Fundraising: Having Fun While Raising Funds

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EXTENDED ABSTRACT - Charities around the globe are experiencing funding challenges that jeopardize the ability of these organizations to perform their missions. Government support is in decline (Hibbert and Horne 1995), direct donations are falling, and the number of charities seeking funding continues to grow each year (Liao, Foreman and Sargeant 2001). Given this challenging fundraising environment, charities are looking for new ways to raise support.

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**EXTENDED ABSTRACT**

Charities around the globe are experiencing funding challenges that jeopardize the ability of these organizations to perform their missions. Government support is in decline (Hibbert and Horne 1995), direct donations are falling, and the number of charities seeking funding continues to grow each year (Liao, Foreman and Sargeant 2001). Given this challenging fundraising environment, charities are looking for new ways to raise support.

This paper extends the study of charity support behavior (CSB) beyond the extant literature; a body of research that has focused on a narrow set of CSBs (e.g. donations, volunteering) to the exclusion of other more experiential forms of charity consumption (e.g. charity lotteries). For instance, the current literature fails to account for the myriad of purchasing behavior that directly supports charity, namely: CRM (Varadarajan and Menon 1988); charity events (e.g., Farm Aid), charity products (Bennett and Gabriel 2000); and charity gaming (e.g., charity lotteries/raffles, bings, auctions). Given that consumers have been shown to derive considerable pleasure from shopping and buying (i.e., experiential consumption: Holbrook 2000; Holbrook and Hirschman 1982) it is recognized the importance of such events as they try to account for the myriad of purchasing behavior that directly supports charity and that CLTs provide a body of research that has focused on a narrow set of CSBs (e.g. donations, volunteering) to the exclusion of other more experiential forms of charity consumption (e.g. charity lotteries). For instance, the current literature fails to account for the myriad of purchasing behavior that directly supports charity, namely: CRM (Varadarajan and Menon 1988); charity events (e.g., Farm Aid), charity products (Bennett and Gabriel 2000); and charity gaming (e.g., charity lotteries/raffles, bings, auctions). Given that consumers have been shown to derive considerable pleasure from shopping and buying (i.e., experiential consumption: Holbrook 2000; Holbrook and Hirschman 1982) it is believed that the failure to study purchasing as charity support behavior is a considerable oversight. Moreover, it is argued that because these charity consumption experiences provide a unique set of consumption values (i.e., pleasure) they represent incremental fundraising opportunities.

The authors first used the five consumption values introduced by Sheth Newman and Gross (1991)—emotional, functional, social, conditional and epistemic—to categorize CSB motives identified in the extant CSB literature. Although most studies were found to contain motives reflecting functional and emotional value, references to fun, play and amusement were noticeably missing from CSB motive typologies. To contrast CSB motives with those of experiential consumption, the authors also applied Sheth et al.’s (1991) five consumption values to the extant literature on gambling motives.

Next, an exploratory qualitative study was undertaken to gain insight into a related form of experiential charity consumption—charity gaming. Specifically, the study focused on the purchase of premium charity lottery tickets (CLTs). This particular type of lottery features much larger prize pools (i.e. thousands of prizes valued at millions of dollars) and higher ticket prices (e.g. $20-$100 per ticket) than the typical charity raffle. Given its exploratory nature, a desire for depth of insight and few a priori themes or research questions, this preliminary study employed a long interview methodology (McCracken 1988) were conducted for this exploratory study given research objective focused on s. Although these interviews were focused on CLT purchase behavior, they also examined charity support more generally.

Perhaps the most surprising theme uncovered from the interviews was that the CLT purchase was viewed by study participants as a donation; a finding that supports the authors’ position that these lotteries are charity support behavior. In fact, ticket buyers revealed that their main reason for purchasing a ticket was to support the charity or cause. For instance, participants commonly used the words “donation” and “contribution” when talking about their ticket purchases. And, consistent with previous research on CSB motives, altruism—an emotional value—was seen to be the primary motive for the consumption of CLTs.

However, initial insights from CLT buyers also supported the belief that charity gaming is FUNdrasing and that CLTs provide buyers with considerable pleasure. For instance, interviews revealed that these tickets evoke the kinds of fantasies, feelings and fun associated with experiential consumption (Holbrook and Hirschmand 1982). Thus, participants indicated that while their CLT purchases were primarily motivated by one emotional value—altruism—their consumption experience was enhanced by the “fun” they received from buying, sharing and thinking about the lottery ticket and its prizing. It is this latter set of functional and emotional values that are not identified in previous typologies of CSB motives.

The interviews also provide evidence to support the authors’ contention that these experiential forms of charity support are a distinct form of CSB and that they are an incremental form of support. To this end, several participants remarked if charities they currently support were to introduce a lottery, they would support the lottery “in addition to” current support activities. It is believed that experiential CSBs such as charity lotteries, while primarily motivated by altruism offer hedonic benefits atypical of those offered by traditional fundraising methods. Thus, charity lotteries are not expected to cannibalize other forms of charitable support because they offer supporters with a different set of values.

Although the current study focussed on one form of experiential CSB, the charity lottery—the authors suggest that there are a number of other forms of FUNdrasing, such as charity events (e.g., fun runs) that have been overlooked by the CSB literature. In fact, according to Higgins and Lauzon (2003) many charities have recognized the importance of such events as they try to “put the fun back in fundraising.” The authors introduce a more complete typology of CSBs, one that categorizes each CSB according to its ability to provide consumers with the fantasies, feelings and fun associated with experiential consumption. Recommendations for future research into the FUNdrasing phenomenon are derived from this expanded typology of CSB.