

# Money donations intentions among Muslim donors: an extended theory of planned behavior model

Muhammad Kashif<sup>1\*</sup> and Ernest Cyril De Run<sup>2</sup>

<sup>1</sup>*GIFT Business School, GIFT University, Gujranwala, Punjab, Pakistan*

<sup>2</sup>*Faculty of Economics and Business, Universiti Malaysia Sarawak, 94300 Kota Samarahan, Sarawak, Malaysia*

- *The investigation into determinants of money donation intentions while employing an extended theory of planned behavior model is limited to developed country contexts. However, given the challenges facing charitable organizations and scant theoretical evidence from developing world, such an examination can contribute pragmatically. The current study establishes the impact of subjective norms, perceived behavioral control, past behavior, and attitude on respondents' money donation intentions to charities in Pakistan. The respondents (N=223), a non-student population living in the city of Gujranwala, completed a survey. The collected data are analyzed by means of a multivariate analysis, which was comprised of regression and correlation. The results reveal a strong support to the extended theory of planned behavior model in establishing the relationship between identified independent and dependent variables in a developing country context of Pakistan. The study contributes to the establishment of a few strategies, which are useful for managers working in charitable organizations to attract and retain donors to support several causes.*

Copyright © 2015 John Wiley & Sons, Ltd.

## Introduction

The public donations significantly contribute toward helping the poor and needy people living across the globe (Cheung & Chan, 2000) and can take several forms such as formation of a welfare trust, promotion of education for children, development of an understanding of religion, and other welfare

activities to raise the standards of living. The role of charitable organizations in helping the underprivileged has been highly appreciated (Edin & Lein, 1998). However, charitable organizations are currently struggling to find ways to stimulate private donations. In this regard, philanthropists believe that psychology of donor is a critical element that must be studied in detail to develop market-driven strategies to counter current trend. The donors, whether poor or rich, donate money (Wiepking & Breeze, 2012), which indicates that financial capacity is not

---

\*Correspondence to: Muhammad Kashif, Assistant Professor of Marketing, GIFT University, Gujranwala, Punjab, Pakistan.  
E-mail: kashif@gift.edu.pk

the stronger determinant of charity donations as poor people also donate generously (Avdeyeva, Burgetova, & Welch, 2006). The behavior of a donor to donate money largely depends upon cultural systems, religion, and a few personal factors (Ranganathan & Henley, 2008). Because culture and religious beliefs are practiced among the members of a society, these trigger a particular behavior that comprises various personal, social, and psychological cues. An understanding of these personal, social, and psychological elements is pivotal to devise marketing plans that ultimately motivate donors to donate generously (Knowles, Hyde, & White, 2012).

Muslims around the world are obliged to contribute significantly in the redistribution of one's wealth in the form of charity (Kroessin, 2007). Islamic teachings strongly stress the need to pay zakat (obligatory money charity only for those Muslims who have the financial capacity to donate) to those who are needy at an annual rate of 2.5% on one's disposable income (Khan, 2012). Pakistan and countries alike in the Muslim world have their own strong cultural history and a religious background, which is an interesting avenue to study the money donation behavior. The Muslims are also advised to provide financial support to poor and needy people; as in one of the Quranic verses, Allah Sub ānahu Wa Ta'Ala said:

*For those who give to men and women in charity and loan to Allah a Beautiful Loan, it shall be increased (to their credit) and they shall have (besides) a liberal reward. [Al-Quran, Chapter 57, Verse 18].*

Aside from the perspective of culture, religion, and belief systems, amount of money donations significantly impacts the decisions pertaining to marketing management of charitable organizations. Today, nonprofit charity organizations heavily depend on the public generosity to donate money and time (Lee & Chang, 2007), which needs careful investigation. This is because government funding to charitable causes is reduced significantly (Alexander, 2000), and charitable organizations are under

extreme financial pressures to manage funds. There is a severe need felt to raise funds in order to support poor and needy people, which, if not fulfilled properly, can seriously damage the efforts made by charitable organizations (Sargeant, Ford, & West, 2000).

In addition to external pressures, the charitable and nonprofit organizations also face internal challenges such as institutional isomorphism, resource dependence, and organizational slack (Kistruck, Qureshi, & Beamish, 2013). Many charitable organizations are internally focused systems where market-driven strategies are absent. The charitable organizations usually do not have a professional workforce to merit marketing and financial management decisions. In order to cope with the environmental threats, charitable organizations need comprehensive marketing plans to take a leap forward (Liu & Ko, 2012), but it strongly depends on understanding the motives behind charitable giving (Lemmens *et al.*, 2005).

By understanding donor behavior, charitable organizations can earn certain marketing advantages such as service innovation and design, reputation equity, and an increased level of donor satisfaction (Modi, 2012). The studies in developing countries are limited to the identification of the role of demographics such as age, gender, and income to influence charity donation intentions (Lord, 1981; Burgoyne, Young, & Walker, 2005; Lee & Chang, 2007). Because much of research has focused on identifying the demographics of donors, most studies do not imply a theoretical framework that can help in sketching a complete picture of donation intentions (Greenslade & White, 2005). The investigation must cover major tenants of behavior, which are mainly covered by psychosocial theories of behavior such as the theory of planned behavior (TPB); however, the investigation of donation intentions based on the extended TPB (ETPB) model is limited (Knowles *et al.*, 2012; Smith & McSweeney, 2007) and almost absent in the case of a Muslim country context such as Pakistan. The charity organizations in Asia can benefit from such studies, especially in efforts to develop some