

# British Indian donors

Understanding giving patterns,  
motivations and obstacles

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**CAF** Charities Aid  
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CONNECT for CHANGE

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## About this Research

In 2006 CAF commissioned Bina Rani at Connect for Change to coordinate research amongst the UK Indian Diaspora to better understand their charitable giving. This was essentially a scoping exercise for CAF to enhance our understanding of the giving motivations among this population. The initial intention was to use the knowledge internally. However as the findings are still of great relevance to charities and other organisations engaging with the British Indian diaspora it was decided to produce a summary of the original report. The primary research was conducted by Neha Viswanathan and Beverley Bathija.

## About Bina Rani

Bina Rani is a leading authority on Asian philanthropy and diaspora fundraising and speaks at international conferences and forums on these issues. She has been involved in profiling, working with and raising funds for small, grass root level organisations for 15 years. Bina has worked, consulted with and volunteered for a plethora of organisations, she is currently CEO of iPartner India, an organisation that offers the Asian diaspora in the UK a chance to get involved and contribute to creating a more just and equal society in India.

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# 1 Background and objectives

According to *Reaching Multicultural Britain*<sup>1</sup> 1.05 million people in the UK belong to the Indian community. Furthermore, Office of National Statistics data show that black and ethnic minority communities have considerable (and growing) disposable income. *Population Trends 111*<sup>2</sup> states that the 200 wealthiest Asians in the UK had a joint wealth of £7 billion in 2000, registering a growth of 5% in one year. Therefore, it is clear that the Indian diaspora is an important community to understand in terms of their perceptions of and behaviour around charitable giving.

The Indian diaspora in the UK is a reflection of the diversity within the Indian community. Therefore, one must understand the context and complexity of the community in order to understand its perceptions. While there is some research on philanthropy, documenting the giving behaviour of rich individuals, the experiences of middle-income British Indians with respect to charities and charitable giving remain largely unwritten. As such, targeted primary research was undertaken to explore this issues in detail.

The specific objectives of the research were as follows:

- understand the motivations of the diaspora to give to charity
- understand the patterns of giving and the obstacles to giving
- develop appropriate mechanisms to empower giving
- identify the best ways to reach out to the community and tap their resources

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<sup>1</sup> Jones, Ramsden and Tuck. *Reaching Multicultural Britain, The Black and Minority Ethnic Community and Fundraising in the Top Charities: Commission by London Development Agency. July 2003. London*

<sup>2</sup> *British Asian Demographics, Office for National Statistics April 2001 Census, UK*

## 2 Methodology and sample

A qualitative method was employed in order to explore the context and rationale behind perceptions in detail. We conducted a combination of six community network group discussions and 20 personal interviews. The profile of the six groups was as follows:

- 1 First generation Indians. People who came to the UK via the East African route. They had typically started their own small businesses. Typically male. Aged 50-70.
- 2 Non resident Indians. Professionals who have come to the UK on the Highly-skilled Migrant Visa Programme. Mixed gender. Aged 30-50.
- 3 Second and third generation Asians. Typically professionals who consider themselves British but with an Indian soul. Mixed gender. Aged 25-45.
- 4 Mixed female: Professionals and housewives. Aged 20-65.
- 5 Indians working in international development. Consultants with DFID and other INGOs as well as staff and volunteers of small Indian NGOs who had started fundraising offices in the UK.
- 6 Office bearers and members of religious associations and groups, eg, the Syrian Christian Association, the Hindu Council, the Young Jains Association.

Personal interviews were mostly conducted with high net-worth individuals and individuals who owned their own charitable trusts and foundations. A mix of ages and genders was included.

A review of existing literature was also conducted prior to the primary data collection stage. However, this was limited in scale due to the relative lack of existing research available about the UK Indian community and the charity sector, and in particular about middle-income donors in the context of causes and motivations.

