Are single-gift committed donors different from their multiple-gift counterparts?

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Committed donors who keep giving every year are a key asset for nonprofit organizations because they provide a steady funding source and return a higher lifetime value. We distinguish between committed donors who give only one gift per year (single-gift (SG) donors) and those who give multiple gifts in at least some year (multiple-gift (MG) donors).

In this paper, we study whether SG donors and MG donors follow different longitudinal patterns of gift-giving in four consecutive years. We theorize that a donor's yearly gift amount is an indication of his or her willingness to give (WTG) to the organization and may be explained in terms of his or her intrinsic willingness to give (IWTG) and extrinsic willingness to give (EWTG) for that year. We test our theory with data from a leading US nonprofit organization and find that SG donors and MG donors would follow different longitudinal patterns:

- While SG donors and MG donors would start off at a similar level of WTG in year 1 and would both increase WTG in subsequent years, MG donors would record a higher rate of increase than SG donors.
- IWTG and EWTG would have different relative importance as determinants of the observed yearly giving level: MG donors depend on both IWTG and EWTG whereas SG donors largely depend on IWTG rather than EWTG to determine how much to give in a year.

Our findings suggest that different strategies are needed to manage SG donors and MG donors to sustain and grow annual contributions.

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Introduction and background

Nonprofit organizations have a variety of options in fundraising (Hager et al., 2002): while some organizations focus their resources...
An interesting question to ask is whether SG donors and MG donors would have displayed similar or different longitudinal patterns of gift-giving from year to year. In this research, we theorize that a committed donor’s observed total gift amount in a particular year is an indication of his or her willingness to give (WTG) to the organization and may be explained in terms of his or her intrinsic willingness to give (IWTG) and extrinsic willingness to give (EWTG) for that year (plus random error). We expect that SG donors and MG donors would follow rather different longitudinal patterns. First, while SG donors and MG donors would start off at a similar level of WTG and would both increase their WTG in subsequent years, MG donors would record a higher rate of increase than SG donors. Second, IWTG and EWTG would have different relative importance as determinants of WTG or the observed yearly giving level: MG donors depend on both IWTG and EWTG whereas SG donors depend on IWTG rather than on EWTG to determine how much to give in a year. Differences in the longitudinal patterns of gift-giving between SG donors and MG donors would have important managerial implications.

In the rest of the paper, we first define WTG, IWTG, and EWTG and discuss how SG donors and MG donors may differ longitudinally in their WTG, IWTG, and EWTG. We then describe our research method and test our hypotheses with data of the leading US nonprofit organization. Finally, research results and managerial implications are discussed.

**Differences between single-gift donors and multiple-gift donors**

**Willingness to give (WTG)**

We start by assuming that the annual dollar amount given by a committed donor is largely an indication of his or her willingness rather than ability to give to the organization (e.g., Tom and Elmer, 1994; Wright and Bocarnea, 2007). This assumption may be justified in...
direct mail fundraising on the following grounds. First, level of contribution was determined in an individual decision process driven mostly by a donor’s relationship with and motivation to give to the nonprofit organization (Olsen et al., 2001; Sargeant and Lee, 2004; Sargeant and Woodliffe, 2005). Second, level of contribution is typically small (Waasdorp, 2004; Cook, 2009) and, therefore, the constraint of financial resources (Bendapudi et al., 1996; Sargeant and Woodliffe, 2007b) may be minimal. In contrast, contribution of major gifts may be determined, at least in part, by financial resources as in the cases of bequeathers and wealthy donors (Sargeant et al., 2006b; Sargeant and Woodliffe, 2007b).

Under our assumption, the yearly dollar amount given by a committed donor may be explained in terms of his or her WTG to the organization (plus random error). For instance, an annual contribution of $120 would indicate that the WTG was roughly $20 higher than that of a yearly contribution of $100. If a donor contributed $50 in year 1, $60 in year 2, $70 in year 3, and $80 in year 4, it may be reasonable to believe that his or her WTG increased at an annual rate of about $10 from year to year (to simplify our task, inflation rate is not considered). Therefore, if donor A increased his contribution by $10 per year whereas donor B increased her contribution by $15 per year, it may be reasonable to claim that donor B had a higher rate of increase in WTG than did donor A.

