



Institute for Sustainable  
Philanthropy

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*Relationship Fundraising 3.0:*

# A Review, Assessment & Experimental Results

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# Introduction

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In this report we will chart the development of the concept of relationship fundraising, tracking trends in both academic and practitioner perspectives. We will build to a delineation of what we will regard here as Relationship Fundraising 3.0, involving the development of a detailed understanding of donor needs, whether they are able to consciously articulate them or not. We will draw on the new science of Philanthropic Psychology to map a series of constructs, that can form the core of a new approach. We will also provide a window on four years of experiments with fundraising communications that will show how uplifts in excess of 100% have been achieved with real world giving. Relationship fundraising 3.0 can dramatically increase giving while at the same time delivering enhanced levels of supporter satisfaction and wellbeing. The report concludes by exploring the implications of this work and suggesting how the current fundraising paradigm may need to change; away from a simple focus on money to a focus on the donor and their identity, wellbeing and love.

## Relationship Fundraising 1.0

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It is now 30 years since Ken Burnett (2002) first coined the term ‘relationship fundraising.’ In the second edition of his ground-breaking text he defined it as:

“An approach to the marketing of a cause that centres on the unique and special relationship between a nonprofit and each supporter. Its overriding consideration is to care for and develop that bond and to do nothing that might damage or jeopardize it. Every activity is therefore geared toward making sure donors know they are important, valued, and considered, which has the effect of maximizing funds per donor in the long term.”

Burnett (2002, p38)

Many others have since articulated a similar perspective. Experienced fundraising strategist Penelope Burk (2003), for example, sees what she prefers to term “donor-centered” fundraising as:

“An approach to raising money and interacting with donors that acknowledges what donors really need and puts those needs first.” (p22)

Seen from these perspectives, the needs of the donor are regarded as important and attended to because doing so is ultimately in an organization’s own best interests. Focusing on and enhancing the quality of the donor experience, ultimately delivers greater revenue. As Burk (2018) later notes:

“Donors feel nothing when they receive poorly timed, stiff and impersonal acknowledgements for the gifts they make; but their hearts soar and their wallets open (for example) upon reading prompt, thoughtful and original thank-you notes that express the sincere gratitude of the writer” (p43).

Relationship fundraising practiced from this perspective focuses on the practical needs that donors might have (e.g. for communication, for gratitude and for a decent quality of service) and using that knowledge to create relationships that then become the vehicle for delivering on those needs. There is also an implicit understanding that those needs might vary by fundraising context and by the relationship stage a given individual may have reached. Donor needs at the beginning of a relationship can be very different than those that develop in the medium and longer term. Respected commentators such as Sargeant (2001), Orland (2011) and Pegram (2016) have vocally supported this view and there is now ample evidence that such thoughtful forms of fundraising can indeed be highly effective (Sargeant and Shang, 2017).

This initial perspective on relationship fundraising has led to a number of important innovations; the creation of donor surveys to determine their interests, the introduction of simple forms of donor choice and the consequent creation of supporter journeys that better steward relationships. We have also seen the rise of “exit polling” where organizations routinely check for service and donor care problems that could be giving rise to unnecessary attrition. Perhaps the most consequential insight though, is that some segments of donors can be desiring of a relationship with the organizations and causes they support. Properly practiced, relationship fundraising can thus extend the duration of a relationship, develop donor engagement and boost lifetime value as a consequence.

We will characterise these initial approaches as Relationship Fundraising 1.0 yet it is important to note that although this approach was new to the context of fundraising, it was not new per se. In the commercial sector, the necessity of understanding customer needs had long been recognised and lies at the core of the concept of marketing (Sargeant 2021). Indeed, it is this customer focus that differentiates marketing from selling. As Theodore Levitt (1960) famously noted, selling focuses on the needs of the seller, while marketing focuses on the needs of the buyer. Marketing as a guiding philosophy tells us that the route to organizational success lies in developing a detailed understanding of what customers actually need or want and then gearing up an organizational response to meet these needs in a way that is distinctive and hard for competitors to emulate.

In more recent years customer orientation has been at the heart of attempts to determine what it might mean to fully embrace the marketing concept and thus to become “market oriented.”

A market-oriented organization is in essence one that has embraced the marketing concept and successfully operationalized it. Kotler and Clarke (1987, p15), for example, define it as follows:

“A marketing orientation holds that the main task of the organization is to determine the needs and wants of target markets and to satisfy them through the design, communication, pricing and delivery of appropriate and competitively viable products and services.”

Kotler and Clarke (1987,p15)

While this definition makes it clear what market orientation is, it offers little insight into how it might be achieved. Kohli and Jaworski (1990) thus prefer to define it as:

“The generation of appropriate market intelligence pertaining to current and future customer needs, and the relative abilities of competitive entities to satisfy these needs; the integration and dissemination of such intelligence across departments; and the coordinated design and execution of the organization’s strategic response to market opportunities.”

(Kohli and Jaworski 1990, p1)

From this very practical perspective a market-oriented enterprise is therefore seen as one where:

- a system of gathering market information exists that facilitates knowledge of actual and future customer needs.
- this market knowledge is diffused and made available to all departments.
- the whole organization is receptive to this knowledge and its influence is discernible in the actions that are taken as a consequence.

It is important to recognize that the preceding discussion is of more than simply theoretical interest. A succession of studies have now demonstrated links between the extent to which an organization has successfully operationalized the marketing concept (i.e. its degree of market orientation) and its performance relative to others operating in the same sector.

Extant research has shown that higher levels of market orientation lead to higher perceptions among stakeholders of delivered service quality, higher customer satisfaction and higher customer loyalty (Becker and Homburg 1999; Homburg and Pflesser 2000, Kirca et al 2005). It also has a positive influence on job satisfaction, trust in organizational leadership and organization commitment (Kirca et al 2005). It appears that market orientation can also make employees feel they are proud members of an organization, enhance their identification with its collective goals, and reduce exit behaviours (Hirschman, 1970).

It is important to note that while the majority of these studies have been conducted in the for-profit context, there is now an emerging body of literature that suggests it is equally well related to many

facets of the performance of nonprofit organizations. Shoham et al. (2006), for example, found that market orientation affects performance positively and the market orientation-performance link is actually stronger in nonprofits than in for-profits. In a study of nonprofits in Spain Vazquez et al. (2002), for example, demonstrated that market orientation results in meeting the needs of beneficiaries, the expectations of donors and success in fulfilling the mission. Furthermore, evidence suggests that market orientation enhances fundraising performance (Kara et al., 2004), stakeholder satisfaction (Chan and Chau, 1998), increased volunteerism (Voss and Voss, 2000), growth in resources (Macedo and Pinho, 2006), and positive reputation (Padanyi and Gainer, 2004).

## Enter Relationship Fundraising 2.0

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By the mid 1990s and early 2000s a new perspective began to emerge, drawing on the latest research and insights from the related concept of relationship marketing. This emerging insight developed our understanding of how relationships are experienced and thus the dimensions that should be managed to develop the strength of relationship bonds and the desired behaviours they drive such as loyalty and increased giving. This implies a much deeper level of analysis than would typically be applied to managing marketing techniques per se.

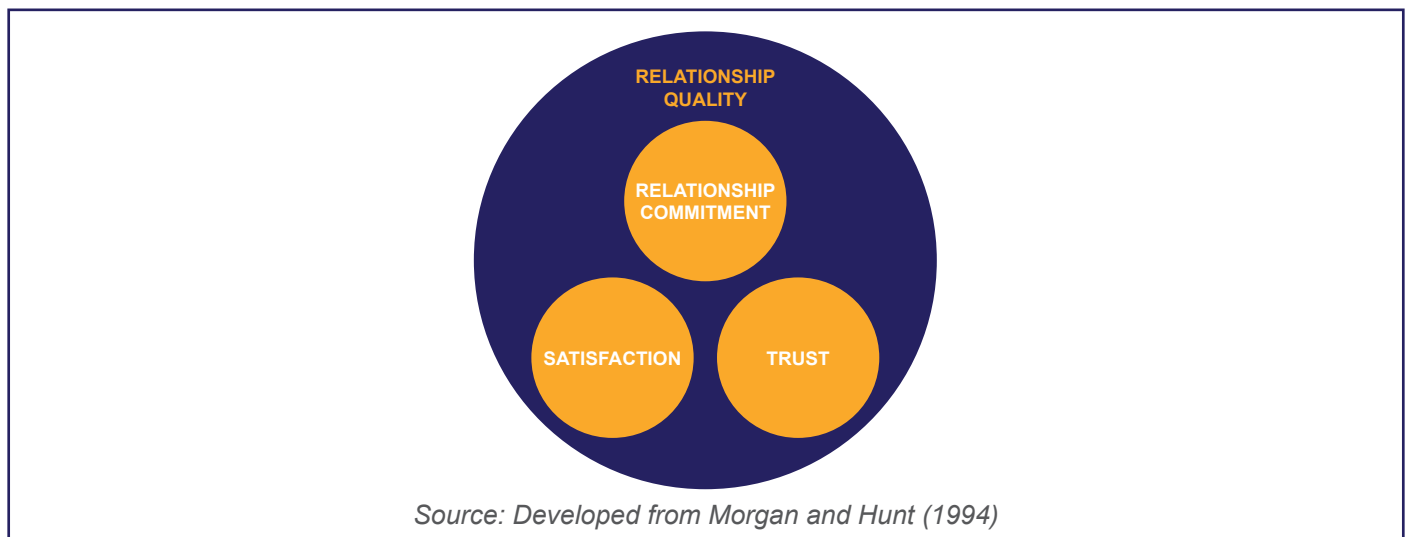
“To the manager, understanding the process of making relationships work is superior to developing simply a laundry list of antecedents of important outcomes”

(Morgan and Hunt 1994, p31-32)

Knowing that X or Y might stimulate an action is less powerful than understanding why this might be the case and how the quality of the relationship itself can intervene and either boost the response to a stimulus or lessen it. These underlying relationship quality variables will pervasively mediate the impact of an organization’s communications, services and ideas on a donor’s behaviour.

A common perspective on relationship quality is depicted in Figure 1 and it is now not uncommon to find (certainly larger) organizations developing measures based on this model. Nonprofits have begun to develop measures of commitment, satisfaction and trust and are tracking their performance against these dimensions over time. In the UK, the NSPCC was one of the first charities to begin adopting this practice in the early 2000s and there are now a number of commercial service providers that will offer this service to charity clients, providing them with their scores and exploring the implications thereof. All three of the concepts in the model have been associated with donor loyalty and so developing and monitoring these scores makes good sense.

