VOLUME 2

Review of Theory from Social Psychology

RELATIONSHIP FUNDRAISING

WHERE DO WE GO FROM HERE?

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Relationship Fundraising: where do we go from here?

Volume 1 – review of theory from relationship marketing

➤ **Volume 2 – review of theory from social psychology**

Volume 3 – trends and challenges identified by practitioners

Volume 4 – summary report

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Foreword

Jay Love, founder and ceo, Bloomerang

Bloomerang is extremely proud to be the co-sponsor of Rogare's first relationship fundraising project. Being able to fund breakthrough research, which impacts the core concepts of fundraising, is a golden opportunity we embraced to the fullest.

A key reason for our pride is the fact that Bloomerang's mission is to improve donor retention in the nonprofit world, which is why we built our product based on best practices from leading fundraising experts.

Donor retention is all about building relationships. With his breakthrough book *Relationship Fundraising*, Ken Burnett put a spotlight on why donor retention is vital to fundraising success and how to impact retention rates going forward. He paved the way by articulating the methods on how to build long-term relationships.

There could not be a more perfect primer to revisit in order to provide modern and solid advice to fundraisers all over the world on improving donor retention.

All of us at Bloomerang cannot wait to see if Ken's methods have truly stood the test of time, or if new relationship-building concepts emerge. Either outcome could be game changing for the nonprofit world, and the four volumes of this review provide the foundation for planning relationship fundraising's next stage of development.

Ross Miller, chief operations office, Pursuant

The fundamentals of human relationships have not changed much since Ken Burnett coined the idea of Relationship Fundraising in 1992, but in the subsequent two decades technology has made an unprecedented impact on how those relationships are first formed. When the opportunity arose to re-examine the principles of relationship fundraising with fresh perspective, Pursuant could not have been more excited to co-sponsor Rogare's discoveries. As a company dedicated to innovation in the nonprofit space, what better way to shore up that commitment than for Pursuant to support such groundbreaking work?

Fundraising principles are still fundamentally about people connecting with people. However, the relational dimension of our work continues to become more complex as our respective bases of support grow.

The challenges facing fundraisers today require us to think differently in our approach to a practice that is both an art and a science. How we find, begin, manage, and grow those relationships can seem like an impossible task at times. Compiling the collective expertise of senior practitioners in relationship management and social psychology, this study seeks to join what we've always known about the nature of human relationships with fresh insights from the science of how we make decisions.

We must continue to discover and implement the very best disciplines if we hope to improve as effective fundraisers today, and in the future. We at Pursuant are confident that the results of this study offer tangible and actionable observations about how these principles have evolved.

About this project

This literature review forms part of a project that has been conducted by Rogare – the fundraising think tank at Plymouth University's Centre for Sustainable Philanthropy – to review and refashion relationship fundraising. It should be read in conjunction with the sister review into relevant theory from relationship marketing (Sargeant 2016).

Since Ken Burnett outlined the principles of relationship fundraising in his 1992 book *Relationship Fundraising*, the idea has spread throughout the fundraising community to become, at least in the English-speaking world, one of the dominant modes of thought about fundraising.

Yet there is still little agreement among practitioners about what relationship fundraising actually is, and what a relationship approach might practically mean for the way in which we steward our relationships with donors. Fundraisers certainly have a general sense of what it might mean as a guiding philosophy, but little idea of the theories, tools or frameworks that could be guiding their approach, nor the results that might be achieved if they did so.

Our project aims to review and refashion relationship fundraising by incorporating ideas from psychology and relationship marketing to provide its theoretical foundation.

The project has six stages:

1. Canvass the views of senior practitioners on the advisory panel on the definition, scope and current success of relationship fundraising techniques.

2. Collate evidence of what is currently considered best practice and collect case studies of success.

3. Conduct a review of the domain of 'relationship management' in psychology and social psychology to identify theories, frameworks and ideas that might be used to inform fundraising practice.

4. Conduct a review of the academic and practitioner literature to identify theories, frameworks and ideas from the domain of relationship marketing that might be applied to fundraising.

5. Based on the two literature reviews, assess the views of senior practitioners on the project's advisory panel about the direction that relationship fundraising will take in the future and the challenges it must overcome.

6. Compile a final report that summarizes the learning from steps one to five and outlines the future direction that relationship fundraising might take.

We are enormously grateful for the support of Bloomerang and Pursuant, who have jointly funded this review.

Introduction

One of the main issues relating to relationship fundraising concerns which of its operative words carries most weight: is it ‘fundraising’ that is primary, so that ‘relationship’ is an adjective describing how fundraising should be carried out; or do they both have equal weight so that relationship building and maintenance is as important and relevant as the money that is actually generated through relationship fundraising practices? The debate has lasted now for almost 25 years and this review asks what social psychology can do to help move the debate, permanently, to a different space.

Can we redefine what ‘relationship fundraising’ means? Can we re-interpret the evidence available on what we know about relationship building and about fundraising using this new definition? Can we possibly help fundraisers to re-capitalize what they know already about ‘relationship fundraising’ under this new understanding? Can we unleash some renewed potential for ‘relationship fundraising’ to grow philanthropy?

Let’s begin with some re-definitions. And no, we do not want to re-visit what ‘relationship fundraising’ has meant to fundraisers for 25 years, because we know they use the terms differently. Rather, we take one step back and ask what ‘relationship’ means and what ‘fundraising’ means. We then rely on these definitions to redefine what ‘relationship fundraising’ can mean for the purpose of ultimately growing philanthropy.

The Oxford Dictionary defines relationship and relations as “the way in which two or more people or things are connected”. *Connected* people or things are at the shared core of this definition in most English dictionaries. When putting this connectedness into the context of fundraising, we ask what people and/or things connect or are connected during fundraising?

Fundraising as defined by the Association of Fundraising Professionals (AFP) is “the raising of assets and resources from various sources for the support of an organization or a specific project”. (AFP Dictionary, 2003). It brings together or brings into contact assets and resources from various sources so that a real or notional link can be established through the transfer of these resources from one entity to another. As long as a transfer occurs, no matter what the resource, origin or destination is, no matter whether the resources are actually transferred (an actual link) or agreed to be transferred (a nominal link), a connection is established or reinforced.

In this sense, the process of fundraising is by definition the process of establishing new links or reinforcing existing ones. In this sense, all fundraising is relationship building. If one chooses to be a fundraiser, one chooses to build relationships. Building relationships is not optional in fundraising; it is inherent in the definition of what fundraising is.

But not all relationship building is fundraising. What does this mean for fundraisers? By fundraisers, AFP means any individual “who is paid or volunteers, who plans, manages, or participates in raising assets and resources for an organization or cause.” (AFP Dictionary, 2003)[1]. What differentiates a professional fundraiser from any fundraiser, according to the AFP definition, is whether the person is paid or not. The

1 A professional fundraiser, as defined for AFP, is the person who is paid for his/her work (AFP, Dictionary, 2003). A professional fundraiser is also similarly defined in the Charities Act 1992 in England and Wales, in the Charities and Trustee Investment (Scotland) Act 2005, and in Northern Ireland with the exception mentioned in the text about charitable purpose.

British definition of a professional fundraiser makes explicit the purpose that this transfer serves. That is the transfer of money, assets or resources has to serve “charitable, philanthropic or benevolent purposes”.

What this definition implies is that professional fundraisers should only carry out activities within relationship building that directly or indirectly lead to the transfer of assets or resources that serve “charitable, philanthropic or benevolent purposes”. They should not be establishing new links or reinforcing existing ones for the sake of so doing. They should not build relationships for building relationships’ sake.

This is where the reader needs to understand our rationale for this review. We are not writing it to suggest whether these ‘shoulds’ are professionally right or not, morally right or not, ethically right or not. We do not take a normative stand on this debate. We do not attempt to comment on the utility of the ‘shoulds’.

Rather, we *assume* the statement “fundraisers should not build relationships for building relationships sake” is correct. We then ask whether fundraisers have the requisite knowledge and thinking skills to differentiate between different types and quantity of relationships and to determine whether such relationships may or may not lead to the right kind of transfer of assets or resources. We also ask whether fundraisers have the requisite knowledge and thinking skills to differentiate between the kind of assets and resources transfer that creates a new connection or strengthens an existing one versus those that terminate or weaken an existing relationship. If not, then ‘fundraising’ cannot be done right, because ‘fundraising’ is about building relationships.

This review presents such knowledge from the domain of social psychology with the aim of helping fundraisers to make such distinctions. We will then offer our recommendations for how fundraisers might reflect on this knowledge and use it to guide their actions when choosing what relationships to build and how. It is important to recognize from the outset that while we will marshal appropriate theoretical frameworks, high quality research relating these ideas to fundraising is lacking. The evidence we review is largely from relationships research in the domain of familial relationships, marital relationships and friendships. The best this research can do is to increase the confidence of fundraisers by reducing ambiguity and uncertainty. It provides a lens through which to examine what the issues are (or should be) in relationship fundraising and how the sector might respond.

