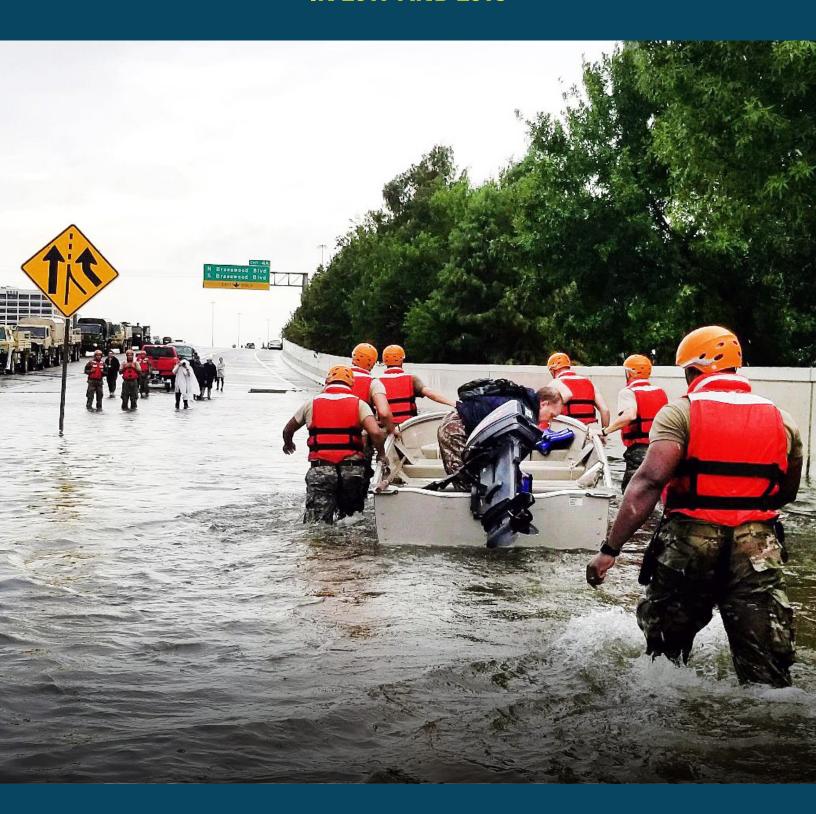
# **U.S. Household Disaster Giving**

**IN 2017 AND 2018** 





# **Executive Summary**

In 2017 and 2018, the U.S. experienced the first- and fourth-most costly years of major natural disasters on record. In the two years combined, the country was affected by 30 natural disasters that each caused more than \$1 billion in damage. After a major disaster occurs, individuals usually respond quickly with an outpouring of generosity. Much, however, remains unknown about the patterns, preferences, and practices of individuals' charitable giving for disaster aid efforts. For example, how many Americans donate to disaster aid, and how much do they give? Does giving to disaster aid come at the expense of giving to other causes? What are the main drivers of disaster giving? After disasters, to what extent do people donate online through social media and crowdfunding platforms in addition to traditional ways of donating?

Based on new data on U.S. households' disaster giving in 2017 and 2018, this analysis from the Center for Disaster Philanthropy, Candid, and the Indiana University Lilly Family School of Philanthropy answers these questions. Using recent survey data from a nationally representative sample of U.S. households, the report presents findings on the patterns of household disaster giving and the factors driving individuals to donate after disasters. It provides insights for foundations and other nonprofit organizations to engage individuals to help with disaster aid effectively.

# Background

The series of major natural disasters in 2017 was unprecedented both in number and magnitude of the disasters. In the U.S., there were 16 natural disasters that each caused damage of more than \$1 billion, the highest total number of billion-dollar-plus natural disasters in the U.S. since 1980.¹ These disasters led to approximately \$306.2 billion in losses.

In particular, Hurricane Harvey is the second-costliest storm on record in the U.S., causing \$125 billion in damage.<sup>2</sup> Hurricane Maria ranks third, with \$90 billion in damage, making it also the costliest hurricane on record in Puerto Rico and the U.S. Virgin Islands. Hurricane Irma ranks fifth, with \$50 billion in damage. These three 2017 hurricanes alone caused \$265 billion in losses, accounting for 87 percent of the total \$306.2 billion in losses.