**Figure 1: A model of relationship quality**



Relationship fundraising 2.0 was first mooted academically by Sargeant (2001) who encouraged not only the measurement and benchmarking and tracking of these variables, but also consideration of how best to build them. As we shall demonstrate below, each element is important.

## **Trust**

Trust is considered to lie at the heart of relationships. Berry (1995) for example, argues that trust is the single biggest tool of a marketing organization. Anderson and Weitz (1992, p20) define it as “one party believing that its needs will be fulfilled in the future by actions taken by the other party”. Successive studies have demonstrated its utility in driving customer retention, either directly or indirectly through either satisfaction or commitment. Trust is built by the trusted party being seen to exercise good judgement (Gabarro 1987, Kennedy et al 2001), demonstrating role competence (Morgan and Hunt 1994; Kennedy et al 2001) adherence to a desired set of principles, perhaps a Code of Practice (McFall 1987) and by delivering a good quality service (Kennedy et al 2001) possibly through high quality interaction with front line employees (Reichheld 1993; Sirdesmukh et al 2002).

Good communication is seen as key to the fostering of trust. The content of communications must evolve throughout the lifetime of a relationship with early communications designed to establish the rules of the relationship and to develop trust (Wilson 1995). As Thomas (1976, p19) notes, “the marketing communicator’s task is clearly one of understanding every aspect of his organization’s output, value and goal system and orchestrating its trustworthiness” (Thomas 1976, p19.) This requires full disclosure of purpose or meaning and that any mistakes be acknowledged as soon as discovered. It also requires that customer specific information be treated as confidential. The

more trustworthy an organization is seen to be – the more likely that consumer will have positive attitudes to the ideas and invitations they put forward (Hovland et al 1953, Moorman et al 1992).

In the nonprofit context Sargeant and Lee (2004) have demonstrated that levels of trust drive giving behavior albeit that its impact is mediated by commitment. It appears that in the nonprofit context, trust may be enhanced by:

- Communicating the impacts achieved on the beneficiary group.
- Honouring the promises, or rather, being seen to honour the promises made to donors about how their money will be used.
- Being seen to exhibit good judgement and hence communicating the rationale for decisions taken by the organization in respect of its overall direction and/or the services offered to beneficiaries.
- Making it clear what values the organization espouses, so communicating not only the content of service provision to beneficiaries, but also the style, manner or ethos, underpinning that delivery.
- Ensuring that communications match donor expectations in respect of content, frequency and quality.
- Ensuring that the organization engages in two-way conversation, engaging donors in a dialogue about the service that they can expect as supporters of the organization and the service that will be delivered to beneficiaries.
- Ensuring that donor (customer) facing members of staff are trained in customer service procedures and have the requisite knowledge and skills to deal with enquiries effectively, promptly and courteously.

## **Commitment**

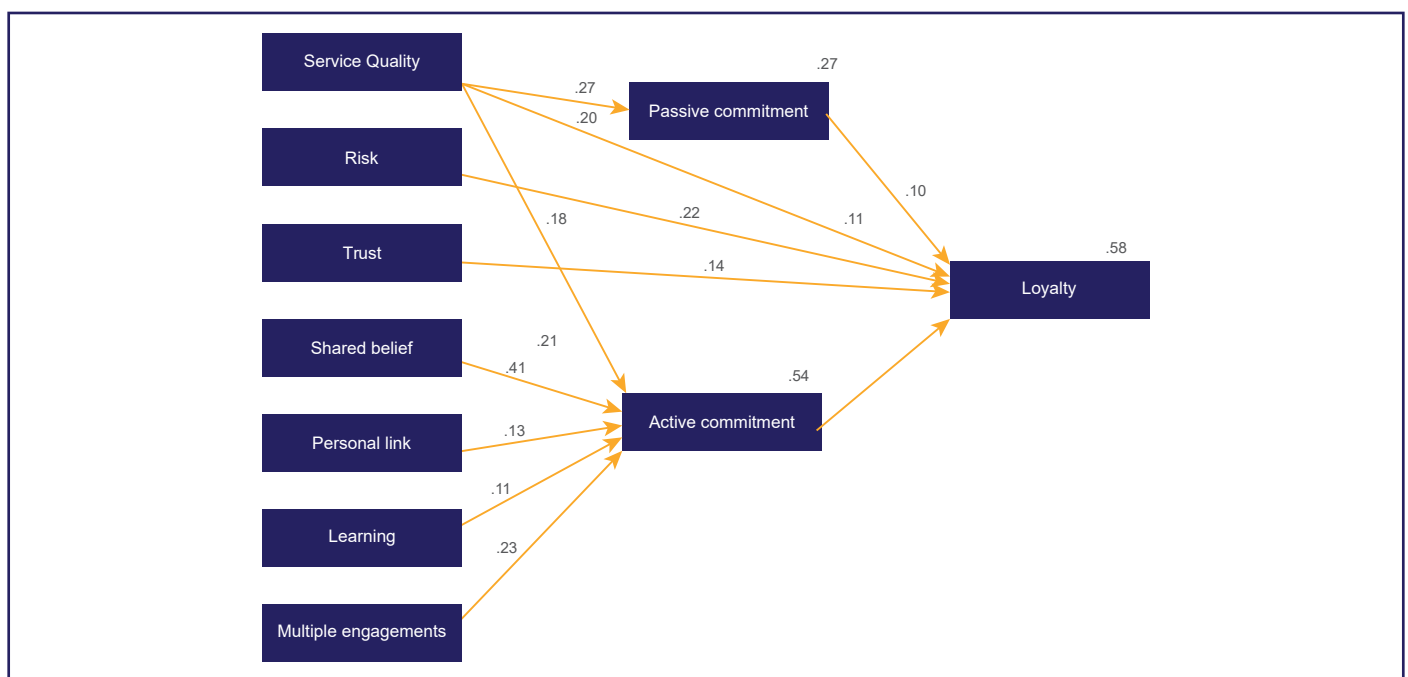
The relationship marketing literature suggests that relationship commitment is a further driver of loyalty (Bendapudi and Berry 1997, Morgan and Hunt 1994). Moorman et al (1993) define this as a desire to maintain a relationship, while Dwyer et al (1987) regard it as a pledge of continuity between two parties. What these definitions have in common is a sense of 'stickiness'... "that keeps customers loyal to a brand or company even when satisfaction may be low" (Gustafsson et al 2005, p211). It differs from satisfaction in that satisfaction is an amalgam of past experience, whereas commitment is a forward-looking construct.



In the first study to specifically address the issue of donor commitment, Sargeant and Woodliffe (2007) map a two-dimensional model, examining both active and passive commitment (see Figure 2). In their study a significant number of individuals “felt it was the right thing to do” to continue their support, “but had no real passion for either the nature of the cause or the work of the organization” (p53). They were thus “passively committed”. Indeed some supporters, particularly monthly givers (sustainers), were found to be continuing their giving only because they had “not gotten around to cancelling” or had actually forgotten that they were still giving.

By contrast, Sargeant and Woodliffe also distinguish an active commitment, which they define as a genuine passion for the mission of the organization and the work it is trying to achieve. The literature suggests that this ‘active’ commitment may be developed by enhancing trust (Sargeant and Lee 2004), enhancing the number and quality of two-way interactions (Sargeant 2001 and Sargeant and Woodliffe 2007) and by the development of shared values (Swasy 1979, Sargeant and Woodliffe 2007). Other drivers include the concept of risk which the authors define as the extent to which a donor believes that harm will accrue to the beneficiary group were they to withdraw or cancel their gift and trust, in the sense of trusting the organization to have the impacts that it promised it would have on the beneficiary group, focal community or cause. Finally, the authors conclude that the extent to which individuals believe that they have deepened their knowledge of the organization through the communications they receive will also impact positively on commitment. The authors term this latter concept ‘learning’ and argue that it serves to reinforce the importance of planning “donor journeys” rather than simply charting the communications that will be received. The full model that the authors develop is depicted in Figure 2.

**Figure 2: Sargeant and Woodliffe model of donor commitment**



## Satisfaction

Johnson and Fornell (1991) define customer satisfaction as a customer's overall evaluation of the performance of an offering to date. It is now well established that satisfaction has a strong positive effect on loyalty intentions in a wide variety of product and service contexts (Fornell et al 1996; Mittal and Kamakura 2001). Satisfaction is viewed as the consequence of a comparison between expectations and overall evaluations of delivered service quality (Gustafsson et al 2005). In other words, people compare what they expected to get with what was actually delivered. They only experience satisfaction when their expectations are either met or surpassed. Work by Mittal and Kamakura (2001) has shown that the nature of the satisfaction-retention relationship can vary by customer characteristics such as demographics. For some people, the issue of satisfaction with the quality of service received is a more important determinant of loyalty than for others.

These studies suggest that in the context of fundraising, donor satisfaction with the quality of the service they are provided with (as donors) would drive subsequent loyalty. In the first study to address donor satisfaction Sargeant (2001) identified a positive correlation with loyalty, donors indicating that they were 'very satisfied' with the quality of service provided being twice as likely to offer a second or subsequent gift than those who identified themselves as merely satisfied. More recent work by Sargeant and Woodliffe (2005) and Bennett and Barkensjo (2005) confirms that there is a significant and positive relationship between satisfaction and the donor's future intentions, particularly the likely duration of the relationship and the levels of donation offered.

The link between relationship quality and loyalty is important and has led to a revolution in marketing metrics. While marketers are still rewarded for performance variables such as sales, profitability and market share, they are also routinely rewarded for the delivery of satisfaction, commitment and trust because they speak to the future value of the customer base. This switch in emphasis may be witnessed by the rapid growth of satisfaction surveys from suppliers as diverse as hotels, airlines, auto dealerships and hair salons. Organizations seek to understand what percentage of their customer base lies at the extreme of the scale, articulating views akin to being very satisfied or very committed. The greater the percentage of customers with those stronger positive views, the higher the subsequent loyalty.

