

Department of Marketing



Research Seminar Series | May 16th, 1-3pm | TC.3.08

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Targeting Donors: Increasing Fundraising Effectiveness by Providing Donors Opportunities to Target Their Charitable Gifts

Abstract: According to the impact philanthropy framework, donors prefer to target gifts to a particular cause, rather than support diverse causes more broadly. A test of this prediction in a field experiment with more than 40,000 prospective donors manipulates opportunities to target a gift by (1) associating specific suggested donation amounts with particular causes (i.e., coupling) and/or (2) providing a physical choice among causes (i.e., unpacking). Both interventions increase donation rate and amount, boosting revenues up to 42%. A mediation analysis reveals that unpacking, and coupling to a lesser extent, increases the likelihood that donors select one of the suggested amounts and make multiple gifts in response to a single solicitation. Using personal characteristics of prospective donors, an optimal allocation of solicitations shows how the charity could generate even greater revenues. These findings have pertinent implications for the impact philanthropy framework specifically, as well as for fundraising efforts more generally.