In 2018, the U.S. experienced 14 billion-dollar-plus natural disasters, which caused approximately \$90.9 billion in losses, the fourth-highest cost since 1980.3 The total damage from Hurricane Michael was estimated at \$25 billion.4 Hurricane Florence was estimated at \$24 billion in damage.5 The wildfires in California were estimated to have at least \$12.4 billion in insured losses alone; total damage is still not clear.6

In response to these and other devastating U.S. and international disasters and humanitarian crises, individuals often acted quickly by donating money, goods, and time to help with relief and recovery. For example, in the three months following Hurricane Harvey, at least \$1.07 billion was estimated to have been contributed to U.S. nonprofit organizations. In addition to donating money in traditional ways, individuals also donated through various online portals for disaster aid in 2017 and 2018. Crowdfunding campaigns, especially those initiated by celebrities, such as the Houston Texans' J.J. Watt, gained attention and support quickly.

# Key Findings<sup>8</sup>

Overview of household charitable giving and volunteering for disaster aid efforts in 2017 and 2018

- Approximately 30 percent of U.S. households made a disasterrelated donation in 2017 (31 percent) and in 2018 (29 percent).
- About 7 percent of U.S. households donated to disaster aid for both U.S. and international disasters in these two years.
   More than a quarter (26 percent) donated for disasters in the U.S. only, while 2 percent gave in response to international disasters only.
- Individuals of all ages, education, and income levels donated to disaster aid efforts. Females, individuals with higher levels of education, or those with higher levels of household income were more likely to donate.
- Approximately three-fifths (61 percent) of households that gave to disaster aid made both financial and in-kind gifts.
- About 12 percent of U.S. households volunteered to assist with disaster aid efforts in at least one of the two years.



## Motivations for disaster giving

- The magnitude of a disaster (more specifically, the scale of a disaster and number of people affected by it) was the top motivating factor for giving to disaster aid efforts in 2017 and 2018. The other top factors were personal connection to the location of a disaster and media coverage.
- Having someone they personally know who was directly
  affected by a disaster and being able to evaluate the
  effectiveness and impact of their gifts were the top two factors
  that donor households said would encourage them to give more.
- Financial commitments to other charitable causes was the top reason reported by households that did not donate to disaster aid efforts in either 2017 or in 2018.

# Allocation of household charitable giving to disaster aid efforts

- A majority (78 percent) of disaster aid donor households reported that their disaster giving did not affect their giving to other causes. About 12 percent reported an increase in their giving to other causes.
- In 2017 and 2018, households that donated to disaster aid dedicated 12 percent of their total charitable donations (i.e., their total giving to all causes) to disaster-related activities.

# **Continued support for earlier disasters**

- In 2018, about 5 percent of U.S. households donated to provide continued support for disasters that occurred in 2017, and another nearly 3 percent donated to support aid efforts for disasters that occurred prior to 2017.
- In 2017, approximately 2 percent of U.S. households donated to provide ongoing recovery from disasters that occurred in 2016 or earlier.

# In-kind gifts for disaster aid

- About 65 percent of disaster aid donor households made disaster-related in-kind gifts in at least one of the two years.
- The desire to help in a comprehensive way was the top motive for donating in-kind gifts after a disaster.

#### Crowdfunding for disaster aid

- About 10 percent of disaster aid donor households gave through crowdfunding platforms in at least one of the two years.
- More than a third (between 37 and 43 percent) of all U.S. households held positive perceptions of crowdfunding in disaster aid efforts, whereas over half of the households were less certain about the merits of crowdfunding in disaster aid.

# Discussion and Implications

This report shares new data on household charitable donations in support of disaster aid efforts in 2017 and 2018, based on a recent survey of a nationally representative sample of U.S. households. Findings from the research brief show that nearly a third of U.S. households donated for disaster aid in 2017 and 2018. About 12 percent of their total charitable dollars went to disaster-related activities. Most of these donor households did so without cutting back on their donations to other charitable causes. Further, when people offered help after a disaster, they often wanted to help in a comprehensive way by donating financial gifts and goods or services.

The magnitude of a disaster and personal connection to the disaster location influenced the decision for households to give after a disaster, especially when a disaster occurred in the U.S. Disaster aid donor households also said it was important to them that they were informed of the impact of their gifts. New giving vehicles, such as crowdfunding, gained much attention and support from individuals after disasters in 2017 and 2018, but there is still much to be done to inspire greater confidence in the accountability and effectiveness of the projects that raised funds through these new platforms.