As interesting as all this is, there are some issues that nonprofits will encounter as they attempt to embed the learning in their professional practice. Notable here is how we understand satisfaction or commitment scores. We could certainly measure both on a 7 point scale, but assuming for the sake of illustration that we achieve scores of circa 5.6, what would that actually tell us? Certainly we could track trends over time, or benchmark against others, but how as a consequence should

our fundraising strategy change? The findings of this approach yield remarkably little insight into how behaviour might best be enhanced.

It is also superficial in the sense that while we may understand the articulated opinions, the scores tell us little about the donor behind the scores, who they are as people and what might contribute to their sense of personal well-being when they experience being that kind of person. It should be remembered that the proposition that satisfaction, commitment and trust are at the core of the experience of a relationship was developed in the commercial sector, a sector largely based on exchange, not on the love that is at the core of much of philanthropy. To examine retention as though the currency of love somehow equates to the currency of (monetary) exchange is in our view misguided. Certainly, giving money can be an articulation of love, but a focus on money and exchange deprives the donor of the deeper meaning associated with their giving. Deepen that meaning and enhanced giving will follow.

Finally, the utility of the approach has been called into serious question. In most of the existing research, the concepts of satisfaction, trust and commitment have only been correlated to people's giving intentions. Little is known about how (if at all) they might actually drive behavior. Studies modelling that are rare. And when the relationship between these measurements and behaviour are typically calculated (Shang, Sargeant and Carpenter 2022), the conclusions drawn are usually correlational in nature. That is we do not have much causal evidence to say that satisfaction, commitment and trust actually drive future giving.

All that said, we are not advocating that traditional relationship marketing approaches be abandoned. Rather, that they be considered alongside ideas and constructs that speak to the unique nature of the philanthropic experience and the role that it can play for both giver and receiver.

## **Relationship Fundraising 3.0**

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Merriam-Webster in common with other dictionaries defines fundraising as the seeking of financial support for a charity, cause, or other enterprise. Many fundraisers would agree and it's a view that's entirely consistent with Relationship Fundraising 1.0 or 2.0 where relationships are cultivated as a means to an end. Essentially what is proposed is an exchange relationship where if we look after the donor, we can trust that they'll eventually look after us.

Relationship Fundraising 3.0 is different. It eschews the focus on exchange and sees the purpose of fundraising as stewarding the human capacity to love. This is a very different perspective that requires a detailed understanding of the psychological needs of the individual, their sense of self

(i.e. who they are), their wellbeing (how they feel about being that “self”) and how they might best experience the giving and receiving of their love.

The balance of this report will share the testing that we have been involved in as an Institute to build the evidence base for this form of fundraising and track its impact on both the organization and the donor. As we will demonstrate the effect sizes associated with this new approach are non-trivial. Increases in giving of over 100% have been reported and reported consistently. We will also share some of the communications developed by clients that are now working on embedding our ideas into their professional practice.

We will begin our exploration of this material with our early work on identity.

## Identity

In psychology, the term “identity” is most commonly used to describe **personal identity**, or the distinctive qualities or traits that make an individual unique. Mischel and Shoda (1995) tell us that our sense of who we are can be defined by what we think, how we feel (Mischel and Shoda, 1995), what we do (Buss, 1983), what we have (Belk, 1988), who we are in relationships with (Andersen and Chen, 2002) and which culture we live in (Markus and Kitayam, 1991). It can be measured as the personality traits we use to describe who we are ourselves (McCrae and Costa, 1983), or the personality traits others use to describe who we are (McCrae and Costa, 1985). Some people believe that their sense of self is a fixed entity, whereas others believe it is malleable (Dweck and Leggett, 1988) which is intriguing from a fundraising perspective as it suggests that it might be shaped, perhaps by a charity’s communications, over time.

### Example 1: A Think Tank Based in the USA.

To better understand the identities of their supporters, charities can conduct a brief donor survey. This was the approach we took working in partnership with a Think Tank based in the USA. We surveyed some 68,000 of their donors in July 2018. Table 1 provides information about the supporters who received and responded to the survey.

Table 1: Information on the survey recipients and responders

<b>Number of surveys sent</b>	67,611
<b>Completed surveys</b>	3,185
<b>Response rate</b>	4.70%
<b>Average age of responders</b>	70.6
<b>Gender of responders</b>	75% Male, 25% Female

The survey collected data on how supporters describe their identity. With random assignment to questions, supporters were asked to use five words to describe their self identity or their supporter identity. The questions were simply:

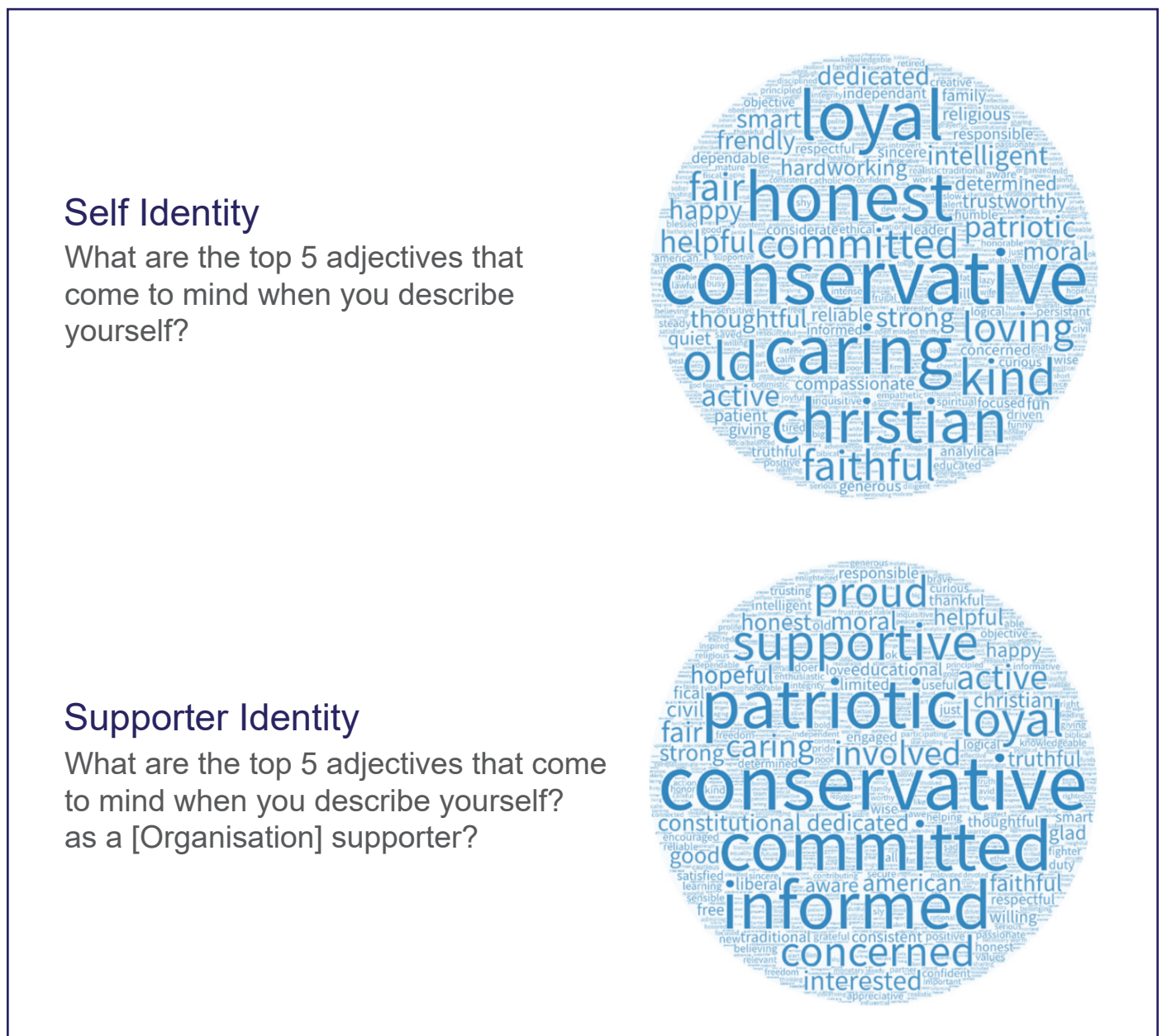
What five words would you use to describe yourself as a person?

What five words would you use to describe yourself as a supporter of X?

We very deliberately selected five words because the task is easy for most people to complete. Push beyond that and the task becomes harder with a consequent drop-off in response rate.

Figure 3 and Table 2 show the words used by supporters of the think tank to describe their self and supporter identities. In the word clouds, the bigger the word appears, the more frequently it was used by supporters.

**Figure 3: Individual/Supporter word clouds**



**Table 2: Top 20 words in each condition ranked by frequency**

<b>RANK</b>	<b>SELF IDENTITY</b>	<b>SUPPORTER IDENTITY</b>
<b>1</b>	CONSERVATIVE	CONSERVATIVE
<b>2</b>	HONEST	PATRIOTIC
<b>3</b>	CARING	COMMITTED
<b>4</b>	LOYAL	INFORMED
<b>5</b>	CHRISTIAN	SUPPORTIVE
<b>6</b>	LOVING	CONCERNED
<b>7</b>	COMMITTED	LOYAL
<b>8</b>	FAITHFUL	PROUD
<b>9</b>	PATRIOTIC	CARING
<b>10</b>	INTELLIGENT	CONSTITUTIONAL
<b>11</b>	THOUGHTFUL	INVOLVED
<b>12</b>	HARDWORKING	ACTIVE
<b>13</b>	KIND	INTERESTED
<b>14</b>	TRUSTWORTHY	HOPEFUL
<b>15</b>	COMPASSIONATE	AMERICAN
<b>16</b>	DEDICATED	HELPFUL
<b>17</b>	HELPFUL	DEDICATED
<b>18</b>	OLD	EDUCATIONAL
<b>19</b>	FRIENDLY	RESPONSIBLE
<b>20</b>	STRONG	HONEST
<b>= 20</b>		TRUTHFUL

Being a conservative is the most important aspect to both the self and supporter identities for the donors to this organization.

The top self-identity words paint a picture of an honest, caring, and loyal person. Being a conservative and a Christian are also very important to these individuals.

The top supporter identity words, in contrast, paint a picture of a conservative who is patriotic, committed, informed, and supportive.