Would SG donors and MG donors increase or decrease their WTG in subsequent years and, if so, would they have similar or different rate(s) of change from year to year? Previous research shows that donor commitment and relationship with the nonprofit organization may have significant impacts on donation behaviors and translate into dollar amount of contribution. Specifically, donor commitment was found to be positively related to the level of average donation (Sargeant et al., 2006a; Sargeant and Woodliffe, 2007a). Donors with higher level of relationship quality (i.e., trust, satisfaction, and commitment) are attitudinally more willing to donate to the organization (Wright and Bocarnea, 2007) and are more likely to donate major gifts and make repeated donations (Waters, 2008). We suggest that, when all other things remain constant, SG donors and MG donors would kick off at about the same level of WTG (i.e., similar WTG level in year 1) and would both become more willing to give to the organization (i.e., increases in WTG) as they keep giving year after year. We also hypothesize that MG donors who gave multiple times would probably outperform SG donors in their increases from year to year (i.e., different increase rates in WTG).

H1a: Single-gift donors and multiple-gift donors would have similar WTG in year one.

H1b: Single-gift donors and multiple-gift donors would both record increases in their WTG from year one to year four.

H1c: Multiple-gift donors would record a greater rate of increase in WTG from year one to year four than single-gift donors.

WTG dissected: IWTG and EWTG

One potential issue with WTG is that, in the real world of fundraising, it is not always possible to satisfy the condition that all other things remain constant. Typically, fundraisers vary the number of donation solicitations to donors who then respond differently to donation solicitations. For instance, in a particular year, donor A was sent two donation solicitation mails and contributed two $25 gifts ($50 in total) whereas donor B was sent ten donation solicitation mails and contributed one $50 gift ($50 in total). Should we still believe that donor A and donor B have about the same level of WTG? On one hand, since both donors contributed the same dollar amount ($50) in that year out of their free will, there is no reason to believe that they had different levels of WTG. On the other hand, if
donor A was so much more responsive to donation requests, he or she might indeed have a higher level of WTG than donor B.

To solve this dilemma, we evoke the distinction between intrinsic motivation and extrinsic motivation (e.g., Deci, 1971, 1972; Ryan and Deci, 2000) that has found applications in the nonprofit sector (e.g., Binney et al., 2006; Degli Antoni, 2009). In the tradition of this literature, intrinsic motivation points to a donor’s genuine interest in supporting the cause of the organization whereas extrinsic motivation points to a donor’s interest in reaping external rewards such as tax benefits and social recognition or in avoiding negative consequences such as guilt induced by noncompliance to donation requests (e.g., Kottasz, 2004; Sargeant et al., 2006b). By analogy, we suggest that, in terms of responsiveness to donation solicitations, a committed donor’s WTG to an organization may be usefully subdivided into willingness due to intrinsically held attitude and willingness due to extrinsically induced compliance. Specifically:

First, we suggest that a committed donor, deep in his or her mind, may have a true, intrinsically held attitude which affects the level of his or her WTG to a nonprofit organization, a notion we refer to as his or her IWTG. IWTG may be likened to the more solid part of a donor’s WTG, which, by definition, is relatively independent of the desire to comply with the requests of donation solicitations. A donor’s decision of how much to give in a particular year is influenced, at least in part, by his or her IWTG in that particular year.

Second, we suggest that a committed donor may also be susceptible to external influence in deciding how much to give. That is, a donor does not make up his or her mind until he or she has read the solicitation mails requesting donations. To the extent a donor’s WTG is determined by the desire to comply with the fundraiser’s requests for donations, we refer to it as his or her EWTG to the organization. EWTG may be likened to the more fluid part of a donor’s WTG and, by definition, may be represented by his or her sensitivity to donation solicitations.

To sum up, we suggest that a committed donor’s observed total gift amount in a particular year, which is an indication of his or her WTG to the organization, may be explained in terms of his or her IWTG and EWTG for that year (plus random error). WTG in a particular year may be represented as the sum of IWTG and EWTG for that year (WTG = IWTG + EWTG). To illustrate this approach, let us revisit the example discussed above. In a particular year, donor A contributed two $25 gifts ($50 in total) after being sent two solicitation mails while donor B contributed one $50 gift ($50 in total) after being sent ten solicitation mails. It may be argued that their WTG for that year was at a similar level (about $50) but had different underlying components: while donor A was driven by both IWTG (e.g., was intrinsically willing to give $25) and EWTG (e.g., was responsive to repeated donation requests and therefore contributed an additional gift of $25), donor B was driven only by IWTG (e.g., was intrinsically willing to give $50) but not by EWTG (e.g., was not responsive to donation requests and therefore contributed no additional gift). This example suggests that, in order to generate the same amount of donation in a particular year, higher IWTG (i.e., intrinsically held attitude about giving to the organization) would be needed from donors who had lower EWTG (i.e., was not responsive to donation requests).

