

**Factors Associated with Philanthropic Giving and their Correlation with  
Donation Amount**

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**A Case Study of the Indianapolis Zoo 2014 Donor Survey**

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## **Executive Summary**

The Indianapolis Zoo, located in the heart of Indianapolis, is a staple of the community. Celebrating its 50<sup>th</sup> year anniversary in 2014, the Indianapolis Zoo is known worldwide for both its excellence in animal care and its dedication to local and international conservation efforts. The intent of this paper is to provide the Indianapolis Zoo Institutional Advancement Department with an in depth analysis of its 2014 Donor Survey. Understanding the factors that can affect donor motivation to give philanthropically and the correlation these factors may have with gift amount will help the development team hone their soliciting practices.

It is the job of a successful nonprofit to find individuals who are willing to donate both their time and money to the organization. However, attempting to decipher what makes a person give philanthropically and, ultimately, how these motivations affect total donation amounts is no easy task. Existing literature suggests that a donor's trust and emotional commitment to an organization will positively affect his or her willingness to give, and that a positive attitude toward a charitable organization is correlated with larger gift giving. This paper looks at similar intrinsic and extrinsic factors, as indicated on the Indianapolis Zoo Donor Survey, and how they correlate with reported donation amounts.

To determine the relationship between donor motivation and donation amount, I created a dataset of approximate annual donation amounts and factors affecting donor motivation from the survey responses collected by the zoo from its 2014 Donor Survey. Next, I created a model and performed a multiple linear regression analysis which estimated the effects of the various factors on donation amounts. The analysis found six significant explanatory variables: my gift makes a difference, giving to an efficient organization, giving back to the community, I am part of the organization, gender, and age. Four of these variables were found to be positively statistically

significant, increasing donation amounts. Gender and giving back to the community were found to be negatively statistically significant, causing a decrease in average donation amounts.

Based on the multiple regression results, I recommend that the Indianapolis Zoo continue to promote the organization's high level of efficiency. As this factor had a statistically significant positive impact on donor motivation, it only makes sense that the zoo use this to its advantage. Additionally, I would recommend that the zoo continue to recruit dedicated volunteers and target those who are a part of the organization for large philanthropic gifts. My results indicate that this is the most significant factor in terms of increased donation amount.

## **Introduction**

The nonprofit sector is a fast growing industry both in the United States and around the world. Nonprofit organizations provide goods for citizens that are underprovided, or not provided at all, by the government. Consequently, the number of nonprofit organizations continues to grow. While this trend might be positive, it also implies an increased demand for funds by the nonprofit sector. As there is a finite amount of support that can be collected from the government and through grants, it is becoming more important for nonprofits to increase their individual donations. In order to accomplish this, there is a need for nonprofit managers to study the motivations behind individual donor giving behavior.

The goal of this paper is to answer the question, what factors are associated with donors' willingness to give philanthropically to the Indianapolis Zoo and how are these factors correlated with gift amounts? This paper includes relevant background on the Indianapolis Zoo, a review of applicable academic research and studies, and a research design which discusses the 2014

Indianapolis Zoo Donor Survey, as well as how the analysis was conducted. Finally, a discussion of my findings, limitations, recommendations, and areas for future study complete this paper.

## **Background and Relevant Facts**

### *History of the Indianapolis Zoo*

The Indianapolis Zoo was first envisioned by Lowell Nussbaum, an *Indianapolis Times* newspaper columnist, who campaigned for the zoo through his “Inside Indianapolis” column. His goal was, “that the zoo would be supported by admission, in-park sales, contributions, and memberships” (“Indianapolis Zoo History of the Zoo”). The zoo, originally called the Washington Park Children’s Zoo, opened on April 18, 1964, in its original East 30th Street location.

For 22 years, the zoo continued to grow and, by its 20th anniversary, the animal collection had doubled in size. Realizing the need for a bigger site and updated mission, a new vision for the zoo began to take shape in 1982. The new zoo broke ground in 1985 in its new location, White River State Park, and the Indianapolis Zoo officially opened in June, 1988.

The original vision of Lowell Nussbaum is still present at the Indianapolis Zoo, as are the original funding sources. The zoo, a private 501(c)3, is the “largest privately funded zoo in the United States” (“Indianapolis Zoo History of the Zoo”). The zoo relies heavily on revenue from admissions fees, memberships, grants, donations, and fundraising events. In 2013, 50% of the Indianapolis Zoo’s support and revenue came from earned revenue, 19% from membership, and 17% from contributions.

