

DONOR'S PERSPECTIVE

Understanding the individual donor's motivations to give and not to give

This guide shall help you understand some of the basic motivations of an individual's willingness to donate to a charitable cause. Approximately 30 fundraisers from the Czech Republic, Bulgaria and Slovakia asked their donors for the reasons and circumstances that make them say "Yes" or "No" to a donation request. This guide was shaped by responses from these donors and personal experience of these fundraisers, as well as the input from several other experts and fundraising consultants. We believe that clear understanding of donor's motivations is an important piece of the mosaic of successful fundraising.

You have to ask!

The following report adds greatly to our knowledge of why people in the Czech Republic, Bulgaria and Slovakia would be motivated to make a donation and what are the main factors that would cause them to say no.

As in all the countries where philanthropy has been studied, we see that the primary reason people make any gift is because they are asked. They also have to believe in the cause and they need to trust the organization. Your job as a fundraiser is to ask, and to show that you will use the money wisely.

Sometimes people raising money hesitate to ask for money because they are afraid of imposing on a friendship, or they are afraid a person will give money which he or she should have used for something else. But the evidence is quite clearly the opposite: people feel good when they give away money to a cause they believe in and for which they have been asked respectfully. I always keep this in mind: people want their communities

and their world to be better places and I can invite them to be part of work that will make that happen, just by asking them to give.

Part of being respectful is respecting a person's right to say no. No one can help every organization and none of us are in a giving mood all of the time. People who may not have given very often in their lives need time to think about whether they want to make any donations at all. In eastern Europe about 30% of the adult population gives away money. I believe that this percentage will increase as the number of NGOs increases and as people become more familiar with the important work that NGOs provide. I often find that people say "no" but they mean "not now." If you thank them for considering your request and you don't pressure them, they may well say yes to a different request later.

I congratulate Viability Net and Marketa Kunesova for an important piece of research and I wish you all good fundraising!

Kim Klein, author, Fundraising for Social Change

Our common mistakes...

The leader of an emerging organization remembers his kind of initial “**messiah syndrome**”: “One had a feeling that his work, his project and his organization...were the BEST ever, and everyone would see that. Whoever didn’t was seen as strange. It is of course important to be convinced before we try to convince someone else but thanks to God there are many good projects and it was healthy to realize that we were not the navel of the world.”

“I couldn’t imagine asking my friends or the people who were closest to me. They had already helped us as volunteers or I knew that they had already supported a different organization. They finally broke my prejudices by offering a financial gift themselves” said Nad’a as she explained her **blindness to her closest** potential donors. Donors often combine the ways of their support and many donate to more than one organization at a time.

Filip discusses the idea of offering **something in**

return for a gift: “I expected individual donors to make a use of the discounts, presents and other perks we offered to them, but most donors don’t expect such things. One of our donors expressed it clearly: “I don’t want to gain anything from my gift. I support this cause because I believe it is a good one and I can relate to it.”

Both we and Filip would add that this should in no way stop us from keeping our donors informed, staying in touch with them, and taking care of them. But break your mind free from the feeling that you have to propose something in return!

“I started my career by putting together a list of past and current clients of the non-profit I worked for and their families. I approached them with a letter with request for continuing support. I assumed that those who have had personal experience with the Charity would be willing to donate. I couldn’t be more mistaken. Most of them not only refused but also started to be hostile toward our nurses. Today I know that only about 15% of those who we help feel grateful enough to become donors.” said Zdeněk who works for catholic charity as he ex-

plains the **trickiness of clients** as potential donors.

An on-line fundraising professional gives us a warning about the difficulty to convert Facebook fans into donors: “If you have more than 1,000 fans and you ask them to send a donation by text message, the response rate is usually about 0.07%. For those who confirm their attendance to an event only about 10% usually come and rarely does anyone who lists that they will “maybe come” ever show up.” It is easy to “support” somebody **virtually**. Do not let your fans disappoint you!

