

Chapter One:

Why People Respond to Fundraising Appeals

It's downright unnatural. Your fundraising appeal must persuade the recipient to take an action that much of humanity thinks peculiar: to give away money.

To accomplish this seemingly unlikely objective, your appeal needs to be built on the psychology of giving. Forget your organization's needs. Instead, focus on the needs, the desires, and the concerns of the people you're writing to. Your job is to motivate them.

Commercial direct marketers frequently say that there are five *great motivators* that explain response: fear, exclusivity, guilt, greed, and anger. But I believe the truth is much more complex: that there are at least two dozen and one reasons people might respond to your fundraising appeal. Any one of the twenty-five might suggest a theme or hook for your campaign, and it's likely that several of these reasons help to motivate each gift.

People Send Money Because You Ask Them to

Public opinion surveys and other research repeatedly confirm this most basic fact of donor motivation. "I was asked" is the most frequently cited reason for giving. And the research confirms that donors want to be asked. Focus group research also reveals that donors typically underestimate the number of appeals they receive from the organizations they support. These facts help explain why responsive donors are repeatedly asked for additional gifts in nearly every successful direct response fundraising program. When you write an appeal, keep these realities in mind. Don't allow your reticence about asking for money make you sound apologetic in your letter.

People Send Money Because They Have Money Available to Give Away

The overwhelming majority of individual gifts to nonprofit organizations and institutions are small contributions made from disposable (or discretionary) income. This is the money left over in the family checking account after the month's mortgage, taxes, insurance, credit cards, and grocery bills have been paid. Unless you're appealing for a major gift, a bequest, or a multiyear pledge, your target is this modest pool of available money.

For most families, dependent on a year-round stream of wage or salary income, the pool of disposable income is replenished every two weeks or every month. That's why most organizations appeal frequently and for small gifts. If your appeal is persuasive, your organization may join the ranks of that select group of nonprofits that receive gifts from a donor's household in a given month. If you're less than persuasive or if competing charities have stronger arguments—or if the family just doesn't have money to spare that month—you won't get a gift.

For example, if you write me a letter seeking a charitable gift, you may succeed in tapping into the \$100 or \$200 I'll probably have "left over" for charity during the month your letter arrives. If your appeal is persuasive, I might send you \$25 or \$50—\$100 tops—because I decide to add you to the short list of nonprofits I'll support that month.

Now you may have the mistaken impression that as a businessman, a snappy dresser, and an all-around generous fellow, I have a lot of money. You may even be aware I've occasionally made much larger gifts to local charities. But you're unlikely to receive more than \$50 because that's all I have available right now. Those few larger gifts I gave didn't come from my disposable income stream. They came from other sources (such as an investment windfall, a tax refund, or an inheritance) and required a lot of planning on my part.

People Send Money Because They're in the Habit of Sending Money

Charity is habit forming; giving by mail is a special variety of this benign affliction. When I became involved in direct mail fundraising in the late 1970s, I was told that only about one in four adult Americans was *mail responsive*—that is, susceptible to offers or appeals by mail. By the turn of the century, according to the Simmons Market Research Bureau, two out of every three adults were buying goods or services by mail or phone every year. Many purchases involved telemarketing—but there's no doubt Americans are now more mail responsive. Surveys also reflect the growing importance of direct

mail appeals in the fundraising process. Research shows that fundraising letters are the top source of new gifts to charity in America.

But the charity habit isn't expressed solely through the mail. These days, with the proliferation of other fundraising channels, some people have gotten into the habit of giving online. Others prefer to respond to telephone calls (yes, telephone calls) or to television appeals. And once the hurdles are removed from giving via text messages on mobile devices, I'm sure people will get into that habit too.

People Send Money Because They Support Organizations Like Yours

Your donors aren't yours alone, no matter what you think. Because they have special interests, hobbies, and distinctive beliefs, they may support several similar organizations. A dog owner, for example, may contribute to half a dozen organizations that have some connection to dogs: a humane society, an animal rights group, an organization that trains Seeing Eye™ dogs, or even a wildlife protection group. A person who sees himself as an environmentalist might be found on the membership rolls of five or six ecology-related groups: one dedicated to land conservation, another to protecting the wilderness, a third to saving endangered species or the rain forest, and so on. There are patterns in people's lives. Your appeal is most likely to bear fruit when it fits squarely into one of those patterns.

People Send Money Because Their Gifts Will Make a Difference

Donors want to be convinced that their investment in your enterprise—their charitable gifts—will achieve some worthy aim. That's why many donors express concern about high fundraising and administrative costs. It's also why successful appeals for funds often quantify the impact of a gift: \$35 to buy a school uniform, \$40 for a stethoscope, \$7 to feed a child for a day. Donors want to feel good about their gifts. Linking a donor's gift to something specific and tangible is always a plus.