Our estimate is that it will be at least 50 years before researchers can bring the state of academic understanding to the point where it has thoroughly decoded how fundraising builds long-term loving human relationships and how these relationships grow resource transfers for charitable purposes. Thus what we outline below is the beginning of a journey and one that we hope our Rogare panel will be able to assist us in planning.

Why have relationships?

In a general sense the social psychology literature suggests that the kind of relationships we should be building with our donors are those that make them feel that they have lived (or are living) a fulfilled life.

A fulfilled life as defined by "self-determination theory" is one that is highly competent of acting in one's love of others (Ryan and Deci 2000).

Fundraising can therefore play a role in that process. One way to think about soliciting a legacy for example could be that we are in essence asking donors to express their love for the organization and/or its beneficiaries, immediately after the donor has expressed their love for their family and friends. So in that scenario it is interesting to pose the following questions:

- "What needs do those family and friends fulfill for donors?"
- "How do those family and friends make donors feel?"

Unless nonprofits can build the kind of relationships that fulfill the same basic needs for the donor they won't make that gift. Note here, we do not mean that nonprofits need to necessarily become pseudo family or friends. We know most of them cannot be. Rather, we suggest that fundraisers need to aim for fulfilling the same basic needs through the kind of relationship that is realistic for them to have with their donors. At least they should, *if* they are serious about soliciting the legacy.

At the core of self-determination theory is the notion that for donors to feel they have lived a fulfilled life, they must develop perceived competence in articulating or offering their love for others (Ryan and Deci, 2001). They need to feel as though they are good at that.

Equally, they should feel that they have a degree of autonomy in how they articulate that love and can make suitably informed choices.

The individual can only be fulfilled, however, if they feel a genuine sense of connectedness with the object of that love (Baumeister and Leary 1995). All human beings are seen as having an innate need for connection, ideally with others who can offer them a mutually reinforcing and beneficial relationship (Clark and Mills 1979, 2011). Interestingly, the need for that connection is so powerful that in the absence of potentially positive relationships, individuals will seek out relationships that are harmful because of that underlying need. The theory thus explains why abusive relationships are so often tolerated.

Competence, autonomy and connection may therefore be a useful framework to apply to the context of donor relationships.

Yet it makes little sense to talk of relationships in an abstract sense when looking to inform fundraising practice. It makes more sense to break down the terms of relationships and to look instead at the different stages that donors might pass through in that relationship. Research in social psychology tells us that their needs may be different at each stage.

The first contact with a donor is the acquisition ask. Survey after survey has indicated that unless people are asked, they do not give, so it is interesting to explore what social psychologists have said about who is likely to be asked and who is likely to get a 'yes' to a request for a 'first date.'

Initiating a relationship: the first gift

Who should we ask or when should we ask?

Social psychology makes what for many fundraisers would be an obvious point, namely that how much individuals would like to be asked determines how likely they are to say yes to any initiatives of asking.

So who is likely to say yes to connect with a charity? The answer is those whose needs for connectivity exceed their needs for privacy. Privacy Regulation Theory (Altman 1975) views 'privacy' as a "process of selective control over social interaction and over access to self" (Newell 1995 p92) that serves the privacy goals of:

1. management of social interactions,
2. establishment of plans and strategies for interacting with others and
3. development and maintenance of self-identity (Altman 1977, p68).

The need for privacy therefore stands in counterpoint to the need for affiliation.

According to this theory people regulate their privacy through two processes: a dynamic dialectic process and an optimization process (ibid, p67). The 'dynamic dialectic' process treats privacy as a fluctuating boundary control rather than a 'one-way, keep out' warning, meaning that people open up and close off their desire for contact and affiliation over time (sometimes over the course of hours). The 'optimization process' allows a person to adjust their desired level of affiliation with their actual level of interaction with others: too little and people feel isolated, leading them to seek more contact; too much and they feel crowded, leading them to seek less.

CASE STUDY

Theory: Privacy Regulation Theory
Nonprofit: LA Gay and Lesbian Centre
County: USA
Date: 2000

As part of a legacy fundraising campaign (the ask to be made via the telephone), potential legators were initially sent a direct mail pack that contained an enrolment form and also an opt-out box for people who did not wish to be contacted. It was tested against a cross section of the donorbase who did not receive this DM pack. One per cent of people in the control committed to a leave a legacy in response to the letter and five per cent in the subsequent call. However, in the group that received the opt-out option, 3.5 per cent committed to a leave a legacy in response to the letter and 11 per cent in the follow-up phone call.

Further Information: http://sofii.org/case-study/la-gay-and-lesbian-center-legacy-leadership-campaign

So for fundraisers, it is not as important to find an untapped market, as it is to find those hours where their existing markets feel the need to connect, not the need to 'keep out.'

Clearly, no charity can control when their mail arrives at their donors' doorstep, but they can control when their telemarketing calls do. Is it worth noting in the file when donors would like to be contacted, which usually would be a time when their personal space is not intruded on by work colleagues or family duties? Is it worth leaving a message for donors for them to call back at a time that is convenient for them?

What matters in fundraising is not necessarily how many asks donors actually receive every day from various charities, but how many they have received during a particular period of time. More importantly, when donors receive them, is that amount more or less than what they would ideally like to receive in that period, and what actions are they taking in order to maintain the optimal balance between "privacy" and "connectivity."

Sadly, such information is not often available to fundraisers. Even if we ask our donors for their preference for frequency of communication, we won't know how often other charities do it, or indeed how often other organizations with whom they have a relationship, do it. So in the best-case scenario we hope that our donors open our mail immediately after we drop it. When that is not possible because donors don't want their privacy intruded at that moment, the worst-case scenario is that donors consign our mail straight to the bin. Given that we cannot guarantee a high "immediate open" rate, shouting on the envelope "open immediately" or threatening donors with an "emergency appeal" won't increase our chances of success substantively (from the perspective of social psychology). Such approaches make the likelihood of mail being discarded higher, because donors want to "shut off". So might we perhaps use alternative messaging? Perhaps an appeal to:

- "Please do not throw me away?"
- "Don't open me now"
- "When you have a moment…"
- "Don't feel like opening email today?"

Physical appearance and beyond

Study after study indicates "physical attractiveness" is the single most important factor that determines how attracted people are to each other (Luo and Zhang 2009).

A typical measure of interpersonal attraction that psychologists use includes two broad categories of attraction measures: romantic attractions and general attractions. Romantic attraction is measured between strangers who only first meet during an experimental session, in terms of how sexually warm they perceive their partner to be, how sexy they perceive their partner to be, how much they would like to date their partner, and how much they want to kiss their partner. General attraction is measured by how similar they feel to their partner, whether their partner is the type of person they would like to get to know better, how much they would like to work with their partner and how well they thought they could get along with their partner.

People answer such questions on a 9-point scale (1= not at all, 5 = moderately, 9 = very much). Research indicates that the two categories are usually highly correlated. That is if people answer "very much" on the last four general questions towards a stranger, they are likely to answer "very much" on the first four more romantic attraction measures. These general attraction measures have also been used to measure initial attraction in management situations such as how a person is attracted to an organization, a job or a leader (Matorin and Whitney 2015; Natoli 2004; Slaughter and Greguran 2009).

How important is physical appearance in fundraising? John List and his colleagues (Landry et al 2005) found that over all, with one unit increase in physical attractiveness measures, fundraisers generate an approximately 6.36% higher response rate during a door-to-door campaign and of those who give, they give about $0.61 higher donation.

Physical attraction however is not correlated with long-term satisfaction in marital relationships (McNulty, Neff and Karney 2008). The importance of physical attractiveness also varies by types of relationships. It is the strongest in romantic relationships, then opposite-sex friendships and then same-sex friendships (Sprecher 1998). As John List and colleagues found, the effect of physical attractiveness on fundraising success is primarily caused by attractive female fundraisers.

Later research found that it is not necessarily the physical characteristics that matter in how people determine physical attractiveness. People simply use physical characteristics as proxies to draw conclusions about how psychologically attractive these other individuals are. For example, Gonçalves and colleagues (2015) found that the size of one's eyes is used as a proxy of how warm and competent a person is. The bigger their eyes, the warmer and more competent they are judged to be. Sprecher (1998) found that warmth and kindness, desirable personality and other's perceived liking for one's self (reciprocal liking) could all lead to initial attraction. This applied for both male and female stranger attractions. Janz, Pepping and Halford (2015) have also found that in speed-dating situations, females are more attracted to men higher in dispositional mindfulness (i.e. they demonstrate an understanding of how their partner feels).