Donors also reported media coverage as a driving factor for disaster giving, highlighting the key role the media played in informing and educating the public about effective ways to help after disasters. When a disaster strikes, affected communities need assistance in both immediate relief and long-term recovery. Charitable dollars, however, typically wane within the initial three to six months after a disaster, as media attention moves on to other stories. In 2018, about 5 percent of U.S. households donated

to offer continued support in response to 2017 disasters. In 2017, only 2 percent donated to support recovery from disasters that occurred in earlier years. Moreover, over a fifth (22 percent) of U.S. households donated to disaster aid efforts in both years; around 18 percent of these donors regularly supported disaster aid efforts or considered disaster giving as part of their annual charitable budgets.

How can foundations and nonprofit organizations keep dedicated donors engaged? And how can philanthropic advisors help individuals make their disaster giving more strategic? Disaster giving tends to be reactive, therefore efficient and effective disaster response calls for proactive, strategic planning. It is important for nonprofits to keep the public informed of the impact that charitable gifts make after a disaster. It is also essential for philanthropic advisors, foundations, nonprofits, and the media to raise public awareness of the long-term funding needs for recovery and proactive planning for future disasters.

<sup>1</sup>NOAA National Centers for Environmental Information (NCEI). (2019). U.S. Billion-Dollar Weather and Climate Disasters. Retrieved on May 3, 2019 from <a href="mailto:ncdc.noaa.gov/billions">ncdc.noaa.gov/billions</a>

<sup>2</sup>National Hurricane Center. (2018). Costliest U.S. tropical cyclones tables updated. Retrieved from <a href="https://nc.noaa.gov/news/UpdatedCostliest.pdf">nhc.noaa.gov/news/UpdatedCostliest.pdf</a>

<sup>3</sup>Same as note 1.

<sup>4</sup>National Hurricane Center. (2019). Hurricane Michael (AL 142018). Retrieved from <a href="https://nhc.noaa.gov/data/tcr/AL142018">nhc.noaa.gov/data/tcr/AL142018</a>. Michael.pdf

<sup>5</sup>usnews.com/news/best-states/north-carolina/articles/2019-05-03/report-hurricane-florence-killed-22-caused-24b-in-damages

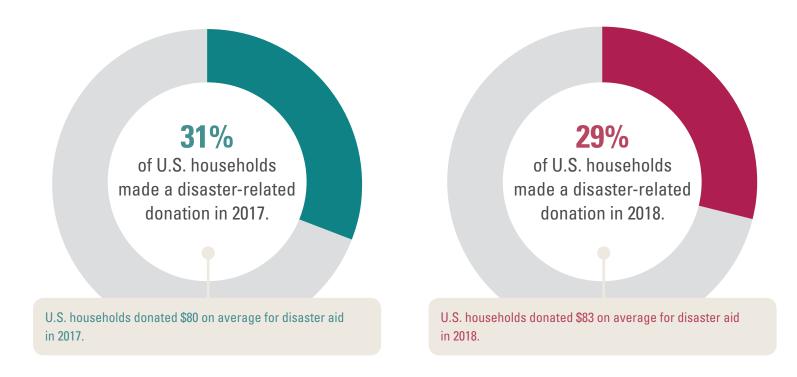
<sup>6</sup>mercurynews.com/2019/01/28/california-wildfires-12-4-billion-in-insured-lossesand-growing

<sup>7</sup>Estimates were based on the amounts that recipient organizations reported receiving in direct correspondence with the Indiana University Lilly Family School of Philanthropy. The estimates included data on Hurricanes Irma and Maria relief or general hurricane relief for some organizations.

<sup>8</sup>Please see page 18 for more information on the data and methodology.

# Household Disaster Giving, 2017 and 2018

- Around 30 percent of households made a disaster-related donation in 2017 (31 percent) and in 2018 (29 percent).
- In 2017, the disaster that households most frequently reported donating to was Hurricane Harvey (14 percent), followed by Hurricanes Maria (8 percent) and Irma (6 percent).
- In 2018, the disasters that households most frequently reported donating to were the California wildfires (11 percent), followed by Hurricanes Michael (9 percent) and Florence (8 percent).
- More than one-quarter (26 percent) of households donated to U.S. disasters only, in 2017 and 2018. About 7 percent donated to both U.S. and international disasters, while another 2 percent donated to international disasters only.

