Why Donors Give: Motivations for Their Gifts

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The following article is provided courtesy of Robert Russell, President and founder of <u>RR&A</u>. Since 1976, RR&A has provided consulting services in marketing, management, and fundraising to businesses and charitable organizations. RR&A works with organizations to define their challenges and design effective strategies for long-term growth and impact.

Over the past forty years, our business has had the good fortune to conduct more than 200 numerically sampled donor constituency surveys. These constituencies included hundreds of philanthropists who support higher education, home schooling, special education, health care, rehabilitative health care and services, public policy institutions and think tanks, arts centers and academies, libraries, and others.

Each survey probed the constituent's philanthropic goals and ideals. Relative to the sponsoring organization, we asked the donor's sense of American institutions generally and the sponsor organization. The surveys also requested demographic information, including age, gender, education levels, marital and family status, community involvement, religion and political preferences, and specific affiliations with the institutions he or she supports.

In each survey, RR&A asked donors three important questions about their charitable giving: To which organization in America did you give your largest contribution last year; Why did you support **them** with your largest gift; and What was the amount of your contribution?

Thousands of donors' answers to the second question have yielded eight consistent reasons why they chose to support certain charitable organizations. These eight "donor gift motivators" are listed below in order of highest to lowest numbers of responses:

- 1. **Belief.** Almost all donors say that a sense of *belief in the cause* motivates them to give their largest gifts.
- 2. **Return on Investment.** The higher the amount of the gift, the more the donor will say that *"return on investment"* or *"effectiveness"* has motivated his gift, using additional phrases such as *"they really do what they say they are going to do,"* or *"they do their job beautifully."*
- 3. **Quality.** Donors are consistently motivated by the *"quality of people affiliated with the organization."*
- 4. **Urgency.** The *"urgency"* or *"immediacy"* of the gift expenditure impacts donors' largest gifts.

- 5. Messenger and Method of Request. Often, fundraisers assume that the positioning or status of the person who asks for gifts is more important than any other factor. While the person who asks is important, the most important factor is the relationship between the messenger and the potential donor. If it is a relationship that strengthens and deepens over time, chances for increasing the donation rise proportionately. Chances for strong giving over a decade or much longer also increase.
- 6. **Belonging.** Donors often use words like *"belonging," "inclusion," "loyalty,"* and *"obligation."* In these cases, the donor may be a member, trustee, aficionado, or otherwise dedicated to a particular church, school, health organization, cultural institution, or cause.
- 7. **Need.** Donors give because the organization or its leaders cannot survive without funds or without the service or personnel being funded.
- 8. **Tax Deductibility.** This rationale applies mostly to estate, legacy, deferred, planned, and future giving.

An understanding of *why* donors give can enable nonprofits to strengthen relationships with existing supporters and develop strategies for reaching new donors. For more information on developing a fundraising and marketing plan for your organization, please visit <u>RR&A's</u> <u>website</u>.

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