As the zoo continues to grow, so will its need for increased revenue. This paper will serve as a case study of Indianapolis Zoo donor motivation, in hopes of identifying what factors are

associated with donors' willingness to give philanthropically to the zoo, and how these factors are correlated with gift amounts. First, I look at some of the available literature on the topic of donor motivation before moving forward with my description and analysis of the 2014 Indianapolis Zoo Donor Survey.

## **Literature Review**

The topic of donor motivation in nonprofits has been discussed extensively throughout the literature. While it is highly researched, it is also highly diversified in what specific donor motivation factors are focused upon in each study. By reviewing the available literature, I was able to draw links between the results of the Indianapolis Zoo Donor Survey and previous research conducted on the topic of donor motivation.

The first study I looked at tested the hypothesis "that voluntary giving...is responsive to conventional market variables such as price and advertising, as well as other sources of income such as government grants and program service revenue," (Okten, and Weisbrod, 2000). The authors also looked at the effect of the organization's age on donor motivation, the belief being older organizations would draw larger donations as they are seen as more reputable. For their study, Okten and Weisbrod (2000) focused on seven nonprofit industries, "higher education, hospitals, museums, scientific research organizations, libraries, organizations providing services to the handicapped and those providing services to the poor," (p.256). Their data was collected from IRS 990 forms and they examined each industry using a time series regression analysis.

Okten and Weisbrod found that neither government grants nor program revenue had a crowding-out effect on individual giving. In some of the seven nonprofit industries that they studied, having large amounts of grant funding or program revenue actually showed a positive

influence in attracting donors. This could be caused by the social perception created when an organization receives additional grant funding or increases its program revenue. As Okten and Weisbrod (2000) put it, an increase in government grants “could be taken by prospective donors as a signal of government approval and social need, which could bring a positive effect on private donations” (p. 268). The same could be said for program revenue; increases may signal to the public the organization’s passion for its mission. All of this leads to the overall perception and reputation of the organization.

The authors also looked at the effect of an organization’s age on private donations. While the researchers originally believed age would have a consistent positive effect on all seven nonprofit industries, what they found was age actually resulted in positive effects for some industries but negative effects in others. The positive effects are attributed to an increase in reputation as an organization grows older. To explain the negative effects, however, the authors looked at age as a proxy for an organization’s wealth, “with donors displaying a preference for organizations with less wealth” (Okten, C., & Weisbrod, B. A., 2000).

A strong part of an organization’s reputation involves trust. The concept of trust, and the factors that influence it, were the focus of my next study. An increase in an organization’s perceived reputation is closely tied to the level of trust donors have for that nonprofit. Sargeant, Ford, and West (2006) sought to “provide the first empirically based marketing model of the perceptions of givers to nonprofits and the resulting impact on donations,” (p.155).

In the end, they hoped to test the link between both emotional and organizational factors with donors’ trust, and ultimately their commitment to a specific nonprofit. These researchers believed that “trust, commitment and giving behavior are related sequentially (p.156).” Through

their research, they were able to show “there is a significant causal link between the degree of commitment and donor giving behavior” (Sargeant, Ford, and West, 2006, p.162).

To begin, the researchers discussed a wide variety of intrinsic and extrinsic factors that could influence donor giving behavior. Intrinsic factors included age, gender, and degree of religious conviction, while extrinsic factors included “empathy...sympathy...and emotions such as fear, guilt and pity” (Sargeant, Ford, and West, 2006, p.156). These extrinsic or emotional factors would later be discussed in the researcher’s hypotheses concerning emotional utility as it corresponds to trust and commitment.

These researchers examined the Social Exchange Theory which “suggests that donors will often be motivated to give because they perceive that some benefit will accrue to them as a consequence” (Sargeant, Ford, and West, 2006, p.157). For this study, the benefits in question were categorized as ‘demonstrable’, ‘emotional’, and ‘familial’ (Sargeant, Ford, and West, 2006, p.157). Ultimately, each category of benefits boiled down to either a selfish reason, as in the case of demonstrable, where donors are seeking recognition, or an emotional reason, where donors are seeking to “feel good” or assist the need of a loved one through their support. The researchers believed that emotional, familial, and demonstrable utility would all have positive causal links with “donor giving behavior mediated by trust and commitment” (Sargeant, Ford, and West, 2006, p.159). While the research did support this hypothesis in the case of emotional and familial benefits, there was no link shown for demonstrable utility.

