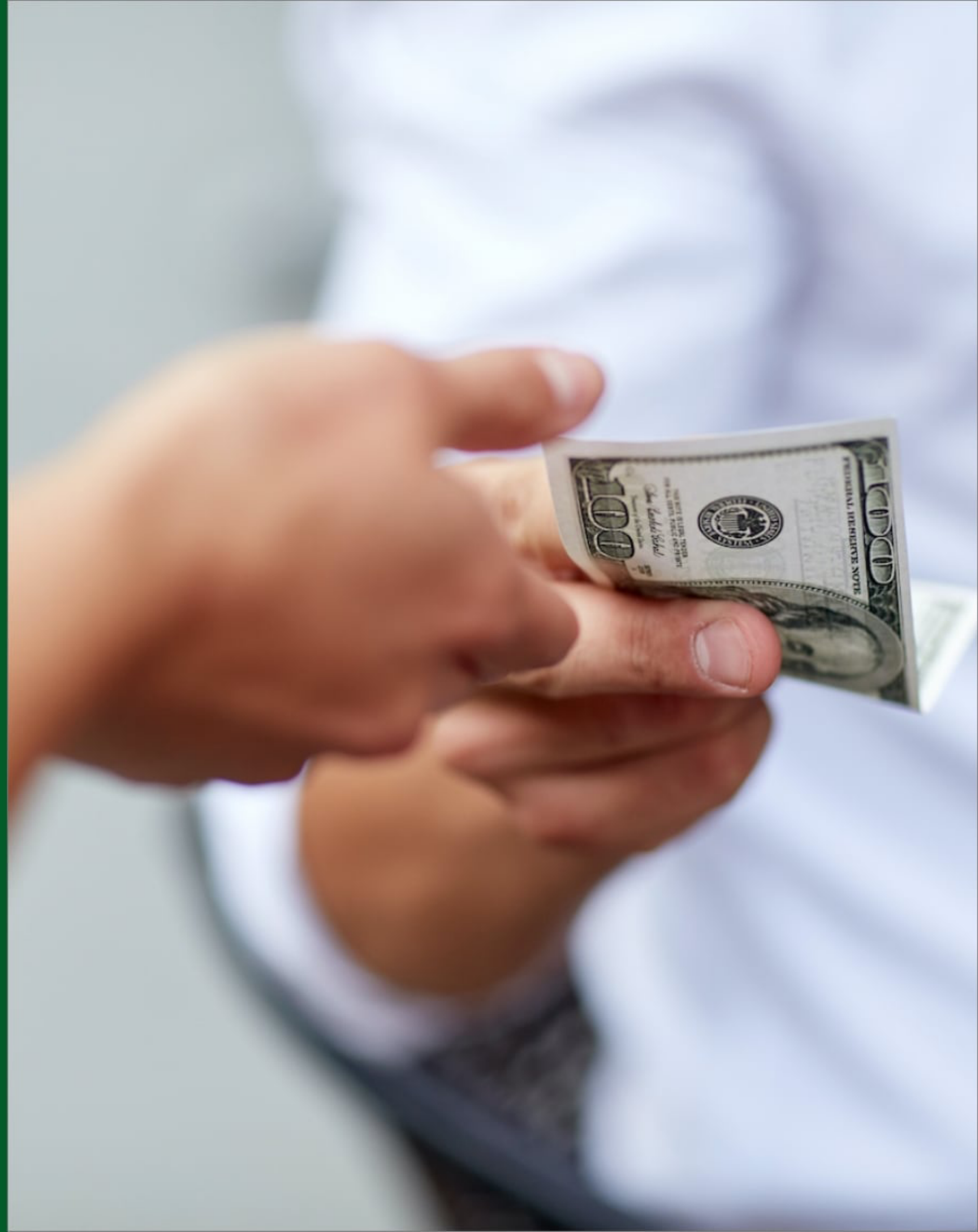


THE PSYCHOLOGY OF

DONATIONS



Why do people donate?
How can charities
influence this behavior?

Nick Kolenda

The Psychology of Donations: Why Do People Donate? How Can Charities Influence This Behavior?

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Content

REPUTATION

Make Donors Feel Self-Aware and Visible	4
Publicize Actual and Potential Donors	11

GUILT

Balance Donations With Misdeeds or Enrichment	16
---	----

EMPATHY

Humanize Beneficiaries	22
Group Donors With Beneficiaries	27
Merge Beneficiaries Into a Unit	33

GRATIFICATION

Describe the Tangible Outcome of Donations	38
--	----

Send Donations Directly to Beneficiaries 43

Helps Donors See an Incremental Difference 48

SOLICITATION

Ask People to Donate Time or Money 53

REPUTATION

**DONATE NOW.
SAVE LIVES.**

War in Ukraine. Earthquakes in Türkiye and Syria. Devastating drought and hunger across East Africa.

Families around the globe are facing urgent crises that are made worse by deep and enduring inequalities. Oxfam teams are responding in more than 80 countries to save lives during crises and advocate for long-term solutions. Support this work with a tax-deductible gift that will help fight inequality and save lives.

ONE TIME **MONTHLY**

\$100/MO **\$50/MO**

**Eye
Contact**

Make Donors Feel Self-Aware and Visible

People donate more money when they believe that other people are watching.

Humans perform “good” behaviors when other people are watching.

In a classic study, people donated more money when they were standing near an image of eyes (vs. flowers; Bateson, Nettle, & Roberts, 2006).

Want more donations? Make them visible.

Stare at Donors



On the donation page for Save the Children, a child is staring directly at users.



Look Into the Video Camera



Speak directly to viewers in donation videos.

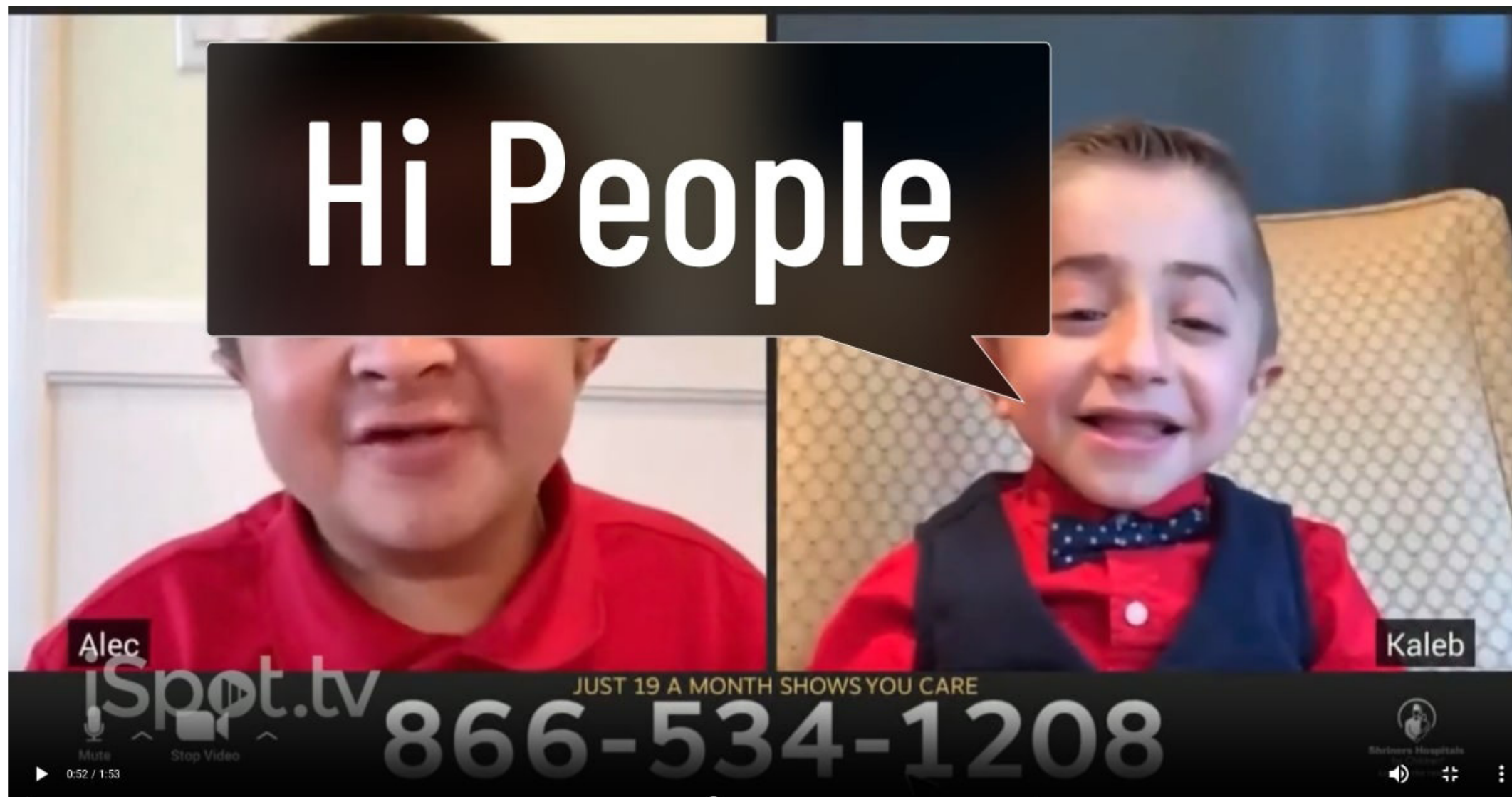
Make Eye Contact With Donors



Solicitors receive more money when they look people in the eye (vs. a donation bin; Bull & Gibson-Robinson, 1981).



Break the 3rd Wall



In a LoveShriners commercial, a little boy looks into the camera and shouts “Hi People.” It feels like you’re talking to the boy, especially because of the Zoom-like interface. Naturally, he will see your decision whether to donate or ignore him.