The top frequency words include adjectives that research has previously associated with moral identity. Aquino and Reed (2002) found that people associate nine positive traits with being a moral person. Seven of these nine words were spontaneously associated with identity in these survey responders (honest, caring, hardworking, kind, compassionate, friendly, helpful)<sup>1</sup>. While both the self and supporter identities include moral traits, they are used more when describing self-identity than supporter identity. We find this difference significant because the supporter identity will have been shaped in no small measure by the communications of this nonprofit.

So how can we use this information?

We completed analyses on the top self and supporter identity words. Then, in a direct mail membership renewal ask, we tested whether using the most powerful self words or supporter words, that differentiate these two identities, would increase giving or response rates more than a control communication that did not include any of these words.

There were three conditions in the test which were randomly assigned to supporters who would receive the letter.

**Control condition** – The control condition letter and response form outlined what the supporter had achieved so far through their support of the organization and the importance of their continued membership. Best practice principles were used to write this letter.

**Self-condition** – This letter and the response form used words shown by our analysis to be powerful words that differentiate the self from the supporter-identity (e.g., trustworthy, faithful, determined).

**Supporter-condition** – This letter and response form used words shown by our analysis to be powerful words that differentiate the supporter from the self-identity (e.g., supportive, active, hopeful).

The full details of the manipulation can be found overleaf in Table 3

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<sup>1</sup>The two words not used by these survey responders were *fair* and *generous*.

**Table 3: Self versus supporter words test set-up**

CONTROL CONDITION	SELF WORDS CONDITION	SUPPORTER WORDS CONDITION
<p>You are one of our most loyal members since [date], and I'm deeply honored to present your 2019 membership card. Please carry it with pride!</p>	<p>You are one of our most <b>trustworthy</b> members since [date], and I'm deeply honored to present your 2019 membership card.</p> <p>We hope that being a member is important to you. Please carry your card knowing your gift made a difference.</p>	<p>You are one of our most <b>supportive</b> members since [date], and I'm deeply honored to present your 2019 membership card.</p> <p>We hope that being a is important to you. Please carry your card knowing your gift made a difference.</p>
	<p>Because this is what you and I <b>faithfully</b> stand for to protect our communities.</p>	<p>Because this is what you and I <b>actively</b> stand for to protect our communities.</p>
<p>Renew your membership today so that we have the resources to fight back.</p>	<p>Renew your <b>compassionate</b> membership today so that we have the resources to stand shoulder to shoulder with our communities to push toward victory.</p>	<p>Renew your <b>constitutional</b> membership today so that we have the resources to stand shoulder to shoulder with our communities to push toward victory.</p>
<p>Please stand with us again! Thank you.</p>	<p>Please stand in <b>determination</b> with us again to show your community that they are a priority! Thank you.</p>	<p>Please stand in <b>hope</b> with us again to show your community that they are a priority! Thank you.</p>
RESPONSE FORM		
<p>I'm on board!</p>	<p>I'm <b>faithfully</b> on board!</p>	<p>I'm <b>proudly</b> on board!</p>
	<p>I <b>trust</b> [organization].</p>	<p>I'm <b>proud</b> of [organization].</p>
	<p>Yes, not only will I give you my membership support, you also have my unwavering <b>faith</b> in American values</p>	<p>Yes, not only will I give you my membership support, you also have my unwavering <b>hope</b> for American values</p>
	<p>and my <b>compassion</b> for my <b>hard working</b> community to get what they deserve.</p>	<p>and my <b>pride</b> for my <b>patriotic</b> community to get what they deserve.</p>

Information about the financial performance of the test can be found in Table 4. This test was sent in March 2019



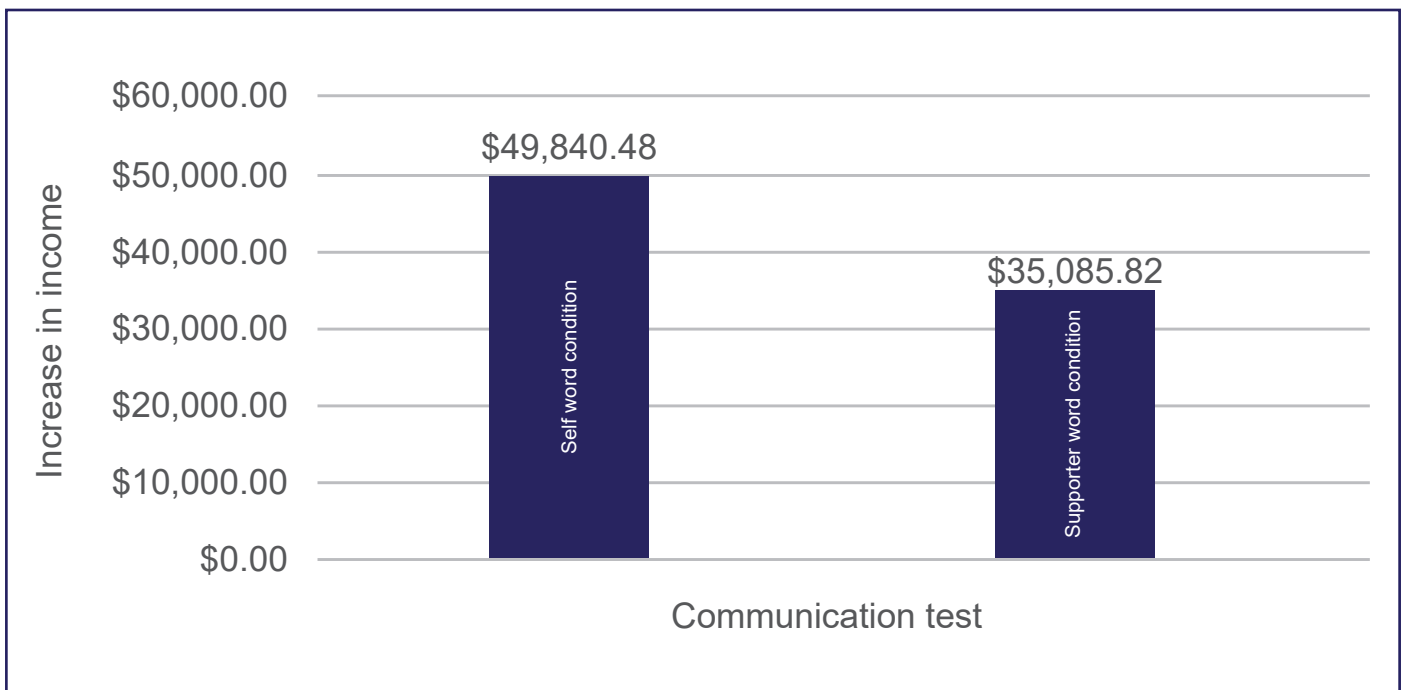
**Table 4: Financial performance of self-supporter word test.**

<b>Number of direct mails sent</b>	169,167
<b>Donations received</b>	11,168
<b>Response rate</b>	6.6%
<b>Average donation made</b>	\$60.88

Based on an analysis of the response rate to each of the three conditions, both self (7.18%) and supporter words (6.83%) outperform the control condition (6.00% response rate).

Figure 4 shows the anticipated increase in revenue if those in the control condition had received either the self or the supporter condition.

**Figure 4: Revenue gain over control condition**



It is important to stress that the only thing that changed in these versions of the renewal appeal was the addition of the self and supporter words. So why is this so powerful? Essentially because people begin to see themselves in the communication. It is as though the writer is communicating directly with them, so the words are more intimate. Certainly, the organization was using words to describe supporters in its communications before our testing – but they weren't necessarily the "right" words.

We think it is important for nonprofits to understand both the self and supporter words because they may differ in power under certain circumstances. At the beginning of a relationship, for

example, a supporter identity will take time to establish and time for a donor to soak in the meaning that might be associated with that. So it is possible that self-words will be more appropriate to use with new donors. We can't speak to that specifically in our data, but we did find that individuals who gave more than \$26 on average (during their lifetime of giving) responded better to the supporter words. The higher the supporters previous average gift amount, the more that they will give to this membership renewal when reading the supporter words.

## Wellbeing

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We use a theory called 'self-determination theory' to assess supporter wellbeing. Can donors feel better as a result of their support of an organization (La Guardia et al, 2000; Ryan & Deci, 2000a; 2000b)? This theory says that people have three basic psychological needs that could be fulfilled through their relationships with nonprofits:

- 1) The need to feel **autonomous**
- 2) The need to feel **competent**
- 3) The need to feel **connected** to others

**Definition of Autonomy:** People need to feel that they are acting based on their own initiative. They want to feel as though they are independent and will think and act in a way that is self-determined. They thus need to think of themselves as an active participant, someone who had a voice, articulated a view or who made certain choices. People experiencing autonomy are not motivated to act based on social pressures to think and act in a certain way (Ryff, 1989).

**Definition of Competence:** People need to feel that they are competent in completing activities that matter to them. The greater the perceived competence, the greater the wellbeing that will be experienced. In the context of philanthropy this can be interpreted as competence in articulating their love for others. People want to feel that they have made a positive impact because of what they have done, rather than what an organization might have done (Ryff, 1989).

**Definition of Connectedness to Others:** People also experience wellbeing when they feel connected to others that they love or care for. The greater the sense of connectedness the greater the sense of wellbeing. Ryff (1989) tells us that people seek warm, satisfying, and loving relationships with others. In the context of fundraising it is easy to imagine that donors may seek (or value) connectedness with beneficiaries, but it may also be a certain kind of beneficiary that is the primary interest. So one might support a Humane Society because of a love of cats, or a love a dogs. Communications can then be created that reflect the requisite connection. But

desired connection can also be felt with other supporters/campaigners/volunteers. It could even be connection with the organization, the brand, an outstanding leader or perhaps even a God figure. In Relationship Fundraising 3.0 the job of the fundraiser is to identify what the focus for that connection is.

## Identity and Wellbeing

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The interface between identity and wellbeing is important in Relationship Fundraising 3.0. Essentially identity delineates who the donor is and once it is understood that they are a certain kind of person, the nonprofit can focus on creating wellbeing appropriate for that sense of who they are.

But the picture is a little more complicated than that, because identities have a range of properties that make them more or less powerful for fundraisers to address in their fundraising. Notable here is the concept of Identity Importance.

### Identity Importance

Some identities can be frequently in the front of someone's mind and hence **highly accessible** to that individual for a prolonged period. Psychologists call these identities **important identities** and the more important an identity is, the more likely it can be made momentarily accessible and that doing so will influence behaviour (Stayman and Deshpande, 1989).