Next, the researchers looked at the three specific organizational factors, “performance of the organization, responsiveness and communication” (Sargeant, Ford, and West, 2006, p.159), as they relate to the donor’s trust for a specific nonprofit. The authors chose these factors because donors who participated in a focus group for the study perceived them to be important.



Performance is related to the way in which donors perceive the organization to be using their funds. Communication and responsiveness refer to how often donors are communicated with and how quickly they are thanked and given a receipt for their donation. Sargeant, Ford, and West (2006) believed there would be a “positive causal link between the perceived performance ... responsiveness ... (and) the perception a donor might have of fundraising communications from a nonprofit organization and donor trust within that organization” (p 159-160).

The authors found that “trust appears to be significantly affected by the performance of the charity and its communication” (Sargeant, Ford, and West, 2006, p.162). However, there was no significant link between responsiveness and trust. The analysis also indicated that “average gifts do rise as commitment increases” (Sargeant, Ford, and West, 2006, p.163). In the end, this study showed that while trust, earned through positive organizational factors, was important, familial and emotional factors were equally significant. Previous research seems to substantiate the notion of emotional giving. For example, Hibbert and Horn concluded, “If there were one over-arching reason for giving...it is because [individuals] feel better as a person afterwards” (Hibbert, & Horne, 1996, p.5).

Finally, Webb, Green, and Brashear looked at the effect of “attitudes” on monetary donations. These attitudes were divided into two categories, attitudes toward helping others and attitudes toward charitable organizations. The authors believed that these two categories “are distinct but related determinants of donation behavior” (Webb, Green, and Brashear, 2000, p.300). While the findings of this study supported the idea that positive attitudes toward helping others and attitudes toward charitable organizations were significantly related to the breadth of donation behavior, meaning they are more likely to give to a wide variety of organizations, as stated by Webb (2000), “When it comes to participants’ magnitude of giving or how much is

actually donated, only [attitudes toward charitable organizations] is significantly related” (p306). These findings seem to correspond to what was previously observed with donor trust and commitment toward an organization.

This study also discussed the limitations of relying heavily on “demographic segmentation” (dividing donors into categories based on residential area, income, etc.) when appealing to donors. While it provides information on income, it does not assist nonprofit managers in the “understanding of a potential donor’s attitude toward helping others and/or toward the organization making the appeal... information that attitude theory indicates is more predictive of potential donor behavior” (Webb, Green, and Brashear, 2000, p307).

A limitation to all of these studies, including my own, is that they rely heavily on human honesty. There is no way to definitively measure the amount of “warm glow” (Andreoni, 1990, p464) that a donor feels when giving a gift, making it difficult to empirically measure the true effect one’s motivation has on gift giving. Because “this ‘pure altruism’ model lacks predictive power” (Andreoni, 1990, p464), researchers have tried to create economic equations, taking into account the power of the public and private market, donor income, and altruistic motivations. However, even with the difficult to define variables, there is no shortage of supporting academic research to validate claims of both intrinsic and extrinsic donor motivations.

All of this research shows us that there are a large number of factors that are associated with donor motivation, such as an organization’s age and overall performance as it relates to trust, the impact of emotional and familial utility on commitment to an organization, and the importance of donors’ attitudes toward specific nonprofits. While more difficult to definitively determine, research also showed that some of these factors, such as positive attitudes toward charitable organizations, are positively correlated with larger gift giving.

## **Research Design:**

### *Indianapolis Zoo Donor Survey*

In the summer of 2014, the Indianapolis Zoo conducted a survey of individual donors considered Nussbaum or Gift Club members. To become a Nussbaum member, an individual must donate at least \$1,250 to the zoo annually. Gift Club members are divided into three categories, Keeper's Circle (\$300-\$599), Curator's Circle (\$600-\$899), and Director's Circle (\$900-\$1249), depending on the amount of the individual's donation. This survey was sent to donors who had made an individual gift to the zoo since January 1, 2013, but did not include campaign donors who were not already Nussbaum or Gift Club members.

