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Captivating Child Sponsors:

Does Engagement Improve Retention?

A thesis presented in partial fulfillment of the requirements for the

Master of Management
in
Communication Management

At Massey University, Palmerston North, New Zealand

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2012

Abstract

In the past, regular giving schemes, such as child sponsorship, experienced a high degree of donor loyalty. However, in recent years the attrition rate of these 'regular' givers has risen to 30% per annum and increases to 50 - 60% when donors were solicited through face-to-face recruiters. This concerning trend, combined with economic instability and increasing competition for donor dollars, means child sponsorship programmes must find more effective ways of retaining current donors if they are to remain viable.

This research investigated 'donor engagement', a relatively new donor retention strategy, which seeks to involve donors in activities beyond purely financial giving. Previous literature and research has indicated that donor engagement can increase the loyalty and longevity of donors. However, such research remains fairly thin and does not deal specifically with child sponsors. Therefore, this research set out to examine child sponsors' attitudes to engagement initiatives as well as their effectiveness as a donor retention tool. The research was carried out in cooperation with a prominent New Zealand based development charity, surveying 547 of their child sponsors as well as conducting a number of follow-up interviews.

The research revealed that engaging child sponsors can produce a wide range of positive outcomes, including increasing sponsors' loyalty and longevity. However, the research also revealed a large proportion of more 'passive' donors who had no desire to be engaged by the organisation. Interestingly, these passive donors reported being equally satisfied with their sponsorship experience and remained very committed to their chosen organisation.

Acknowledgements

I would like to thank my supervisor Dr Marianne Tremaine, for sharing your valuable knowledge and experience and being a calming and cheery voice at the end of the phone. Also, the Massey University library and IT staff who helped me to make sense of the right research tools and make this process easier.

Approval for this research has been obtained from the Massey University Human Ethics Committee: Southern B, Application 11/57. Approval was received on 19th of September, 2011.

I would like to acknowledge the co-operation of the charitable organisation who participated in this research, particularly those staff who I worked most closely with. It has been a real pleasure working with you and it is my hope that this research will prove valuable to you.

I would also like to thank my friends and family who have supported and encouraged me throughout this research process. The meals, laughs, listening ears and proof-reading assistance were all appreciated.

Finally, my husband Michael, I cannot thank you enough for your support, patience and belief in me. I could not have completed this thesis without you. I love you. Now on to our next adventure!

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