollments

- ◆ Fitting this model (mathematically):

$$\ln\left(\frac{P}{1-P}\right) = \alpha + \beta_1 x_1 + \beta_2 x_2 + \dots + \beta_n x_n$$

- ◆ Fitting this model (in words):
Odds of an event occurring (i.e. alumnus/a being a donor) for given values of the predictor variables

Predictor	Data Source	Literature
Sex	Advancement Database	Eckel & Grossman (1998) Women Dugan et al. (2000) Clotfelter (2003) Monks (2003)
In reunion year	Advancement Database	Wunnava & Lauze (2001)
Distance from institution	Advancement Database	Hueston (1992) Near <u>Volkwein & Parmley (1999)</u> Dugan et al. (2000)
Financial aid	Office of Financial Services	<i>Clotfelter (2003) Loans</i> Dugan et. al (2000) Grants, Loans <i>Monks (2003) Loans</i>
College experience	Survey	Harrison et al. (1995) <u>Volkwein & Parmley (1999)</u> Clotfelter (2003) Monks (2003)
GPA	Data Warehouse	Dugan et al. (2000)
Major	Data Warehouse	Dugan et al. (2000) Math/Engr/Econ Monks (2003) Bus/Engr/Math/Soc Sci
Multiple Degree Holder	Advancement Database	Okanade et al. (1994) <u>Volkwein & Parmley (1999)</u> <i>Dugan et al. (2000)</i>
Education in progress	National Clearinghouse	<u>Volkwein & Parmley (1999)</u>
Charitable behavior	Survey	Dugan et al. (2000)

- ◆ Donor Comparison Profiles
 - ◆ Donors were classified into five categories based on amount, frequency, and how recently alumni donated
 - ◆ Current Year = donated in current FY 2009 excluding Annual donors
 - ◆ LYBUNT = “Last Year But Not This Year”
 - ◆ SYBUNT = “Some Years But Not This Year”
 - ◆ Annual = given every year since graduated
 - ◆ Major = given \$500 or more in their lifetime

- ◆ CY, LYBUNT, SYBUNT, & Annual Donors compared
- ◆ Major Donor to All Donors compared
- ◆ Conducted ANOVAs, independent sample *t*-tests, and chi square tests to compare demographic and attitudinal data