Our own research has shown that donors tend to select organizations to support that resonate with identities that are important to them.

### Example 2: Christian International Aid Organization

To begin our work on the interface between identity and wellbeing we worked with a Christian International Aid Organization. In this project an initial online survey was sent to supporters in March 2017. Table 5 provides information about the supporters who received and responded to the survey.

**Table 5. Profile of survey recipient and responders**

<b>Number of surveys sent</b>	48,076
<b>Completed surveys</b>	1,161
<b>Response rate</b>	2.41%
<b>Average age of responders</b>	60.5
<b>Gender of responders</b>	41% Male, 59% Female

The survey measured several factors predicted to impact supporter behaviour and psychological wellbeing. These factors fall into five categories:

- Donor disposition (e.g., how compassionate they are, how much they like to problem solve)
- Donor identity (e.g., moral identity, Christian identity)
- Donor loyalty (commitment, satisfaction, and trust)
- Connectedness (e.g., how connected people feel to the organization, its staff, God)
- Factors specific to the Christian context (e.g., which bible verse inspires them, how people think about their relationship with God)

We used these factors to predict supporters' intention to continue supporting the organization and their intention to increase their donation in the next 12 months, as well as their intention to leave a legacy to the organization. Donor wellbeing was also measured.

There were three factors identified as important predictors of intention to continue and increase donations, as well as intention to leave a legacy. These were:

1. Commitment to the Organization. This was measured using scale items developed from Sargeant (2001), Sargeant & Jay (2004) and Sargeant & Woodliffe, (2007). People who score highly on this scale feel passionate about the organization's mission and goals and are committed to the relationship with the organization. The maximum score on this scale was 7 and the average in the supporter sample was 5.9.
2. Connectedness to the Organization. This was measured using an item designed for the Relationship Fundraising project and based on work by Lee et al. (1995) and Jiang et al. (2010). People who score highly on this item feel strongly personally connected to the organization. The maximum score on this scale was 7 and the average in the supporter sample was 5.6.
3. Christian Identity Importance. This was measured using a scale designed for the Relationship Fundraising project and based on work by Luhtanen and Crocker (1992). People who score highly on this scale feel that being a Christian is central to their sense of who they are. The maximum score on this scale was 7 and the average in the supporter sample was 5.4.

The reader will recognize that as we were employing 7-point scales, the mean scores for the sample are pretty respectable, ranging from 5.4 to 5.9. That said, some opportunity for improvement remains.

In Table 6 we calculate the difference to giving intentions that increasing these scores to their maximum (i.e. 7) would make. For example, if we can raise the average commitment score across

the supporter base from 5.9 to the maximum score of 7, average intention to continue donating will increase by 7.6 percentage points, intention to increase a donation will increase by 7.0 percentage points and intention to leave a legacy will increase by 17.4 percentage points.

**Table 6: Effect of increasing psychological scores on giving intentions**

	Mean of predicting factor	Intention to continue donating (M = 6.5)	Intention to increase giving (M = 3.8)	Intention to leave a legacy (M = 3.6)
<b>Commitment</b>	5.9	7.6%	7.0%	17.4%
<b>Connectedness to organization</b>	5.6	5.3%	4.4%	11.1%
<b>Christian Identity Importance</b>	5.4	2.9%	4.2%	9.6%

### Communication Test 1

Six months after the survey, a direct mail appeal was sent to the organization’s supporter base during the week of the harvest festival (UK). Supporters received the letter in one of four conditions. In each condition, the copy of the letter remained exactly the same, but the response form differed with the inclusion of sentences derived from the results of the supporter survey.

The sentences added were designed as booster or lift sentences, meaning that each sentence boosted a factor that the survey found to be important in predicting intention to give. This first communication test focused on boosting Christian identity importance and commitment.

**Control condition** – There were no additional lift sentences added to the donation response form.

**Christian identity condition** – There was an additional lift sentence added to the top of the donation response form designed to boost Christian identity importance (‘Yes, giving is a vital part of what being a Christian means’).

**Commitment condition** – There was an additional lift sentence added to the top of the donation response form designed to boost commitment (‘Yes, I care passionately about the work of [organization]’).

**Christian identity condition and commitment condition** – Both the Christian identity importance and commitment lift sentences were included at the top of the donation response form.

The response mechanisms appear in the exhibits below:

### Exhibit 1: Control condition

## YES, I WANT TO HELP CHURCHES GIVE HOPE

Your gift will be used to support local churches and partners to bring transformation where the need is greatest around the world.

**I want to give:**

<£XX>

<£XX>

<£XX>

or my preferred gift of £

**Please check your details and amend if incorrect:**

<xxxxxxx/SupporterID/SegmentNo>

Mr. A. Sample  
Housename  
1, Any Street  
Anytown  
Anyshire  
A12 B34

### Exhibit 2: Christian identity condition

## YES, I WANT TO HELP CHURCHES GIVE HOPE

Your gift will be used to support local churches and partners to bring transformation where the need is greatest around the world.

Please tick if the statement below is true for you

Yes, giving is a vital part of what being a Christian means

**I want to give:**

<£XX>

<£XX>

<£XX>

or my preferred gift of £

**Please check your details and amend if incorrect:**

<xxxxxxx/SupporterID/SegmentNo>

Mr. A. Sample  
Housename  
1, Any Street  
Anytown  
Anyshire  
A12 B34

### Exhibit 3: Commitment condition

## YES, I WANT TO HELP CHURCHES GIVE HOPE

Your gift will be used to support local churches and partners to bring transformation where the need is greatest around the world.

Please tick if the statement below is true for you

Yes, I care Passionately about the work of

**I want to give:**

<£XX>

<£XX>

<£XX>

or my preferred gift of £

**Please check your details and amend if incorrect:**

<xxxxxxx/SupporterID/SegmentNo>

Mr. A. Sample  
Housename  
1, Any Street  
Anytown  
Anyshire  
A12 B34

## Exhibit 4: Christian identity and commitment condition

### YES, I WANT TO HELP CHURCHES **GIVE HOPE**

Your gift will be used to support local churches and partners to bring transformation where the need is greatest around the world.

Please tick if any of the statement below that are true for you

Yes, giving is a vital part of what being a Christian means

Yes, I care passionately about the work of

**I want to give:**

<£XX>

<£XX>

<£XX>

or my preferred gift of £

**Please check your details and amend if incorrect:**

<xxxxxxx/SupporterID/SegmentNo>

Mr. A. Sample

Housename

1, Any Street

Anytown

Anyshire

A12 B34

BAR CODE

**Method of payment:**

I enclose a cheque (payable to)

OR Please charge my

Visa Debit  
  Visa Credit  
  Mastercard Debit  
  Mastercard Credit  
  CAF  

Please note we are unable to accept Solo, Electron, American Express or Diners Club cards

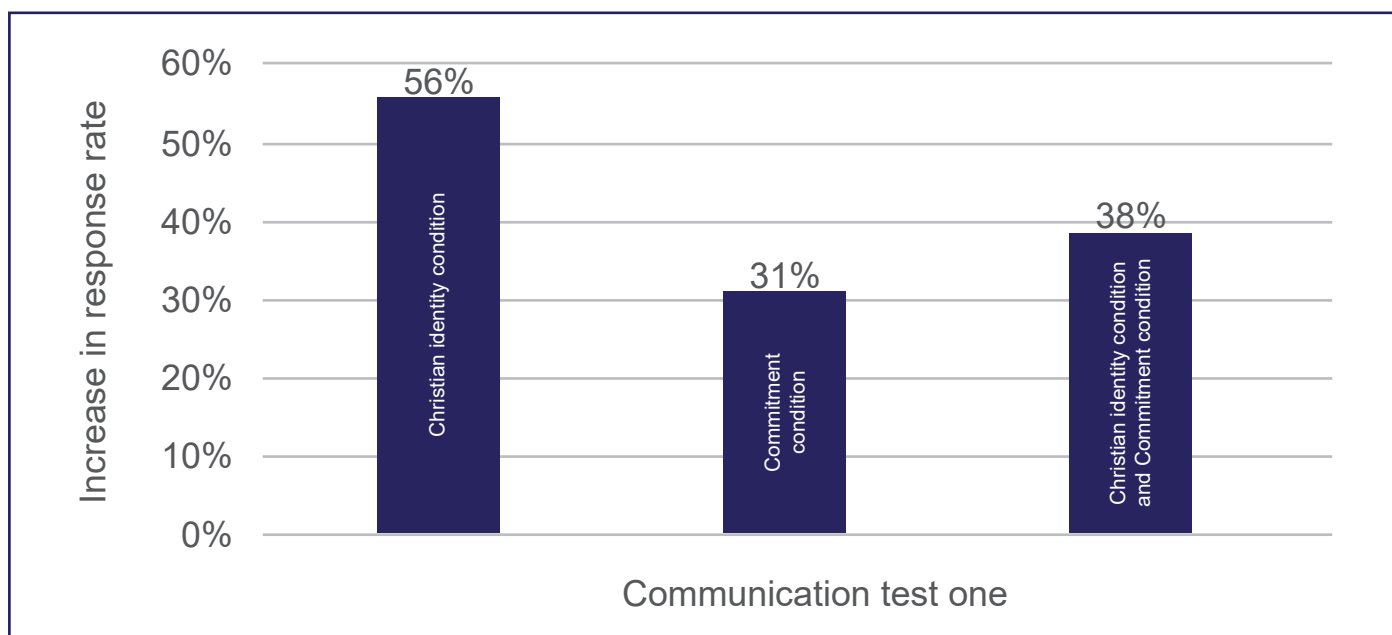
Table 7 provides the aggregate financial performance of communication test 1.

**Table 7: Financial performance of test 1**

<b>Number of direct mails sent</b>	55,299
<b>Donations received</b>	1,208
<b>Response rate</b>	2.2%
<b>Average donation made</b>	£60.78

A chi-squared test was then used to investigate whether more supporters gave in any of the lift statement conditions compared to the control condition. Figure 5 shows how much higher the donation response rate was in the lift sentence conditions compared to the control response rate. The increases in response rate above the control were statistically significant and did not impact the average gift amount.

**Figure 5: Communication 1 experimental results**



We calculate that if all 55,299 supporters would have received the Christian identity condition, an additional **£30,249.66** would have been raised in comparison to all supporters receiving the control condition.