The group discussions were conducted in two phases. The first phase focused on understanding respondents' perceptions and preferences. This allowed a potential mechanism for empowering and facilitating giving to be developed. This mechanism was then tested in the phase two groups.

A networking approach to recruitment was adopted for the community focus groups. Individuals who fitted the target profile for each group were identified by searching an existing database of Connect for Change members and contacts. These individuals acted as hosts. They were asked to recruit the remaining members of each group from their extended network of friends and members of their communities. The hosts were given a clear specification of the profile of participants required. The profile of each individual was checked by the research team before they were formally invited to attend.

Potential participants for the personal interviews were identified from publicly available lists (eg, Asian Rich List). An approach letter was sent to a long list of individuals introducing the organisation and the purpose of the research, and inviting them to participate.



*Dalit Portrait | Photo © Nishant Lalwani*

## 3 Summary of key findings

### 3.1 Defining charity

Respondents generally agreed that charity was a viable and appealing way to help others who were less fortunate than themselves. They also agreed that charity can include a range of activities and does not necessarily have to involve a financial donation. They noted that volunteering, providing advice, networking on behalf of others and spending money while visiting particular places can all be considered acts of charity.

For some respondents, the act of helping others is tied strongly to religious beliefs. They consider it an act of virtue. As such, charity has become an intrinsic part of their lives. Some added that the fact that charitable behaviour is part of their religious duty means that the outcome of an act of giving is relatively unimportant. However, further discussion revealed that this attitude was not widespread within the community as a whole.

### 3.2 What motivates the community to give?

Indians living in the UK are motivated to give to charities, organisations and projects in India for a range of reasons. As outlined above, **religion** can play an important role in defining charity and as a motivating force. Similarly, a person's **family** and members of the wider **community** often encourage charitable behaviour.

Indians generally feel a sense of **responsibility** towards India.

*"I think it can make a difference to the world in a positive way, and it's some mixture of a belief that I was born lucky ... and a sense of duty or responsibility because I was born lucky. To help those who weren't born lucky but who, in every other way, are exactly the same."*

Some respondents described a sense of **guilt** associated with having what they perceive to be a 'better life' than many people living in India. Others simply described a strong **emotional attachment** to their 'home country'. Charitable giving was said to be a way of both overcoming guilt and strengthening emotional ties. This sense of responsibility is exacerbated at times of **natural disaster**, when people often feel a strong emotional motivation to help their 'home country'.

However, while Indians living in the UK share a sense of responsibility towards India, some respondents (particularly older people) explained that it is often their individual community towards which they feel the greatest responsibility. For instance, a person from Gujarat would feel more motivated to help a fellow Gujarati from Africa as opposed to a person from Bengal in India. This feeling of responsibility towards community also acts as a motivation to support their local community in the UK. A few respondents felt that some people support charitable causes within the local community as a way of enhancing their social standing or profile.

Some respondents felt that charitable giving was not as clearly defined within Indian culture as it is within UK culture. Some also felt that in the UK, giving was better organised and made easier. This can be considered a motivation to give more.



*Dalit women carrying water at sunset | Photo © Nishant Lalwani*



### 3.3 Where are the causes and charities that the community supports?

As outlined above, reaching out to one's roots is a strong motivation to give among Indians in the UK. Therefore, giving to **India** (or wanting to) was considered by many respondents to be commonplace within their community.

*"It has traditionally been India; I would say 95% is India. If someone is contributing to say a charity in Africa, I may get involved because I think it is the right thing to do, but very rarely other than India."*

However, respondents also described a tendency to give to **local causes** within their communities in the UK (often those linked to their religious or cultural identities).

Others added that **international** giving was not limited to India. Given the large contingent of the UK Indian community which came via **Africa**, giving to causes on that continent is also common, reflecting loyalties towards it. Furthermore, reflecting general trends in the UK, respondents noted that people from their communities were increasingly giving to campaigns run for causes outside India and Africa. It is interesting to note a shift towards a broader focus than on giving exclusively in response to personal experience.