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FINDINGS

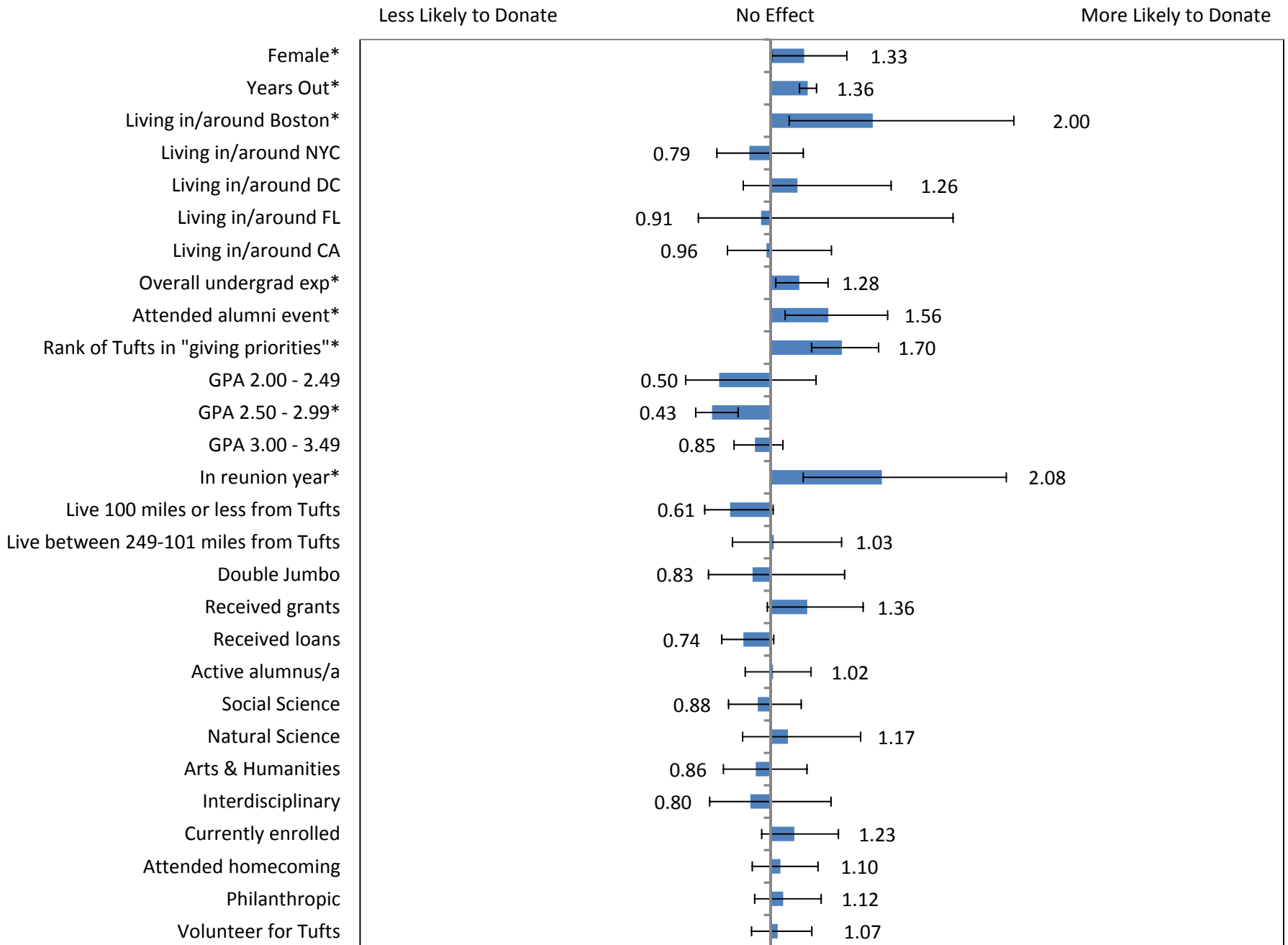
Donor Predictor Model Findings

- ◆ Tested 18 predictor model
 - ◆ Overall model significant
 - ◆ Ten n.s. predictors and eight significant predictors
 - ◆ Removed 10 n.s. predictors and reran model
- ◆ Tested 8 predictor model
 - ◆ Overall model and predictors were significant
 - ◆ Model correctly predicts whether an alumnus is a donor 82.0% of the time and non-donor 56.6% of the time for all overall success rate of 72.1%
 - ◆ Model accounts for 26.4% of the variance in the outcome variable, donor status
 - ◆ Hosmer & Lemeshow test was n.s.

Donor Predictor Model Findings

- ◆ Ten Non Significant Predictors
 - ◆ Distance from institution in miles
 - ◆ Double Jumbo status
 - ◆ Received undergraduate grants
 - ◆ Received undergraduate loans
 - ◆ Self reported "active" alumnus/a
 - ◆ Undergraduate major by disciplines
 - ◆ Currently enrolled in higher education
 - ◆ Considering oneself "philanthropic"
 - ◆ Attended Homecoming
 - ◆ Volunteering for Tufts in some capacity

Figure 1. Odds Ratio for Young Alumni in the Full Donor Predictor Model



- ◆ Demographics (2)
 - ◆ Sex, Residency
- ◆ Undergraduate Experience (3)
 - ◆ Overall rating of undergraduate experience, number years out from graduation, GPA
- ◆ Current Alumni Engagement (3)
 - ◆ In reunion year, attended at least one alumni event (excluding Homecoming), rank of Tufts in philanthropic priorities

Final Donor Predictor Model Findings

Table 1. Final logistic regression model that displays the fitted relationship on whether an alumnus donates as a function of eight predictor variables for a sample of 1,315 Tufts University young alumni

	B	S.E.	Wald	Exp(B)	95.0% C.I. for Exp(B)	
					Lower	Upper
Female*	0.286	0.133	4.658	1.331	1.027	1.726
Living in/around Boston ^{a,*}	0.321	0.167	3.710	1.379	0.994	1.912
Living in/around NYC ^a	-0.113	0.178	0.406	0.893	0.630	1.266
Living in/around DC ^a	0.279	0.259	1.157	1.321	0.795	2.196
Living in FL ^a	0.010	0.560	<0.001	1.010	0.337	3.024
Living in CA ^a	0.096	0.241	0.158	1.100	0.686	1.764
Years out***	0.304	0.029	100.550	1.355	1.280	1.434
Undergraduate experience**	0.274	0.097	8.032	1.315	1.088	1.589
GPA 2.00 – 2.49 ^b	-0.737	0.526	1.961	0.479	0.171	1.342
GPA 2.50 – 2.99 ^{b, ***}	-0.873	0.227	14.805	0.418	0.268	0.651
GPA 3.00 – 3.50 ^b	-0.199	0.137	2.118	0.819	0.626	1.072
In reunion year**	0.628	0.222	8.030	1.874	1.214	2.894
Attended alumni event***	0.488	0.139	12.341	1.630	1.241	2.140
Rank of Tufts for giving***	0.535	0.093	33.216	1.708	1.424	2.050
Constant***	-3.077	0.448	47.156	0.046		