At this point we need to insert a caveat in that we are not suggesting that only one statement be used as a lift statement. Although that appears to be the implication of the pattern above, we will later (and consistently) show that two lift statements in tandem are more powerful, so long as the right additional concepts are primed.

## **Communication Test 2**

Five months after communication test one, a second communication test was sent to the supporter base of the organization. This was a Lent appeal sent by direct mail.

As in communication test one, there were four conditions in the test. While the letter did not change between conditions the donation response form changed with lift sentences added. These again were derived from the results of the supporter survey.

**Control condition** – There were no additional lift sentences added to the donation response form.

**Christian identity condition** – There was an additional lift sentence added to the top of the donation response form designed to boost Christian identity importance ('Yes, piecing together fractured lives is a vital part of what being a Christian means'). It is important to note here that the phrase "piecing together fractured lives" is not something that we invented, it is copy that appeared in the body of the communication – and in our lift statement the idea is being pulled forward and linked to Christian Identity to make both ideas salient at the point of decision making.



**Connectedness condition** – There was an additional lift sentence added to the top of the donation response form designed to boost connectedness between the mission of the organization, the donor and God’s heart (‘Yes, mending broken relationships connects me to God’s heart’). It is a beautiful expression of the experience of giving for an evangelical Christian, but again we did not invent this. The phrase “mending broken relationships” will have been pulled forward from the appeal copy itself and blended with the notion of connectedness.

**Christian identity condition and connectedness condition** – Both the Christian identity importance and connectedness lift sentences were included at the top of the donation response form.

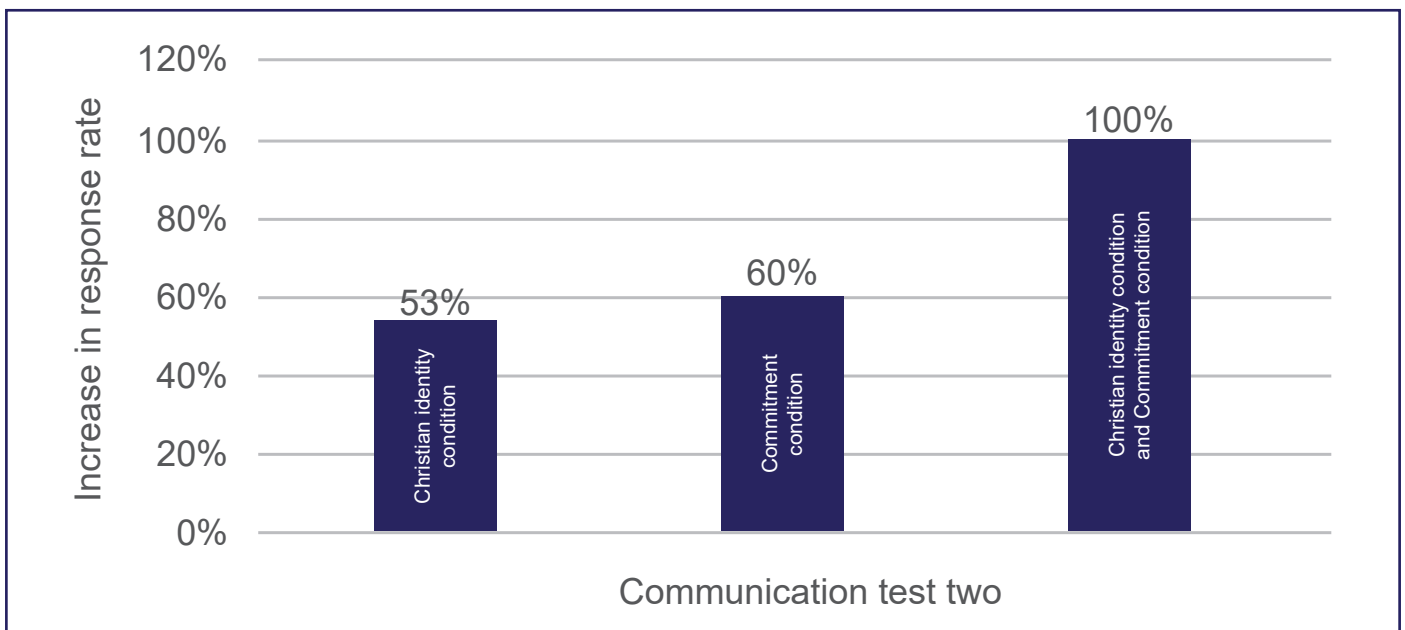
Table 8 reports the financial performance of the aggregate campaign.

**Table 8.: Performance of Lent appeal**

<b>Number of direct mails sent</b>	18,127
<b>Donations received</b>	437
<b>Response rate</b>	2.4%
<b>Average donation made</b>	£63.10

A chi-squared test was used to investigate whether more supporters gave in any of the booster sentence conditions compared to the control condition. Figure 6 shows how much higher the donation response rate was in the lift sentence conditions compared to the control response rate. The increases in response rate were statistically significant and did not impact the average gift amount.

**Figure 6: Increases in response over control condition – Lent appeal**



If all 18,127 supporters would have received the Christian identity and connectedness condition, an additional **£17,157.21** would have been raised in comparison to all supporters receiving the control condition.

### Communication Test 3

Five months after communication test two, a final communication test was sent to the supporter base of the organization. This was a summer appeal sent by direct mail.

As in communication test one and two, there were four conditions in the test. While the letter did not change between conditions the donation response form changed with lift sentences added.

**Control condition** – There were no additional lift sentences added to the donation response form.

**Christian identity condition** – There was an additional lift sentence added to the top of the donation response form designed to boost Christian identity importance ('Yes, it is important to me that those suffering in [area] can feel God's love'). Note that in this example the identity is also being used to build connection. Their Christian identity is presented as the vessel for offering the experience of God's love to another. Again, it's a powerful idea for a person of faith in this tradition of Christianity.

**Connectedness condition** – There was an additional lift sentence added to the top of the donation response form designed to specifically boost connectedness, this time between the donor and the charity's team and local partners delivering the mission ('Yes, I want [organizations] staff and partners in [location] to know my heart is with them').

**Christian identity condition and connectedness condition** – Both the Christian identity importance and connectedness lift sentences were included at the top of the donation response form.

Table 9 indicates the financial performance of the campaign.

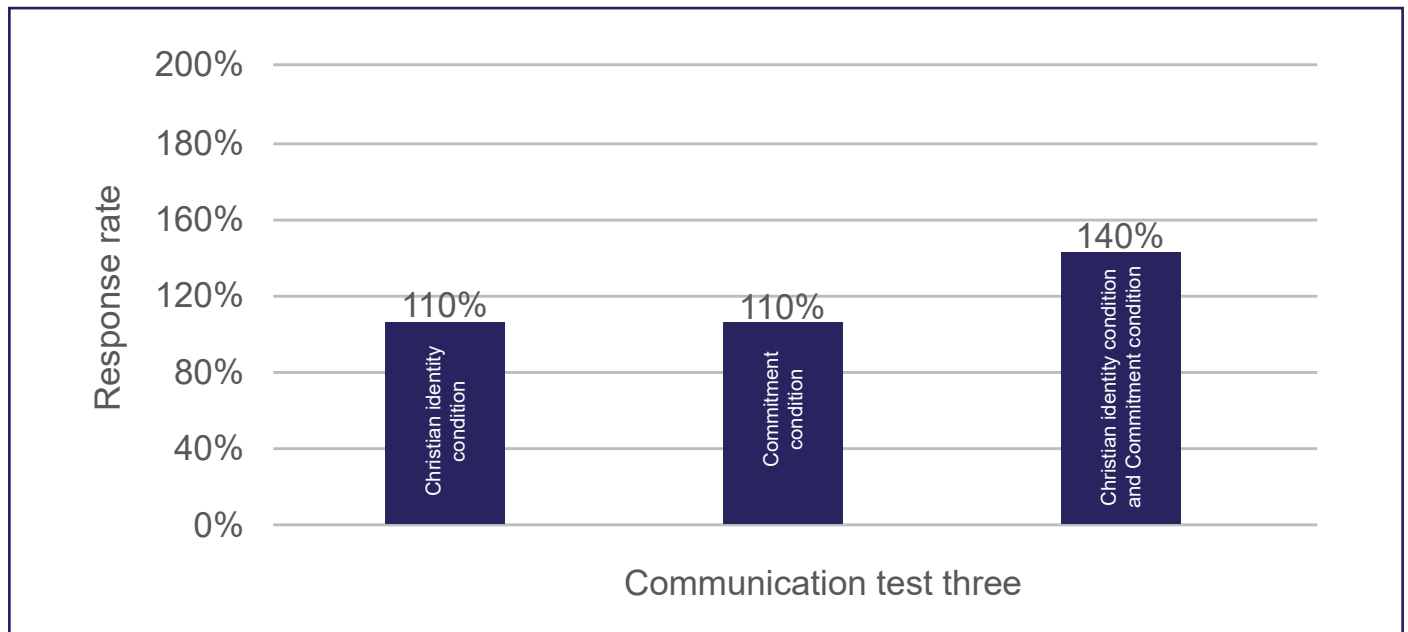
**Table 9. Performance of summer campaign**

<b>Number of direct mails sent</b>	26,269
<b>Donations received</b>	524
<b>Response rate</b>	2.0%
<b>Average donation made</b>	£91.10

As previously a chi-squared test was used to investigate whether more supporters gave to any of the booster statement conditions compared to the control condition. Figure 7 shows how much higher the donation response rate was in the booster sentence conditions compared to the control

response rate. The increases in response rate were statistically significant and did not impact the average gift amount.

**Figure 7: Performance of test conditions over the control – summer appeal**



If all 26,269 supporters would have received the Christian identity and connectedness condition, an additional **£33,503.48** would have been raised in comparison to all supporters receiving the control condition.

### Supporter Survey 2

A second online survey was sent to the same cohort of supporters who received the first survey. This second survey went out in May 2019. Table 10 provides information about supporters who received and responded to the survey.

**Table 10: Follow-up survey recipients and respondents**

<b>Number of surveys sent</b>	19,202
<b>Completed surveys</b>	1,902
<b>Response rate</b>	9.91%
<b>Responses matched with survey one</b>	337
<b>Average age of matched responders</b>	63.8
<b>Gender of matched responders</b>	37% Male, 63% Female

The survey used the same measures as in survey one and analysis was completed to assess whether the increased giving across the supporter base (from the previous tests), had impacted donor wellbeing. Each element of wellbeing was measured on a 7 point scale.