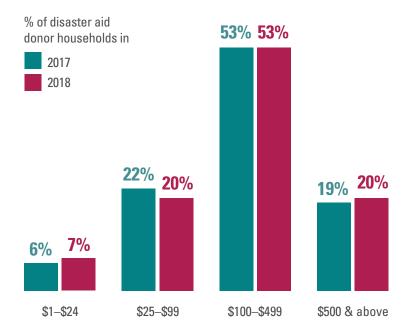


% of U.S. households Disaster aid donor households gave to an average of 2.6 disasters in 2017 and 2018.

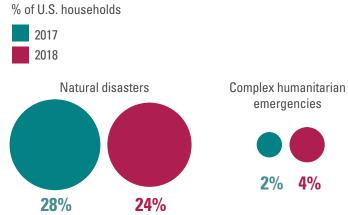
donated in either 2017 or 2018. did not donate in 2017 or 2018.

donated in both 2017 and 2018.

# **AMOUNT DONATED TO DISASTER AID EFFORTS**



# HOUSEHOLD DISASTER GIVING BY DISASTER TYPE<sup>1</sup>



<sup>1</sup>A household may donate to both natural disasters and complex humanitarian emergencies in one year, and some respondents did not identify the type of the disaster(s) they supported, so the percentages here do not equal the percentage of U.S. households that made a disaster-related donation each year.

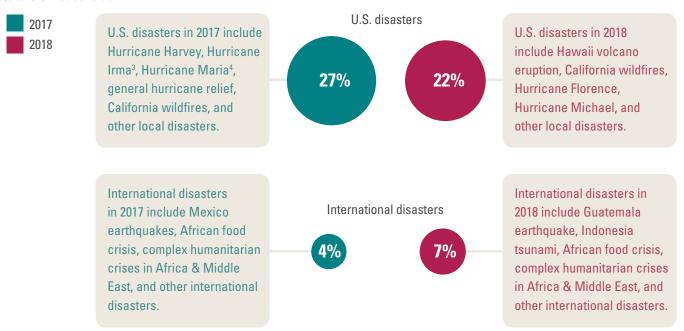
# TOP DISASTERS FINANCIALLY SUPPORTED BY HOUSEHOLDS

Hurricane Harvey	14%
Hurricane Maria	8%
Hurricane Irma	6%
California wildfires	5%
General hurricane relief	4%
Continued support for disasters that occurred prior to 2017	2%

California wildfires	11%
Hurricane Michael	9%
Hurricane Florence	8%
Continued support for 2017 disasters	5%
Africa & Middle East food crisis	4%
Continued support for disasters that occurred prior to 2017	3%

# HOUSEHOLD DISASTER GIVING BY DISASTER LOCATION

% of U.S. households2



<sup>&</sup>lt;sup>2</sup>A household may donate to both U.S. and international disasters in one year, and some respondents did not identify the location of the disaster(s) they supported, so the percentages here do not equal the percentage of U.S. households that made a disaster-related donation each year.

# % OF U.S. HOUSEHOLDS THAT MADE A CHARITABLE DONATION IN 2017 AND 2018



<sup>3</sup> Hurricane Irma affected nine U.S. states and many Caribbean islands. Given its significant impact on U.S. states, it was included as a U.S. disaster in the analysis.

<sup>4</sup> Hurricane Maria affected Puerto Rico, the U.S. Virgin Islands, and Dominica. Given its significant impact on U.S. territories, it was included as a U.S. disaster in the analysis.

# Motivations for Disaster Giving, 2017 and 2018

- The scale of a disaster and number of people affected by it was the top motivating factor for giving to disaster aid efforts in 2017 and 2018.
- Personal connection to the location of a disaster and media coverage also drove disaster giving.
- The number of disasters that occurred in the same year was actually not an important factor in household decision making about giving to disaster aid efforts.
- Knowing someone personally who was directly affected by a disaster and being able to evaluate the effectiveness and impact of their gifts were the top two factors that would encourage disaster aid donor households to give more.
- The top motivation for donating in-kind gifts after a disaster was the desire to help in a comprehensive way.