“I had great doubts about the chance of finding recurring donors on the street. I believed in success of one-shot collections but asking people on the street to sign the form for a recurring gift from their bank account... I thought this was an absurd idea. The first summer campaign brought us more than 1,500 new donors and my worries disappeared completely. **People like to give.** It is enough to ask them to do so,” explains his former skepticism about the possibility to convince somebody on the street fundraiser from a green initiative in Prague.

Why do donors say YES?

We asked more than 240 donors from the Czech Republic, Bulgaria and Slovakia what makes them support charitable causes.

First, we asked our respondents to indicate the importance of **7 motivations to donate**. Respondents could choose from a defined list of options. The size of the field indicates the relative importance of the motivation. It seems that all proposed options play a significant role, but some are still more important than others. The percentage of importance and explanation of each motivation are following:

18%: I find the theme/cause important,
there is an evident need for help.
17%: Project makes sense, clear outcomes
will be achieved with my money.
17%: The organization making the request is
well known and trustworthy.
14%: I have personal experience with the
problem/theme.
14%: Giving makes me feel good/I have higher
or spiritual motivations to donate.
11%: I was asked in a surprising or nice way.
9%: Giving allows me to give back to the
community that helped me succeed.



Respondents could add **other motivations important to them** to this list. The most important was an existing personal experience with the project or with people in the organization, second biggest aspect was simply understanding that my help is needed. Third on the list appears the importance of clear information about the money raised, use of this money and results of the project. Some donors further mentioned religious reasons to donate, ability to become a donor and willingness to support causes that are not supported by the government. 3 donors mentioned their willingness to inspire other potential donors with their gift and the same number of people appreciated the opportunity to become regular donors. 1 respondent preferred to make their donation as a tribute gift.

There are motivations that are more difficult to express. That's why we asked our respondents what they thought motivated others to donate, hoping that these answers would bring more openness around the topic. There were two dominating motives in this respect telling us something about "the real reasons to donate": personal prestige gained by the act of giving with 43% respondents, 39% of respondents referred to the fact that it was easier to donate than to refuse the request.

MAIN FINDINGS

- * Donors are honestly interested in specific themes. Our explanation of the cause must be clear and understandable. Our mission and its contribution to the positive change in the society is the biggest value we are offering to the potential donor. We shall make our best to avoid clouding this value with vague, confusing and incomprehensible explanations.
- * It must be clear to the potential donor how we intend to use his money. The gift itself is just a beginning of the relationship. Information about the use of the money and results of the project shall follow. This starts with the first thank you note indicating the use of the money, continues with further reporting and ends with an overall overview of the use of all contributions easily accessible at the organization's website.
- Trustworthy organizations have an easier access to donations. It is crucial to promote your organization and protect its reputation constantly in order to attract donors. The image of your organization is influenced by all of your external communication, including official public relations releases, as well as the information and stories informally shared by your staff, volunteers and donors. Make sure that everybody in the organization understands the importance of his or her statements and storytelling about the organization.
- * Personal connection to the cause or organization is a strong advantage to be used as much as possible. Sometimes we search for donors too far from us and neglect the committed people who are close to us already.
- * Majority of donors enjoy pleasant feelings while making a gift. We should encourage that and grow these positive feelings whenever possible! Step into the donor's shoes and try to make the experience of giving to your group as pleasant as possible.
- It is hard to ask for a gift but it is even harder to refuse the request for it. This knowledge shall help us overcome our reluctance to ask for a donation.
- * Some donors like to raise their prestige by making a gift and being part of the success. It is not the case for every donor but you will not know until you ask. We shall understand our donor's expectations and after clarifying what is and is not possible, we must fulfill whatever we have promised.
- * Donors are likely to support organizations where they know the staff or projects they are personally connected to. This is an argument for involving as many people from the organization into its fundraising efforts as possible. Ask your board members, staff and volunteers to help to approach potential donors!
- Donor has to believe in the effectiveness of your solution of problems. It might be useful to explain the kind of impact and the value of such impact that is created with the gift. If there is an opportunity to grow your impact by introducing your program to new areas and larger audiences, communicate that to your donors.
- * Donor also wants to see that money is being spent effectively in your organization. Fancy furniture could have been donated by your company partner but if you do not explain that, you might be suspected to waste money for luxury.