Friedman, Riggio and Casella (1988) found that people who are emotionally expressive, extraverted and physically attractive are rated more favorably in initial encounters. Being emotionally expressive and extraversion are not correlated with physical attractiveness. But it should be noted that this is simply about initial attraction (i.e. the first time two strangers meet face-to-face). It does not extend to how over a longer period of time, a major gift fundraiser's emotional intelligence may influence how successful they are at implementing a major gift program (Breeze 2014).

The situation in which individuals meet also matters. When two strangers meet for the first time, the more aroused they are by doing shared activities, the more likely they are to rate each other as attractive (Foster, Witcher, Campbell and Green 1998). This explains why people find others more attractive when they share a pleasant experience such as a fun-run together (not exhaustive) or an emotional concert together (aroused yet pleasant). Fundraising events could thus be designed to optimize their success in new donor acquisition.

In addition, research has shown that the only element of the activity that matters is the arousal state it creates in its participants. Whether the activity is novel or challenging does not matter (Lewandowski and Aron 2004). What this means is that unless a novel event idea creates the right arousal state, it is not worth being novel for being novel's sake. It doesn't increase initial attraction of stranger participants. The same could be said about a challenge event. What is important here is that people feel aroused and then they attribute this feeling towards others around them (Dutton and Aron 1974), including charity personnel or volunteers.

Please note that we are not reviewing the research on attractiveness with a view to recommending that charities use ‘fundraisers with big eyes’ to initiate a relationship, but to establish the theory for transferring ideas about attraction generally to the developing relationship between donors and the causes/organisations they support.

CASE STUDY

Theory: Arousal
Nonpfrofit: Plan UK
Country: UK
Date: 2013

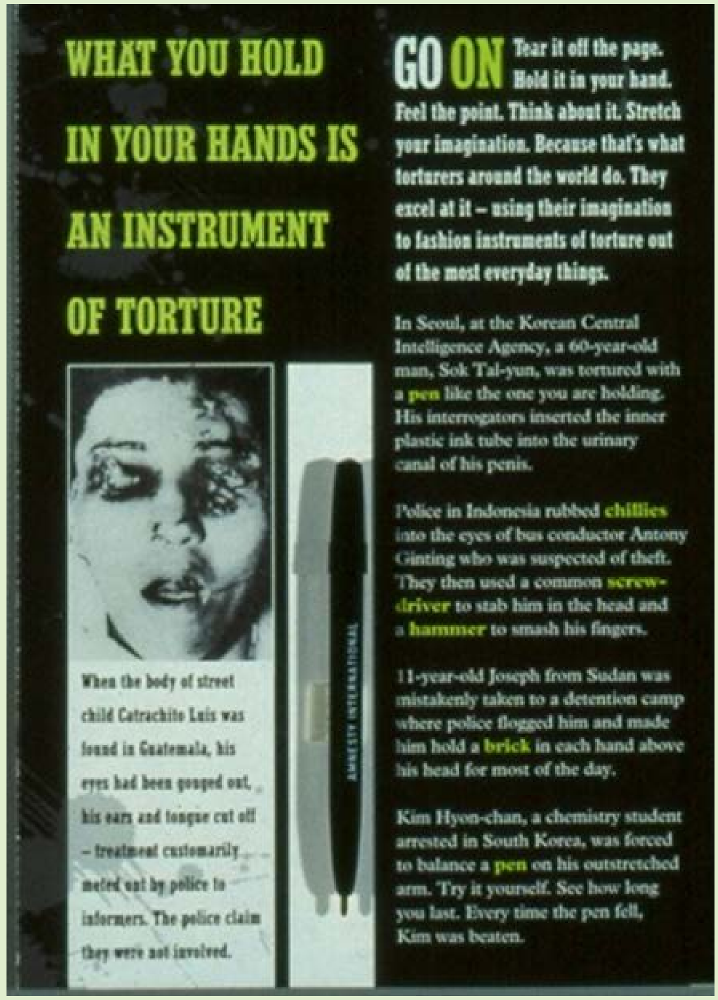
A series of adverts displayed on trains asked commuters if they remembered their first period, leaving school, then getting married. With the photograph of a young girl looking directly out of the advert, cropped to focus on her eyes (a technique that is proved to increase response rate), the copy runs: “Aneni does. She’s twelve.” Plan UK says the campaign was intended to “resonate” with commuters. The campaign delivered SMS donations from around 18,000 people, of whom some 1,700 were converted to monthly donors. The charity describes these new donors as “high quality and very passionate about the cause”. Plan UK followed up this poster campaign with a new poster that thanked donors.

Further Information:
http://www.thirdsector.co.uk/case-study-plan-uk/fundraising/article/1193129

CASE STUDY

Theory: Arousal
Nonprofit: Amnesty International
Country: UK
Date: 1995

This is the mailing that first used the free pen in a direct mailpack, with which potential donors are encouraged to fill out the donation form. Much imitated since, the original created a real sense of arousal and attraction for the donor because of the connection between the pen as a writing implement, and how a similar pen had been used to blind a South Korean political prisoner. The letter told donors that the pen they ‘hold in their hands is a weapon of torture’. But when the readers turn over, it adds that the pen is also ‘an instrument of change’. We would suggest that donors who responded to this appeal were left with a sense of longing for further information about how they had used that instrument of ‘torture’ to effect change. The Amnesty penpack was used to start potential relationships with donors. The question is whether its imitators are able to foster similar relationships beyond the spike in response rates they undoubtedly deliver. If not, theory would suggest this is because this device is not suited to delivering the satisfaction donors desire after the initial contact has been made.



Further Information:
http://sofii.org/case-study/amnesty-international-the-pen-pack
http://sofii.org/article/how-i-wrote-it-the-amnesty-pen-letter

Developing a relationship:
The first few gifts

Satisfaction

The social psychology literature posits that the ideal after a first gift is to leave individuals with a warm sense of longing for the next contact. Relationship researchers have found that when left in such a state, people *"imagine themselves ultimately forming an attachment relationship with a described partner"* (Eastwick and Finkel 2008 p628). If people are left with a really warm feeling after their first date, the end state they imagine "may be intensely desired" and they may frequently contemplate how they might reach that desirable state (Eastwick and Finkel 2008).

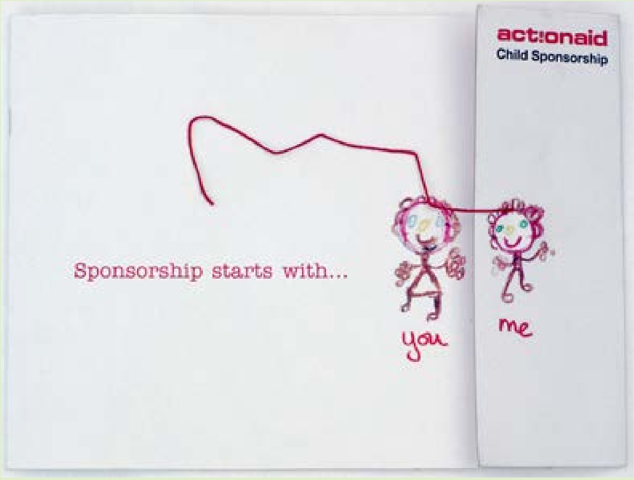
So can our initial fundraising approach be so good that after people give money for the first time, they may be left wondering what might happen next? If not, then we need to do better because being 'thanked' by a charity is an 'external reward'. External rewards have rarely been shown as more powerful to motivate consistent and prolonged behavior as 'internal rewards' – i.e. the warm feeling of longing for more (Ryan and Deci 2000). People need to be left longing before they receive the thank-you from the charity.

This "positive affect associated with a relationship" (Rusbult 1980, p174) or "relative positivity of outcomes obtained in interactions with a partner" (Agnew 2011, p246) is called satisfaction by some relationship researchers.

CASE STUDY

Theory: Arousal/Longing/Changing satisfaction needs/Planned investment
Nonpfrofit: ActionAid
Country: UK
Date: 2008

This piece of direct mail for a child sponsorship campaign literally ties the donor and beneficiary together, inviting the donor open the pack to see how they are bonded together. The copy states that sponsorship is "about you me" – showing how the donors, as well as the beneficiaries, needs might be met. This campaign has higher retention rates and higher lifetime value than any other ActionAid mailing. It is also a tangible symbolization of the intangible bond and reminds donors that their contribution will be a planned investment for the future.