Scale of the disaster and number of people affected	27%
Connection to the location of the disaster	23%
Media coverage of the disaster	20%
Recipient organization's accountability and/or reputation	18%
Friend(s) or family member(s) directly affected by the disaster	17%
Directly asked to donate to disaster aid efforts	14%
Recipient organization's effectiveness and/or efficiency in disaster aid	14%
Friend(s) or family member(s) donated to disaster aid efforts	14%
Felt that government disaster aid efforts were inadequate and/or inefficient	14%
Regularly supported disaster aid efforts/Part of household annual giving budget	13%
Number of disasters that occurred in the same year	9%
Matching gift options or incentives offered by workplace or other corporations	9%
Other Control of the	7%

### MOTIVATIONS FOR DISASTER GIVING BY DONOR TYPE (U.S. VS. INTERNATIONAL)

# % of Households that Gave to U.S. Disasters Only

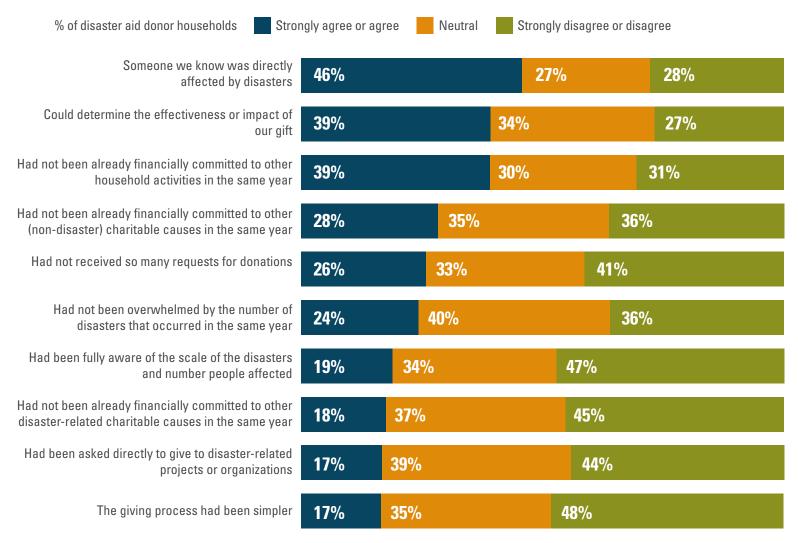
Connection to the location of the disaster	27%
Scale of the disaster and number of people affected	27%
Media coverage of the disaster	<b>21</b> %
Friend(s) or family member(s) directly affected by the disaster	21%
Recipient organization's accountability and/or reputation	17%

# % of Households that Gave at Least Some to International Disasters

Scale of the disaster and number of people affected	28%
Recipient organization's accountability and/or reputation	19%
Regularly support disaster aid efforts/ Part of household annual giving budget	19%
Media coverage of the disaster	18%
Recipient organization's effectiveness and/or efficiency in disaster aid	18%

# **FACTORS ENCOURAGING DISASTER GIVING**

Disaster aid donor households responded that they would have given more to disaster aid efforts if  $\dots$ 





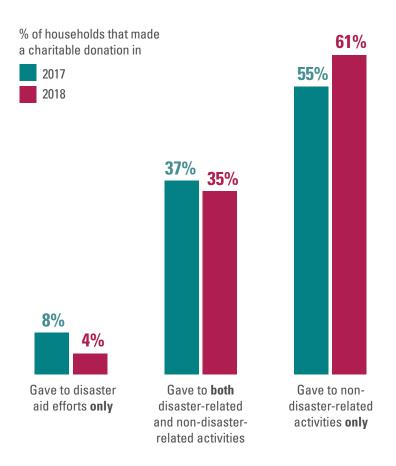
# **MOTIVATIONS FOR IN-KIND DISASTER GIVING**

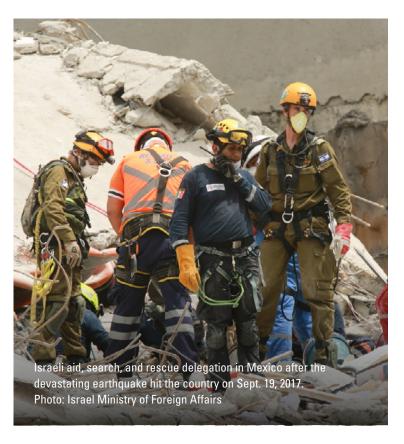
# % of In-Kind Disaster Aid Donor Households

Donated goods in addition to cash because wanted to help in a comprehensive way	<b>37</b> %
Food drives organized by our workplace or other organizations in the neighborhood after disasters	31%
Had excess goods that would be helpful for disaster survivors	30%
Believed goods would be of more assistance than a cash donation of equal value	26%
Wanted our goods to help survivors as they helped us in the past	14%
Concerned about the transparency or accountability of how cash donations are used by charitable/religious organizations	<b>12</b> %
Did not want disaster survivors to spend cash donation inappropriately	10%
Did not have enough cash to make a donation for disaster relief	10%
Other	4%

# Household Disaster Giving vs. Giving to Other Causes, 2017 and 2018

- Among households that made a charitable donation, 8 percent allocated all of their charitable contributions to disaster-related activities in 2017, whereas only 4 percent did so in 2018. More than a third of donor households donated to both disaster-related and non-disaster-related activities in 2017 (37 percent) and 2018 (35 percent).
- Among disaster aid donor households, around 12 percent of their total charitable donations went to disaster-related activities in 2017 and 2018.
- A majority (78 percent) of disaster aid donor households reported that their disaster giving did not affect their giving to other causes. About 12 percent reported an increase in their giving to other causes.