Be Liberal With “You” Pronouns

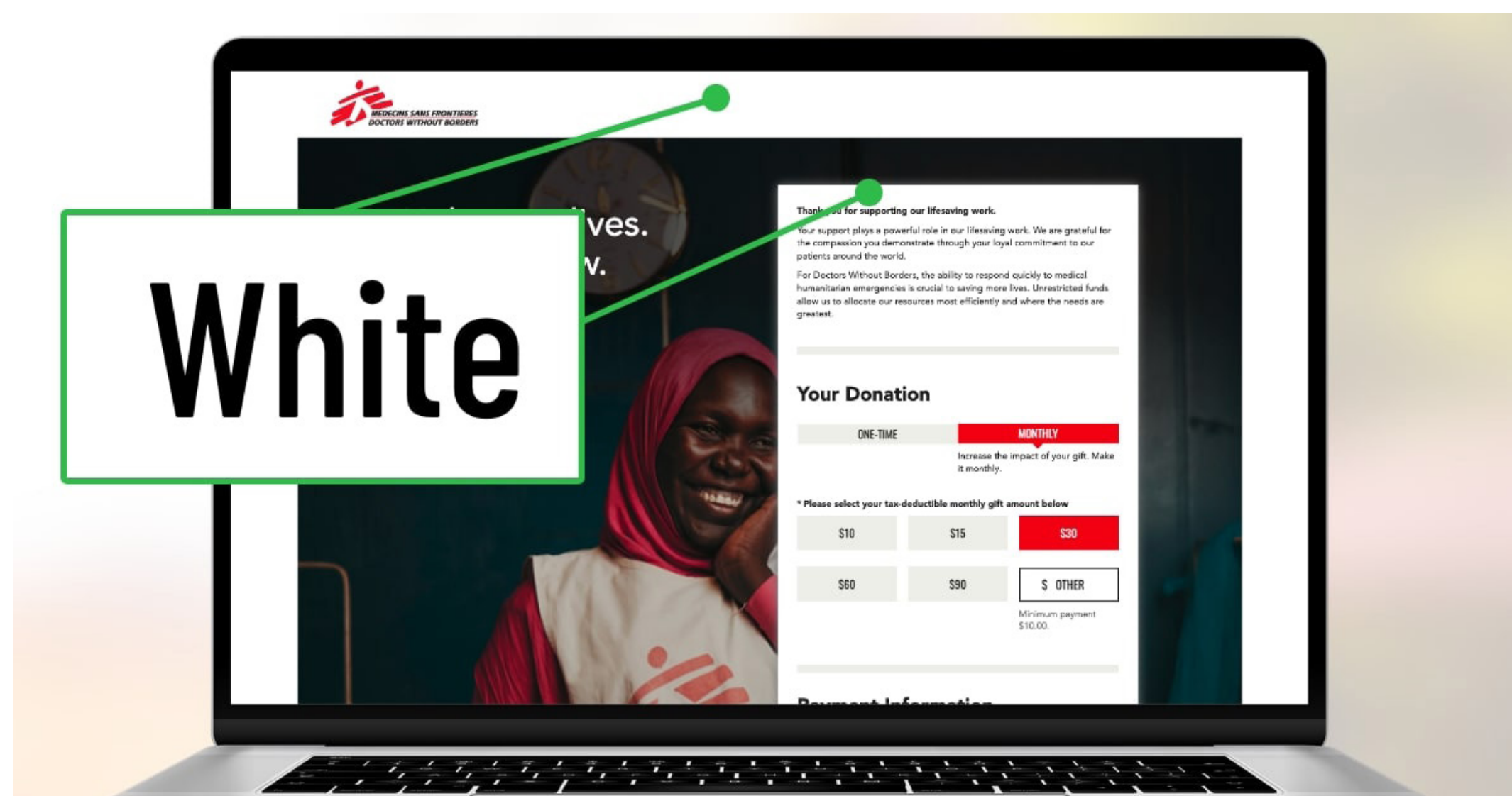


Unicef frames their copy around potential donors. Your copy should follow a similar strategy. For example, the previous



sentence said “your copy” – which paints a mental image in which you are the protagonist. All eyes are on you.

Insert White Backgrounds in Interfaces



White resembles light, which makes donations more visible. On the donation page for Doctors Without Borders, the background and donation form are white. And the image of the beneficiary is dark. Research shows that dark images appear heavy, and heavy objects seem important (Jostmann, Lakens, & Schubert, 2009).



Use See-Through Donation Bins



Opaque bins will hide contributions from other people. Since transparent bins will show contributions, they will (a) frame donating as the social norm, and (b) intensify the guilt of not donating.

Display Handwritten Fonts

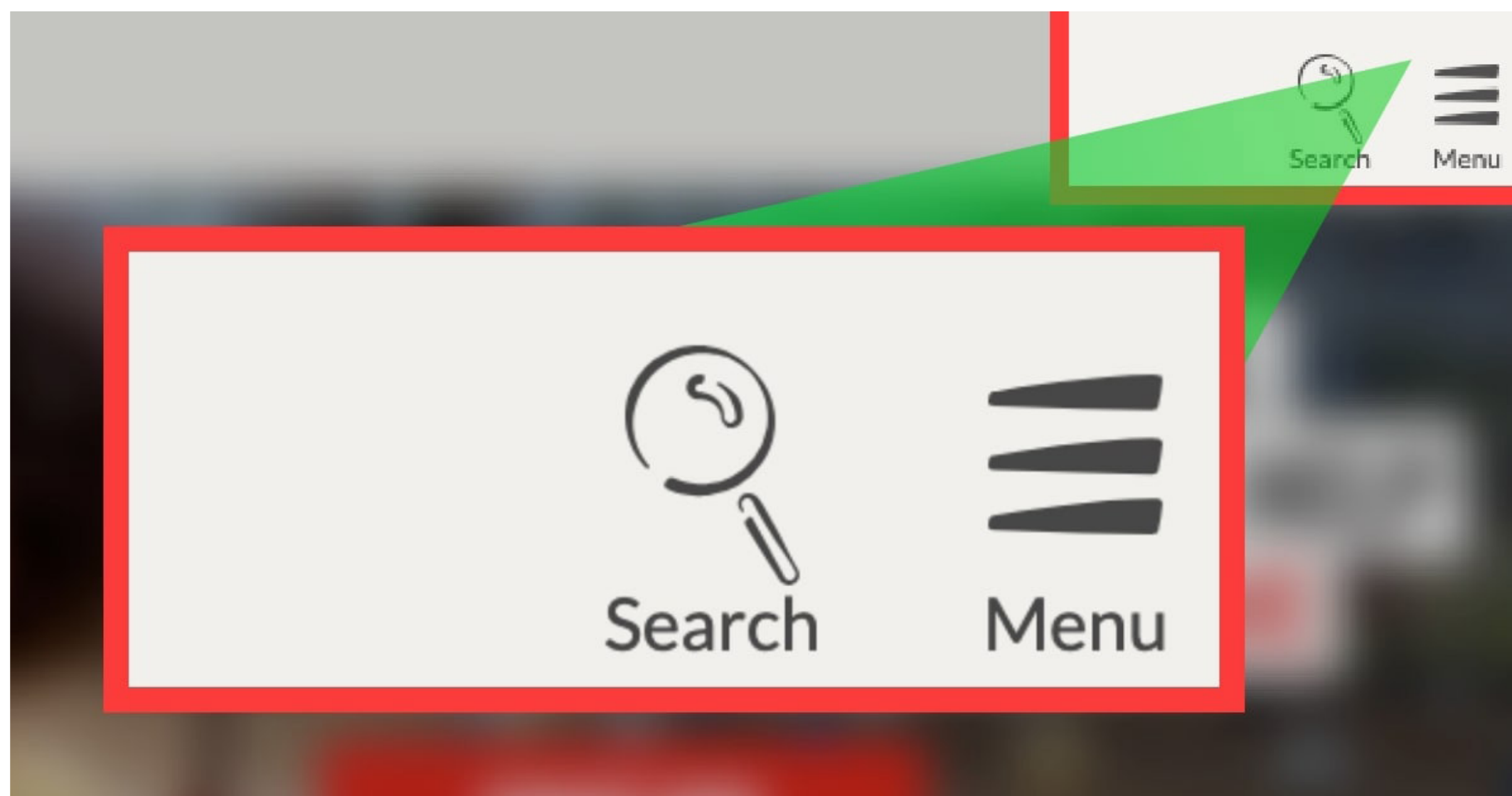


If humans can't be present to witness a donation, leave remnants of a human. In one study, people inserted more



money into a donation box with a handwritten font (Chu, Tok, Zhou, & Chen, 2023).

Embrace Organic Shapes in Branding



On the Save the Children website, the Search and Menu icons look drawn by hand, rather than digitally created. Handmade designs should activate more social presence.

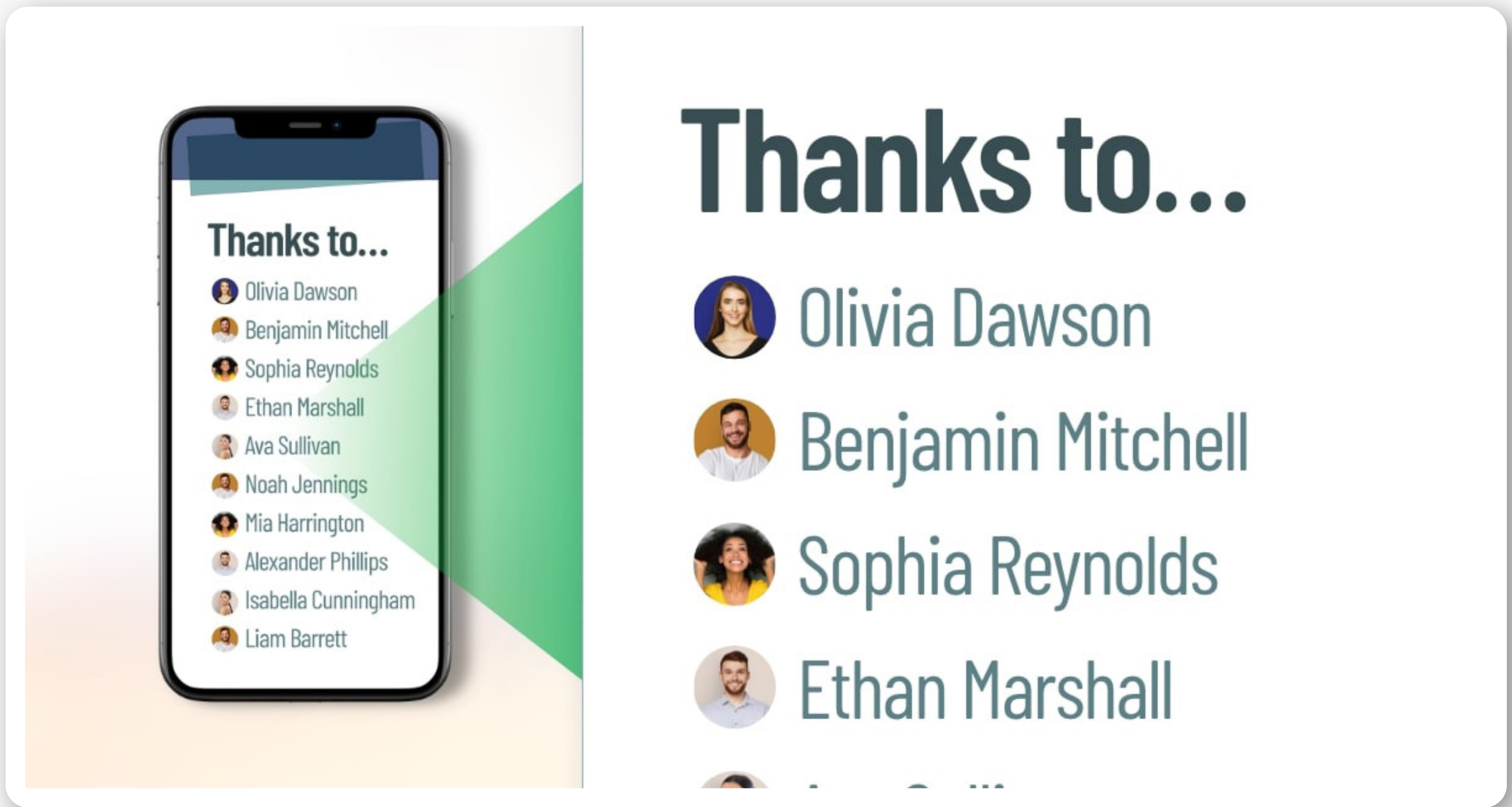
Bateson, M., Nettle, D., & Roberts, G. (2006). Cues of being watched enhance cooperation in a real-world setting. *Biology letters*, 2(3), 412-414.

Bull, R., & Gibson-Robinson, E. (1981). The influences of eye-gaze, style of dress, and locality on the amounts of money donated to a charity. *Human Relations*, 34(10), 895-905.

Chu, X. Y., Tok, D., Zhou, X., & Chen, X. (2023). How companies use typeface design to engage consumers in charitable activities. *Psychology & Marketing*, 40(1), 107-123.

Jostmann, N. B., Lakens, D., & Schubert, T. W. (2009). Weight as an embodiment of importance. *Psychological science*, 20(9), 1169-1174.





Publicize Actual and Potential Donors

Recognition is a key driver of charitable behavior.

Most donors want to help.

