Nonprofit agencies seek to make valuable contributions to society as providers of public services, but in order to continue their good works, nonprofit organizations need to take a strategic approach to fundraising that uses their limited resources to effectively target donors. Critical to this approach is an understanding of the donor decision process and donor motivations. What are the differences in the thought processes of donors and non-donors? What motivates a donor to give to a specific nonprofit organization? Unfortunately for these agencies, little relevant research exists to answer these questions because fundraising is not a recognized academic discipline. The purpose of this paper is to evaluate the importance of two motivational factors, relevance and recognition, and to evaluate the thought process of the individual donor to provide implications specific to the nonprofit sector. The results of two studies confirm that personal relevance is a significant predictor of donation behavior. Personal relevance can be established by the donor himself (i.e., measured), or personal relevance can be instilled by an organization (i.e., manipulated). This suggests that fundraising appeals can be tailored to increase the relevance of the nonprofit agency’s mission to the audience, thus creating an increase in donations. These studies also support a cognitive-based approach to understanding donor thought processes, offering nonprofit organizations practical insights for fundraising. Within our findings, individuals with high relevance to a cause were more likely to believe that cause was a major problem in our society, that a solution could be found, and that their personal contribution could make a significant difference in attaining that solution.

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WHY WE GIVE: AN INVESTIGATION OF THE DONOR DECISION PROCESS
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ABSTRACT
Nonprofit agencies seek to make valuable contributions to society as providers of public services, but in order to continue their good works, nonprofit organisations need to take a strategic approach to fundraising that uses their limited resources to effectively target donors. Critical to this approach is an understanding of the donor decision process and donor motivations. What are the differences in the thought processes of donors and non-donors? What motivates a donor to give to a specific nonprofit organisation? Unfortunately for these agencies, little relevant research exists to answer these questions because fundraising is not a recognised academic discipline. The purpose of this paper is to evaluate the importance of two motivational factors, relevance and recognition, and to evaluate the thought process of the individual donor to provide implications specific to the nonprofit sector. The results of two studies confirm that personal relevance is a significant predictor of donation behavior. Personal relevance can be established by the donor himself (i.e., measured), or personal relevance can be instilled by an organisation (i.e., manipulated). This suggests that fundraising appeals can be tailored to increase the relevance of the nonprofit agency’s mission to the audience, thus creating an increase in donations. These studies also support a cognitive-based approach to understanding donor thought processes, offering nonprofit organisations practical insights for fundraising. Within our findings, individuals with high relevance to a cause were more likely to believe that cause was a major problem in our society, that a solution could be found, and that their personal contribution could make a significant difference in attaining that solution.

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