Would IWTG and EWTG have different relative importance as determinants of yearly giving level for SG donors and MG donors? We believe the answer is yes. SG donors and MG donors may differ significantly in terms of their exposure and openness to the influence of donation solicitations. First, MG donors may have more exposure to the influence of solicitations than their SG counterparts. Assume that an average MG donor contributes two gifts in a year. Also assume that an average SG donor and an average MG donor receive a saturated number of donation solicitation mails (e.g., 10) in a particular year and that neither...
the SG donor nor the MG donor pays much attention to solicitation mails until they are ready to make a decision. SG donors have only one occasion in a year when they must decide how much to give whereas MG donors have two occasions in a year when they decide how much to give. This difference may sound trivial, but it really is not: it suggests that an average MG donor may have twice as much exposure to the influence of solicitation mails. One possible exception to this may be donors who adopt monthly donation plans, e.g., monthly deduction from the payroll. Under such circumstances, the MG donor has one occasion in a year to decide how much to give and, as such, may not be different from an average SG donor. Second, MG donors may be more open to the influence of solicitations than their SG counterparts. When SG donors rigorously defend their “one-gift-per-year” rule, they may be more likely to disregard most of the solicitation mails, perhaps by seeing them as mere reminders for the one gift they are willing to give in any particular year. On the other hand, MG donors who are more flexible about the number of gifts to give in a year may be more receptive and are more likely to pay attention to the requests of solicitation mails.

If MG donors have more exposure and are more open to the influence of donation solicitations, we anticipate that IWTG and EWTG may have different relative importance in determining the WTG or the observed yearly giving level of SG donors and MG donors. Specifically, for MG donors, WTG or the observed yearly giving level may be driven by their EWTG and by their IWTG whereas, for SG donors, WTG or the observed yearly giving level may be driven more by their IWTG than by their EWTG. The longitudinal patterns of gift-giving may be radically different between SG and MG donors, as hypothesized in the following:

**H2a:** Single-gift donors would start off with bigger IWTG in year one than multiple-gift donors.

**H2b:** Single-gift donors would experience a greater rate of increase in their IWTG from year one to year four than multiple-gift donors.

**H2c:** Multiple-gift donors would have bigger EWTG from year one to year four than single-gift donors.

### Research method

#### Data collection

The raw data were provided by the Direct Marketing Educational Foundation (DMEF) and the DMEF Don Kuhn Fund for Research and Education in their jointly sponsored “Lifetime Value and Customer Equity Modeling Competition” in September 2008. A leading US nonprofit organization acquired 21,166 donors during fiscal year 2002, sent donation solicitation mails, and recorded their transaction and contact history from fiscal year 2002 to fiscal year 2006. The dataset consists of four tables: the donor table, the transaction table, the source table, and the appeal table. The donor table contains all 21,166 donor identification numbers and the date of their first gift. The transaction table records 53,998 donations, each with its donor ID, amount, date, and source of appeal from which the donation was attributed to. The source table includes the cost of each source of appeal, recorded as a ten-letter alpha-numeric code. We were only given the interpretation of the year, month, and type of appeals. The appeal table has the date, donor ID, and the source for each of the 611,877 appeals mailed to donors.

We imported the tables into Microsoft Access and made inquiries into the relational database to collect the data we needed. Key information entries included donor ID, number of gifts in fiscal years 2002 through 2006, total dollar amount donated every year from fiscal year 2002 through fiscal year 2006, and the number of donation solicitations sent every
year from fiscal year 2002 through fiscal year 2006.