But all donors want to be *seen* helping (Bekkers & Wiepking, 2011).

Enshrine the Names of Donors



During telethons, viewers are more likely to donate while donor names are being shown (Silverman, Robertson, Middlebrook, & Drabman, 1984).



Illuminate Potential Donors



A crowdfunding website could show donors *and* people who visited. If visitors don't show among donors, their lack of donation will be visible.

Ask People Whether to Publicize Their Donation

Can we add you to our donor page?

No

Yes

It makes them consider their “leadership” qualities, which elicits a larger donation.

...giving people the option to report their contributions results in more giving than required reporting...



empowering people with the choice to announce their contributions – even though it is a “false” choice that no one would reject – might actually focus them more on being leaders and example setters (Andreoni & Petrie, 2004, p. 1620-1621)

Andreoni, J., & Petrie, R. (2004). Public goods experiments without confidentiality: a glimpse into fund-raising. *Journal of public Economics*, 88(7-8), 1605-1623.

Bekkers, R., & Wiepking, P. (2011). A literature review of empirical studies of philanthropy: Eight mechanisms that drive charitable giving. *Nonprofit and voluntary sector quarterly*, 40(5), 924-973.

Silverman, W. K., Robertson, S. J., Middlebrook, J. L., & Drabman, R. S. (1984). An investigation of pledging behavior to a national charitable telethon. *Behavior Therapy*, 15(3), 304-311.



GUILT

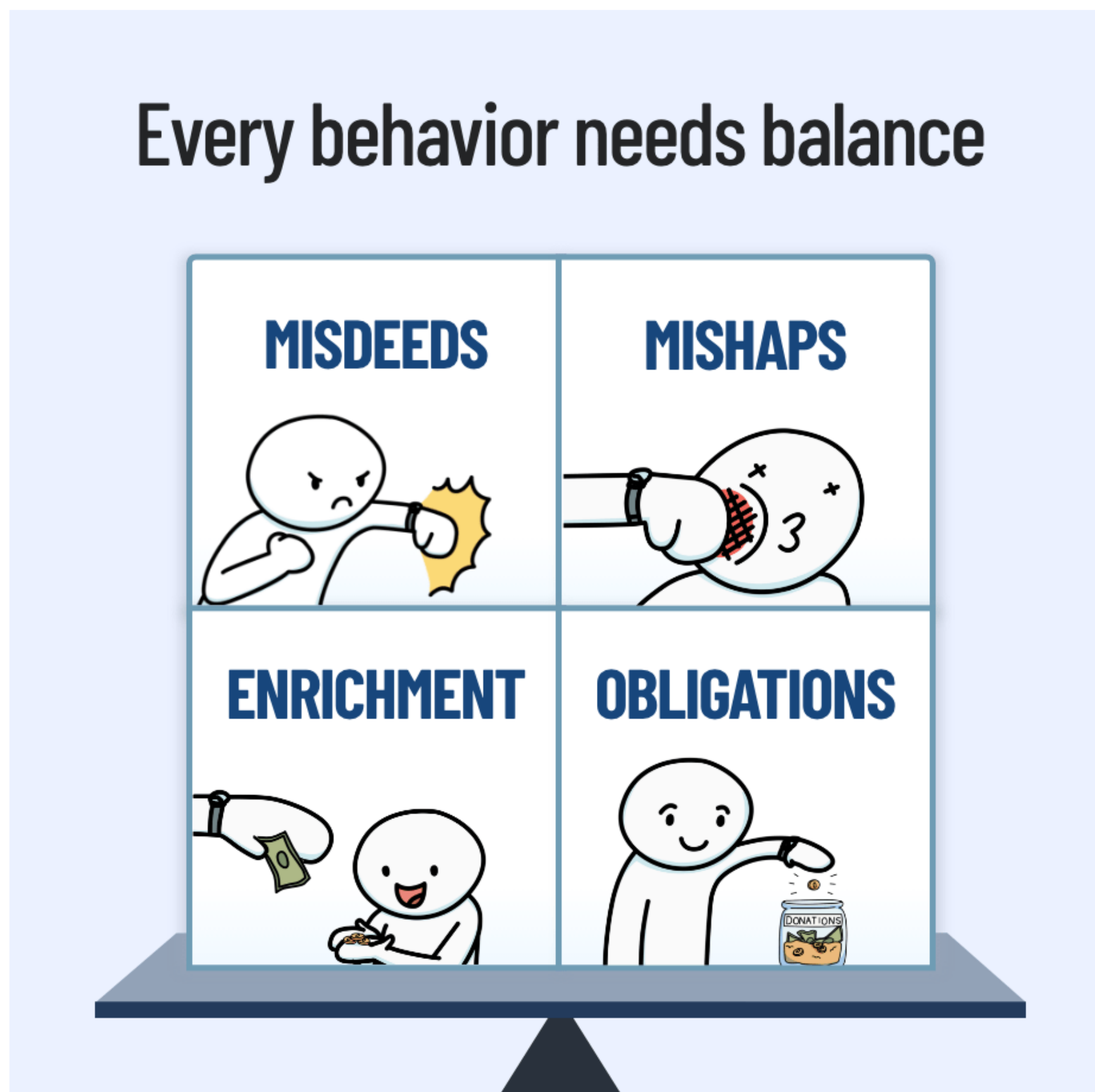


Balance Donations With Misdeeds or Enrichment

People feel obligated to donate if they're reminded of a past misdeed or success.

People want to balance their decisions.

I designed this framework:



It has four behaviors:

1. **Obligation**- You do something good
2. **Misdeed**: You do something bad
3. **Enrichment**: You receive something good
4. **Mishap** - You receive something bad.

Any behavior tilts the scale. You then desire an opposing behavior for balance (see my book [The Tangled Mind](#) for the research).



So, what about donations? Donations are *obligations*.

Therefore, you need to remind people of a past misdeed or enrichment. By tilting their scale, you instill a desire an obligation (e.g., donation) to regain balance.

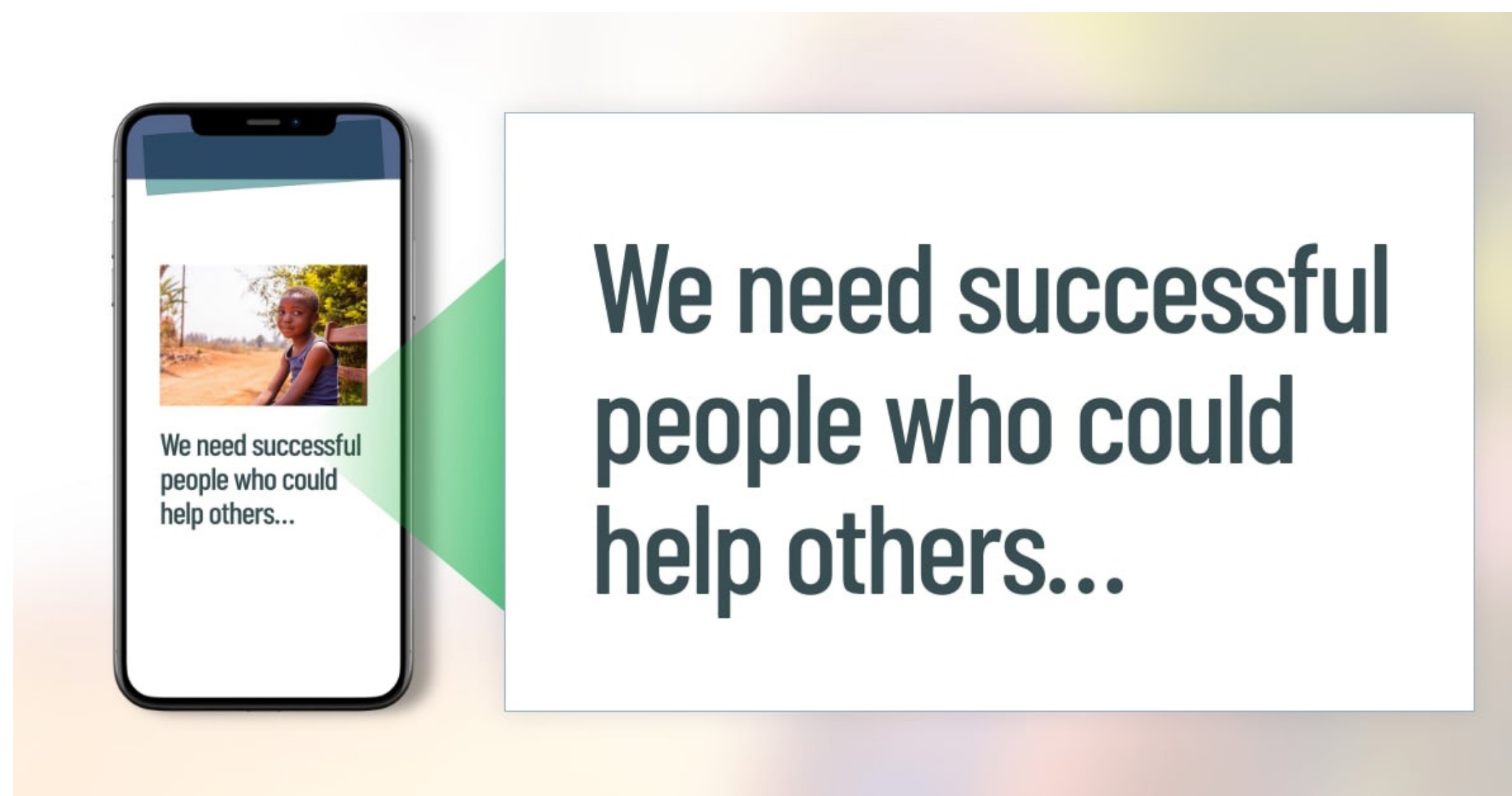
Remind Them of a Misdeed



An environmental charity could ask donors if they failed to recycle something recently. This misdeed triggers a need for absolution: By donating to the charity, this donor will no longer feel guilty about it.



Request Donations From “Successful” People



You could set an *egotistic trap*. In one study, people were more willing to complete a survey if they learned that researchers needed intelligent people to complete it (Dolinski, Grzyb, & Kulesza, 2023). Suddenly they wanted to validate their intelligence by participating.

Perhaps a charity could tell donors they’re seeking “successful” people to donate, which might compel them to validate their identity as a successful person.



Compare Donations to a Cheap Emotional Product



Researchers compared a \$2 donation to a product:

- » **Rational:** “This is the price of a bar of soap.”
- » **Emotional:** “This is the price of a [popular local] cookie.”

Emotional comparisons were more effective (Savary, Goldsmith, and Dhar, 2015).

Why? Because people felt selfish. Not donating would imply that people would rather consume the indulgence.

Dolinski, D., Grzyb, T., & Kulesza, W. (2023). Egotistic trap as a social influence technique. *Social Influence*, 18(1), 2204245.

Savary, J., Goldsmith, K., & Dhar, R. (2015). Giving against the odds: When tempting alternatives increase willingness to donate. *Journal of Marketing Research*, 52(1), 27-38.



EMPATHY



Humanize Beneficiaries

Donors feel more empathy toward relatable beneficiaries.

We empathize with people. Not statistics.

In a classic study, people were more likely to donate \$5 to an African girl named Rokia (vs. “millions of people”; Small, Loewenstein, & Slovic, 2007).

Give Personal Details



More details? More empathy.

In one study, people donated money to a sick child in direct proportion to the amount of personal details they received (e.g., name, age, photo; Kogut & Ritov, 2005):



Describe How Beneficiaries Have Been Successful



Should beneficiaries appear helpless?

Wouldn't donors feel *more* obligated to help?