Further Information:
http://sofii.org/case-study/actionaids-welcome-to-child-sponsorship-package

Usually when people initiate a relationship, it is by nature an exchange. That is the positive affect is more likely to be caused by outcomes obtained in the interactions with the partner for one's self (not for one's relationship partner) (Clark and Mills 1979). Social exchange theory (Emerson 1976, pp335-336) posits that in this kind of relationship, connections between people consist of a series of exchanges and interactions between the parties that generate obligations to reciprocate in some way. *"Social exchange as here conceived is limited to actions that are contingent on rewarding actions from others"* (Peter Blau (1964) – quoted in Emerson, ibid). That is whether donors choose to build a relationship or not with the charity, at this stage, is crucially determined by how rewarded the donors find charities make them feel.

Commitment

However, satisfaction alone does not fully explain why people would want to remain in or build a relationship. Caryl Rusbult (Rusbult et al 2011, p5) found two more factors determining the strength and quality of romantic relationships (ibid, p3): size of past investment and absence of alternatives or the existence of only poor quality alternatives.

Size of past investment, in a relationship context, refers to the value of sunk costs put into the relationship – the amount of tangible and intangible resources (in a romantic context this might include time, effort, mutual friends, reputation) that a person has contributed to the relationship and therefore stands to lose or have diminished in value if the relationship breaks down (Rusbult et al 2011, p22). Investments are defined as: *"The magnitude and importance of the resources that are attached to a relationship – resources that would decline in value or be lost if the relationship were to end."* (Rusbult et al 1998, p359).

In making the first gift, it is not only the amount of money that people give (tangible investment) that matters, it is also how people feel towards the beneficiaries or about the case for support (an intangible) that would be factored into one's calculation of 'investment'. So the stronger the case for the support, the more intangible investment donors would have made into their relationship from the outset.

The theory suggests that people may remain committed to an unsatisfactory relationship (i.e. low satisfaction levels) that they would prefer to leave, because leaving would incur "unacceptably high costs" (ibid) – for example, mental trauma to any children involved in an acrimonious divorce. Similarly, happy relationships (i.e. high levels of satisfaction) are not always stable and long lasting (Crisp and Turner 2014, p417) because they could potentially be too costly to maintain.

Need-to-Belong theory posits that humans do not only have the need to form relationships, but they also have the need to maintain them (Baumeister and Leary, 1995). So once people have made a donation to a charity, stopping giving could be experienced as a loss for them psychologically. So once fundraisers secure the first gift, securing the second gift could be understood as a process of "preventing" a sense of loss for donors. The higher the monetary and emotional investment donors put into their first gift, the bigger a loss of sunk cost their second gift has to save.

Absence or poor quality of alternatives, in a relationship context refers to the availability of alternatives if a person should leave the relationship – in other words, could higher levels of satisfaction be obtained from alternative relationship partners. These need not be new romantic partners; it could mean only hanging out with friends rather than going home (or indeed having no relationship at all) (Rusbult et al 1998): *"The more compelling the alternatives are viewed, the less committed one will be to the current* *partner. If alternatives are not perceived as particularly attractive, one will be more committed to the current partner."* (Agnew 2009, p246.)

In the context of romantic relationships, what this means is that feeling satisfied with only the focal relationship is not sufficient for someone to stay in or build that relationship. In deciding if one is satisfied enough to stay with her current romantic partner, an individual will compare all the outcomes from the current relationship against all the outcomes and interactions received in previous romantic relationships or other concurrent relationships (like friendships). If current outcomes exceed those of past or current experiences, that person will be satisfied with their relationship; if they fall short of past outcomes, he/she will be dissatisfied (Agnew 2009, p 246). Past relationship experiences thus create expectations for a given domain of relationship behavior (ibid). So creating a high satisfaction in one focal charity is not good enough, the focal charity must provide the most satisfied experience that a donor is currently receiving.

The three factors of satisfaction, investment size and alternative availability have been widely empirically validated (Agnew et al 2008, p153). Collectively, they account for an average of 61.2 per cent of the variance in commitment (Le & Agnew 2003). This means if fundraisers can take care of donors' satisfaction, secure the highest tangible and intangible investment from the individual, and ensure they are the best alternative amongst donors' entire choice set, then they would have secured 60% of all the potential for these donors to commit to a relationship with them. This 'commitment level' (Rusbult et al 1998, p359) is defined as *"The intent to persist in a relationship, including long-term orientation toward the involvement as well as feelings of psychological attachment."*

A recent study extended the concept of investment from past investment to future investments. Goodfriend and Agnew (2008) came up with four types of investments:

- Past tangible investment (such as shared debts, pets, jointly-purchased items)
- Past intangible investment (such as self-disclosures, effort and time)
- Planned tangible investment
- Planned intangible investment.

It showed that both types of intangible investment were much stronger predictors of commitment than past tangible investments, and planned tangible investments had their own significant effect to predict commitment. Second, the study found that both forms of planned investment were significant predictors of commitment above and beyond past tangible but not past intangible investments (ibid, p1646).

If all types of investments are taken into account and the most important people (e.g. their family and friends) in our donors' lives agree with our donors' perception, the overall model accounts for more than 75 per cent of the variance in commitment (Agnew et al, 2008, p161; Rusbult et al 2011, p20). This is an additional 15 percent increase in comparison to the 61.2 per cent variance accounted for by the three elements of satisfaction, past investment and alternatives (Le and Agnew 2003). This means if fundraisers can encourage donors to reflect on how much they would like to contribute to the charity in the future (planned future investment) and how much making a potential impact with their gifts mean to them (emotional investment), then they have the potential to increase their donors' commitment beyond the level determined by donors' past satisfaction, past investment and available alternatives. This learning is powerful because fundraisers cannot change what happened in the past and cannot change what others do, but they can engage their donors in planning for the future and hopefully help them feel good about it when they do.

CASE STUDY

Theory: Past and planned investment
Nonpfrofit: Greenpeace
Country: UK
Date: 1980s

Greenpeace's renewal programme was designed to respond to the issue of some members holding back on their renewal while "waiting to see what would come next". Each subsequent renewal request (assuming the supporter had ignored the previous) became more 'strident', and had the effect of forcing the supporter to consider what their membership of Greenpeace had contributed to in the past and what it would contribute to in the future.

Further Information:
http://sofii.org/case-study/greenpeace-uks-cycle-of-renewal-and-reactivation-mailings-the-countdown-and-please-and-thank-you-packs

If fundraisers can consistently make donors feel that this future planning meets their need to be a competent person to act in their love for others, and if they are the only relationship that the donors have in order to feel this way, then donors will become dependent on them to meet these needs. The same longing after the first gift can thus be strengthened through every follow-up interaction created for them. When this happens, psychologists predict that donors will then seek more interactions (Rusbult et al 2011, p4) (e.g. look up your event notices, friend you on Facebook, follow your tweets) and commit even more to this relationship (Thibaut and Kelly 1958; Rusbult et al 1998, p359).

The changing nature of the relationship and changing satisfaction of donors' needs

As the longevity of a relationship develops, the nature of the relationship changes. Here are the general trends that we will review in turn about what changes, when and how.

1. Satisfaction is driven first by the attracted target but then by the fulfillment of donors' needs.
2. Satisfaction is first driven by fulfillment of donors' lower level needs but then transitions to be fulfilled by donors' higher level needs.
3. The higher the level of needs perceived to be met, the more ambiguous and more uncertain people feel about judging the fulfillments of these needs.
4. The more uncertain people feel about making such judgments, the more they will rely on others to help them make such judgments.
5. The more ambiguous people feel about what a fulfilled life means, the more they would look for others to help them to define what a fulfilled life means.

Changing satisfaction

If life-long relationships are desirable in the context of fundraising relationships, then fundraisers have to think about how to transition the focus of the relationship from the relationship target (be it the beneficiary, the organization, the cause, the mission) to the donors. We say this because whether fundraisers like it or not, social psychology research indicates that individuals' working models of others are more salient during initial attraction, but individuals' own working model of self are more salient during relationship building (Holmes and Johnson 2009).

In other words, donors are attracted to you because of you. In order to get yes to your first date/gift, your communications need to focus on you. Through the physical appearance of your first communication, you need to portray your warmth and competence, and create the most arousing first date you can possibly create. Once you have created the absolute best first giving experience and left your donors longing for more, social psychology research predicts that they will begin to transition their focus of attention in deriving satisfaction in the relationship from "how attractive you are" to "what needs this relationship can meet for them".

Note here, what drives satisfaction is the fulfillment of the need by the 'relationship'. It is not what charities do for their beneficiaries; it is what charities do for the donors. It depends on what 'connection' fundraising built for the donors from the first gift. If it is the relationship that a fundraising event built for the donor with other donors, then that is the relationship that needs to be strengthened and that is the relationship that donors will expect to fulfill their needs. In that sense, fundraisers need to choose their relationship-target carefully beginning with the first contact. It needs to be chosen such that that relationship has the biggest potential for deepening, is most likely to consistently meet the donors' most important needs over the longest period and has the lowest cost to maintain. That dependable and unique fulfillment of these needs is what drives long-term satisfaction as well as long-term commitment. The highest level of these needs includes connectedness (Baumeister and Leary 1995), growth (Alderfer 1969), self-actualization (Maslow 1954) or self-fulfillment (Ryan and Deci 2000).