# DISASTER GIVING AS A PERCENTAGE OF TOTAL CHARITABLE GIVING (EXCLUDING OUTLIERS<sup>5</sup>)

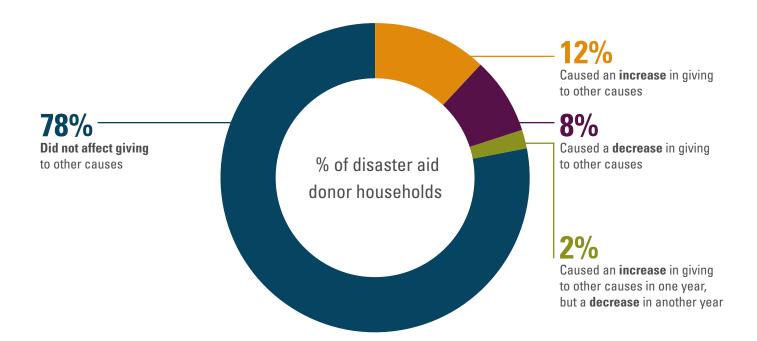
Among disaster aid donor households, 12 percent of their total charitable giving went to disaster-related activities in 2017 and in 2018.

Households that donated to disaster aid efforts in both 2017 and 2018 allocated 11 percent of their total charitable giving to disaster-related activities. Households that gave to disaster aid efforts in either 2017 or 2018 (but not both) allocated only 5 percent of their total charitable giving to disaster-related activities.

Among disaster aid donor households that only gave to U.S. disasters in the two years, about 8 percent of their total charitable giving supported disaster aid efforts. Among disaster aid donor households that gave at least some to international disasters in either of the two years, 13 percent of their total charitable giving was disaster-related.

<sup>5</sup>Two responses with extreme values of dollar amounts donated are considered as outliers and thus excluded from the analysis of the amounts of donations, because these extreme values are apt to highly influence average values.

# IMPACT OF DISASTER GIVING ON GIVING TO OTHER (NON-DISASTER) CHARITABLE CAUSES



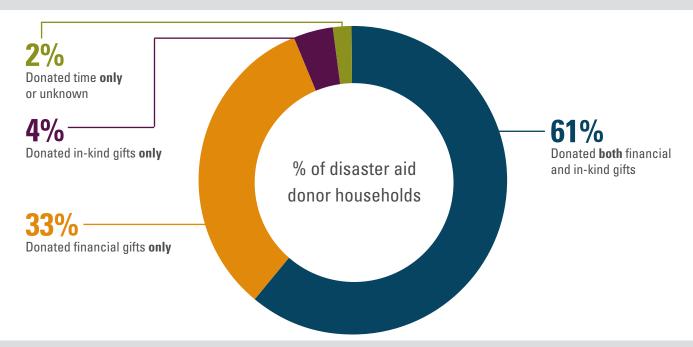


# Methods of Household Disaster Giving, 2017 and 2018

- Approximately three-fifths (61 percent) of disaster aid donor households made both financial and in-kind donations
  to support disaster aid efforts in 2017 and 2018.
- About 65 percent of disaster aid donor households made in-kind gifts to support disaster aid efforts in 2017 and 2018.
- Roughly half (52 percent) of disaster aid donor households made financial gifts by cash or check.