Ironically, no. People help beneficiaries that seem successful (Formanowicz, Witkowska, Bettinsoli, & Jurek, 2023).

Successful people seem more agentic, as if they control their behavior. And this trait makes them appear more human.

Therefore, describe how beneficiaries have applied past donations. What did they accomplish? You will humanize them, while demonstrating the efficacy of donating.



Show Beneficiaries Helping Themselves



Likewise, people want to see images of beneficiaries engaged in physical labor.

...a charity campaign photo that is perceived as featuring a victim physically acting to resolve an unfortunate situation may trigger feelings of inspiration in prospective donors and motivate them to act in accordance with the inferred victim's efforts (Perez, Munichor, & Buskila, 2023)

Formanowicz, M., Witkowska, M., Bettinsoli, M. L., & Jurek, P. (2023).

Successful groups are seen as more agentic and therefore more human—Consequences for group perception. *Journal of Experimental Social Psychology*, 108, 104490.

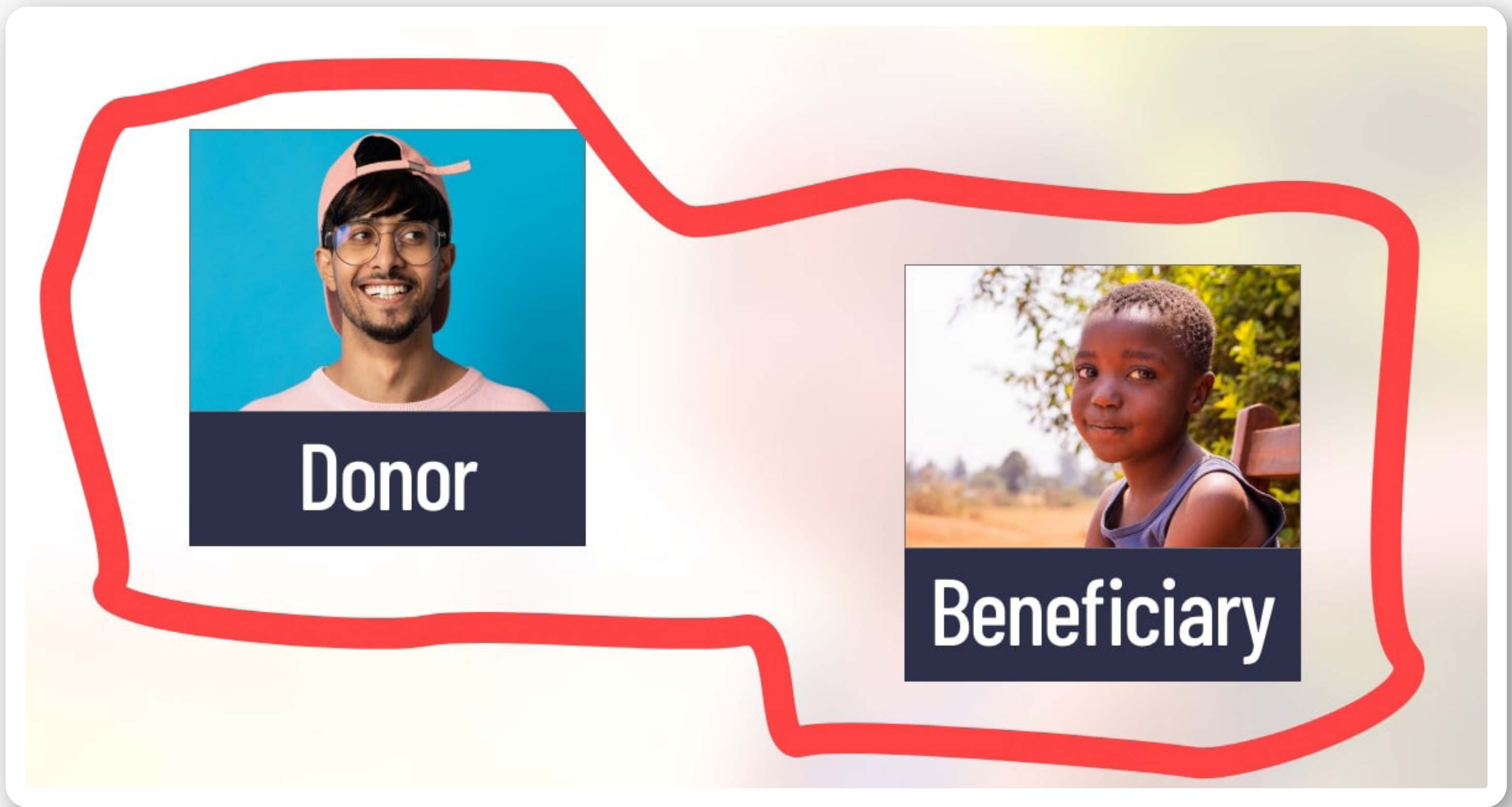
Kogut, T., & Ritov, I. (2005). The "identified victim" effect: An identified group, or just a single individual?. *Journal of behavioral decision making*, 18(3), 157-167.



Perez, D., Munichor, N., & Buskila, G. (2023). Help yourself: Pictures of donation recipients engaged in physical self-help enhance donations on crowdfunding platforms. *Journal of Business Research*, 161, 113826.

Small, D. A., Loewenstein, G., & Slovic, P. (2007). Sympathy and callousness: The impact of deliberative thought on donations to identifiable and statistical victims. *Organizational Behavior and Human Decision Processes*, 102(2), 143-153.





Group Donors With Beneficiaries

Donors feel more empathy toward beneficiaries if they belong to the same ingroup.

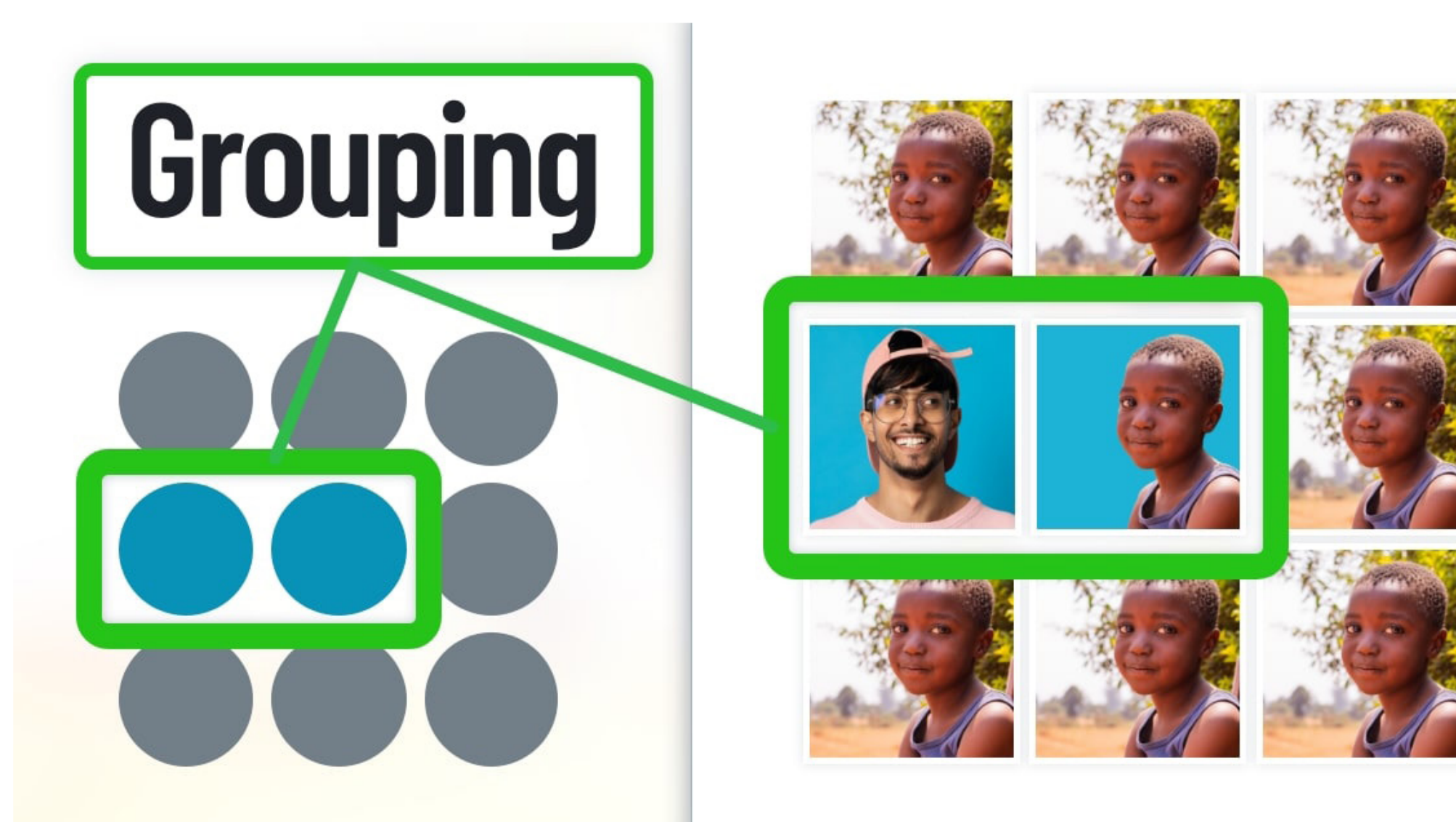
In the past, I've argued that *gestalt principles of grouping* – similarity, proximity, containment – are key drivers of empathy.

If you group yourself with another person, your brain will blur your identities. Subconsciously, you feel compelled to help this person because it feels like you're helping yourself (see my book [The Tangled Mind](#)).

Describe Similarities Between Donors and Beneficiaries

We help people who resemble us. For example, people donated more money to beneficiaries with a similar first name (Bekkers, 2010).

Why? Because you group similar objects.



You empathize with similar beneficiaries because you reside



in the same unit. Helping *them* feels like it helps *you*.

Reduce the Physical Distance



You group objects that are close together.

Same with empathy. If somebody dies across the world, you don't blink an eye. But if somebody dies across the street, suddenly it feels impactful. Research confirms that people donate to beneficiaries that seem physically closer to them (Touré-Tillery & Fishbach, 2017).