CASE STUDY
Theory: Satisfaction
Nonpfrofit: Habitat for Humanity
Country: UK
Date: 2006

By offering a money-back guarantee on its acquisition mailings – of the kind regularly offered by commercial organisations for their products and services – Habit for Humanity contributed to the satisfaction donors experience from their first gift experience from confidence their money would be used wisely, which would also contribute to trust in their organisation.


Habitat for Humanity®
Great Britain

01/000055

Mr A B Sample
123 Sample Street
Sampleton
Sampleshire
WX1 2YZ

9999999/9999999 99999

They get a home they built themselves

May 2003

Dear Mr Sample

Have you ever wanted to see tangible results from a gift you've given toward projects in developing countries? Well today you finally have that opportunity.

Send a gift of just £15 to Habitat for Humanity. A decent house will begin to be built. When you send a gift of £15 to Habitat for Humanity, you will provide enough building materials to help an extremely poor family, to actually build a home for themselves – the first decent home that they and their children have ever lived in.

Today, so many people live in dirty, leaking huts, infested with insects and bacteria. Children die because of unsanitary living conditions. But, as you can read in the enclosed leaflet, when you help families like the Mariam's build, you'll be helping them leave behind that life of poverty forever.

No big pot of funds - your £15 helps people direct

That's right. Your gift will be used right away. You'll be buying wood, concrete, roof tiles or tools. You'll be helping trained builders and volunteers show families how to build their own safe, sturdy, rain-proof homes. That's what your £15 will do.

Does it work? Yes. Habitat for Humanity has already helped 125,000 poor families build homes around the world. With a safe place to live, they can begin to say goodbye to poverty. How? In three ways...

First, when people build their own homes, they learn all kinds of skills. They can later use these skills to get jobs with better incomes in the future.

Second, they learn teamwork. Every poor family we reach helps their neighbours build too. And when the work is done, they keep working together. They are among the world's most deprived people, but once they build homes for themselves, they are eager to build new schools and clinics – and even install water systems!

Please turn over

Further Information:
http://sofii.org/case-study/greenpeace-uks-cycle-of-renewal-and-reactivation-mailings-the-countdown-and-please-and-thank-you-packs

How do people know when their needs are met by a relationship?

All the above theories seem to assume that donors know when a particular need is met. Similarly, they assume that donors know which relationship is meeting which one of their needs, how dependable these relationships are in meeting these needs and how committed they should therefore be to maintaining and/or building these relationships.

It turns out that people are better at telling when their lower levels needs are met, such as detecting when they are full versus when they are hungry, when they are sheltered versus when they are sleeping in the rain, when they feel safe or unsafe at home. People are not as good at articulating what their higher level needs are and determining when they are fulfilled. These needs include the ones we articulated above, namely connectedness (Baumeister and Leary 1995), growth (Alderfer 1969), self-actualization (Maslow 1954) and self-fulfillment (Ryan and Deci 2000). When people are unsure about what is important they look into their closest relationships for insights. Could charities become one of those sources of insight that donors might rely on?

Self-verification Theory and Similarity

Self-verification theory (Swann 1983, 1999) says that people can always feel better if others important to them see them in the same way they see themselves. That is they would like to experience consistency in their lives and the role of others in close relationships with them is simply to confirm what they know already about themselves.

This could be one reason why a vast literature has identified that people are generally attracted to others who are similar to them (Brewer, Brewer and De Paul 1968): Actual similarity between partners is correlated with how attached people actually feel to the partner. In addition, research indicates how ideally similar one would like to be with another has additional predictive power on how they will eventually feel about the relationship. This ideal will then in turn influence how people behave towards others, by for example, increasing the frequency of their communication, applying more effort to get to know someone, or selectively rehearsing and thus remembering the good contacts they have had in the past with their partner and forgetting about the bad ones (Gagné and Lydon 2004).

So if physical attractions give us the chance for a gift and satisfaction/commitment is key in maintaining and building a relationship, intimacy in an interpersonal relationship context allows two people to validate all components of personal worth (Sullivan 1953, p246). It is a "collaboration" in which "both partners reveal themselves, and seek and express validation of each other's attributes" (Reis and Shaver 1988, 369). Reis and Shaver (1988) developed a model of intimacy that argued that the most intimate relationships are those that are caring, understood and involve validation.

When partners sense that they mutually foster these three factors, they become more aware that their relationship is intimate and become more committed to it (ibid, p385). Intimate partners are also more likely to develop a sense of "we-ness", first because of a sense of "mutuality" in that each partner shares the other's experiences and, second, because they recognize that there are common assumptions and understandings about the relationship (ibid, p384). Intimate relationships are also typically more reciprocal (ibid).

Self-disclosure has been called the "central defining attribute" of an intimate relationship (Waring et al 1980), including:

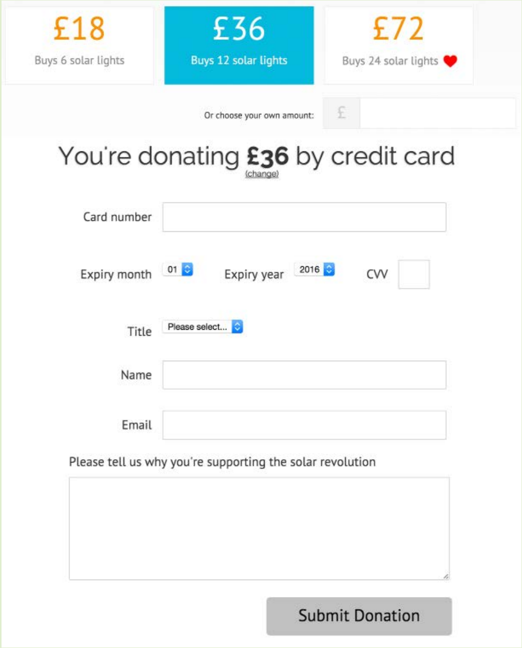
- cognitive self-disclosure – the revelation of private thoughts and ideas (Chelune 1984 et al)
- affective self-disclosure – the revelation of feelings (Stern 1997, p10).

The constraints that communication costs impose on fundraising activities dictate that historically mass and largely one-way communication has been the dominant paradigm. What the relationship literature tells us is that we should develop two-way communication opportunities, personalize our communications with our donors, prioritize what we ask our donors to disclose and identify the best personal responses to such disclosures.

When facing a limited budget, we may choose between asking for cognitive disclosure (as in many donor surveys) versus asking for affective disclosure (currently rarely done except for telemarketing calls especially in those made for legacies). Both are necessary in building intimacy. One could choose for each communication to focus on only one type of disclosure or both. We would recommend that fundraisers choose based on how they intend to personalize the responses. When asked for cognitive disclosure, donors need to know they are heard and understood; when asked for affective disclosure, donors need to know their feelings are cared for. Unless one can effectively and efficiently make donors feel both, one might be better off focusing on one type of disclosure at a time.

CASE STUDY

Theory: Disclosure
Nonpfrofit: SolarAid
Country: UK
Date: Current



Whenever people make a donation through SolarAid's website, there is a question asking them why they decided to support the charity with a text box for their responses. This chance to make a fairly simple self-disclosure has been offered by SolarAid with the stated intention of making the online donation process seem like less of a 'transaction'. People are free to disclose affectively or cognitively – many choose cognitive disclosures describing how SolarAid's solar powered light is a perfect solution. The charity wants supporters to know that the relationship is not just about giving money but also engaging their own networks.

CASE STUDY

Theory: Intimacy – disclosure
Nonpfrofit: Friends of the Earth
Country: UK
Date: 2015

friends of the earth
see things differently

Mr AB Sample
123 Sample House
Sample Road
Sample Town
Sample County
Sample Postcode
12345678 / 12345678
12345 / 12345 / 12345678

22nd June 2015

Are we getting it right?

Dear Mr Samplem

Firstly, let me thank you personally for the support that you've provided to Friends of the Earth. The difference we make in the world simply isn't possible without your involvement – over 90% of the money we spend on campaigns for people and nature comes from individual donations and legacies. And it's your voice that makes ours too strong to be ignored. Thank you.

I'm writing to you today to make sure that you're happy with the ways that we communicate with you. It's been hard to miss the media coverage of charity communications in recent weeks: from the tragic circumstances surrounding Olive Cooke to other tabloid investigations, charities have been put under the spotlight. Although Friends of the Earth has not been directly involved, it certainly made me stop to reflect about our own approach and to make sure we're getting things right.

