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Upfront

Donor Satisfaction

The importance of social identity in giving

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NONPROFIT MARKETING

Donor Satisfaction

The importance of social identity in giving

A new study by three Texas researchers provides the first empirical look at the importance of nonprofits cultivating a donor's sense of identity related to that nonprofit. The study, conducted by Dennis Arnett and Shelby Hunt, professors of marketing at Texas Tech University, and Steve German, associate professor of business at Lubbock Christian University, found that when people identify closely with nonprofits, they are far more likely to volunteer and donate to the organization.

"Our findings suggest that people can form strong bonds with a nonprofit, which we refer to as identities," said Arnett. "People who have strong identities related to a nonprofit donate more money and also talk up the nonprofit to other people more often."

The study, "The Identity Salience Model of Relationship Marketing Success: The Case of Nonprofit Marketing," was published in the *Journal of Marketing* (vol. 67, no. 2).

Examining survey results from and donation histories of 953 alumni of a large Southwestern state university, the researchers found that alumni who viewed the university as a key part of their identity were more likely to give. The alumni rated their agreement with statements such as "Being a graduate is an important part of who I am" and "Being a graduate is something I rarely think about." The study found that "identity salience" – or the importance people place on the part of their identity related to the organi-

zation – influences how much the alumni supported the organization through donations and promotion.

In the case of the university, the researchers found that alumni perception of the university's prestige was another factor that contributed to the strength of their identification as a "university alum." Alumni rated their agreement with statements such as "It is prestigious to be an alumnus" and "Most people are proud when their children attend."

Provide donors and potential donors with opportunities to develop social ties.

The higher the graduate rated the prestige of the university, the stronger their identification with the university and the more likely it was that they'd engage in supportive behavior toward the university, such as making donations and talking positively about it with others.

The study also found that identity salience played a larger role than satisfaction with the university in determining whether alumni engaged in supportive behavior.

This suggests that nonprofits should focus on marketing activities – such as inviting people to social events with nonprofit employees or to community service projects – that

lead potential donors and volunteers to identify with the organization.

"Managers can help people develop a strong identity related to their nonprofit by providing donors and potential donors with opportunities to develop 'social ties' to their organizations," Arnett explained in an interview. "To truly have a close relationship with donors, nonprofits must realize that just keeping them satisfied is not enough."

The Sierra Club, for example, has long used bumper stickers, T-shirts, and social activities such as club-sponsored hikes and trips to encourage potential donors and members to think of themselves actively as "Sierrans." Such a strategy may be crucial to the success of nonprofits in the increasingly competitive climate for donor dollars. Because simple satisfaction with the organization may not be enough, Arnett said, "Nonprofits have to strive to be an important part of their donors' lives."

The researchers caution that more studies of the nonprofit sector are needed to understand how and if these findings based on the university sample hold up for nonprofit organizations. Although they suggested that universities have a distinct advantage because they have a captive audience for four or more years, the researchers believe that nonprofits can still learn from their results.

–Rosanne Siino