Consistent with our definition of committed donors, our initial dataset included all the 2037 donors who gave at least one gift every year from fiscal year 2002 to fiscal year 2005. We operationalized “small donors” as those whose 4-year total contribution was less than $800 (yearly average gift amount less than $200). One hundred two donors (5% of all 4-year committed donors) whose 4-year total contribution exceeded this criterion (4-year contribution ranged from $800 to 10,500) were dropped from the analysis. We believe that the exclusion of larger donors is necessary to maintain the validity of the assumption that yearly giving level is an indication of willingness instead of ability to give to the organization. Four donors who gave 12 times per year from 2003 to 2005 were also dropped because, technically, they do not belong to the MG donor group as we discussed earlier. So our final dataset included 1931 “small donors” (94.8% of all 4-year committed donors) whose 4-year contribution ranged from $4 to 785 in four fiscal years.

To obtain the number of solicitations, we checked the five types of appeals itemized in the original dataset: House File, Lapsed House File, Prospect, Special Programs, and Acknowledgment. Acknowledgment was used to acknowledge the receipt of a gift instead of as a means of solicitation. Thus, it was not included in our analysis. For the remaining four types, only House File was used with discretion (i.e., with different numbers of appeals sent to different donors in different years). Lapsed House File and Special Programs were rarely used. Prospect was rarely used except in 2002 when every donor received exactly one Prospect mail. Thus, House File was the predominant solicitation type that might have an impact on donor behavior. Since all House File share the same cost in the same time period (reflecting mostly the postage cost), we assume all donors received House File solicitations with the same content for the same period in the absence of further qualitative information.

For the descriptive profiles of the SG donors and MG donors, see Table 1.

### Method of analysis

We used two-group latent growth modeling (e.g., Singer and Willett, 2003; Duncan et al., 2006; Hancock and Lawrence, 2006) to analyze the data and model the longitudinal patterns in the giving behaviors of SG and MG donors. We select latent growth modeling on theoretical and methodological grounds. First, our theory implies that the observed annual amount donated by a committed donor and year-to-year changes in the donated amount are driven by an unobservable (i.e., latent) factor – his or her IWTG to the organization – and its year-to-year changes (i.e., a latent growth factor in which time predicts change rate). Second, we hypothesize the longitudinal patterns in terms of the initial levels of IWTG in year 1 and its trajectory of change in the following years from the initial levels. We also hypothesize about the levels of EWTG or the

Table 1. Descriptive profiles of SG donors and MG donors (n = 1931)

<table>
<thead>
<tr>
<th></th>
<th>F2002 (SD)</th>
<th>F2003 (SD)</th>
<th>F2004 (SD)</th>
<th>F2005 (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SG donors (n = 762)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gift amount</td>
<td>33.32 (28.06)</td>
<td>37.31 (36.08)</td>
<td>40.28 (42.60)</td>
<td>42.30 (44.19)</td>
</tr>
<tr>
<td>Gift count</td>
<td>1.00 (0.00)</td>
<td>1.00 (0.00)</td>
<td>1.00 (0.00)</td>
<td>1.00 (0.00)</td>
</tr>
<tr>
<td>Solicitations</td>
<td>2.54 (1.38)</td>
<td>8.08 (0.52)</td>
<td>8.08 (1.02)</td>
<td>9.84 (1.54)</td>
</tr>
<tr>
<td><strong>MG donors (n = 1169)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gift amount</td>
<td>35.25 (40.48)</td>
<td>47.69 (43.51)</td>
<td>51.42 (52.49)</td>
<td>54.71 (58.85)</td>
</tr>
<tr>
<td>Gift count</td>
<td>1.39 (0.72)</td>
<td>2.02 (1.36)</td>
<td>2.06 (1.50)</td>
<td>2.04 (1.39)</td>
</tr>
<tr>
<td>Solicitations</td>
<td>1.84 (1.28)</td>
<td>8.04 (0.64)</td>
<td>8.97 (1.31)</td>
<td>10.17 (1.65)</td>
</tr>
</tbody>
</table>
responsiveness to donation solicitations which may vary among individual donors from year to year. These hypotheses can be conveniently tested with latent growth modeling.