Jehenabad self help group | Photo © Nishant Lalwani

### 3.4 What causes does the community support?

Respondents described a range of causes that the Indian community in the UK supports or wishes to support. People often give to causes which they feel passionate about. Typically, a personal connection (eg, a family member suffering from a particular disease) can be the trigger to start giving. These causes are diverse. However, **education** and **health** emerged as the two main issues of concern to the community as a whole. Education was described as extremely important to Indians. They see investing in it as investing in the future success of India. The lack of a universal and equitable healthcare system in India appears to drive a high level of interest in and concern about this issue. This is reinforced by UK Indians' exposure to the organised healthcare system in the UK.

In addition to these core causes, respondents remembered large scale, organised responses to **disasters** such as the 2004 Indian Ocean tsunami. They also mentioned other causes such as **rural development** and **microfinance**. In addition to these, high net-worth donors mentioned supporting an even a wider range of causes including **capacity building** and **women's empowerment**.

*"I would like to get involved with a charity where women are helped, especially Asian women."*

Evidence also shows a sense of openness to supporting causes of which the community has previously been unaware, when issues are brought to their attention through an organised campaign. For example, a targeted campaign by an organisation working with the elderly was described as successful.

### 3.5 How does the community currently give?

#### High net-worth versus middle-income individuals

There seems to be a difference in approach to giving between high net-worth and middle-income individuals within the Indian community in the UK. High net-worth respondents often explained that they had set up their own formal arrangements such as trusts and foundations to support specific projects. They said that by forging close relationships with organisations they had been able to improve the efficacy of their funds.

*"We probably give upwards of £100,000 a year in gifts, including family trusts in India; we have substantial charitable trusts giving in India."*

Conversely, most middle-income respondents were not aware of any specific services which could be used to make donations, maximise their efficiency or make them tax effective. They were more likely to donate directly to an organisation, often in cash.



Karani Vikas Samiti | Photo © Vipul Sangoi

## Perceptions of charitable organisations of different sizes

Discussions and interviews revealed some differences in perceptions of charitable organisations, depending on their size. Respondents generally suspected that large organisations would fall short of their expectations. They said that due to their top-heavy structures, large proportions of donations were likely to be used for administrative purposes rather than the causes for which they had been intended. They felt that their size made it difficult for them to deliver a personal touch in their communication, response to requests for information or acknowledgement of donations and contributions. Some respondents were also concerned that large organisations would be less likely to share their own personal ideology and vision.

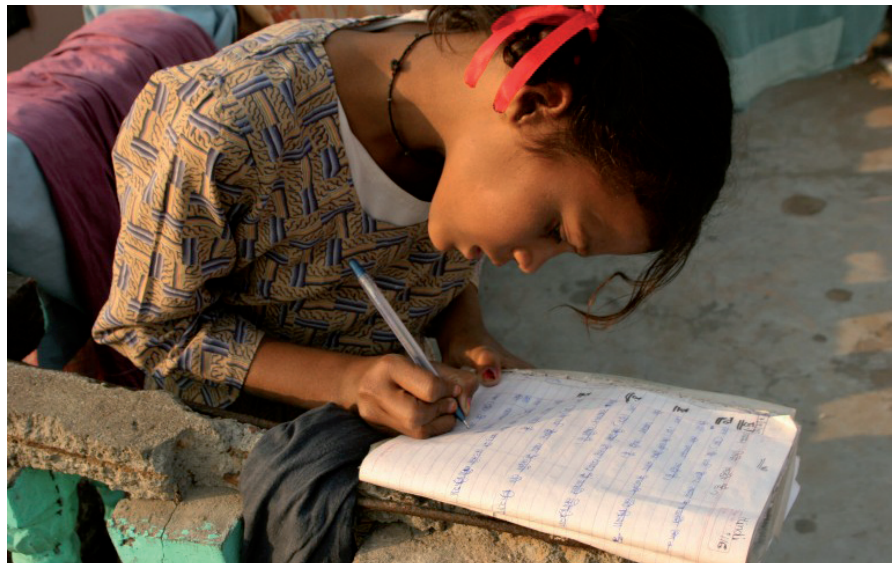
Consequently, most respondents preferred the idea of giving to smaller organisations. However, smaller organisations (particularly in India) were often considered less trustworthy than larger ones. Respondents felt that they were less likely to adhere to financial standards which guarantee that they are not corrupt, or less likely to have a local UK presence which would drive a sense of accountability and trust. Indeed, this issue of trust constitutes a major barrier to donating to organisations (both large and small) in India which cannot be validated by trusted peers.



