Four Fund-Raising Ideas
You Can Use Today and
See Results Tomorrow
There are more than 1 million charities in the United States alone, all competing for donations. But raising money is expensive: bringing in $300 billion in a year requires spending $50 billion, on average, on costs such as employees, posters, and postage.

Curated by the University of Chicago Booth School of Business’s Rustandy Center for Social Sector Innovation, this guide provides four research-based ideas you can implement today.

Use the unit-asking method.

The unit-asking method works like this: Let’s say your nonprofit is trying to raise money for low-income students. First, ask the donor to think of how much he or she would give to help one student. Next, ask the donor to think about how much he or she would give to support 20 students in need. Using what Chicago Booth researchers term the “unit-asking method,” fundraisers in a field experiment saw donations rise by nearly 70 percent.

The method works best, says Christopher K. Hsee, Theodore O. Yntema Professor of Behavioral Science and Marketing at Chicago Booth, if charities indicate a specific number of people in need—saying, for example, “20” rather than “many”—to give potential donors a better sense of the scope of the situation.


Source: Hsee, Zhang, Lu, and Xu, 2013.
Ask for help.

People like to help others out, but they don’t want to think they’re losing something in the process. By framing supporters’ involvement as helping rather than giving, you can increase what people will do for the charity and how meaningful the involvement feels.

Oleg Urminsky, professor of marketing at Chicago Booth, says whatever you do, don’t frame the act of donating as a monetary sacrifice. “If I can just do it without thinking about what I’m giving up, it’s much better.”

Make It Meaningful

Framing donations as helping rather than giving can increase what people will do for charity.

Average willingness to donate and perceived meaningfulness

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Not at all


Source: Yang, Hsee, and Urminsky.
Make your fundraiser exceptional.

Reframing your annual fundraiser as a unique opportunity can drum up higher donations. Abigail Sussman, associate professor of marketing at Chicago Booth, finds that minor differences in the way a charity frames its donation plea, as either a regular occurrence or an exceptional one, can make a big difference in how likely people are to donate.

For example, researchers altered the wording in online ads for the Alzheimer’s Association’s annual charity walk, so that one ad read “Held annually for Alzheimer’s,” while another read “Only once a year for Alzheimer’s.” People were more likely to click through and donate for the latter, when the walk appeared to be an exceptional rather than a regular occurrence.

Give suggestions ... carefully.

Not all donors are created equal. Whether first-time donor or seasoned philanthropist, offering suggested donations can help guide their giving with positive results.

“Small changes can impact people’s choices, especially for people who aren’t sure what their actual preferences are,” says Urminsky, who is conducting research with Indranil Goswami, assistant professor of marketing at the School of Management at the University at Buffalo. Urminsky and Goswami find that setting higher default donation amounts increases how much a donor gives, but can reduce the number of donors. When targeting likely donors, suggesting larger amounts can be beneficial. If boosting participation is the primary goal, setting a low default can increase donation rates.

When setting default donations, understanding your donors and their commitment to giving is key.

About the Rustandy Center

The Rustandy Center for Social Sector Innovation is the destination for people tackling complex social and environmental problems. As Chicago Booth’s social impact hub, we build on the school’s grounding in business fundamentals with experiential learning and research-based insights. Then, through programs including the John Edwardson, ’72, Social New Venture Challenge and training for nonprofit board members, we equip our community with the knowledge and tools to positively impact humanity.

If you would like to join us in this work, visit our site at ChicagoBooth.edu/RustandyCenter to learn more.