The software program we used to estimate the model was Mplus 5.1 and the estimator was MLR which adjusts for non-normality of data. To test our research hypotheses, we estimated a two-group latent growth model in which the total donated amount in a particular year is (1) loaded on an initial IWTG factor and a linear IWTG growth factor and (2) regressed on the total number of donation solicitations received in that year (see Figure 1). To make sure a two-group analysis is indeed warranted, we first estimated the model with cross-group equality constraints assuming no cross-group differences and then estimated the model without the cross-group equality constraints allowing cross-group differences (Kline, 2005, p. 290). We compared the constrained and the unconstrained models by performing a Chi-square difference test using the Satorra–Bentler Scaled Chi-Square (Bengt, 2007). The constrained model fit the data significantly worse than the unconstrained model: \( \Delta \chi^2(12) = 91.83, p < 0.01 \). We decide that the SG donor group and the MG donor group may be significantly different from each other and a two-group analysis is warranted. We then estimated the latent growth model simultaneously in the two groups. We obtained a convergent solution with reasonable fit to the data: \( \chi^2(18) = 63.55, p < 0.01, \) CFI = 0.95, RMSEA = 0.05, SRMR = 0.02. A graphical representation of the model and parameter estimates for the SG donor group and the MG donor group are presented in Figure 1.

**Results**

**Willingness to give (WTG)**

According to the two-group latent growth model described in the previous section, the WTG can be estimated by

\[
\text{WTG}_{gi} = \text{IWTG}_{gi} + \text{EWTG}_{gi} = \beta_{g0} + \beta_{g1}(i - 1) + \alpha_{gi}n_{gi} \tag{1}
\]

where the subscript \( g \) denotes either the SG group or MG group and \( i = 1, 2, 3, 4 \) is the year index; \( \beta_{g0} \) is the initial level of IWTG for group \( g \); \( \beta_{g1} \) is the annual growth rate of IWTG of group \( g \); \( \alpha_{gi} \) is the group’s response to each solicitation in year \( i \); and \( n_{gi} \) is the number of...
solicitation sent to group \( g \). The values of the model parameters, \( \beta_{g0} \), \( \beta_{g1} \), and \( \alpha_{gi} \) are generated by Mplus and displayed in Figure 1.

As can be seen in Figure 2, the projections of WTG by Equation (1) shown as lines WTG-SG and WTG-MG closely match the average donation from actual data (lines Avg-SG and Avg-MG) in Table 1. We hypothesize that SG donors and MG donors would start off with similar levels of WTG in year 1 (H1a). The results support this hypothesis: in year 1 (fiscal year 2002), the estimated WTG was $35.27 for MG donors which was only slightly higher than the estimated WTG of $33.31 for SG donors.

We predict that both SG donors and MG donors would record increases in WTG from year to year (H1b) and that MG donors would have a greater rate of increase in their WTG from year to year than SG donors (H1c). We found support for the two hypotheses (see Figure 2): both groups recorded increases in their WTG from year 1 to year 4 with SG donors growing at a yearly rate of $2.92 (from $33.31 in 2002 to $42.07 in 2005) and the MG donors growing at a yearly rate of $6.47 (from $35.27 in 2002 to $54.67 in 2005).

**IW TG and EWTG**

We now look into the two components, IWTG and EWTG, of WTG according to Equation (1). Figure 3 shows the values of IWTG for both SG and MG groups based on \( \text{IWGT}_{gi} = \beta_{g0} + \beta_{g1} (i - 1) \) for \( i = 1, 2, 3, 4 \). We predict that SG donors would start off with higher IWTG in year 1 than MG donors (H2a) and that SG donors would experience a greater rate of increase in their IWTG from year to year than MG donors (H2b). As illustrated in Figure 3, the estimated results support both hypotheses: (1) the initial IWTG of SG donors (\( m_{sg} = $31.35, p < 0.01 \)) is higher than that of MG donors (\( m_{mg} = $20.70, p < 0.01 \)) in year 1 (fiscal year 2002); (2) the IWTG of SG donors increased at an annual rate of $8.36 (\( p < 0.10 \)) whereas the IWTG level of MG donors experienced little growth (estimated yearly change = $1.73, \( p > 0.10 \)) from year to year.