We reach out to the people who support us in lots of different ways. Sometimes we write, other times we'll call on the phone – and often we run events up and down the country too. At no time should you ever feel like you're hearing from us in a way that makes you unhappy. We hope to inspire you and give you confidence that your support is helping us change the world! And we want to know what you think too, not just send out one-way messages – we need your ideas and suggestions to help us do even more.

So I'm sending this letter to all of our donors of our supporters, to make absolutely sure you're happy with your support for our work. On the back of this letter, I've left lots of space for you to **let me know if there's anything we can do differently for you**. I promise that if there's anything we can do better to improve our communications, we'll do it.

Friends of the Earth is much more than a national charity. We're a movement of people who share many of the same hopes and dreams for a better life. Everything we do is about creating a fairer world where people and nature thrive. I know that there isn't a single Friends of the Earth success – from protecting threatened species like beavers and bees to the world's first climate change act – that would have been achieved without people like you getting involved. Which means the way we communicate with you is fundamental to how we make a difference.

I very much hope that we are getting things right, most if not all of the time. And, that you're happy to hear from us about our work and the ways in which your support has helped to win vital campaigns. Please do send back any comments that you'd like to make and I'll make sure we'll try and sort out any problems while continuing with the good stuff! Of course, you should also feel free to contact us at any time, not just in response

Continued...

Following the suicide of Olive Cooke in Bristol in the UK in May 2015, charity fundraising came in for intense media and political scrutiny (and in some case downright hostility) after press reports erroneously attributed her death to the activities of fundraisers. Friends of the Earth's director of engagement Joe Jenkins, who at the time was interim chief executive, wrote to all the nonprofit's supporters (52,000 by letter and 67,000 by email) asking them: "Are we getting it right?" The letter described the ways that FoE contacted its supporters, and provided space for donors to offer any feedback. The nonprofit received more than 2,000 responses, 90 per cent of which were positive or neutral in sentiment. It also generated unsolicited donations and legacy bequests. The letter is a good example of generating intimacy through voluntarily disclosing information and inviting cognitive and affective disclosure from donors in response. The likely result of this letter is that supporter trust in Friends of the Earth will increase leading to an increase in supporter loyalty.

Further Information:
http://www.charitycomms.org.uk/articles/now-is-not-the-time-to-hide-from-supporter-feedback

If one were to go down the route of cognitive disclosure, one may choose to ask questions in the way suggested by Social Penetration Theory (Altman and Taylor 1973). It describes how the process of self-disclosure increases intimacy in a close relationship through a process of feedback: if, when a person reveals information about themself, this is received positively, it encourages them to self-disclose more intimate details over time (Baack et al 2000, pp39-40). The process is enhanced if both parties feel positively about the relationship, with the relational partner 'matching' the other's disclosures and the result is a "greater willingness to reveal items closer to the central core of one's personality" (ibid, p40). As time goes on, people disclose ever more intimate (deeper) information about themselves, from matters such as dress style at the most superficial level to their innermost fears and self-concept at the deepest level of disclosure (ibid). As disclosure is a matter of going through ever-deeper layers, Social Penetration Theory is often referred to the 'onion theory of personality' (ibid).

Willingness to disclose is influenced by three factors (ibid, pp40-42):

- Personal characteristics
- Assessment of rewards and costs
- Situational context

Personal characteristics. The broad topics individuals might disclose information about – e.g. politics, sport, religion, personal ethics etc – are known as 'breadth categories'. Each breadth category has a depth associated with it, indicating how far into the 'onion' a person is prepared to disclose about this subject.

Rewards and costs. As is common to social exchange theories, relational partners review anticipated costs and rewards before disclosing. Disclosure, and greater intimacy, results if the rewards are perceived to outweigh the costs.

Situational context. The breadth and depth of disclosure depends on the relationship stage. The theory states that social penetration moves most quickly at the early stages of a relationship, with shallow depth penetration of the outer layers, but after that it slows considerably.

What this suggests is that if one were to conduct donor surveys, the earlier they could be conducted, the greater the value that could be derived from the disclosure. Questions can be posed in such a way that extend on either breadth or depth.

Research has shown that intimacy increases in the early stages of a relationship, as disclosure increases (e.g. Laurenceau et al 1998). However, too much information disclosed too quickly at the start of a relationship can scare off a potential partner, causing them to emotionally withdraw from the developing relationship if they are not ready to reciprocate or match the level of disclosure (Crisp and Turner 2014, p399).

The way to structure one's questions at early stages is thus to focus on breadth building questions, because we know people will not feel the need to withdraw from disclosure when we are not "looking" too deep. So we maximize the utility of breadth disclosure. We then have very few depth questions at the end, but donors are not "forced" to respond to them. If they choose to do so, then we build the connection with them, and if not, we have ended their disclosure at a level that they are comfortable with. When donors choose to end their disclosure, the information could then be used as a segmentation variable to help us design future communications with our donors.

Once a certain level of intimacy is reached, self-disclosure plateaus during the middle phase of the relationship and decreases (depenetration) as the relationship comes to an end (ibid).

Many fundraisers feel uncomfortable about asking donors for their personal views on things, especially when such personal views are highly emotional or perceived as being too personal (deep). We would encourage fundraisers to reflect on who the relationship partner is that makes the ask, the environment in which the question is asked, who the fundraiser is asking it from and what stage they have reached in their relationship.

Monitoring and developing Similarity

"Similarity-attraction" is the second most robust finding in attraction research (Tidwell, Eastwick and Finkel 2013). To take a fundraising example, similarity attraction could be one of the many reasons why in the domain of major gifts, major gifts are usually solicited by peers who are like their donors. The additional insights that we can gain by looking more deeply at the different types of similarities may help us structure such encounters. Surface level similarity (such as gender, age, ethnicity) leads one to infer deeper level similarity during the initial encounter (Harrison, Price and Bell 1998). In the long run however, it is deep level similarity that determines performance outcomes (Harrison, Price and Bell 1998). Surface level similarities can increase the quality of experience during initial encounters, because it increases initial attraction. What fundraisers need to do to deepen the relationship is to find individuals to interact with the donor who are similar to him/her at deep levels in their beliefs, values, and meanings in life.

Similarity is also important in direct response relationships e.g. relationships conducted by mail or email. The impact of similarity in domains including moral, political, religious, social and philosophic issues, which have been thought to reflect one's core attitudes and values, have been thoroughly tested in the 1980s (Jamieson, Lydon and Zanna 1987). This work highlights that donors have to agree with what you believe in, but if one wants to deepen their feeling of perceived similarity one might also talk about activities that the organization (and possibly other stakeholders) might share with the donor that fundamentally express those beliefs. One might even invent activities that allow the donor to see the depth of the similarity in those beliefs.

To take a further fundraising example, while acquisition events (initiating relationships) aim to create the right arousal level to increase initial attraction, development events should aim to create the opportunities necessary to deepen perceived similarity, build deeper intimacy and increase how satisfied supporters are in experiencing a fulfilled life.

CASE STUDY

Theory: Perceived similarity
Nonpfrofit: Médecins Sans Frontières
Country: Canada
Date: 2014

The Walk Without Borders challenge was MSF Canada's first peer-to-peer fundraising campaign, asking existing supporters to walk in solidarity with a patient or field worker who had to travel a long distance to receive or give lifesaving medical care. This draws on similarity theories by encouraging donors to see similarities between themselves and other parties to the relationship, in this case beneficiaries and field workers. Theory suggests that simply exposing donors to a nonprofit's values is not sufficient to deepen the relationship: they need to take part in activities that allow them to experience those beliefs and values.

Further Information:
http://101fundraising.org/2015/05/peer-peer-fundraising-replaces-hazmat-suit-one-doctor/
http://www.walkwithoutborders.ca

Self-Enhancement Theory

The limitation of self-verification theory to fulfill higher level needs for human fulfillment is that similarity (be it surface level or deep level) does not allow sufficient room for creative growth, or growth beyond the individual's own imagination. Similar individuals end up in the same social groups of similar others. Even when individuals find others with similar ideals to them, they are limiting their growth potential to those with the same ideals.

Self-enhancement theory (Murray, Holmes and Griffin 1996; Morling and Epstein 1997) tells us that people seek partners who view them as favorably as possible. Now, the growth potential expands to anything imaginable by others that might connect with us in life. So can charities help individuals stretch their potential? If so, what kind of potential is most productive for fundraising purposes?

Katz and Beach (2000) tell us that people are most likely to seek partners who give them both verification and enhancement, and that in the absence of the latter, they seek the former. That is they would only actively look for others who see themselves in the same way they do, when they cannot find those who see them as favorably as possible. If charities constantly inspire their donors to become the very best they can, they will become their best source for living a more fulfilled life.