*Children's Welfare Society | Photo © Vipul Sangoi*

*"I could not get involved in charities in India as much as I'd like to because I don't live there, and I think [for] these sort of things you have to be closer to home if you are going to ever help."*

In addition to the issue of trust, respondents outlined several other barriers to giving to small organisations. They felt that small organisations were simply less visible; they were not aware of any databases or directories and therefore relied on personal networks for information. Furthermore, they were generally not aware of any formal mechanism to transfer funds to an organisation in India. This seems to act as a disincentive to donate, particularly on a consistent basis. Lastly, they felt that while small organisations might be potentially more able to provide intense levels of engagement and personalised communication, they were less likely to be able to communicate regularly about their needs. They felt that they would not have the necessary resources to do so.



Girl studying, Kanpur | Photo © Nishant Lalwani

## 3.6 Potential channels for engaging with the Indian diaspora community

This section outlines how the diaspora currently finds out about charitable organisations and causes in India and how organisations might best engage with the community.

### Finding information

As outlined above, the lack of organisation (ie, lack of formal channels through which to give to smaller organisations) in the charity sector in India leads individuals to seek information about organisations from a range of informal sources. Respondents explained that they did not really know where to look for information. Therefore, some tended to ask friends, family or other members of the community. However, these people themselves were not always able to provide relevant information.

### The role of networks in reaching out to the diaspora

When considering how best to communicate with the Indian community in the UK, it is important to consider the role of networks. Other authors have explored their importance to the Indian community. It is understood that they play a vital role at a social, community and professional level. For example, Ram Gidoomal<sup>3</sup> ascribes much of the success of Indian entrepreneurs to their networks and sense of responsibility towards their community. These networks go far beyond shared culture, history or homeland. They are sources of information, validation mechanisms, avenues to explore future partnerships, potential marital alliances and a complex referral system.

More specifically to this project, networks appear to have a potentially important role in helping individuals find out about charitable organisations, and helping organisations reach out to the community. Speaking hypothetically, respondents often said that if they needed to find information about where best to donate a specific sum of money, they would be likely to call someone they knew personally. This is because they are likely to trust this person's judgement, share common values and be likely to hear about organisations or causes which are socially and culturally relevant to them.

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<sup>3</sup> Gidoomal, Ram. *The UK Maharajahs: Inside the South Asian Success Story*. Nicholas Brealey Publishing Ltd. 1997. UK

*"If I am a Gujarati person and want to donate to an organisation in Gujarat, my network is also likely to be Gujarati, and therefore the people in my network would know about the organisations in Gujarat and would have a clearer idea."*

While networks therefore present a potentially important channel of engagement, tapping into them is not easy or straightforward. Respondents explained that networks are built on personal relationships and interactions which result in high degrees of trust. They are generally informal and therefore, access to individuals is often restricted to organisations that have been 'validated' by other members of their network. This is particularly relevant to high net-worth individuals. However, once a person or organisation is considered trustworthy, they can be privy to otherwise inaccessible discussion and feedback.