Figure 4 exhibits the values of EWTG based on \( \text{EWTG}_{gi} = \alpha_{gi} \cdot \mu_{gi} \) for \( i = 1, 2, 3, 4 \). In hypothesis H2c, we predict that MG donors would have higher EWTG from year to year than SG donors. As shown in Figure 4, our analysis results support this hypothesis: for MG donors, the portions of their yearly gift amount that can be attributed to donation solicitations are higher than SG donors in every fiscal year (EWTG$_{SG1}$ = 1.8, EWTG$_{MG1}$ = 14.57 in 2002; EWTG$_{SG2}$ = -2.59, EWTG$_{MG2}$ = 25.25 in 2003; EWTG$_{SG3}$ = 7.84, EWTG$_{MG3}$ = 27.27 in 2004; and EWTG$_{SG4}$ = -14.37, EWTG$_{MG}$ = 28.78 in 2005), given that the average number of
solicitations received by the two groups are very close (see Table 1).

These results indicate that donation solicitations had a radically different role in terms of the influence on the gift amount between MG donors and SG donors. As can be seen in Figure 5, on average, a solicitation mail to MG donors could boost annual gift amount by $7.92 ($p < 0.01)$ in 2002, $3.14 ($p < 0.01)$ in 2003, $3.04 ($p < 0.01)$ in 2004, and $2.83 ($p < 0.10)$ in 2005 ($\alpha_{MG1}$). Donations solicitations, however, did not seem to have any significant influence on the level of yearly gift amount donated by SG donors ($\alpha_{SG1}$). Donation solicitations to SG donors may have a negative effect on their yearly gift amount, though this effect was not statistically significant. Note that, the spike of the influence of solicitation mails to MG donors in the first year ($\alpha_{MG1} = 7.92$) relative to the following 3 years was caused by the much smaller number of solicitation mails sent to an average MG donor in fiscal year 2002 (1.84 mails) compared with 2003 (8.04 mails), 2004 (8.97 mails), and 2005 (10.17 mails). Due to the small standard deviations and high kurtoses of the number of solicitations, one needs to exercise caution when applying the model to a value of $n_{G1}$ distance away from its mean.

Conclusions and managerial implications

We have discussed how the annual giving amount by a committed donor may be understood in terms of his or her WTG and, in a more nuanced way, in terms of his or her IWTG and EWTG. We tested our hypotheses with real-world data of direct mail fundraising campaigns by a leading US nonprofit organization and obtained interesting findings with important implications for the management of committed donors.

First, our research suggests that committed donors, whether they are SG donors or MG donors, are likely to be more willing to give to the organization as they renew their donor relationships from year to year. Compared with SG donors, MG donors tend to start off with a similar level of WTG in year 1 but experience greater increases in WTG in subsequent years. Our findings of the longitudinal giving patterns of committed donors provide strong support to previous research on the management of donor relationships (e.g., Sargeant and Woodliffe, 2005; Waters, 2008).

Second, our research suggests that SG donors and MG donors may differ significantly in the patterns of their giving behaviors. For SG donors, the annual gift amount and subsequent changes seem to be influenced by their IWTG and not by EWTG as indicated by their lack of responsiveness to donation solicitations. In contrast with their SG counterparts, MG donors’ yearly gift amount and subsequent changes seem to be influenced both by IWTG and by EWTG as indicated by their sensitivity to donation solicitations. Simply put, to decide how much to give in a particular year, SG donors are likely to depend on their IWTG rather than on donation solicitations whereas MG donors are likely to depend on both their IWTG and donation solicitations which inspire their EWTG.