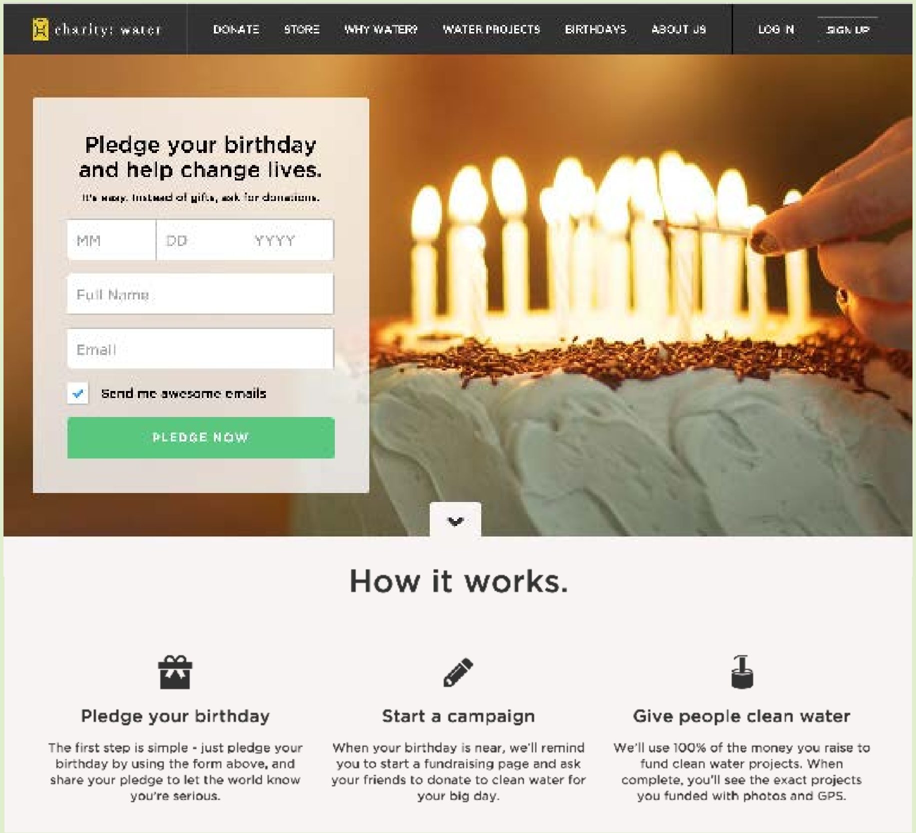
Thus a key question in development communications becomes how fundraisers can stretch their donors' imagination about just how good a human being they can be?

If we go back to the original definition of a fulfilled human life — one that is highly competent of acting in one's love of others — then the most important question fundraisers need to address is: how can charities stretch donors' imagination about just how high a level of competence one could have in acting in one's love of others through the giving of money? We cannot adequately address this question without reflecting briefly on who the donor is.

CASE STUDY

Theory: Self enhancement theory; self-determination theory
Nonprofit: charity: water
Country: USA
Date: Current

charity: water's 'donate your birthday' fundraising campaign looks on the face of it just like any other peer-to-peer social media fundraising product. However, by asking donors to transform their birthday into a fundraising vehicle for the nonprofit, and so eschew all the gifts and tangible benefits that normally go to that person on their birthday, charity: water is effectively stretching that supporter to become a better person, and to act more competently in their love for other people.



Further Information:
https://my.charitywater.org/birthdays/
https://www.charitywater.org/birthdays/history.php

The changing donor in a relationship:
expanding personal identity to Social Identity to Fused Identity

In all previous sections, we confined our definition of donors' sense of who they are to the singular person, i.e. the donor. The limitation of this way of thinking is that we are then placing a lot of 'demands' on the self. One person can only do so much. Even if one single person wants to give more than they are doing already and making more gifts than what they have done in the past, a single person's strength to connect is limited, a single person's ability to make decisions is limited, and a single person's competence is limited. Indeed research showed that donors must feel that they are financially secure before they are prepared to make or increase their gifts (Wiepking and Breeze 2011).

To inspire individuals to do something that is not 'individually' imaginable, charities need to inspire individuals at a very fundamental level to redefine who they are. Instead of developing their psychological sense of self based on their biological self, social psychologists suggests that people may develop their sense of self through psychological association with others. These affiliation-based identities can then have additional power to motivate behavior. A higher level of intimacy is one way through which one could feel "one-ness" with others (Aron, Aron and Smollan 1992).

In the broadest sense, a single person's sense of who they are can be expanded to a self that includes their family and friends, to a self that includes more than family and friends, and to a self that includes the whole of 'humanity'. To date, no academic framework has shown us how one might achieve one-ness with humanity. We will review two relevant theoretical developments here that have come closest to it. In both theories, researchers studied how an individual's sense of self includes group members, other than their own biological self and their family and friends. These group members all have high similarity with each other including shared demographics (e.g. gender, ethnicity), beliefs (e.g. nationalities, democrats or republicans in the US, religiosity), life styles (e.g. sexuality) and experience (e.g. mums against drunk driving).

These two theories suggested two kinds of identities that can be built to motivate giving to in-group members (with the necessary consequence of ignorance or derogation of out-group members). Social-identity theory says when people are highly identified with a group (such as the Jewish victims who were sent to concentration camps during the Second World War), they align themselves with the collective while perceiving their fellow group members as categorically undifferentiated and interchangeable (Tajfel & Turner, 1979). The reason this social identity motivates individual behavior is that one would dissolve one's personal sense of self to the point that it would do what is right for the group.

Psychologists found, using a paradigm called "minimal-group", that such shared beliefs could be as random as being assigned to a group of strangers who share the same colored label in a 30-minute experiment (Billig & Tajfel 1973). As long as a minimal arbitrary connection is established between an individual and a group (e.g. being called a member of the National Trust), one would behave in the interest of the group.

In mass fundraising, group membership is one way through which 'artificial' similarity may be 'quickly' created with little cost in money or efforts. Once people think they belong to a group, such as a Greenpeace supporter, a child sponsor, an ActionAider, they then differentiate themselves from others into an 'in-group' and an 'out-group'. Here is what fundraisers need to know once people have developed such a divide.

CASE STUDY

Theory: Identity Theory
Nonprofit: Australian Conservation Society
Country: Australia
Date: current

Australian Conservation Foundation has had considerable success in encouraging its regular monthly givers to become online advocates or on-ground local activists, and vice versa (people who come first as online advocates go on to become donors). The organisation is paying local community organisers to work on both global and national environmental and sustainability issues, and local issues. The overall effect of this cross-promotion, plus the effective building of a strong identity ('we, the community, taking on wrong-headed governments and companies'), encourages strong identification.

This theory would suggest that assigning arbitrary labels that donors could adopt is a potentially costless yet powerful way to foster giving. We would agree with this assessment to secure the second, third or fourth gift. If people make a first gift, you give them a label of some kind – e.g. membership. It is then more difficult for them not to give the second time, because "not giving" becomes not only an inconsistent decision they make, but it also involves them being inconsistent in their sense of who they are (Cialdini 2009). The power however comes with two costs.

People will experience the highest repulsion if they later found out that their in-group members' attitudes towards similar issues are not as similar to them as they thought (Chen and Kenrick 2002). This could be one reason why some supporter schemes work out while others don't. This is also when the minimal paradigm that was largely tested in laboratory settings can only provide limited insights for fundraising. We can only hypothesize here that the kind of membership or sponsorship program that works is one where the perceived similarity after the initial adoption of a membership label is consistent with the anticipation that the label builds. In other words, newly recruited supporters adopt a surface level similarity of being called a member, and then they discover that they are indeed as similar to others in the organization as they supposed.

An interesting strand of research in the literature relates to extreme sacrifice behavior, where individuals such as suicide bombers sacrifice themselves for what they perceive to be the greater good of the group. Social Identity Theory fails to explain this as it sees all group members as "interchangeable" with each other. This means individuals are unlikely to take up the responsibility to sacrifice themselves for the group even when they perceive such sacrifice to be a necessity. In simple terms they think someone else could do it.

Identity-Fusion Theory (Swann et al 2012) was then developed to explain "extreme sacrifice" behavior. This theory sees each individual as unique and irreplaceable in a group, akin to a mother of a family. A mother cannot be replaced and a mother would give anything including her life for the sake of her children. In order to drive extreme sacrifice, Identity-Fusion Theory says that individuals have to fuse their own personal identity on to the focal social network. When such fusion occurs, each individual is more likely to take personal responsibility to meet the needs of the group, in the same way they meet their own personal and familial needs. To take our earlier example, the mother then takes care of their group as if the group were her own children. Whether such feelings are possible or not to create between donors and beneficiaries has not been empirically tested.