We used t-test analyses to investigate whether psychological wellbeing changed between survey one and survey two. We found that supporter’s connectedness scores increased significantly between survey one and survey two. Autonomy and competence scores did not statistically change between surveys. This is illustrated in Table 11 and is perhaps not surprising as connectedness was the core of our approach with our lift statements.

**Table 11: Psychological wellbeing mean scores in survey 1 and survey 2**

	Survey 1	Survey 2
<b>Autonomy</b>	5.32	5.37
<b>Competence</b>	4.89	4.95
<b>Connectedness</b>	<b>4.57</b>	<b>4.66*</b>

The uplift in connectedness is small, but significant. It was important to us that our experimental testing did not grow giving at the expense of donor wellbeing, but in fact we find no evidence for this. Rather, what appears to have happened is that both giving and supporter wellbeing have been grown over the period. We believe that this dual bottom line should be the goal of fundraising and it is certainly at the core of the philosophy underpinning Relationship Fundraising 3.0.

### Example 3: A Canadian Animal Organization

#### Supporter Survey Method

An online survey was sent to supporters of a Canadian animal welfare organization in January 2019. Table 12 provides information about supporters who received and supporters who responded to the survey.

**Table 12. Information about the survey recipient and responders**

<b>Number of surveys sent</b>	12,065
<b>Completed surveys</b>	1,433
<b>Response rate</b>	11.9%
<b>Average age of responders</b>	61.6
<b>Gender of responders</b>	16% Male, 84% Female

This survey was broader in aspect than others we had administered previously. The survey measured a wide range of factors predicted to impact supporter behaviour and psychological wellbeing. These included:

- Donor disposition (e.g., how compassionate they are, how they love, how they feel about their purpose in life, how much they are willing to sacrifice to support animals, their moral beliefs)

- Donor identity (e.g., moral identity, supporter identity, in-group identity)
- Donor loyalty (commitment, satisfaction, and trust)
- Emotions (e.g., how charged supporting the animals makes them feel, how much anger and sadness they empathetically feel for animals, the hope that they feel)
- Connectedness (e.g., how connected people feel to the organization, its staff)
- Trust in others (e.g., the organization, its CEO and protection officer)

We also captured data on whether the donor perceived themselves to be in a transactional relationship versus a communal relationship. In transactional relationships the relationship is based squarely on exchange. So I might do something to help you because I believe that you will “return the favour” and eventually do something for me. The relationship continues so long as the exchanges continue and are perceived to be in balance. In this kind of relationship I don’t care about your needs per se – they are simply a vehicle through which I can fulfil my own.

Communal relationships by contrast are relationships where one party cares genuinely for the needs of the other – and would continue to meet those needs even if there were to be no reciprocation. While this may sound rather counter-intuitive, the relationship continues because, to use our earlier example, satisfying your needs feels as good as satisfying my own. Communal relationships often involve sacrifice and they can be experienced through temperature (i.e. the relationship can feel warm). Importantly, they also allow individuals to develop compassion for others, thereby opening the door to experience of companionate love. Compassionate love is the love we have for others whom we perceive to be out-group members, while companionate love is the love we have for others whom we perceive to be in-group members.

We used these factors to predict supporters’ intention to:

- Donate to the organization in the coming 12 months
- Increase the level of their donation to the organization in the coming 12 months
- Leave a legacy to the organization in their Will
- Become/remain a monthly donor to the organization
- Fundraise for the organization by obtaining gift pledges from friends and family

How likely supporters were to complete each of these actions was measured on a 7 point scale from 1 = highly unlikely, to 7 = highly likely. Donor wellbeing was also measured on a 7 point scale.

One factor stood out as a significant predictor of intention to give across all donation actions measured: communal strength.

Communal strength was measured using a scale designed by Mills et al. (2004) and had a maximum score of 7. People who score highly on this measure are willing to go out of their way to

help animals. They will sacrifice a lot to help animals in need. The average score on this measure in the supporter sample was 5.3

Table 13 shows how much intention to complete a giving behaviour will increase across the supporter base if the mean score on communal strength is increased to its maximum score of 7. For example, if we can raise the average communal strength score across the supporter base from 5.3 to the maximum score of 7, intention to act will increase by between 3.4% and 21.1%.

**Table 13: Communal strength and anticipated giving variables**

	Mean score	Increase in intention from communal strength
<b>Intention to continue donating</b>	6.6	3.4%
<b>Intention to increase donation</b>	3.7	18.5%
<b>Intention to leave a legacy</b>	4.1	19.9%
<b>Intention to fundraiser</b>	5.8	7.7%
<b>Intention to give monthly</b>	3.0	21.1%

### Communication Test

Eight months after the survey, a direct mail appeal was sent to the organization’s supporter base. Supporters received the letter in one of two conditions. In each condition, the copy of the letter remained the same, but the response form differed with the inclusion of lift sentences designed to boost communal strength.

The lift statement condition included two additional booster statements to the response form compared to the control. They were both focused on a feeling of going out of one’s way to help (or fight for) animals:

- Yes! Together, the [organization] and I will fight for justice for all animals. We seek a world where no dog is kept barely alive just to breed.
- Yes! I will go out of my way to ensure no dog is sentenced to a slow and agonising death in the name of profit.

Table 14 presents the detail of the survey response.

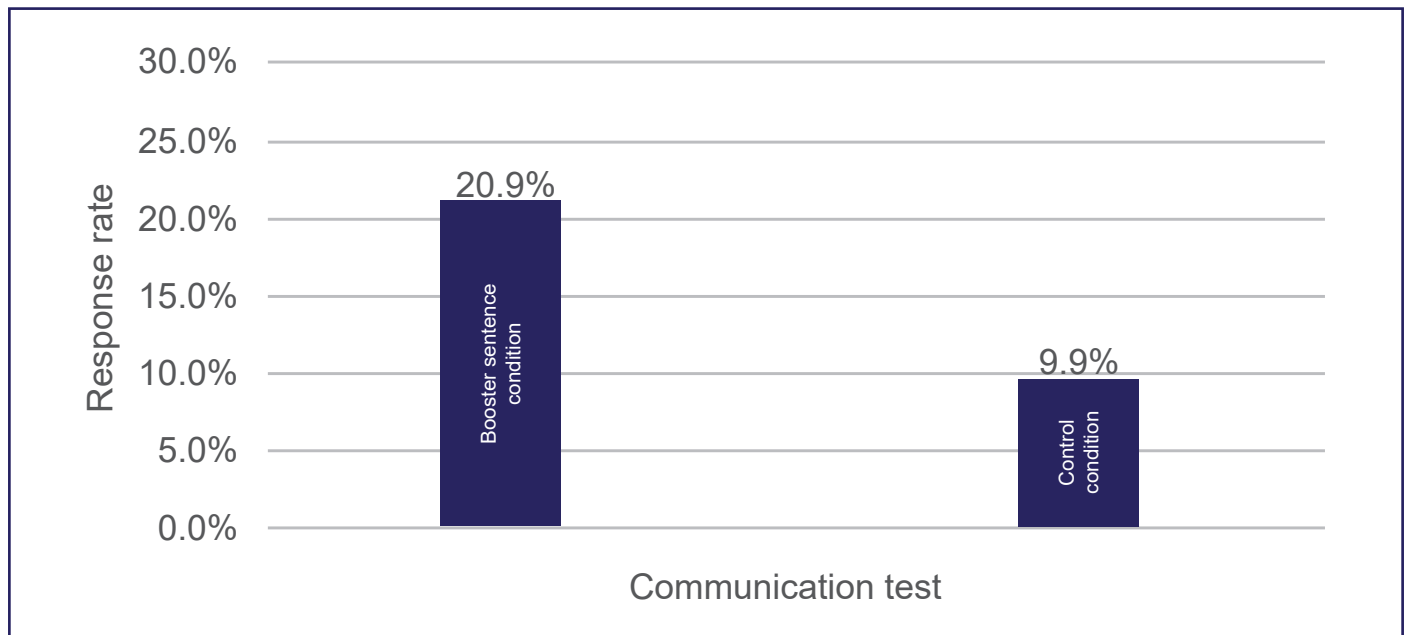
**Table 14: Survey response: animal welfare charity**

<b>Number of direct mails sent</b>	29,728
<b>Donations received</b>	3,910
<b>Response rate</b>	13.2%
<b>Average donation made</b>	\$55.96

A chi-squared test was used to investigate whether more supporters gave in the condition with the communal strength lift sentences compared to the control condition.

Indeed, the donation response rate was **112% higher** in the lift sentence condition compared with the control condition. Figure 8 shows the donation response rates for the conditions of the communication test. This increase in response rate was statistically significant and did not impact the average gift amount.

**Figure 8: Communication test results – animal welfare charity**



If all 29,728 supporters would have received the lift statement condition, an additional **\$182,993.68** would have been raised in comparison to all supporters receiving the control condition.

### Supporter Survey Two

The second online survey was sent to the same supporters of the organization. This survey was completed by supporters in March 2021. Table 15 provides information about supporters who received and supporters who responded to the survey.

**Table 15. Information about the survey recipient and responders**

<b>Number of surveys sent</b>	12,262
<b>Completed surveys</b>	1,027
<b>Response rate</b>	8.4%
<b>Responses matched with survey one</b>	195
<b>Average age of matched responders</b>	63.4
<b>Gender of matched responders</b>	9% Male, 91% Female

The survey used similar measures as in survey one and analysis was completed to assess whether the increased giving across the supporter base impacted donor wellbeing.

We used t-test analyses to investigate whether donor wellbeing changed between survey one and survey two. This is reported in Table 16.

**Table 16. Wellbeing mean scores and differences between survey 1 and survey 2**

	Survey 1	Survey 2
<b>Autonomy</b>	<b>5.53</b>	<b>5.25*</b>
<b>Competence</b>	<b>5.60</b>	<b>5.85*</b>
<b>Connectedness</b>	<b>5.30</b>	<b>5.55*</b>

\* = Significant difference

We found that the autonomy score was significantly reduced between survey one and survey two. While we cannot draw casual conclusions from these analyses, it is possible that this is a function of the pandemic. This survey was completed in March 2021, a period when supporters will have been following corona virus regulations for about 12 months. This period of reduced freedom may have resulted in supporters feeling like they have less control over their actions, then reflected by lower autonomy scores.