# % of Disaster Aid Donor Households Through donations of goods By cash or check By credit card in person, by mail, or by phone (not online) Through organization websites and other online platforms 19% Through crowdfunding platforms 10%

#### FINANCIAL AND IN-KIND DISASTER GIFTS



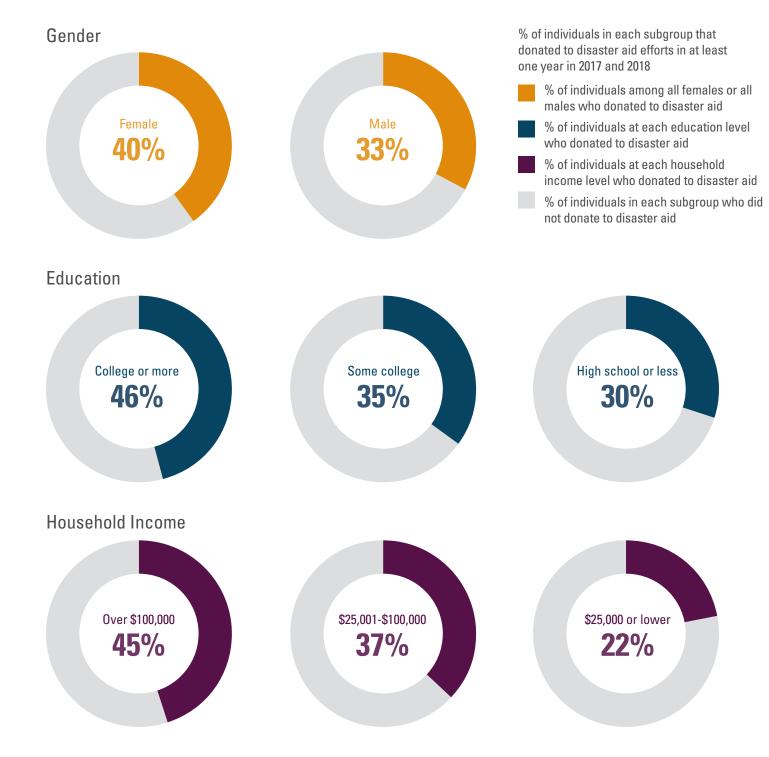
# **CROWDFUNDING PLATFORMS**

Among households that donated to disaster aid through crowdfunding platforms in 2017 or 2018, 52 percent gave to efforts by a charitable/religious organization to provide immediate basic

needs (including access to food, clean water, shelter, sanitation, and clothing); 37 percent donated to a project to help a close friend or family member in need.

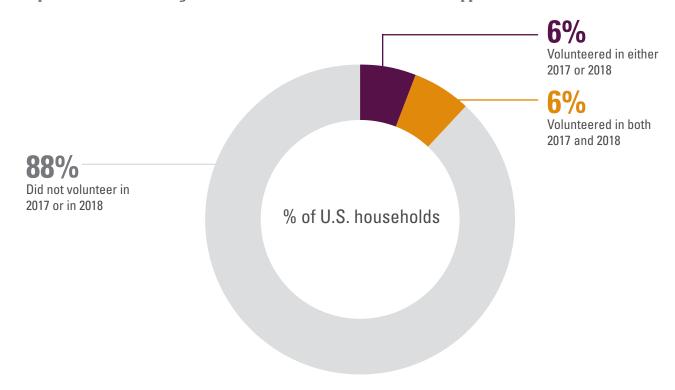
# Profile of Disaster Giving Donors, 2017 and 2018

- Gender, education, and household income were all correlated with donating to disaster aid efforts in 2017 and 2018.
- About 40 percent of females donated to disaster aid, whereas 33 percent of males did so.
- Among individuals with a college degree or higher, 46 percent donated to disaster aid.
- Among those with household incomes greater than \$100,000, 45 percent donated to disaster aid.

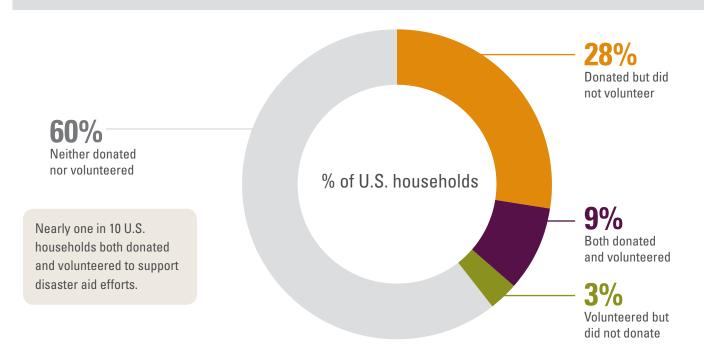


# Volunteering for Disaster Aid Efforts, 2017 and 2018

- Around 6 percent of households volunteered to assist with disaster aid efforts in both 2017 and 2018, and another 6 percent volunteered in one of the two years.
- About 9 percent of households gave both financial assistance and time to support disaster aid efforts in 2017 and 2018.