Plus, donations seems more effective toward nearby beneficiaries. People confuse their sensory experience:

“...a snowball thrown from 10 feet away will hurt more than one thrown from 50 feet away...[likewise] people expect charitable donations to have a greater impact on nearby

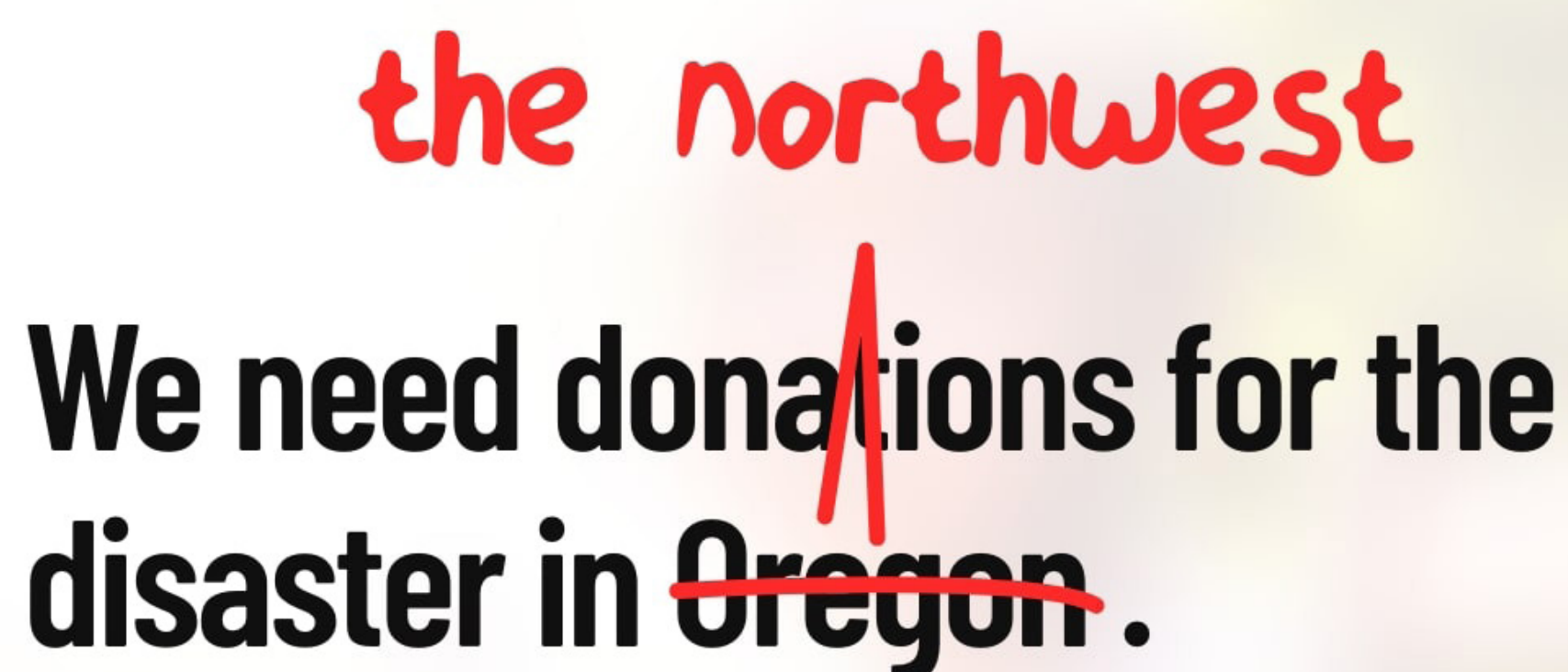


(vs. faraway) recipients” (Touré-Tillery & Fishbach, 2017)

International charities suffer from this distance. People prefer local charities (Wang, Kirmani, & Li, 2021).

Consider establishing more localized offices to expand your geographic footprint and narrow the distance to potential donors.

Broaden Locales to Include Donors



the northwest

We need donations for the disaster in Oregon.

Suppose that a disaster is sweeping across Oregon.

A resident of Washington (which is next to Oregon) will feel protected because of the geographic border. It feels like a rigid border (Mishra & Mishra, 2010).

Need donations from nearby states? Broaden the locale (e.g., say “northwest” instead of “Oregon”) so that you merge



potential donors into the same group.

Emphasize Their Geographic Mobility

**How many times have
you moved?**

People are more likely to donate to distant causes if they moved geographically at least once in their life (Wang, Kirmani, & Li, 2021).

Moving helps you identify with distant people. You are no longer a resident of California. You are a resident of the world.

You can induce this mindset too. When people imagined moving to different regions, they were more likely to donate to a distant cause (Wang, Kirmani, & Li, 2021).

Bekkers, R. H. (2010). George gives to geology Jane: The name letter effect and incidental similarity cues in fundraising. *International Journal of Nonprofit and Voluntary Sector Marketing*, 15(2), 172-180.

Mishra, A., & Mishra, H. (2010). Border bias: The belief that state borders can protect against disasters. *Psychological science*, 21(11), 1582-1586.



- Touré-Tillery, M., & Fishbach, A. (2017). Too far to help: The effect of perceived distance on the expected impact and likelihood of charitable action. *Journal of personality and social psychology*, 112(6), 860.
- Wang, Y., Kirmani, A., & Li, X. (2021). Not too far to help: Residential mobility, global identity, and donations to distant beneficiaries. *Journal of Consumer Research*, 47(6), 878-889.





Merge Beneficiaries Into a Unit

Isolated beneficiaries will dilute the donations.

Donations can feel diluted.

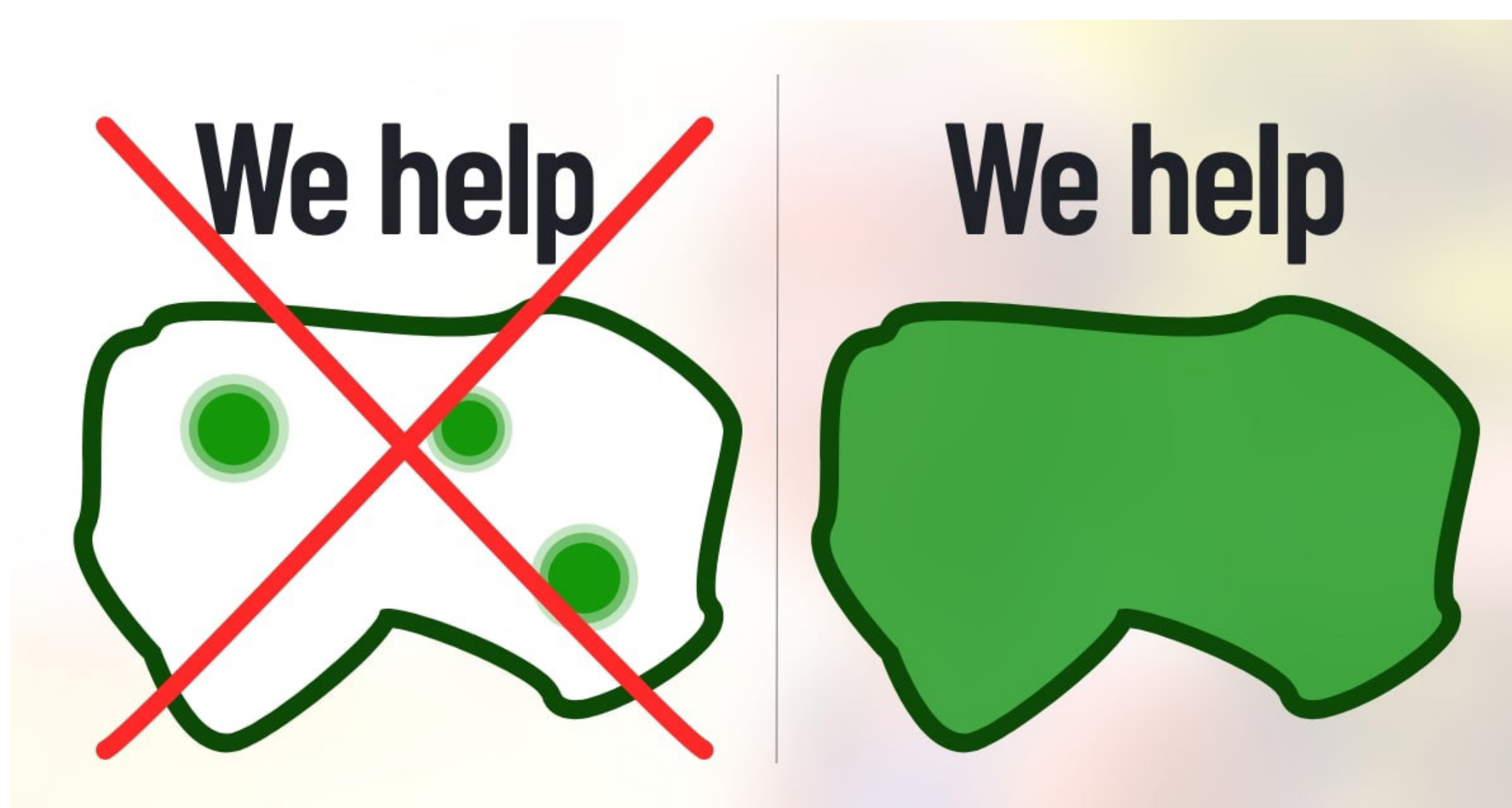
If you donate \$1.00 to help “millions of people,” would each person receive \$0.000001? Doesn’t feel warm and fuzzy.

Instead, group beneficiaries into a unit (Smith, Faro, & Burson, 2013).

It’s similar to the *denomination effect*: One \$20 bill feels more important than twenty \$1 bills (Raghubir & Srivastava, 2009).

Same with beneficiaries. A single group feels more important (and prevents dilution).

Merge Isolated Areas Into the Broader Region







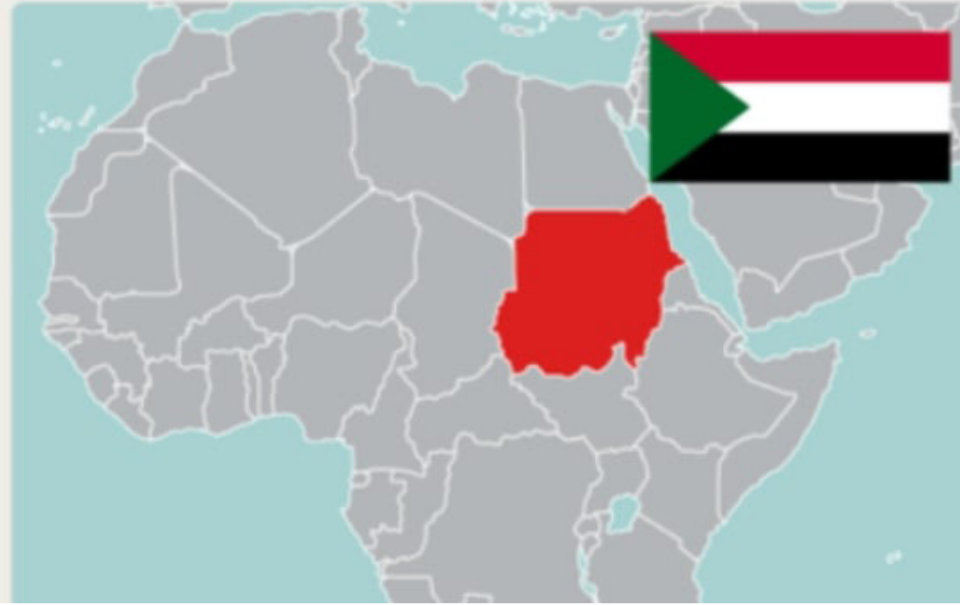
Isolated regions can dilute donations. Instead, emphasize the broader region. For example, Save the Children emphasizes the country of Sudan rather than the individual areas they help.



Challenges for Children in Sudan

Children in Sudan continue to be hardest hit by conflict, exacerbated by extreme poverty, natural disasters and disease. Violence, including attacks on schools, have contributed to a disproportionate number of Sudanese girls being out of school.

-  1 child in 16 dies before their 5th birthday, 9 times the U.S. rate
-  38% of children suffer from stunting due to malnutrition
-  48% of children are out of school, and 44% of girls (ages 15+) struggle to read and write
-  22% of girls (ages 15-19) are married, and 1 in 16 gives birth



Show Beneficiaries From the Same Family



Participants were more likely to donate money to six children in Africa when they were told these children belonged to the same family (Smith Faro, & Burson, 2013).

Smith, R. W., Faro, D., & Burson, K. A. (2013). More for the many: The influence of entitativity on charitable giving. *Journal of Consumer Research*, 39(5), 961-976.

Raghubir, P., & Srivastava, J. (2009). The denomination effect. *Journal of Consumer Research*, 36(4), 701-713.



Smith, R. W., Faro, D., & Burson, K. A. (2013). More for the many: The influence of entitativity on charitable giving. *Journal of Consumer Research*, 39(5), 961-976.