Why do donors say NO?

If we are able to understand what discourages our prospective donors, we can potentially avoid many mistakes. The second part of our questionnaire was focused on the reasons that cause donors to refuse requests for donation. Let's keep in mind that our respondents were donors to the organizations listed on the last page of this document. We would probably get different answers from those who are not givers. Experts from the western part of the globe usually recommend focusing only on those who already give to charitable causes. They are operating in communities where 5 to 7 people out of 10 do so. On the contrary only 3 people out of 10 donate in Eastern Europe which raises necessity to convert more givers for our causes. Our tradition of giving was interrupted by a long period of communism but our work, results and good relationships with donors shall increase the trust of ordinary people in the NGO sector as well as their willingness to donate.

Our respondents were again asked to indicate the importance of **7 motivations not to donate**. The percentage of importance and explanation of each motivation are following:

20% I didn't like the way I was asked (e.g. manipulative or aggressive approach).

19% I didn't know or I didn't trust the organization or both.

16% I had a bad experience with a similar kind of project in the past.

16% I was not interested in the topic, didn't find it important.

12% I was asked in a wrong moment, didn't have the time or thoughts for such things.

10% I don't trust charities in general, I prefer direct giving to those who need it.

7% My contribution would have been too small for such a big problem.



A donor from the Czech Republic told us: "I don't like a "schematic" approach of solicitors. Last week, for example, I was approached by two young ladies on the same square with the same request within 1 minute—both calling out exactly the same sentence with a pressing diction: "Are you indifferent to the life of people in developing countries?" I answered to myself that by no chance, but that these two girls definitely were! I have no taste for the typical pleading tone of voice and aggressively beseeching look. This discourages me reliably. The gift shall be requested not beseeched."

Respondents could add to this list **other motivations to refuse the request** important to them. The most important one was that the person didn't have the capacity to give. Many respondents don't like to be asked on the street and stated that they refuse when they are approached by a person who doesn't know enough about the project or the organization.

Let's look at the last chart, which includes what our respondents thought were the **motivations of other people** to refuse donation requests. Again, asking for motives of others, we hoped to get more open answers.

Lack of trust in the sector or fear that the money will not reach those in need dominate unsurprisingly with 40%. But following are these 3 new reasons: feeling that the government or somebody else shall take care of other people's problems (30%), 17% thought that other people refuse because they prefer to spend money on their needs or those of their families, and finally 14% found lack of money of potential donors to be the reason for refusal.



MAIN FINDINGS

- * Donors don't like pressure, aggression and manipulation. This includes the vocabulary you use, arguments you use to convince people, usage of photos of clients or insisting on a quick decision or one without enough information, asking in conditions that do not enable the potential donor to decide freely. The connection to the donor shall last for years and possibly forever and no manipulation can establish such a relationship.
- * We have to know our prospects. Besides their ability to give they have to believe in our cause and have a personal connection to the group. Take your time to find out who believes in your cause. If you don't know, ask about it! People with capacity don't necessarily have to donate money. Solicit those that are already philanthropic or those that express their willingness to be. People trust people they already know. If you have an opportunity to use an external solicitor, who knows both you and the prospective donor, have this person make the request.
- * Invest in your transparency. Our donors have to get clear information about the project, organization and its members, staff and executives and especially about the use of their money.
- * Some prospective donors do not see that even a small gift can make a difference and it is up to us to explain that to them.
- * No is a relevant answer and it is healthy to learn to accept the refusal without taking it personally.

BAZAAR OF IDEAS

This section offers suggestions on what you can do on each of the most important issues related to fund-raising.