The survey was sent electronically to all Nussbaum and Gift Club members who had previously provided their email addresses, a total of 1,263 individuals. A random sample of 25% of donors without email addresses on file was also pulled. These individuals received the survey via mail. Of the 1,363 members surveyed, the zoo received 210 responses, resulting in a response rate of roughly 15%. All survey responses were recorded on the survey generating site SurveyMonkey. The Indianapolis Zoo Donor Survey included questions about the donor's approximate annual giving to the zoo, the donor's satisfaction with the way in which his or her money is being spent, and how many nonprofit organizations the donor financially supports each year. See Appendix A for the complete donor survey.

The Indianapolis Zoo Donor Survey provided a large amount of basic descriptive information about the zoo's higher level Nussbaum and Gift Club donors; however, this still left the organization wondering if any of this data could be used to the zoo's advantage when targeting donors for large philanthropic gifts. For this project, I have utilized both descriptive

statistics and multiple regression analysis to determine what factors are associated with a donor’s willingness to give philanthropically to the Indianapolis Zoo and to analyze how these factors are correlated with gift amounts. I have used the unidentifiable survey results given to me from the Indianapolis Zoo Institutional Advancement Department to perform these analyses.

*Variables:*

My analysis focuses on the following survey questions:

1. What is the approximate amount you donate to the Indianapolis Zoo annually?
2. What motivates you to make philanthropic gifts?
3. What year were you born?
4. How would you best describe yourself?

(For full survey and possible responses see Appendix A)

These questions provide both the dependent and explanatory variables necessary to perform my multiple regression analysis. See Table 1 below.

**Table 1: Donor Motivation Variables**

Survey Question	Variable	Description (response)	Measurement	Hypothesis
What motivates you to make philanthropic gifts?	Diff.	My gift makes a difference	1=yes, 0=no	Positive*
	Eff.	Supporting an efficient organization	1=yes, 0=no	Positive
	Comm.	Giving back to the community	1=yes, 0=no	Positive
	Part	I am part of the organization (board member, volunteer, staff, etc.)	1=yes, 0=no	Positive
	Pol.	Political beliefs	1=yes, 0=no	Negative
	Phil.	Philosophical beliefs	1=yes, 0=no	Positive
	Tax	Tax benefits	1=yes, 0=no	Positive
How would you best describe yourself?	Gender	Female/Male	1=Female, 0=Male	Positive
What year were you born?	Age		Continuous Variable	Positive

\*A positive hypothesis means factor is associated with increased donations

Source: Author’s compilation and the Indianapolis Zoo Donor Survey

The dependent variable for my multiple regression is the donor donation amount. Survey respondents had fifteen possible choices to the question “what is the approximate amount you donate to the Indianapolis Zoo annually?” ranging from \$1-99 to \$5,000+. The responses were divided into 100 dollar increments until the \$1,000-1,999 range, at which point it switched to 1,000 dollar increments. For this analysis, I have used the median value for each donation category. For example, if a respondent chose \$200-299 as their annual donation amount, their response would be coded as 250.

The regression model includes nine individual explanatory variables, as seen in Table 1. The first seven explanatory variables are donor motivations for philanthropic giving, ranging from factors such as “my gift makes a difference” to “tax benefits”. Each respondent was allowed to choose all motivations that applied to them. A value of 1 was given to each motivation when chosen by a respondent and a value of 0 was given when not chosen.

Gender, a well documented intrinsic factor for philanthropic giving, is another explanatory variable used in this model. A value of 1 was given to all female respondents and a value of 0 was given to all male respondents. Age is the last explanatory variable that has been added to the multiple regression model. This is a continuous variable derived from the respondents’ answer to the question, “What year were you born?”

Having appropriately coded all of the survey responses, I then used the statistical analysis program R to run the regression model illustrated below:

$$\text{Donation Amount} = \beta_0 + \beta_1*(\text{Diff.}) + \beta_2*(\text{Eff.}) + \beta_3*(\text{Comm.}) + \beta_4*(\text{Part}) + \beta_5*(\text{Pol.}) + \beta_6*(\text{Phil.}) + \beta_7*(\text{Tax}) + \beta_8*(\text{Gender}) + \beta_9*(\text{Age}) + \varepsilon$$

From this analysis, I have been able to conclude if any of my chosen explanatory variables have a significant impact on the total gift amount a donor is willing to make to the Indianapolis Zoo.