GRATIFICATION



\$100 toward hygiene



\$100 provides a hygiene kit
to 20 families

Describe the Tangible Outcome of Donations

Help donors imagine the impact of their donation.

Researchers compared two charities:

- » **UNICEF** - Funds various projects for children's health
- » **SPN** - Buys bed nets to stop the spread of malaria

Participants felt happier donating to SPN because of the tangible outcome (Aknin et al., 2013).

People can imagine these outcomes. And if they can imagine these outcomes, they will feel the emotional gratification of donating (see my book [Imagine Reading This Book](#) for more details of this mechanism).

Alleviate a Negative Impact on Other People

	SELF	OTHER
POSITIVE	You benefit	They benefit
NEGATIVE	You avoid pain	They avoid pain

Researchers categorized 5,000 donation appeals from a television station (Fisher, Vandebosch, & Antia, 2008).



They categorized valence:

- » **Positive:** “Tried and true television.”
- » **Negative:** “Government funding has been cut \$20 million”

They also categorized who would receive the benefit:

- » **Self:** “Enjoy the best in commercial-free films”
- » **Other:** “Support our educational children’s shows”

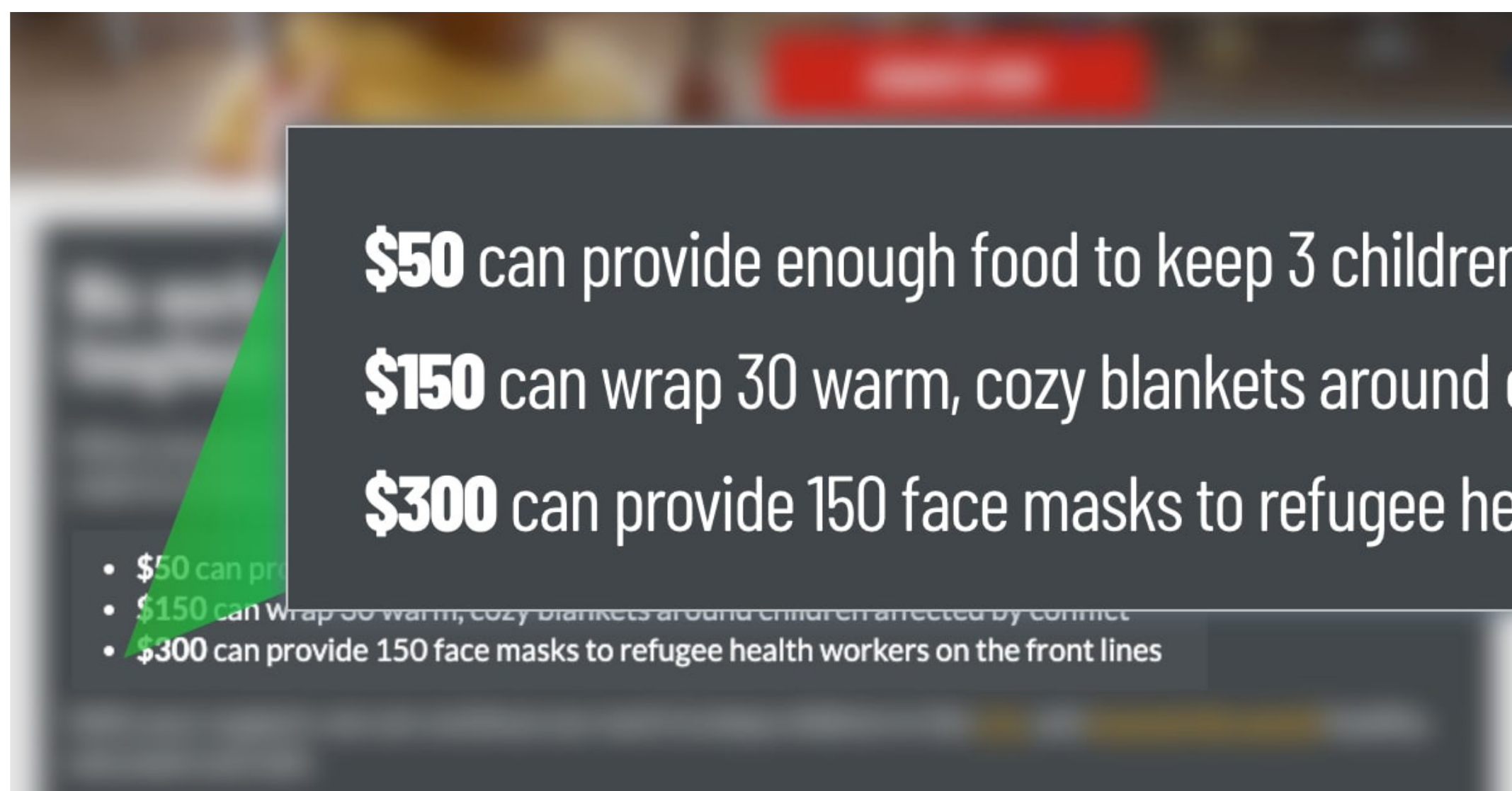
Only one combination was effective: Negative appeals that affected other people.

In fact, appealing to viewers backfired:

“When the fund-raising appeals focused on the personal or selfish benefits associated with contributing to the station, the donation became a payment in exchange for commercial-free entertainment rather than an act of giving. This type of donation does not have the same potential to enhance self-esteem” (Fisher, Vandebosch, & Antia, 2008)

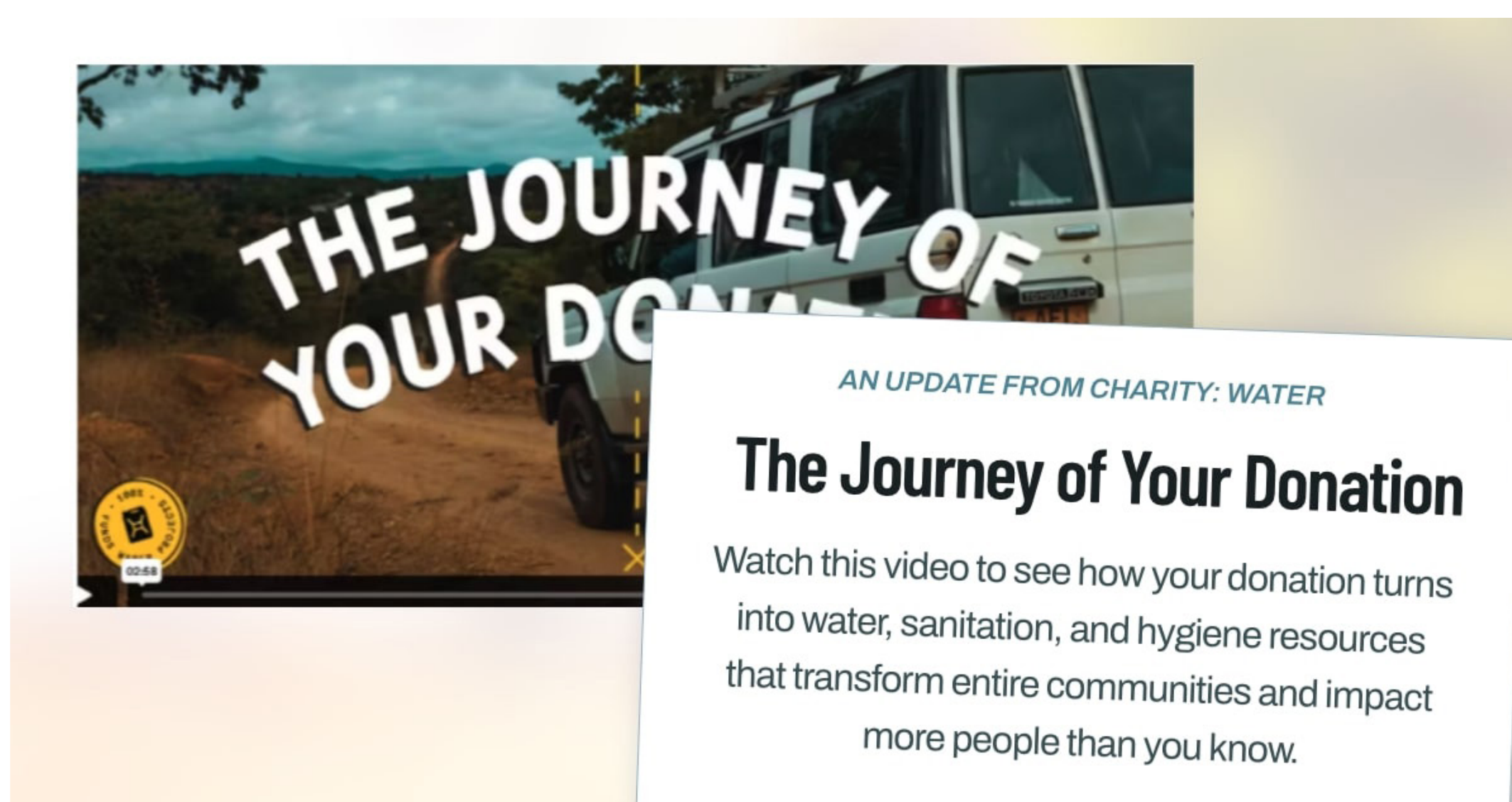


Let Donors Choose the Purpose of Their Donation



Save the Children offers tangible outcomes across donation tiers. In a field study with 40,000 donors, a charity boosted revenue by 42 percent when they followed a similar approach (Esterzon, Lemmens, & Van den Bergh, 2023).