*** p < 0.001; ** p < 0.01; * p ≤ 0.05

^aRelative to alumni living in “other” location

^bRelative to GPA 3.50 – 4.00

Final Donor Predictor Model Findings

- ◆ Significantly Increases Odds
 - ◆ Female
 - ◆ Living in/around Boston
 - ◆ In reunion year
 - ◆ Attended at least one alumni event
 - ◆ Satisfied with undergraduate experience
 - ◆ Ranked Tufts high in philanthropic priorities
 - ◆ Each year out from bachelor's degree
- ◆ Significantly Decreases Odds
 - ◆ Earning undergraduate GPA between 2.50 – 2.99

Donor Comparison Findings

- ◆ Different types of Donors were compared on:
 - ◆ Sex
 - ◆ Age
 - ◆ Distance from institution (in miles)
 - ◆ College Affiliation
 - ◆ GPA
 - ◆ Total amount of grants received
 - ◆ Total amount of loans received
 - ◆ Total financial aid received
 - ◆ Average donation in last five years
 - ◆ Average lifetime donation

Donor Comparison Findings

Table 2. Comparison profile of specific type of donors from a sample of 750 Tufts University young alumni

	CY	LYBUNT	SYBUNT	Annual	Major
N	87	266	362	34	55
Male (%)	35.6%	37.2%	34.5%	38.2%	50.9%*
Age (in years)	26.5	25.7	25.9	26.0	27.7***
Distance from the institution	583	742	878	743	636
Liberal arts (%)	94.3%	86.1%	85.4%	85.3%	80.0%
GPA	3.43	3.47	3.43	3.45	3.36
Total amount of grants ¹³	\$27,814	\$17,165	\$17,829	\$15,414	\$11,213
Total amount of loans ¹⁴	\$9,312	\$7,517	\$10,872	\$4,328	\$1,903***
Total financial aid received	\$38,316	\$26,161	\$30,175	\$21,364	\$13,398**
Average donation last five yrs	\$149	\$720	\$117	\$588	\$3,969
Average lifetime donation	\$162	\$1,022	\$165	\$643	\$5,733

*** p < 0.001; ** p < 0.01; * p < 0.05

Donor Comparison Findings

- ◆ Significantly higher percentages of Annual Donors willing to donate to:
 - ◆ Unrestricted funds (58.8%)
 - ◆ Faculty salaries (38.2%)
 - ◆ Student activities (61.8%)
 - ◆ Endowment Funds (64.7%)
- ◆ Significantly lower percentages of SYBUNTs willing to donate to:
 - ◆ Unrestricted funds (22.0%)
 - ◆ Endowment funds (29.5%)

Donor Comparison Findings

- ◆ Significantly higher percentage of Major donors willing to donate to:
 - ◆ Unrestricted funds (59.3%)
 - ◆ Endowment funds (59.3%)

Limitations of Study

- ◆ Not collecting income information from young alumni
 - ◆ Monks(2003) and Melchiori (1988) found personal and household income to have significant effect on donating behavior
 - ◆ However, Melchiori noted that only 84% of alumni answered personal-income questions and 65% answered household-income questions
 - ◆ Compared to almost perfect response rates for demographic questions on same survey

CONCLUSION & FUTURE RESEARCH

Conclusions & Future Research

- ◆ Set of eight characteristics that Tufts Fund staff can use to identify and target potential donors
- ◆ Remove alumni unlikely to donate from solicitation lists to save scarce office resources
- ◆ Not many significant differences among donors
 - ◆ More research is needed to understand why some young alumni are consistent donors and some are only occasional donors

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QUESTIONS ???

Contact Information

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Slides will be available at:

<http://institutionalresearch.tufts.edu/?pid=6&c=4>