



Want people to give money? First, ask them for time

Barry VanderKelen

A topic of urgent interest among nonprofits is how to raise money during these difficult economic times.

Unfortunately, no one has a magic formula that can be universally applied. A recently published study reinforces the old fundraising adage that people who volunteer give more.

Researchers Wendy Liu and Jennifer Aaker found that subsequent donations are substantially (more than 40 percent) larger when people are asked to volunteer first than if they are asked to give money first. Their study, "The Happiness of Giving: The Time-Ask Effect," was published in last October's issue of the *Journal of Consumer Research*.

Liu and Aaker argue that asking for someone's time triggers an emotional connection to the cause or organization. This emotional connection enables people to see getting involved as a means towards happiness, which leads to greater giving.

On the other hand, asking for money first triggers a utilitarian mindset and people feel like they're being treated

like a transaction. People respond with such questions as: "Is it worth it?" "Can I afford it?" and "Is the organization run efficiently?"

But this points to a problem: How can an over-stretched nonprofit involve more volunteers when money is needed now?

Start by understanding who is helping already and ask them to donate money. One organization is now asking participants in its workshops to donate.

Both the Obama and McCain presidential campaigns used social networking aggressively. For example, the Obama team asked people to forward an e-mail or a text message to five friends, to twitter observations at an event, and to connect via Facebook and other online communities. Then the campaign asked for money. These techniques helped create the largest donor base of any presidential campaign.

On a much smaller scale, consider asking people to do simple things, such as helping on a project that will take an hour or two to complete.

Or ask interested people to invite five friends to help; people connect deeply to a cause if they're asked to speak about it.

In large and small ways, you can connect with people on an emotional level, which will lead to a deeper bond and larger donations.

I turn now to a local organization that deserves our attention.

Too frequently, nonprofits focus on raising as much money as possible. This has the potential to create uncertainty in programs and services because no one ever knows exactly how much money will be raised year after year.

A good contrast to this scenario is KCBX radio. KCBX concluded its Spring Pledge Drive a few hours early this past Saturday. With great relief in their voices, station staff broke into programming to announce the end of the drive because the goal was achieved.

Frank Lanzone, general manager, said, "We owe it to our listeners to stop interrupting programming" with pleas for pledges.

What is most impressive about this approach is that the station leadership is asking for only what it needs, not more or less. This honesty reflects respect for their listeners and donors. I suspect it helps build loyalty as well.

Resource Use

- Support nonprofit leadership
- Board development/training
- Strategic planning

Nonprofit Business Column of The Tribune

The San Luis Obispo Tribune publishes a column every other week in the Business section dedicated to the business practices of nonprofit orgs. Barry VanderKelen, Executive Director of the San Luis Obispo County Community Foundation writes the bi-

weekly column to help strengthen nonprofit organizations in the community. Each column is reprinted here as a one-page handout for use by local organizations. Barry can be reached at 543-2323 or by e-mail at barry@slocf.org.