Show the Journey of a Donation

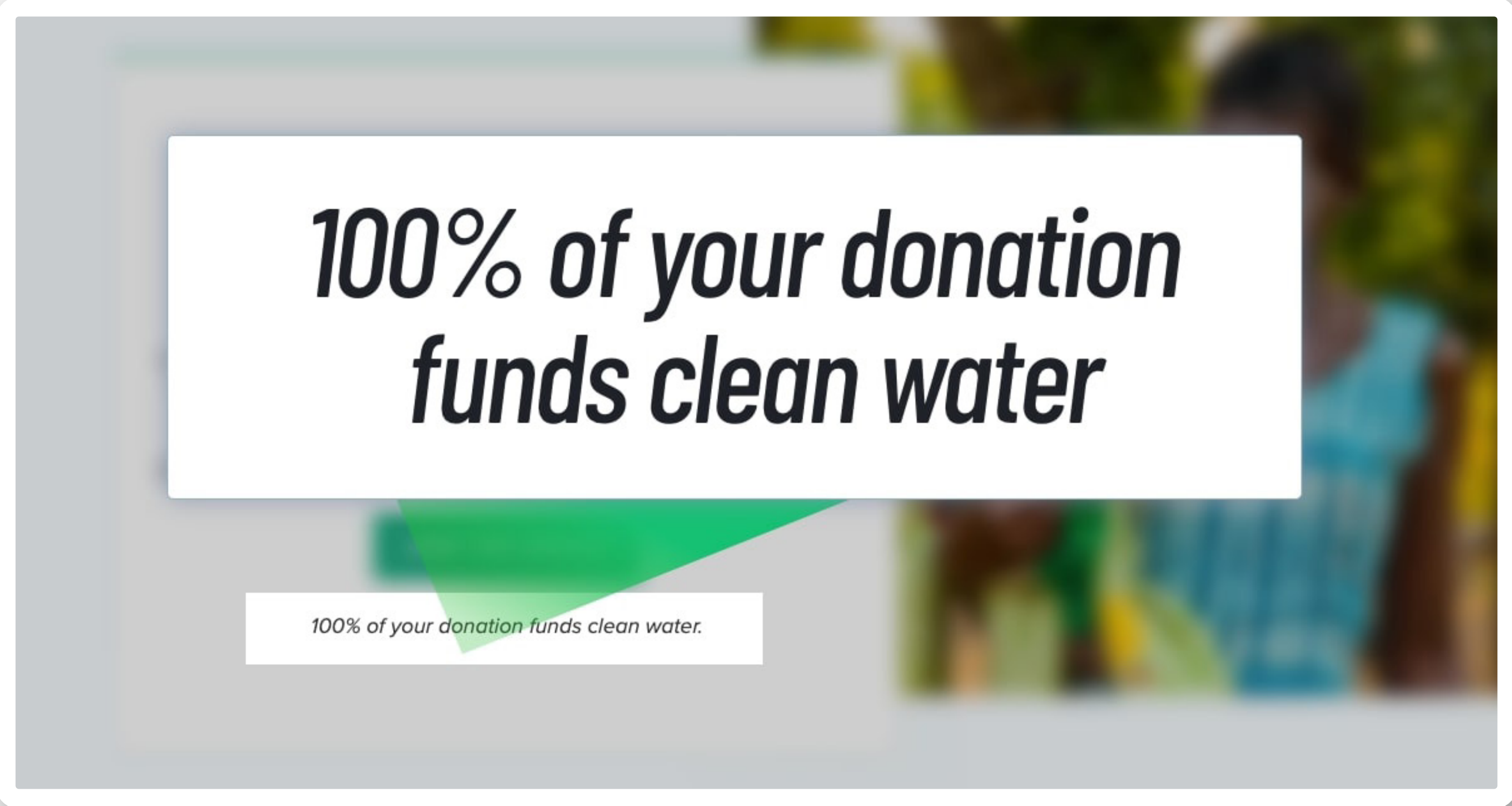


Charity:Water produced a video that illustrates how they're able to extract maximum impact from each donation.



- Aknin, L. B., Dunn, E. W., Whillans, A. V., Grant, A. M., & Norton, M. I. (2013). Making a difference matters: Impact unlocks the emotional benefits of prosocial spending. *Journal of Economic Behavior & Organization*, 88, 90-95.
- Esterzon, E., Lemmens, A., & Van den Bergh, B. (2023). Enhancing Donor Agency to Improve Charitable Giving: Strategies and Heterogeneity. *JOURNAL OF MARKETING*.
- Fisher, R. J., Vandenbosch, M., & Antia, K. D. (2008). An empathy-helping perspective on consumers' responses to fund-raising appeals. *Journal of consumer research*, 35(3), 519-531.





***100% of your donation
funds clean water***

100% of your donation funds clean water.

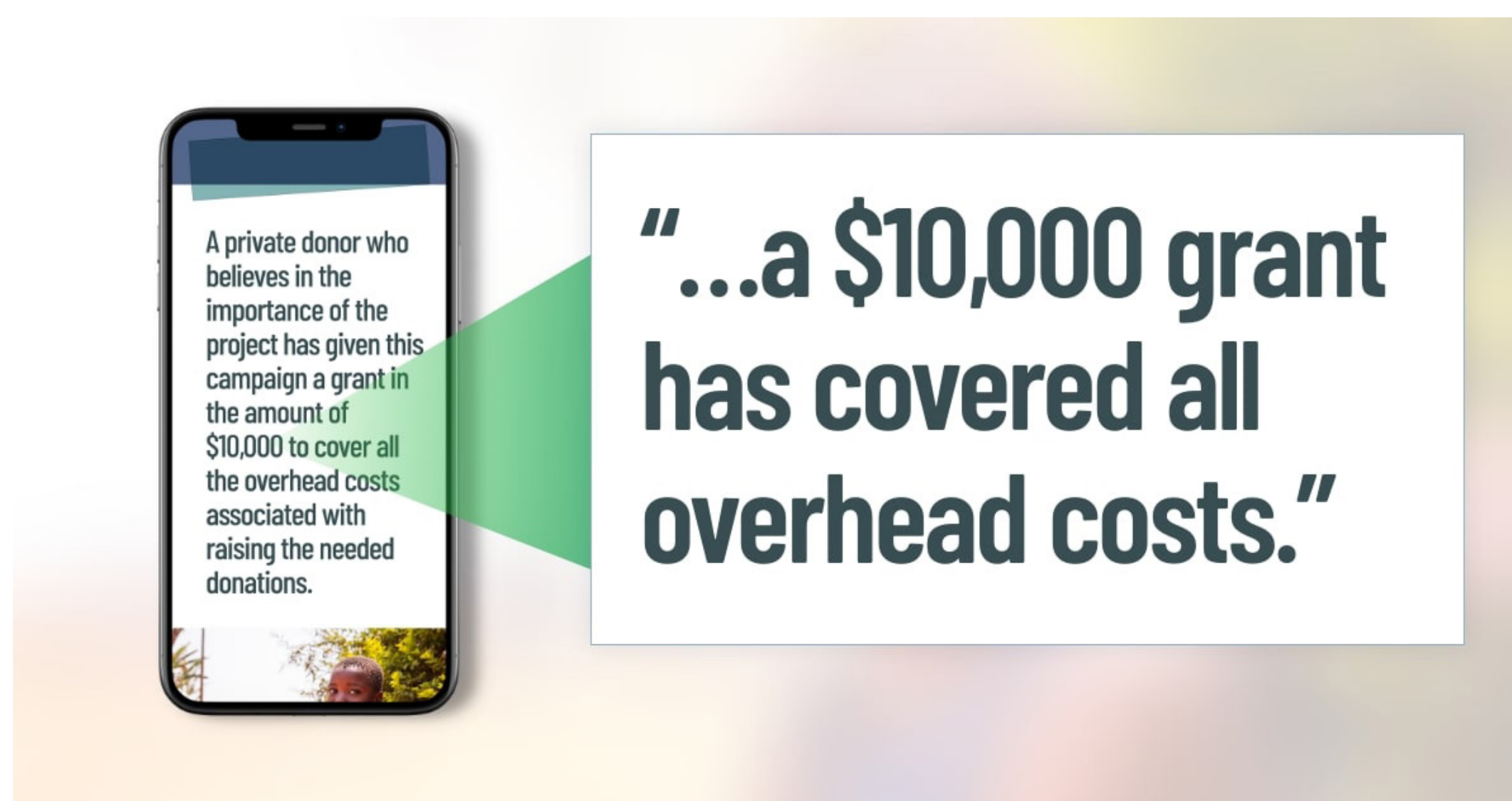
Send Donations Directly to Beneficiaries

Donors want their contributions to make a meaningful difference in people's lives.

Donors avoid charities with high overhead (Gneezy, Keenan, & Gneezy, 2014).

Donors want to feed hungry children. They don't want to pay executives.

Pay for Overhead With Major Donations



Tell donors that you paid overhead costs with a separate donation.

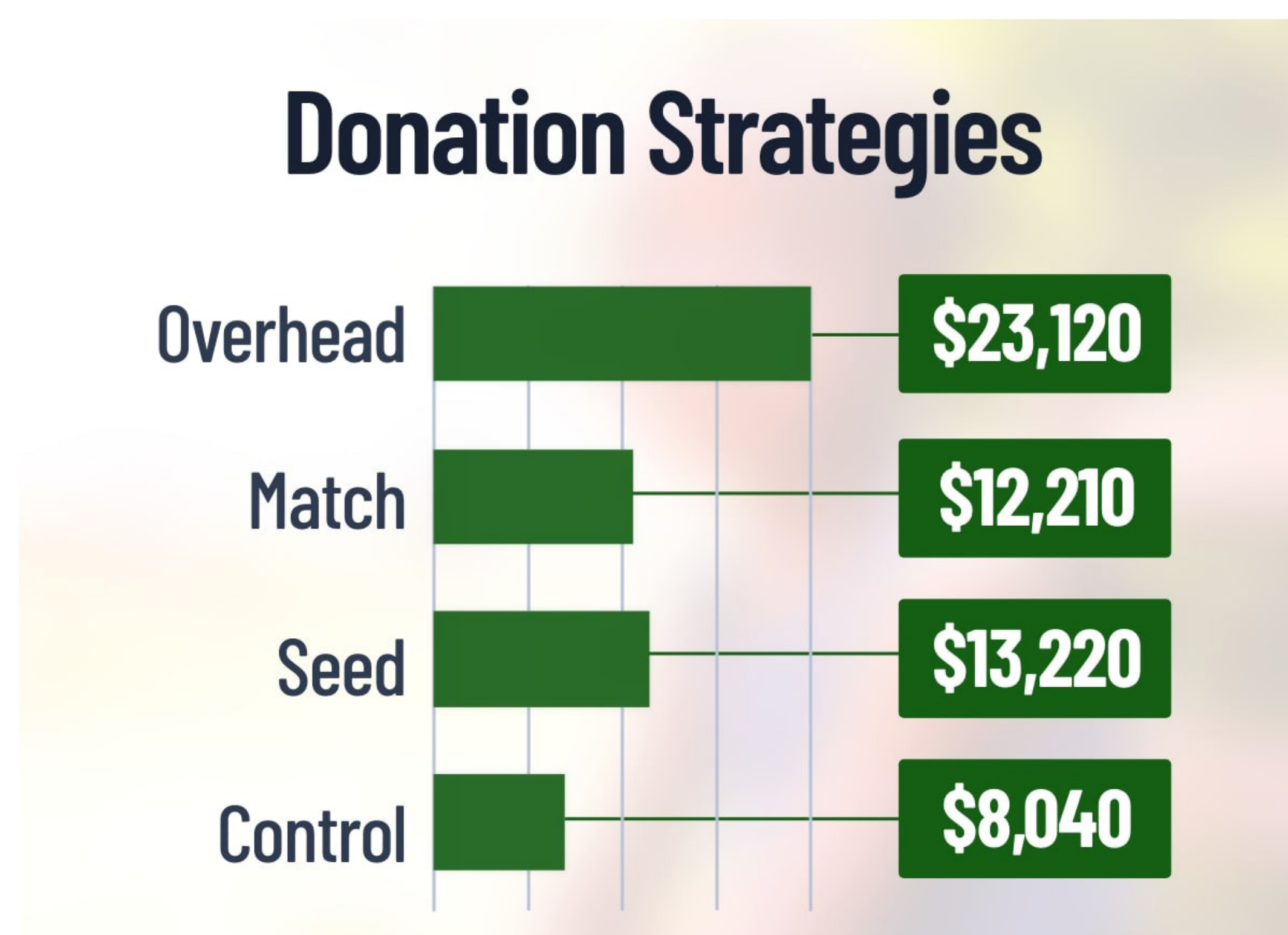
In a field study with 40,000 donors, researchers tested different messages: "A private donor who believes in the



importance of the project has given this campaign...”

- » **Seed:** “...seed money in the amount of \$10,000.”
- » **Match:** “...a matching grant in the amount of \$10,000”
- » **Overhead:** “...a grant in the amount of \$10,000 to cover all the overhead costs associated with raising the needed donations.”

Overhead strategy was the clear winner.



Show Humans, Not Robots



People don't want to pay executive salaries, but they also don't want to pay robots. In one study, a charity received fewer donations when they showed a robot helping with a mudslide disaster (Chen & Huang, 2023). These donations feel like they would help the efficiency of robots, rather than the beneficiaries.

Avoid "We" Pronouns



Donors want to help people. But “we” pronouns (e.g., we help children) rob them of this feeling. With these words, the *charity* is providing help. Not the donor. So why would the donor feel emotionally gratified? Insert "you" pronouns (e.g., you help children) to connect donors to the beneficiaries.