We also found that supporters felt significantly more competent and more connected to others in survey two compared with survey one. During the time between survey one and survey two the organization worked to implement the findings from survey one widely through the organization. This result suggests that while donation behaviour in the supporter base has increased during this time, supporters have also begun to feel more connected to others and that they are making more of a meaningful difference. Neither of these two indicators seem to have been impacted by people's pandemic experience.

Our final analysis is more complex but important. We know that wellbeing (how good I feel today) can lead to enhanced giving. In part, this is why the lift statements in the examples we have shared result in significantly higher response rates. We are writing statements that increase wellbeing.

But the act of giving can also impact on how good people feel. We were not able to assess that directly – but we could look at the impact of a variety of giving intentions and how good people feel. We found that at the time of survey two, giving is more strongly linked with how good someone feels compared with survey one. We believe this relationship has been enhanced because between the two surveys the organization has been working hard to integrate identity,



wellbeing and love in all its communications. In short the experience of giving has begun to feel different and that is now reflected in our wellbeing measures. For example, as Table 17 illustrates, the impact of intending to continue donating on how competent the supporter feels is 128% higher at the time of survey two than at survey one.

**Table 17: Impact of giving intentions on wellbeing – increases over survey 1**

	<b>Connectedness</b>	<b>Competence</b>	<b>Autonomy</b>	<b>Total Impact on Wellbeing</b>
Intention to Continue	129.8%	128.0%		<b>257.8%</b>
Intention to Increase	85.7%	157.5%	280.8%	<b>524.0%</b>
Intention to Leave Legacy				
Intention to Monthly Give				
Intention to Fundraise			310.6%	<b>310.6%</b>
<b>Total Increase Potential</b>	<b>215.5%</b>	<b>285.5%</b>	<b>591.4%</b>	<b>1092.40</b>

This analysis was not found to be significant in the results from the Christian international aid organization that we reported on earlier. It is possible that this is due in part to organizational differences in results implementation. Between the two surveys, the animal welfare charity implemented the results of the survey widely throughout their organization and outside of the reported tests. This more pervasive implementation may have contributed to this finding.

## Love

As an institute we are just beginning to experiment with love in the communications we have been developing with clients. Clients too, have been experimenting using the principles of love that we teach in our Certificate in Philanthropic Psychology.

It is interesting that even though love is quite literally at the root of philanthropy, it tends not to feature in our communications. Too often in the profession of fundraising we default to the language of money and gifts:

Your donation can ...

Your gift can ...

Thanks to your gift of ...

Thanks to your support ...

This focus on money has spawned an annual fascination with matched giving. Putting aside the fact that the economics of the approach are not as clear as its prevalence might lead us to believe, people are increasingly incentivised to match the sum of their gift, donation or support. A fictitious example is depicted in Exhibit 5

### Exhibit 5: Giving Tuesday matched campaign

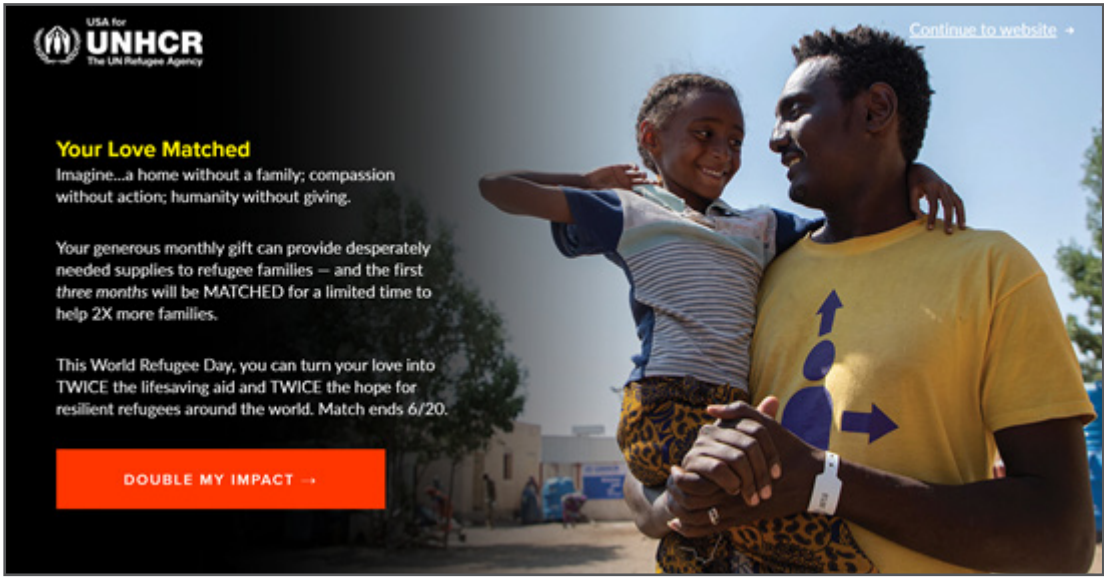
#### Giving Tuesday

On this worldwide day of giving, every \$1 you give will be matched, dollar for dollar, thanks to a \$100,000 matching grant from a generous donor. That means that every dollar you give will provide 10 nutritious meals for a Missouri family at a time when they need help more than ever.

Thank you for remembering your neighbours hit hardest by the effects of the pandemic

Imagine instead the power of doubling the love – as in Exhibit 6

### Exhibit 6: USA for UNHCR double my impact



The graphic features the USA for UNHCR logo in the top left corner. The main text reads: "Your Love Matched. Imagine...a home without a family; compassion without action; humanity without giving. Your generous monthly gift can provide desperately needed supplies to refugee families – and the first three months will be MATCHED for a limited time to help 2X more families. This World Refugee Day, you can turn your love into TWICE the lifesaving aid and TWICE the hope for resilient refugees around the world. Match ends 6/20." Below this text is an orange button that says "DOUBLE MY IMPACT →". In the background, a man in a yellow t-shirt with a blue graphic is holding a young girl. A "Continue to website →" link is in the top right corner.

Source: USA for UNHCR – Reproduced by kind permission

We have been working with organizations to change the language to a love based language, using the development of communal relationships as the delivery tool. Response rate improvements are similar to those we report above for identity and wellbeing, but it is too early yet to report on these results in detail as we have yet to learn how to maximize their impact and thus to structure the approach appropriately. So watch this space, we will present our evidence on love shortly.

What we can share, however, is that the love articulated (or experienced) needs to be a warm love, again consistent with a communal relationship. At Vida Joven, for example, an orphanage in northern Mexico, they have now built a communication program that drips with a warm and experiential form of love. A thank you letter from the charity is included as Exhibit 7.

## Exhibit 7: Vida Joven Thank You

**“If you’ve time to read nothing else,  
please know this:”**



Source: Vida Joven - Reproduced by kind permission

Fundraising copy consistently conveys this warm love. An example is provided as Exhibit 8 where the relevant paragraph is highlighted.

## Exhibit 8: Vida Joven Love Based Fundraising Copy

When she first came to the orphanage, Maria – like all the kids – didn’t trust there would be any meal beyond “this one.” She gobbled. Hoarded. Anxiously asked for more. More. More.

But with time Maria is learning to trust. To trust there’ll be food tomorrow, just as there’s food today.

Such trust a pretty extraordinary thing. And that’s precisely what YOU make possible for Maria.

**The world used to be hard-edged and cruel for Maria. Now, thanks to you, this little girl’s world is as sweet as a ripe mango and as comforting as chicken soup.**

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# Conclusions

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At the outset of this report we promised you a new perspective on relationship fundraising. One that is respectful of the origins of the approach, but also one that moves professional practice forward in a way that has the potential to massively grow giving. Relationship Fundraising 3.0 focuses on developing a detailed understanding of the psychological needs of the donor. Identity, wellbeing and love are at the core of the approach.

While the first two perspectives on relationship fundraising focus on the impact on the organization, 3.0 is different because it focuses on the impact of giving on the individual supporter. Our experiments have shown that developing an understanding of identity allows a nonprofit to develop wellbeing engineered for those specific kinds of people. And ultimately it opens the door to understanding how these kinds of people might better experience or articulate the love that is at the core of their philanthropy.

Recently, in the context of international development, the community centric fundraising (CCF) movement has warned us against celebrating donors in a way that might be harmful to focal communities. In particular they draw our attention to fundraising practice that can perpetuate colonial notions of benefactors and beneficiaries. From their perspective this outdated approach is unhelpful, perpetuating as it does a variety of myths and stereotypes that ultimately hurt the very communities it was intended to assist. But there is nothing in philanthropic psychology that is at odds with CCF principles. Rather it provides a toolbox for the facilitation of change. Using the ideas we have articulated, it is within the fundraiser's gift to select specific identities to focus on – and to carefully reflect on what aspects of those identities should be the focus of attempts to grow wellbeing. In simple terms we can change what we choose to help people feel good about. Supporter journeys can thus be created that result in the welfare of both the donor AND the communities that they choose to support. More communal relationships can be developed that educate donors about their role in bringing about change and how the love that they have to offer might be better articulated, channelled, and experienced.

We've also learned that people who feel good about who they are when they take giving decisions are significantly more likely to give, give more in the future and give for longer. And crucially our work provides evidence that the converse may also be true. It appears that people who plan to grow their philanthropy can also experience higher levels of wellbeing as a result.

Certainly the identification of this bi-directional relationship between philanthropy and wellbeing provides us with a more complex perspective on the role that giving can play for the donor than has been previously understood. But it also provides us with significant evidence that the role of

the fundraiser might now need to adapt. Rather than seeing ourselves as raising money for a good cause, we may instead see our role as stewarding the human capacity to love, taking gentle steps to develop and nurture that capacity over time.

It is hard to over state the significance of our results. We have shown that just changing a few words in communications can double giving and bolster wellbeing. Moreover, these effect sizes have been replicated with many different organizations and categories of cause. The increases we document, though large are well within the reach of all. But for that opportunity to be grasped and for giving to be sustainably grown, the philosophy underpinning fundraising may now need to change. We believe that there should be an increased recognition of the wider social role that fundraising could perform and that fundraisers should be trained as stewards of love not just facilitators of gifts and support. Such a switch of emphasis is at the core of the concept of Relationship Fundraising 3.0.

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