Your donors are striving to be effective human beings. You help them by demonstrating just how effective they really are.

People Send Money Because Gifts Will Accomplish Something Right Now

Urgency is a necessary element in a fundraising letter, and even more so in an online appeal. Implicitly or explicitly, every successful appeal has a

deadline: the end of the year, the opening of the school, the deadline for the matching grant, the limited pressrun on the book available as a premium. But the strong attraction in circumstances such as these becomes even clearer when no such urgent conditions apply. If the money I send you this week won't make a difference right away, shouldn't I send money to some other charity that has asked for my support and urgently needs it?

People Send Money Because You Recognize Them for Their Gifts

You appeal to donors' egos—or to their desire to heighten their public image—when you offer to recognize their gifts in an open and tangible way: a listing in your newsletter; a plaque, certificate, lapel pin, or house sign; a screen credit in a video production; a press release. If your fundraising program can provide appropriate and tasteful recognition, you're likely to boost response to your appeals by highlighting the opportunities for recognition in your letter or newsletter. Even if donors choose not to be listed in print or mentioned in public, they may be gratified to learn that you value their contributions enough to make the offer.

People Send Money Because You Give Them Something Tangible in Return

Premiums come in all sizes, shapes, and flavors: bumper strips, gold tie tacks, coffee-table books, membership cards, even (in one case I know) a pint of ice cream.

Sometimes, premiums (such as name stickers or bookmarks) are enclosed with the appeal; these so-called front-end premiums (or *freemiums*) boost response more often than not and are frequently cost effective, at least in the short run. In other cases, back-end premiums are promised in an appeal “as a token of our deep appreciation” when donors respond by sending gifts of at least a certain amount. Either way, premiums appeal to the innate acquisitiveness that persists in the human race.

People Send Money Because You Enable Them to “Do Something” about a Critical Problem, if Only to Protest or Take a Stand

Today we are bombarded by information about the world's problems through a wide variety of channels. Although we may isolate ourselves inside triple-locked homes, build walls around suburbs, and post guards at gateposts, we can't escape from knowing about misery, injustice, and wasted human potential. Often we feel powerless in the face of this grim reality. Charity

offers us a way to respond—by helping to heal the sick or offer balm for troubled souls, imprint our values on a new generation, or feed the hungry. Your appeal will trigger a gift if it brings to life the feelings that move us to act, even knowing that action is never enough.

If you offer hope in a world drowning in troubles, your donors will seize it like the life jacket it really is.

People Send Money Because You Give Them a Chance to Associate with a Famous or Worthy Person

There are numerous ways that the identity, personality, or achievements of an individual might be highlighted in a fundraising appeal. For example, that person may be the celebrity signer, the organization's founder or executive director, the honorary chair of a fundraising drive, a patron saint, a political candidate, an honoree at a special event—or simply one of the organization's members or clients. If the signer's character or accomplishments evoke admiration or even simply a past personal connection, your donors may be moved to send gifts in response. The opportunity to associate with someone who is well known or highly esteemed may offer donors a way to affirm their noblest inclinations—or compensate for what they believe to be their shortcomings.

People Send Money Because You Allow Them to Get Back at the Corrupt or the Unjust

There are too few outlets for the anger and frustration we feel on witnessing injustice and corruption in society. Both our moral sense and the secular law hold most of us in check, preventing expressions of violence or vocal fury that might allow us to let off steam. For many, contributing to nonprofit causes or institutions is a socially acceptable way to strike back. Whether your organization is a public interest group committed to fighting corruption in government or a religious charity devoted to revealing divine justice, it may help donors channel their most sordid feelings into a demonstration of their best instincts.

People Send Money Because You Give Them the Opportunity to “Belong”—as a Member, Friend, or Supporter—and Thus You Help Them Fight Loneliness

Your most fundamental task as a fundraiser is to build relationships with your donors. That's why so many organizations use membership programs, giving clubs, and monthly gift societies. The process of solicitation itself can

help build healthy relationships. Shut-ins, for example, or elderly people with distant family and few friends may eagerly anticipate the letters you send. Most of us are social animals, forever seeking companionship.

People Send Money Because You Enable Them to Offer Their Opinions

The act of sending a gift to some nonprofit organizations might itself constitute a way to speak out. Consider, for example, the American Civil Liberties Union or the Republican National Committee or the Human Rights Campaign; support for these groups makes an obvious statement about a donor's views. But almost any charity can offer donors an opportunity to state an opinion either by mail or online by including in an appeal an involvement device such as a membership survey, a petition, or a greeting card that might later be sent to a friend or family member. Although most donors may ignore the chance to offer suggestions, they may regard the invitation to do so as a strong sign of your respect and concern for them.