Gneezy, U., Keenan, E. A., & Gneezy, A. (2014). Avoiding overhead aversion in charity. *Science*, 346(6209), 632-635.

Chen, F., & Huang, S. C. (2023). Robots or humans for disaster response? Impact on consumer prosociality and possible explanations. *Journal of Consumer Psychology*, 33(2), 432-440.



**We raised
\$100 million**

Donate \$5



Helps Donors See an Incremental Difference

Marketers typically show high numbers next to prices, but this anchoring effect can backfire with donations.

Be careful with large numbers.

If you've raised \$100 million, that's great. But imagine somebody donating \$5 to the charity. Would it even matter?

Donors want to feel like they're making a difference. So try comparing their donation to a small reference number.

Commit to a Small Minimum Threshold



**We'll donate at least
~~\$10,000,000~~**

Consider these thresholds:

- » **Minimum:** We'll donate *at least* \$1 million.
- » **Maximum:** We'll donate *up to* \$1 million.

Minimums can be scary. If nobody donates, it's a high cost.

But surprisingly, you don't need large minimums. If anything, small minimums are more effective:

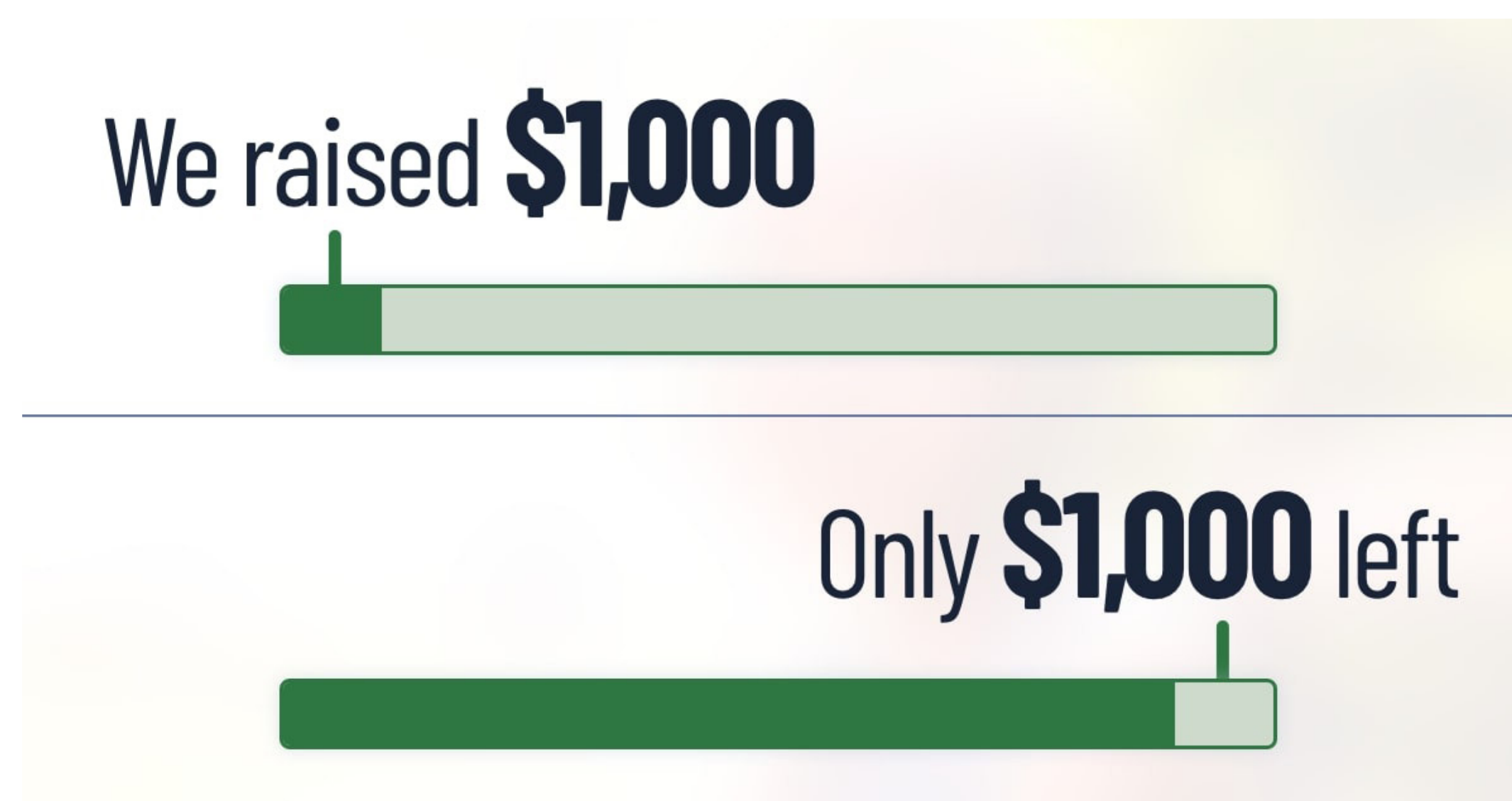


“While intuition might suggest that a high minimum would be the most generous and attractive frame, our results show that it is, in fact, one of the worst performers (Tsiros & Irmak, 2020, p. 768)”

In one study, Fage yogurt donated \$0.20 for every valid purchase. Participants were more likely to buy Fage with a smaller minimum of \$10,000 (vs. \$10 million; Tsiros & Irmak, 2020).

With \$10,000, a \$50 contribution feel more impactful.

Mention the Accrued or Remaining Progress, Whichever is Smaller



Trying to raise \$10,000?

At the beginning, mention the accrued progress (e.g., we raised \$1,000).



After you cross the halfway point of \$5,000, switch to remaining progress (e.g., only \$4,000 left).

In both cases, you mention the smaller number. Each donation will feel more impactful compared to this reference point.

It's called the *small-area hypothesis* (Koo & Fishbach, 2012).

Koo, M., & Fishbach, A. (2012). The small-area hypothesis: Effects of progress monitoring on goal adherence. *Journal of Consumer Research*, 39(3), 493-509.

Tsiros, M., & Irmak, C. (2020). Lowering the minimum donation amount increases consumer purchase likelihood of products associated with cause-related marketing campaigns. *Journal of Marketing Research*, 57(4), 755-770.



SOLICITATION

**Donate
5 hours**

**Donate
\$100**

Ask People to Donate Time or Money

Certain requests appeal to certain people.

Look at this image:



Some people focus on the *person*, while other people focus on the *object*.

Researchers call it person-thing orientation (PTO), and it determines whether you prefer donating time or money (Malika, Ghoshal, Mathur, & Maheswaran, 2023).

- » **Person-Focus:** You donate time.
- » **Object-Focus:** You donate money.

How can you apply this finding?

Offer Both Ways to Donate

A single appeal would exclude donors who prefer the



alternative.

Send Appeals to the Right Donors



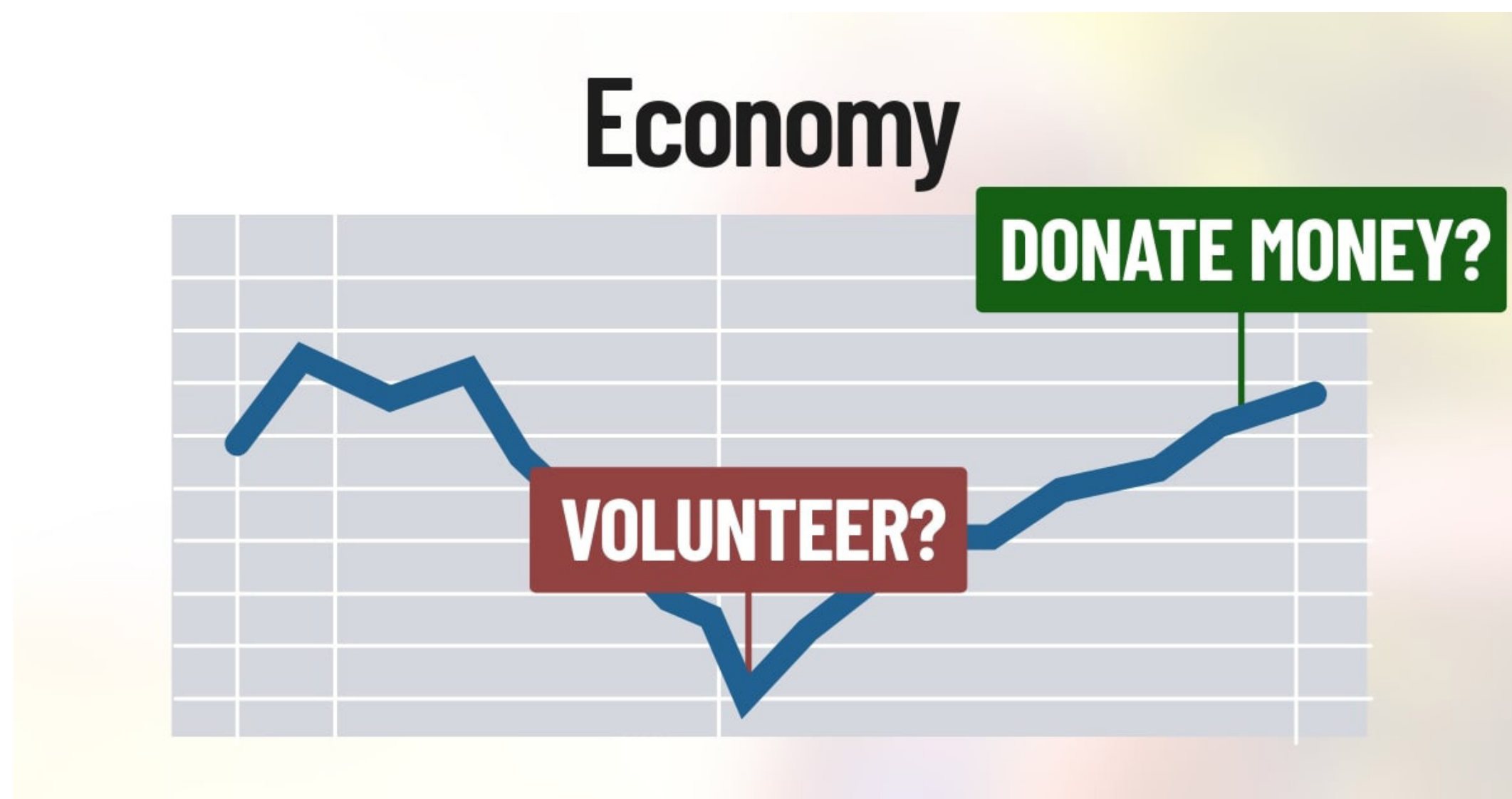
Employees in higher positions of a business prefer donating money (Reed, Aquino, & Levy, 2007)

You could also categorize donors by their PTO (see Malika, Ghoshal, Mathur, & Maheswaran, 2023). Who has a person-focus? Who has an object-focus? What similarities do these segments share?

Afterward, you could send appeals — time or money — to these segments.



Adapt Your Appeals to Economic Conditions



People donate time during recessions:

“Economic contraction may lead consumers to face important trade-offs in their prosocial behaviors... consumers may prefer to volunteer their time under such conditions and hence, charitable organizations should promote how consumers can safely volunteer their time (Malika, Ghoshal, Mathur, & Maheswaran, 2023)”

Malika, M., Ghoshal, T., Mathur, P., & Maheswaran, D. (2023). Does scarcity increase or decrease donation behaviors? *Journal of the Academy of Marketing Science*, 1-23.

Reed, A., Aquino, K., & Levy, E. (2007). Moral identity and judgments of charitable behaviors. *Journal of marketing*, 71(1), 178-193.





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