### **Analysis and Findings**

The results of this analysis indicate that “my gift makes a difference”, “giving to an efficient organization”, “giving back to the community”, “I am part of the organization”, gender, and age had a statistically significant effect on donation amount.

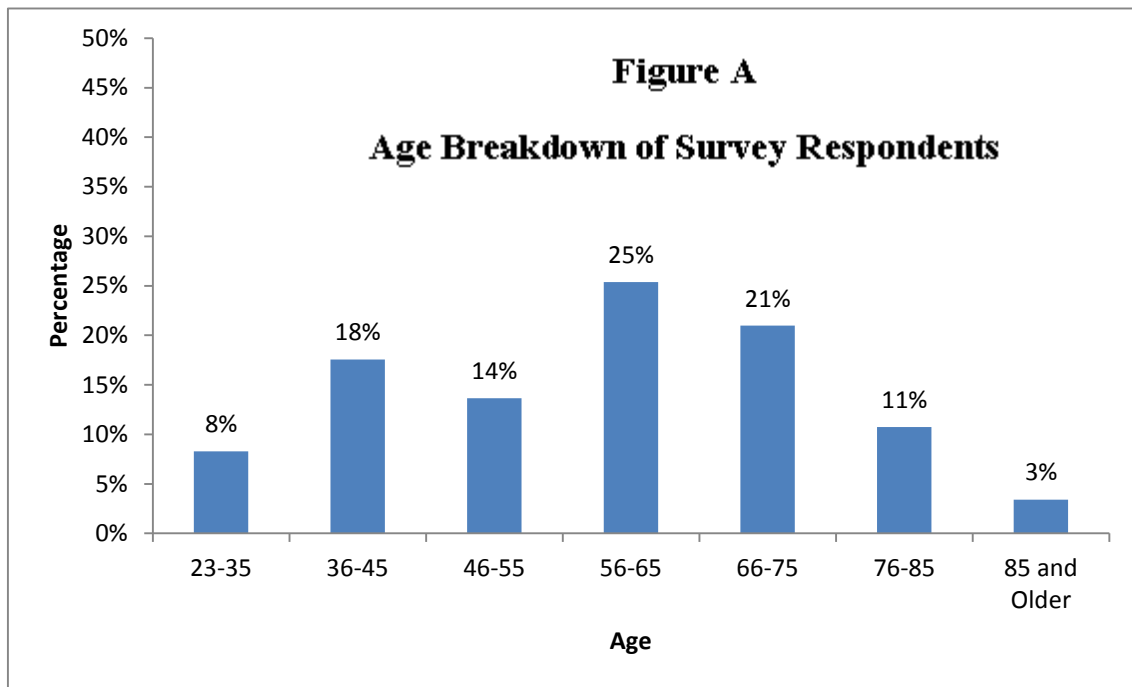
#### *Summary Statistics*

A total of 1,363 Indianapolis Zoo Nussbaum and Gift Club members were surveyed via email or mail in July of 2014. Of those surveyed, 210 responded; 183 by online survey and 27 via mail in survey, resulting in a response rate of roughly 15%. This low response rate of 15% can be attributed to the voluntary nature of the donor survey. Donors most likely to respond are those that have strong feelings towards the zoo or who have been involved with the organization for an extended period of time, thus they feel invested in the continued success of the organization. Because of this, it is possible that donors with very similar characteristics are likely to make up the majority of respondents.

The basic demographics revealed that 108 were female (55%) and 89 (45%) were male (13 respondents skipped this question). The majority of the respondents, 95 of the 205 who answered this specific question, were between the ages of 56 and 75. Only 8% were 23-35 years of age and 3% were 85 years or older.