IMPORTANT THEME SUGGESTION

- **Target those who are interested/** Don't waste your time asking everybody, search for prospects already related to your cause.
- **Provoke public debate/** Don't assume that "everybody knows" what you know. Providing perfect services is not enough. Be recognized as an advocate for a specific theme.
- **References/** It can't be only you saying that you are needed. References from donor's peers or your clients can do the work much better.
- **Show statistics, international comparisons, number of people affected, scale of the problem/** Show that you understand your field.
- **Newsletters with updates on programs and activities/** Demonstrate that you are doing good work.

TRUSTWORTHY ORGANIZATION

- **Invest in public relations.**
- Register for **donor portals** and **NGO indexes**.
- Build your **brand**.
- **Send updates on your work to your current donors** at least twice a year.
- Share your **budgets**, explain **operational costs**.
- Agree on the **exact purpose** of the gift.
- **Always tell the truth**, answer questions promptly.
- **Let your partners, experts and VIPs speak highly of you.**
- Have a **well-designed and up-to-date website**, be **searchable** on the internet.
- **Publish data openly** (including financial information), beyond the annual report.

NO PRESSURE

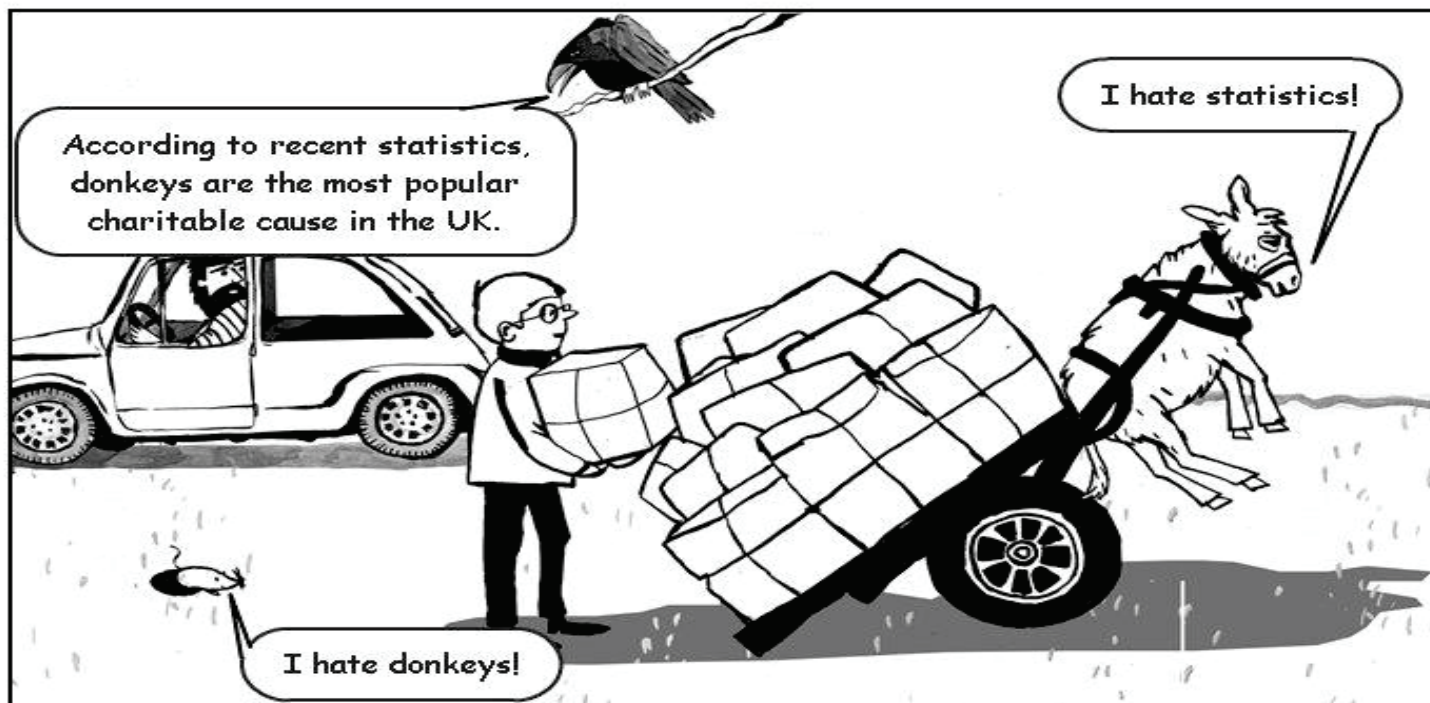
- **Respect refusal (honestly!)/** Your job is to ask. Donor's job is to decide. Keep it like that and avoid temptation to manipulate.
- **Don't ask for more money right in the "thank you" letter/** Wait for a later occasion.
- **Give donor time to decide/** While smaller amounts are usually solicited directly, major donors shall get a chance to consider bigger gifts.
- **Thank even those who refuse/** there is always something to be grateful for: time, interest, past support ... Show your respect for future relationships and a good reputation of your organization.