In order to leverage networks for the purposes of marketing to or engaging with members of the Indian community, fundraising organisations or facilitators of donations (eg, the Charities Aid Foundation) would need to intervene strategically. They would need to appeal to some individuals to try their services and, in a sense, act as their brand ambassadors. This needn't involve a financial arrangement as long as a strong personal relationship with these individuals is maintained. This is particularly important because there seems to be a trend where individuals within networks form small groups to give to charity and often decide to register themselves as a trust. If the network holds adequate positive information about an organisation or company, it would be possible for the organisation to tap into the network's resources and attract new donations or accounts.

#### The role of the media in reaching out to the diaspora

This research suggests that the media is likely to play an important role in informing the diaspora about causes and issues which they may wish to support. It suggests that the Indian community is consuming more culturally specific media. Indian TV channels are available in the UK and others are produced locally for the UK Indian community. This shift in consumption would clearly have a bearing on any communication strategy aimed at the community.

A senior journalist who runs a network of South Asian journalists noted that community-specific media, which targets a niche, often works on shoestring budgets. They suggested that any organisation attempting to reach out to the diaspora would benefit from developing a relationship with these small media companies who have loyal audiences. While they don't always have the resources to write or cover their own stories, they print well-crafted press releases that cover events and stories which they consider to be relevant and of interest to their audiences. These releases need not specifically cover services or an organisation, but can be human-interest or achievement stories that can be tied into a service.

Respondents were generally positive about the concept of targeted advertising. They welcomed the idea of organisations taking the time to understand them as individuals. Conversely, respondents said that direct mail, brochures and magazine inserts (even if appearing in niche publications aimed at the Indian community) were often thrown away without being read. It is important to note that given the context of the Indian community, any marketing strategy would need to focus on breaking into networks and increasing visibility in trusted media simultaneously.

#### The role of the internet in reaching out to the diaspora

It is also important to consider the role of the internet as a means of reaching out to the Indian community. Online content has become more niche-specific and user generated content is commonly consumed by members of the community. They use the web to engage with people in India and with their own community in the UK. Being online has also contributed to a larger trend where financial transactions have become simpler.

Most people tend to use search engines online to seek information. However, respondents explained that because of the large number of results, they are unable to sift through the copious amounts of data or to trust all web sites and portals. However certain blogs and online forums are already trusted and have a huge following. They have enabled a new, online network to develop.

Examples of diaspora specific sites include *Pickled Politics* [www.pickledpolitics.com](http://www.pickledpolitics.com) and *Red Hot Curry* [www.redhotcurry.com](http://www.redhotcurry.com). Other portals like *Sulekha* [www.sulekha.com](http://www.sulekha.com) and *Rediff* [www.rediff.com](http://www.rediff.com) are popular sources of news, information and opinions.



## The role of events and celebrity endorsements in reaching out to the diaspora

Respondents agreed that it is possible to raise awareness of an organisation or cause among the Indian community through existing forums and associations. Fundraising events, dinners and awards functions could be sponsored or rallied around a specific cause. Other respondents felt that instigating discussions in temples and other frequented forums would also help raise awareness of a brand or cause.

Celebrity endorsements have the potential to increase awareness and build the credibility of an organisation. However, there is inevitably a risk associated with choosing a person to represent a brand. Respondents said that the way they are perceived by the community will have some impact on perceptions of the brand or organisation itself. It is not necessary for the celebrity to be part of the Indian community, but they should be seen as a 'friend of the Indian community', understanding and being sensitive to its culture and traditions and the issues it faces.

### Projecting the right image and communicating relevant values

As well as understanding the most relevant and appropriate methods of engaging with the Indian community, it is vital that organisations understand how best to communicate in terms of image and values. Respondents said that people would be more accepting and responsive of an organisation which has a clearly differentiated role within the charitable sector. They would also value flexibility and responsiveness.

They would be interested in the services of an organisation which can show it is able to respond to the specific needs of the Indian community and acknowledges the gaps that exist in the current mechanisms to enable members of the community to give efficiently.