If such fused identity is possible, then we will find those fused individuals score high on items like "I am Christian Aid" and "Christian Aid is me." The strength of their fused group also becomes their personal strength. They would score high on statements like "When I am strong, Christian Aid is strong" and "When Christian Aid is strong, I am strong".

This mutual reinforcement of donors' and any other stakeholders' strength is, we think, the most important learning that fundraisers can gain from identity fusion theory. In this sense, the giving of money is not experienced by the donor as a 'loss' or an 'investment' any more. The action of giving money, as the theory predicts, should make the individual feel stronger because of the closer connectivity they experience with others, the feeling of becoming more powerful, and the fact that it is their own giving that made them feel this way. The fundraiser's job then is to support donors' feeling of becoming more powerful through their giving. If we were to apply self-verification theory again here, then this suggests our sector's thank-you letters, instead of saying 'thanks donors' for their generosity – which, by default, makes the nonprofit and the donor two separate entities – should perhaps read more like the 'pat-on-the-back' one football fan offers another once they have won a game. In a way, it is a celebration of your shared successes, not a sheepish gratitude from you to the donors, that would be appropriate here.

If we were to apply self-enhancement theory again here, then could one stretch people's imaginations about just how strong they can be and how much closer connected they can experience being with beneficiaries, board members or your team through their giving. Note that having a board chair sign a legacy ask does not stretch a donor's imagination. But inserting a personalized video might, particularly if it tells donors why: "You made Christian Aid stronger today, watch the video and feel the power of your gift."

Changing an exchange relationship to a communal relationship

Clark and Mills (2011) found that when couples are involved a communal relationship, they do not keep track of their costs and benefits in the same way as if they are in an exchange relationship. Instead they focus on the beneficiaries' needs for the sake of the beneficiaries. Their satisfaction is not derived from the needs fulfilled for them, but the needs fulfilled for their partners. When in such relationships, people pay more attention to benefits than they do to costs and they calculate their partners' benefits as their own benefits. It is thus no surprise that researchers have shown these people are highly committed to their relationships and they are highly satisfied with them.

On the surface, this might contradict our earlier suggestion where we argued that communication needs to switch from focusing on the relationship target to the donors' needs. Actually, we are entirely consistent: what changes is the donor. At the beginning of their relationship with a nonprofit, the nature of the relationship is exchange. Meeting the donor's basic human needs to connect, be aroused, and feel warmth and longing is what the relationship did for them at that point. As the relationship progresses and the charity demonstrates that it can reliably and uniquely meet its donors' lower level as well as higher level needs, supporters may grow to care (quite genuinely) about the organization's needs and these then take precedence.

Our own research tells us that one only begins to genuinely care about the organization after five meaningful gifts. If we measure communal orientation on a 1-7 point scale, it is only after five meaningful gifts that our cumulative answer begins to pass the mid-point mark and becomes slightly higher than four. What this tells us is the potential for fundraisers to drastically grow just how much donors can care about their relationship partners is still massive.

The identity literature tells us that if nonprofits really want to captalize on the potential to grow communal relationships, they need to help their donors to build a fused identity.

To be clear, having a fused identity is not a necessary condition for someone to feel warmth and joy when taking care of others' needs. That is donors do not have to feel fused in their giving relationship in order to feel that way about their own giving. But we hypothesize that if donors do feel that way about others in their giving relationship, they are much more likely to experience that warmth and joy of taking care of others' needs. Because then, taking care of beneficiaries' or organizations' needs, feels akin to taking care of the needs of family and the pleasure is thereby heightened.

Conclusions

Everything we know about how to build a good relationship as a parent or a friend, we can apply to relationship fundraising. When we build our fundraising relationships in the same way we build all other relationships, we are more likely to succeed. Our review has highlighted a number of approaches that might offer utility for fundraisers

1. Donor relationships should be engineered to offer the greatest value for supporters. From self-determination theory we highlight the idea that fundraisers can generate opportunities for donors to develop their competency in acting in their love of others. An enhanced focus on intrinsic motivation would therefore seem particularly warranted in the development of meaningful relationships. In simple terms how we make our donors feel should be as critical an issue in fundraising as the impact we have on our beneficiaries.
2. Fundraisers also need to give greater consideration to the focus of the relationship. Is the primary relationship with other donors, the organization itself or its beneficiaries? Clarity in this respect allows fundraisers to focus on developing the sense of connectedness the donor might feel with the focal other. Relationships are only experienced as fulfilling if this sense of connectedness is provided.
3. In the context of donor acquisition it seems clear that fundraisers should be cognizant of the competing needs donors have for affiliation and privacy. We highlighted a number of issues that theory suggests might increase the efficacy of acquisition communications. Recognizing that there is no absolute threshold of privacy experienced by a donor and that it depends on the context in which the communication is experienced, fundraisers should reflect on how their solicitations will be perceived i.e. whether they will be seen to challenge a need for privacy – or as in some sense respectful of that need.
4. It seems clear from the literature that the initial arousal state achieved by the acquisition communication is a key issue. This is perhaps not news for fundraisers but it does emphasize the point that to encourage people to give fundraisers have to make donors feel something. This is particularly critical at the early stages of the relationship. Given that high levels of attrition occur in cash giving between the first and second donation it would seem prudent to engineer welcome cycles that comprise the two or three strongest, most arousing communications, the organization has ever been able to generate, before assigning a donor to the 'regular' communication cycle. Fundraisers should not be afraid to use the old solicitations that work well and not feel pressurised to always use something new, because research indicates that intense arousal is the only thing that matters in early relationships. Novelty does not.
5. Indeed, it is particularly important in the early stage of a donor relationship to focus on how an organization makes the donor feel. Satisfaction at that relationship stage will be a function of the needs that the donor perceives are being met for them. Key here may be the 'need to belong'. For those charities that can, making a donor feel like a part of a unique or distinctive group would seem a highly appropriate strategy to adopt. Fostering a sense of group identity, however artificial that might initially appear to be, could bolster longevity in relationships.
6. In seeking to build commitment donors should be encouraged to reflect not only on the contributions they have made in the past but also on the contributions they might wish to make in the future. While fundraisers cannot change what has happened in the past to shape a donor's relationship, they can help shape how a donor sees their relationship developing in the future. This can significantly increase commitment.

7. As they reflect on how they might want to support the organization in the future it would seem similarly smart to have them reflect on how this will build their personal competence to act in their love of others. If the nonprofit can assist individuals in developing that competence, theory suggests that the donor will come to rely on the nonprofit to fulfil that basic need and stay supporting as a consequence.
8. Fundraisers must be cognizant of how the drivers of satisfaction change by relationship stage. Lower and then higher order needs are important as the relationship progresses. This suggests a variable that might be used for the purposes of segmentation.
9. It should be noted, however, that individuals only exhibit competence in detecting when their lower order needs are met. As a consequence individuals in longer term relationships need not only to have their higher level needs met, but communications can also assist donors in reflecting on what those higher level needs might be and how well they are doing in each respect.
10. The concept of intimacy is also a fertile area for fundraising thought and innovation. The sector does work on soliciting 'disclosures', typically about the work of the organization and the significance of the needs of its beneficiaries or (in enlightened) organizations, donors. Encouraging donors to participate in affective self-disclosure and responding appropriately when this takes place would significantly impact retention.
11. If intimacy is pursued as a strategy, it would seem wise to be mindful of the stage of the relationship a given individual might be in and to structure survey approaches to reflect this dimension, balancing the dimensions we identified earlier of breadth and depth.
12. Perceived similarity is also a core issue in retention. In seeking to build loyalty, charities should reflect on how the donor can be encouraged to see similarities between themselves and the focal other (the beneficiary, the organization, another donor, etc). Our review suggests that merely exposing donors to the values of the organization is not enough. They need to be encouraged to participate in activities that allow them to experience the similar beliefs and values being applied. Words alone may be insufficient.
13. Self enhancement theory also suggests that similarity, while powerful, is not enough. Rather than merely reflecting who a donor is in our communications we should be reflecting equally on who that donor could be, stretching their sense of who they might need to be to live a fulfilled life.
14. The transition from an exchange relationship to a communal relationship is also noteworthy. While the literature as yet offers only hypotheses for how (as a sector) we might engineer the transition, understanding when that transition takes place can be critical for retention strategies. Communications, including the ongoing case for support, need to take account of the donor's mindset if they are to be both powerful in stimulating support, but also powerful in adding genuine value for the supporter.

That latter point is illustrative of both reviews we have conducted for this project. Relationship fundraising will only succeed as a strategy when nonprofits are clear about the nature of the exchange and the role that they can play in allowing their donors to lead a fulfilled life. Echoing an earlier point, as a sector we need to care at least as much about how we impact the lives of our supporters as we do about how we impact the lives of our beneficiaries.

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