People Send Money Because You Provide Them with Access to Inside Information

Even if your organization or agency isn't an institution of higher education or a research foundation, you still possess knowledge many donors crave. Nonprofit organizations are often on the front lines of everyday, hands-on research, gathering important data day after day from clients, visitors, or program participants. Their staff members are likely to be specialists, and often experts, in their fields.

Every nonprofit possesses information that is not widely known to the public and that donors may perceive as valuable. A loyal supporter may be vitally interested in the health and well-being of your executive director (who was ill lately), the progress of a project you launched last year (after a spectacular start), or what your field staff learned last month (three months after the hurricane).

Disseminating inside information, which is intrinsically valuable and thus constitutes a gift from you, also helps build strong fundraising relationships by involving your donors in the intimate details of your organization.

People Send Money Because You Help Them Learn about a Complex and Interesting Problem or Issue

In most advanced industrial nations, citizens think it is largely government's responsibility to provide education, health care, and the arts. In contrast, the traditional American response has been to meet important needs such as

these principally through private, voluntary action. Nonprofit organizations in the United States tackle issues or problems that society otherwise ignores or undervalues. Don't think just of the private schools and colleges, nonprofit hospitals, museums, and symphony orchestras. Think about Mothers Against Drunk Driving, Disabled American Veterans, Planned Parenthood, The Nature Conservancy, and the hundreds of thousands of other organizations like them that are far less well known. Often these organizations are on the front lines of research or public debate on the most challenging, the most controversial, the most engaging issues. If that's true of your organization, the emphasis you place in your appeal on your special knowledge may help motivate donors to give.

Your donors may even perceive the appeal itself as a benefit. As research frequently reveals, donors regard the letters they receive from charities as a source of special knowledge. I believe that helps explain why long letters containing hard facts and intriguing ideas often out-pull more emotional appeals.

People Send Money Because You Help Them Preserve Their Worldview by Validating Cherished Values and Beliefs

The very act of giving affirms a donor's dedication to a charity's worthy aims. Donors support your organization's work because you act on their behalf, pursuing your mission with time and effort they could never bring to bear themselves. In this passionate pursuit, you act out their values and beliefs—the deep-seated convictions that lead them to join in your mission. But you must constantly remind them of the connection.

If your organization's mission is congruent with widely shared values and beliefs—a commitment to piety, for example, or saving dolphins or promoting efficiency in government—you face an obvious marketing opportunity. But if your nonprofit is dedicated to an unpopular cause, such as prisoners' rights, you possess a similar (if unenviable) advantage: for that small number of donors willing to take a stand on an issue that others reject, the values and beliefs that make the act of giving a form of personal affirmation suggest to the fundraiser a language both may speak.

People Send Money Because You Allow Them to Gain Personal Connections with Other Individuals Who Are Passionately Involved in Some Meaningful Dimension of Life

A charity is an intentional community of sorts—a cooperative venture, an institutional expression of a shared creed or common hopes. Your job as a fundraiser is to strengthen the bonds that tie your community together. Your greatest asset may be the heroic members of your field staff, who daily risk their lives to right the world's wrongs, or simply a particular person within

your community whom donors may regard as an inspiring example: a selfless, dedicated staff member; a passionately committed trustee; a model client or beloved beneficiary of your work. If you bring such people to life through your fundraising appeals, you enable your donors to live vicariously through them—and that can be a meaningful and rewarding experience for donors, as well as profitable for your organization.

People Send Money Because You Give Them the Chance to Release Emotional Tension Caused by a Life-threatening Situation, a Critical Emergency, or an Ethical Dilemma

The charitable impulse is often precipitated by special circumstances that cause pain, fear, or even embarrassment. Consider the enduring popularity of memorial gifts to commemorate the passing of friends or loved ones or the spontaneous outpouring of gifts to aid crime victims or the families of kidnapped children. People want to help relieve pain and suffering, if only because they share these feelings. And they want to respond to grave emergencies, if only because they fear death. Your appeal for funds may afford them an opportunity to ease their affliction.

People Send Money Because They Are Afraid

Fear motivates. The American public has been subjected to billions of fundraising letters expressly conceived to evoke fear. Fear of death. Fear of poor people or foreigners. Fear of Social Security benefit cuts. Fear of higher taxes. Fear of Democrats or Republicans, liberals or reactionaries. No Pollyannish view of human motivation can erase the evidence that vast sums of money have been raised by such appeals. Fear sells. Yet I believe with all my heart that it's often unseemly, at times ethically questionable—and ultimately counterproductive—to use this obvious stratagem.