It is also important that an organisation marketing itself to the diaspora projects the values which the community considers important. These include transparency, accountability, value for money, credibility, respect for people's organisational preferences, acknowledgement of different needs, ethnic diversity, and a proven track record.

### 3.7 How can we facilitate giving within the diaspora?

Respondents demonstrated that they were keen to give, in particular to causes in India. However, there are certain barriers to growth in the level of giving currently undertaken. People are unsure which organisations to give to, how to give to them and how to ensure that their money is used well. If donors and potential donors are to be encouraged to give to India, these concerns should be addressed.

#### Understanding donor needs

As outlined previously, respondents discussed factors which encouraged them to give and those which made them apprehensive. These factors can be summarised as follows:

- the desire to give to small grassroots level organisations
- the need to be kept informed as donors about the progress and issues related to a project
- the desire for culturally sensitive and diaspora-specific solutions.

Any organisation or group involved with facilitating giving should be administered by people representative of the community. Respondents also said they wanted to feel comfortable discussing charities which might not fit with the common UK concept of charity, or were rooted in particular religious or cultural beliefs.

- the desire for flexibility in approach to giving.

While fully tailor-made responses are not always feasible, respondents expressed a preference for different packages for different levels of donors (eg, more frequent reporting for those who give more).

- consistent and effective communication and information sharing between donors and the organisations they support.

Respondents said that they would expect means of communication and information sharing to reflect the needs of the diaspora. For example, they would expect meaningful forums through which to engage with beneficiary organisations and assistance networking with other donors.

## Developing an approach to facilitating giving within the diaspora

Using the insights outlined above, Connect for Change developed a way of facilitating giving within the diaspora. It outlined the roles, objectives and relationships between the various stakeholders. An organisation could be set up to liaise between beneficiaries in India and donors in the UK. The organisation would build an extensive database of beneficiaries including relevant profiling information which would be made available for potential donors to search. This would help them to decide where they want to donate money. Subsequently, donors would be directed to existing financial services (eg, CAF) to make the financial donation.

The facilitating organisation would be responsible for making the process relevant and accessible to the donor. It would also monitor the beneficiary organisation's track record and report this on a regular basis to donors. This process would help donors and beneficiary organisations build a relationship of trust.

It is vital that an organisation responsible for facilitating giving within the diaspora is trusted by the community. Respondents felt that the key to developing trust was to provide sufficient, transparent information about the organisation. Specifically, they wanted to know about objectives and ideological orientation; the percentage of donations spent on administration; the track record of the organisation; details about projects supported and their outcomes; number and profile of staff; links with other organisations and details about annual reporting.

Respondents also felt that any such organisation would need to develop new and interesting ways of helping donors engage with India. This would help to satisfy a key motivation for giving: namely to feel closer to India. They felt that more tangible engagement which involved people in a relationship with the beneficiary organisation (eg, visiting when in India or volunteering their own or their children's time and skills) would encourage more consistent and involved giving.

## 4 In summary

The Indian community in the UK places importance on charity and charitable giving. They are clearly motivated to give to causes in India and also in the UK. However, it is clear that obstacles exist which prevent the community from giving more, or in a more consistent or effective manner.

Amongst these are poor availability of information on charities in India, and a lack of formal, reliable methods of transferring funds. Other perceptual barriers include concerns over the proportion of donations put towards staff and administration in large charities; and a need for validation of smaller charities in order to be reassured regarding their trustworthiness and accountability.

Therefore, there appears to be scope to develop a new means of facilitating giving within the diaspora. It could enable Indians in the UK to find out more about organisations to which they might want to donate; make donations to them; and monitor how those donations are used.

It is important to consider the importance of networks as means of information sharing, engagement and trust-building in the Indian community. While tapping into networks is not straightforward, the potential benefits of doing so are considerable as it appears that all aspects of business and transactions build validity through their support.



*Close up of Dalit girl | Photo © Nishant Lalwani*

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