These basic demographics could indicate several things. Firstly, it seems that women are slightly more likely to be Gift Club/Nussbaum level donors than are men. However, I think it is difficult to make any real assumption based off of this, as it is just as likely that a female member

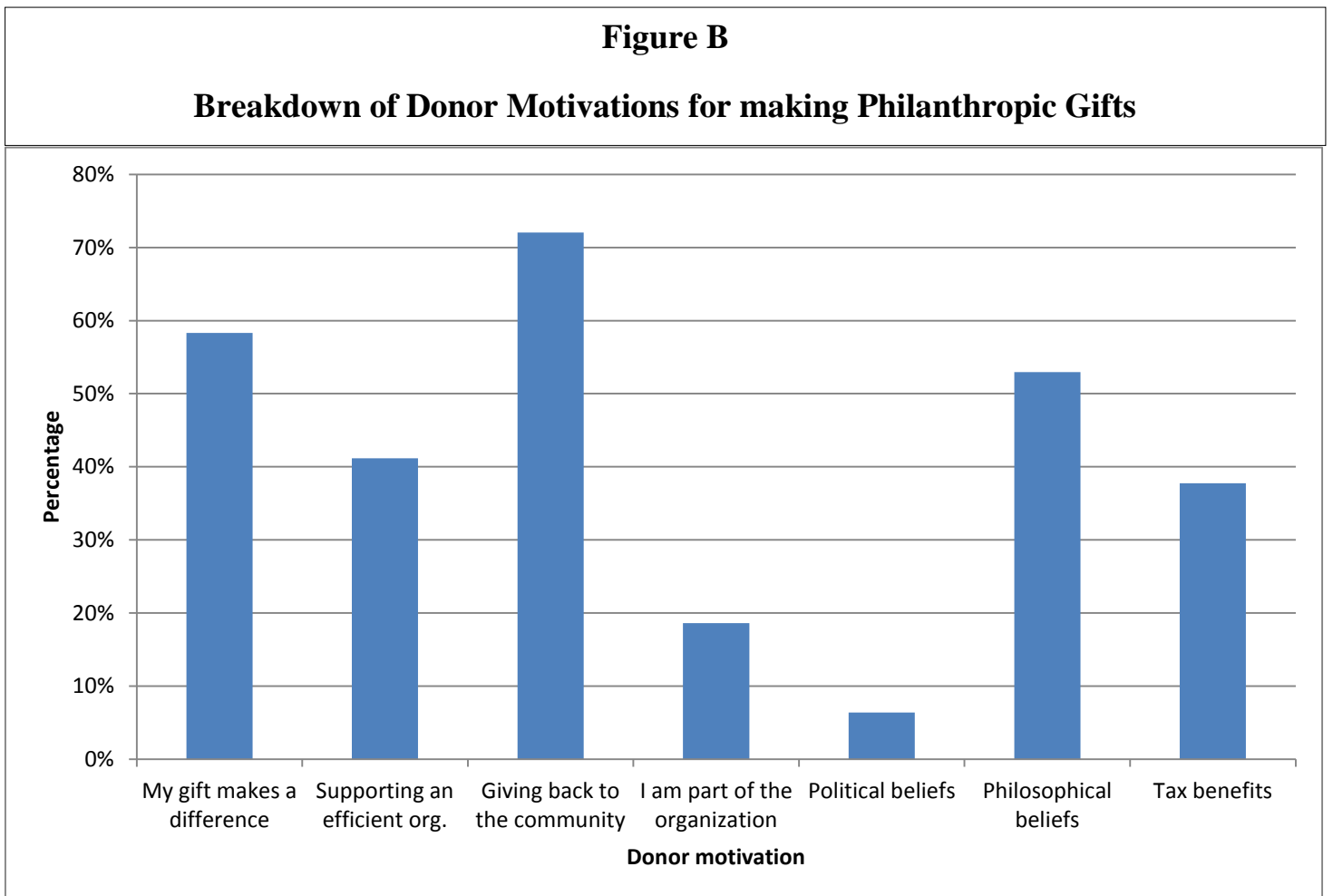
of the household was simply the one who completed the survey. The age breakdown, however, is rather interesting. As seen in Figure A, the largest number of respondents, roughly 25%, fall between the ages of 56 and 65. The second largest group, roughly 21%, falls between 66 and 75 years of age, while the lowest number of respondents are between the ages of 23-35 and 85 and older.



Source: Author's compilation and the Indianapolis Zoo Donor Survey

This pattern tends to make sense, however, when we consider the outside factors affecting these age groups. Younger adults are just beginning their careers, and many do not have the disposable income needed to become a high level donor. Those in their 50s, 60s, and 70s, however, should be in the peak of their professional lives, or are retired and have more resources available to donate.