PERSONALISATION

- **Invite donors to events and unveiling ceremonies.**
- **Try peer to peer methods/** Have the person closest to the prospective donor ask for the donation.
- **Organize field trips/** Let your donors talk to your clients.
- **Personalize communication whenever possible/** Add personal notes to letters, address envelopes by hand.
- **Invite your donors to volunteer.**
- **Provide naming opportunities.**
- **Publish donor stories** on Facebook or elsewhere (if he/she agrees).

TANGIBLE PURPOSE

- **Create symbolic items that show the impact of each donation/** Even if your work isn't easily dividable into items to be supported, you can creatively propose symbolic adoptions, imaginary products or find ways to concretize long-term processes.
- **Depict concretely the impact of the gift/** Share your ambitious visions, share examples of impact.
- **No amount is too small/** Boost feasibility of your efforts by explaining who else is willing to donate and that any contribution makes a difference.
- **Don't scare your donors/** Consider capacity to give of every single prospect. Adjust the asked amount based on it. Learn to divide a large project into phases or a set of smaller projects.
- **Offer evaluation results to donors/** They might not really read it, but they will appreciate that you care about your effectiveness.
- **Share personal stories/** Nothing is more powerful than a good story.
- **Let the donor choose an item to sponsor/** If you have something tangible, let the donor touch it.
- **Calculate % of costs covered from the gift.**
- **Share your success/** Don't hesitate to share your joy, especially with current donors.



ACKNOWLEDGMENTS

We thank the donors, fundraisers and civil society organizations that generously shared their experience and insights, as well as all those whose contributions of time and perspective have helped to make this manual possible.

Donors: 241 individual donors from the Czech Republic, Bulgaria and Slovakia who responded our on-line questionnaire

Fundraisers: Tomáš Benda, Filip Budák, František Cihlář, Naďa Dittmannová, Andrea Dobrocká, Jan Gregor, Jana Havlenová, Jana Karásková, Kristina Karasová, Miroslav Klíč, Zdeněk Kousal, Aleš Kozák, Jitka Nechvátalová, Júlia Sokolovičová, Jakub Stránský, Vít Vebr, Karel Ženíšek

Organizations: Karin Dom Varna, Workshop for Civic Initiatives, Bulgarian Donors' Forum, Bulgarian Charities Aid Foundation, For Our Children Foundation, SOS Children's Villages Bulgaria, People in Peril Association, eRko—Christian Children Communities Movement, Center for Philanthropy

Advisors and consultants: Kim Klein, Jana Bryknarová, Dušan Ondrušek, Luben Panov, Jan Kroupa, Renáta Vondráková, Eva Dillon

Partners: The Via Foundation (Czech Republic), Bulgarian Center for Not-for-Profit Law (BCNL), Czech Fundraising Center, PDCS, civic association

Coordinator: Markéta Kunešová

Editor: Eva Dillon

Have we missed anything? Is there anything you disagree with? We will be happy to update the text and will appreciate your contribution to the next version. Please feel free to send your comments to: marketakunesova@nadacevia.cz.

You can download this guide for free at www.viabilitynet.org.



Document was prepared within the ViabilityNet network, powered by The Charles Stewart Mott Foundation.