Consider the would-be prophet who predicts Armageddon next year. Who will heed the prophet when next year has come and gone and the world is still in one piece? A fundraiser who builds the case for giving on the worst-case scenario may be building on quicksand.

People Send Money Because You Allow Them to Relieve Their Guilt about an Ethical, Political, or Personal Transgression, Whether Real or Imagined

Guilt undeniably plays a role in prompting some gifts. Think of the \$1 or \$2 cash contribution mailed in response to direct mail packages containing

name stickers or greeting cards, the belated membership renewals that follow a long series of increasingly insistent demands, or the millions of small gifts sent every year in response to photographs of children with unsightly cleft palates. Our complex society allows few of us the luxury of acting out of purely ethical motives. Compromise is woven through the fabric of our daily lives. The fact is that none of us is likely to feel guilt-free at any time. Sometimes giving to charity, like throwing coins into the poor box in an earlier era, will help release the pressure.

Yet I believe guilt is highly overrated as a motivator. Rarely will donors who are moved primarily by guilt prove loyal over the years, and larger gifts from them are relatively rare. As a fundraising strategy, guilt may be just as counterproductive in the long run as fear.

People Send Money Because You Give Them Tax Benefits

No list of motivating factors for charitable giving is complete without at least passing reference to tax benefits. Without question, the charitable tax deduction has played a major role in stimulating many large gifts and legacy gifts, because the benefits to the donor are substantial. (This is particularly true of gifts of artwork or other forms of appreciated property to such institutions as museums, because the tax laws are specifically structured to encourage such gifts.) However, many small donors mistakenly believe they too gain a great advantage from the tax deductibility of their gifts. That's why it's always advisable when requesting a gift to inform the donor that it may be deductible: this information may not help, but it can't hurt.

Still, it's dangerous to construct an appeal exclusively on the basis of tax benefits, even an appeal to buy into a tax-reduction program such as a charitable remainder trust. Experts in planned giving advise that *donative intent*—the desire to help, to do good, to make a difference—is usually of far greater importance than any financial considerations. And there are lots of tax-reduction schemes available to well-to-do people from institutions with no charitable purpose whatsoever.

People Send Money Because They Feel It's Their Duty

Many of our religious traditions teach us that it's wrong to live life without observing our duty to others to relieve their pain, enlarge their opportunities, or brighten their lives. There is also a secular belief, widely shared in the United States, that as citizens in a democracy, we have an obligation to help make things better for our fellow citizens. Those who benefit from military training may acquire a heightened sense of duty.

Not every nonprofit organization can appeal explicitly to donors' sense of duty (though many charities can do so). But duty may nonetheless play a role in inspiring the gifts any nonprofit receives, for duty by its very nature is self-activating.

People Send Money Because They Believe It's a Blessing to Do so

The Christian belief that "it is more blessed to give than to receive" is deeply ingrained in Western civilization and far from limited to practicing Christians. In the Jewish concept of *mitzvah*, for example, or the Muslim *zakat* and *sadaqa*, many Americans find justification for believing that doing good is its own reward. Clearly—at least in our idealized vision of ourselves—we Americans celebrate the notion of charity. Our self-image as "nice people" derives in no small part from our generous response to charitable appeals.

People Send Money Because They Want to "Give Something Back"

The US economy has spawned millions of millionaires and more than a thousand billionaires, not to mention tens of millions of individuals who earn annual six-figure salaries. Huge amounts of cash slosh around in the melting pot that is American society. Although most of that money buys ever-larger homes and cars and increasingly contrived luxury goods, more each year is finding its way into the coffers of the nation's one and a half million nonprofit organizations. Why? Because many of those well-to-do people are motivated to share their good fortune with their communities or society at large. "Giving something back" is frequently cited by major donors as a principal reason for their gifts, and unquestionably it helps to account for the generosity of tens of millions of less-prosperous donors.

People Send Money Because You Offer Them a Choice of Specific Programs or Projects

Fundraisers have known for a long time that donors value choice. Like anyone else, they may be overwhelmed by a list of seventeen different options. But offered a chance to select one of, say, five projects your organization has under way, they might well respond more generously than if you solicit their support for just one of those programs, no matter how popular. As the *Chronicle of Philanthropy* reported in late summer 2012,

Boston's Jewish Federation "saw giving grow by 80 percent in 2011 and by 60 percent this year" by simply loosening its long-time insistence on unrestricted gifts.

Now that we've got a handle on two dozen and one of the reasons donors might respond to that fundraising appeal you're writing, let's take a look at the dynamics at work when they find your letter in their mailbox or inbox. That's the topic we'll take up in chapter 2, "How a Fundraising Appeal Is Like a Personal Visit."