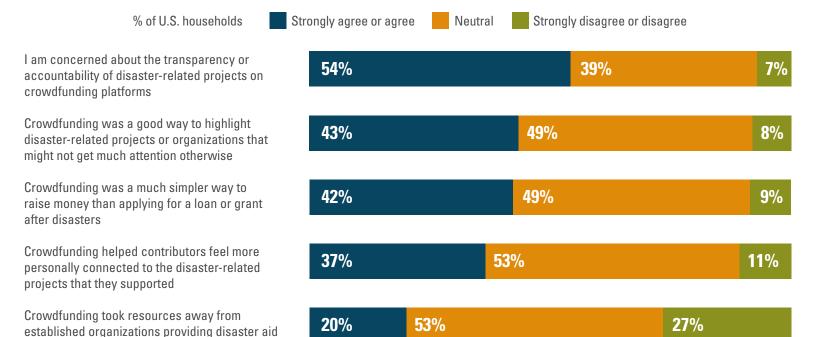


# HOUSEHOLD SUPPORT TO DISASTER AID EFFORTS BY GIVING AND VOLUNTEERING



# Perception of Crowdfunding for Disaster Giving, 2017 and 2018

- About 10 percent of disaster aid donor households gave through crowdfunding platforms in 2017 and 2018 (see page 13).
- More than half (54 percent) of all households reported being concerned about the transparency or accountability of disaster-related crowdfunding projects.
- More than one-third (between 37 percent and 43 percent) of all households held positive perceptions of crowdfunding in disaster aid efforts, while over half of households were less certain about the merits of crowdfunding in disaster aid.





# Reasons for Not Giving to Disaster Aid Efforts, 2017 and 2018

- Financial commitments to other charitable causes was the top reason reported by households that did not donate to disaster aid efforts in 2017 or in 2018.
- Not being asked directly and financial commitments to other household activities were the other top reasons for not donating to disaster aid efforts.

# % of households that did not donate to disaster aid efforts in 2017 or in 2018 Already financially committed to other charitable causes 21% Not directly asked to give to disaster-related projects or organizations 19% Already financially committed to other household activities 19% Not able to determine the effectiveness or impact of a disaster aid-related gift 14% Did not know which organization to give to 13% 12% Felt that government disaster aid efforts were adequate and/or efficient 11% Did not have available money 8% Timing of the disaster aid-related request was not optimal 7% Negative media portrayals 6% Received too many requests for disaster-related donations 6% Not fully aware of the scale of the disasters and number of people affected 6% Felt that charitable/religious organizations were not effective and/or efficient in disaster aid 3% Disaster giving process was too complicated

# Methodology

This research brief uses data from an online survey of U.S. households conducted in March 2019. The survey contained questions on household charitable donations in support of disaster aid efforts and other charitable causes in 2017 and 2018. The response rate was 60 percent. A total of 1,243 households in the U.S. completed the survey. Survey weights were constructed based on gender, race/ethnicity, education, household income, metropolitan status, and census region. Weights were applied in the analysis to ensure that the final sample of the research brief was representative of the general U.S. households; therefore, the sample size for each question is not noted. The sample sizes for household subgroups in the survey are summarized below.

HOUSEHOLD SUBGROUPS	SAMPLE SIZE
All respondents that completed the survey	1,243
Households that made a charitable donation in 2017 or 2018	908
Households that donated to disaster aid efforts in 2017 or 2018	464

# Contributors

#### INDIANA UNIVERSITY LILLY FAMILY SCHOOL OF PHILANTHROPY

Jon Bergdoll, Chelsea Clark, Adriene Davis Kalugyer, Xiaonan (Coco) Kou, Una Osili With special thanks to Michael Windle, research scientist at the Massachusetts Institute of Technology Humanitarian Supply Chain Lab

### **CANDID**

Suzanne Coffman, Christine Innamorato, Supriya Kumar, Larry McGill, Betty Saronson, Grace Sato

#### **CENTER FOR DISASTER PHILANTHROPY**

Melanie Davis-Jones, Ruja Entcheva, Tanya Gulliver-Garcia, Regine Webster

Front cover photo: Soldiers with the Texas Army National Guard move through flooded Houston streets as floodwaters from Hurricane Harvey continue to rise. Photo taken on Aug. 28, 2017. Photo: U.S. Army 1st Lt. Zachary West

This report was researched and written by the Indiana University Lilly Family School of Philanthropy at IUPUI.

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