Our research findings raise serious questions about how SG donors and MG donors should be approached differently in fundraising campaigns. First, is it a good strategy to send an equal number of donation requests to SG donors and MG donors? Having observed that SG donors and MG donors both record increases in their gift amount in subsequent years, fundraisers understandably tend to maintain a similarly high level of donation solicitations for the two groups as did the large nonprofit organization in our data (see Table 1). Our findings indicate that SG donors and MG donors both record increases in their gift amount in subsequent years, fundraisers understandably tend to maintain a similarly high level of donation solicitations for the two groups as did the large nonprofit organization in our data (see Table 1). Our findings indicate that SG donors and MG donors both record increases in their gift amount in subsequent years, fundraisers understandably tend to maintain a similarly high level of donation solicitations for the two groups as did the large nonprofit organization in our data (see Table 1). Our findings indicate that SG donors and MG donors both record increases in their gift amount in subsequent years, fundraisers understandably tend to maintain a similarly high level of donation solicitations for the two groups as did the large nonprofit organization in our data (see Table 1). Our findings indicate that SG donors and MG donors both record increases in their gift amount in subsequent years, fundraisers understandably tend to maintain a similarly high level of donation solicitations for the two groups as did the large nonprofit organization in our data (see Table 1). Our findings indicate that SG donors and MG donors both record increases in their gift amount in subsequent years, fundraisers understandably tend to maintain a similarly high level of donation solicitations for the two groups as did the large nonprofit organization in our data (see Table 1). Our findings indicate that SG donors and MG donors both record increases in their gift amount in subsequent years, fundraisers understandably tend to maintain a similarly high level of donation solicitations for the two groups as did the large nonprofit organization in our data (see Table 1).
intrinsically held attitude about giving to the organization, alternative strategies should be devised and pursued in the communications with SG donors to tap into and reinforce that attitude, probably by highlighting how the organization is connected to the donor personally, by enlisting the donor in a specific program of personal relevance, or by visualizing how a small yearly gift like his or hers helps make a meaningful change he or she finds desirable, rather than simply sending repeated requests for additional donations they are not willing to make. Even though repeated requests might have occurred as a response to donor procrastinations or likely lapses, it should be recognized that repeated requests do not seem to be a remedy for and may actually exacerbate procrastinations or lapses.

Second, should a fundraiser merely look at how much gift money has been received from donors in a particular year? Our research suggests that fundraising organizations should think “outside the how-much-he-donated box” by going beyond WTG to look proactively into the levels of and changes in IWTG and EWTG in order to maximize donors’ lifetime value. Since nominal increases in yearly gift amount can be attributed to increased donation solicitations, fundraisers should particularly watch out for the lack of increase in IWTG and the decrease of responsiveness to donation solicitations. Take an example of the nonprofit organization in our research. While MG donors’ EWTG and responsiveness to donation solicitations were generally stable from year 2 to year 4 (see Figures 4 and 5), they started with a lower IWTG in year 1, increased at a slower rate, and ended up with a lower level of IWTG at year 4 compared with SG donors. Would this be of any concern to fundraisers? Specifically, would lower IWTG be correlated with more lapses and lower donated amount in year 5 holding constant the levels of donation requests? As an aside, we tracked the donation patterns and found that, in year 5 (fiscal year 2006), (1) an average SG donor received 10.44 donation solicitations (SD = 2.21) and an average MG donors received 10.57 donation solicitations (SD = 2.70); (2) 231 SG donors lapsed (30.3%) and 391 MG donors lapsed (33.4%), though this difference is not statistically significant: $\chi^2(1) = 2.07, p = 0.16$; and (3) the 551 SG donors who kept giving donated an average of $50.65 (an increase of $8.35, or 16.49%, over the $42.30 in the previous year) whereas the 778 MG donors who kept giving donated an average of $60.94 (an increase of $6.23, or 11.39%, over the $54.71 in the previous year). Using the previous year’s EWTG coefficient for 2006, i.e., $\alpha_{g5} = \alpha_{g4}$, the values of WTG according to Equation (1) for the SG donors and MG donors are $49.71 and $57.53, respectively, close to the actual average donations of $50.65 and $60.94. These patterns suggest that, even with EWTG and responsiveness in good shape, fundraisers may still need to pay close attention to IWTG trends among MG donors.

Research limitations
Our research findings were based on the analysis of behavioral data provided by one nonprofit organization and may have limitations when applied to fundraising practices. First, we only considered the quantity of donation solicitations but did not have adequately recorded data to account for the quality of donation solicitations (e.g., content, communication strategies) or how information about the organization was actually consumed by donors. Our findings should not be interpreted as suggesting that the quality of solicitations is unimportant or irrelevant. Second, although we found the EWTG effect on MG donors, our sample did not allow us to explore the limits of this effect as explained in

Figure 5. EWTG per solicitation.
IWTG and EWTG Section. It may be unrealistic to send too many donation requests in the hope of taking advantage of the EWTG effect because MG donors may also get over-solicited. Third, as donor behavior may change for a variety of reasons, it is necessary to check with future data the extent to which the SG–MG donor patterns that emerge from previous years are stable in the sample. Most importantly, our research should be seen as exploratory and more empirical tests and replications are warranted. At this stage, it is unclear how usefully our findings can be applied to predicting future behaviors of these committed donors or how much of our research can be generalized to other direct mail fundraising contexts.

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**References**