It is also important to look at the basic breakdown of overall donation amount and donor motivations for giving philanthropically. As seen in Figure B, the most common reason that people gave was “giving back to the community” at 72%, with “political beliefs” coming in at only 6%. The answer “my gift makes a difference” was also a large motivation for donors at roughly 58%.

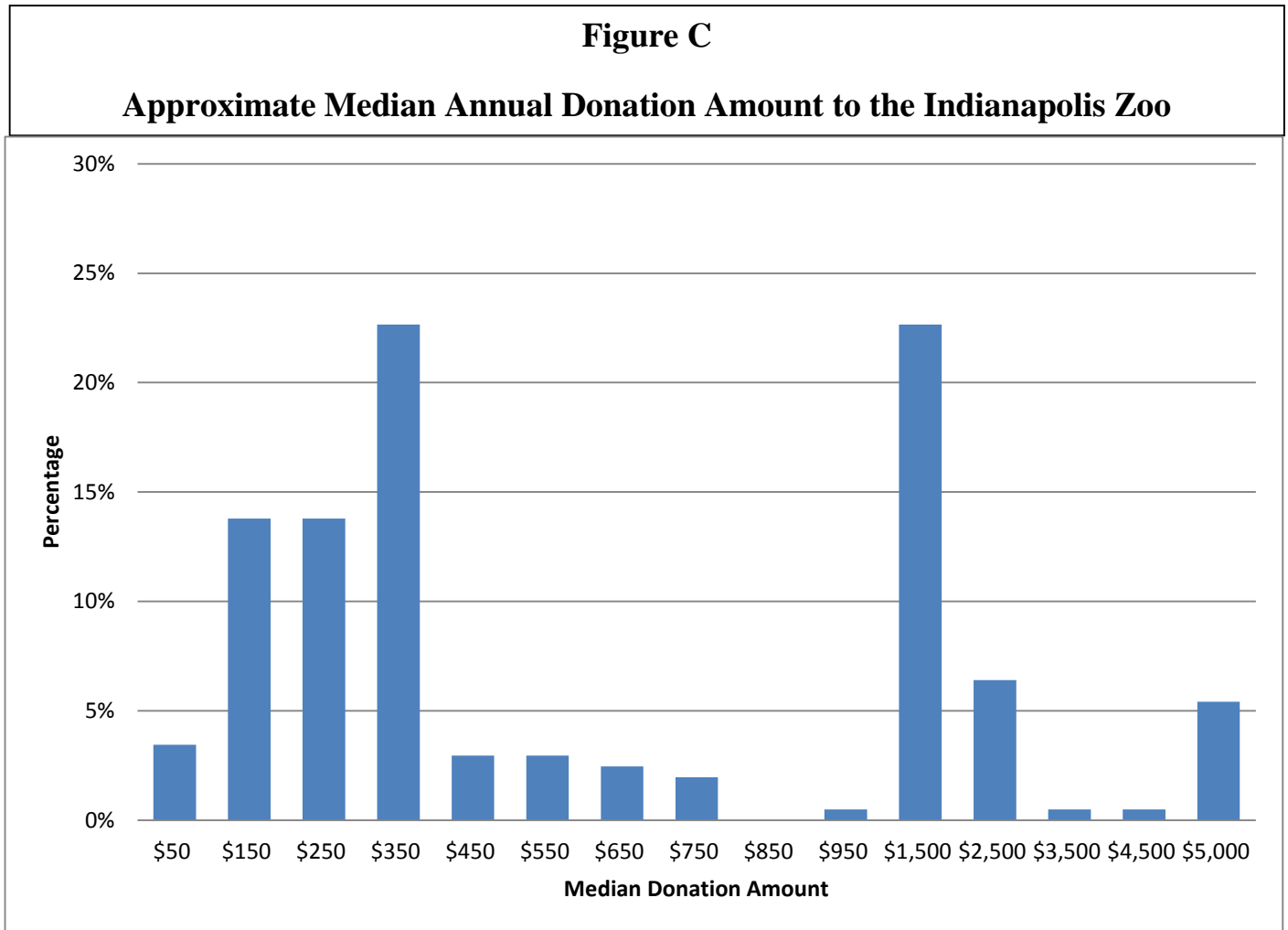


Source: Author’s compilation and the Indianapolis Zoo Donor Survey

The final data summary I examined before beginning my multiple regression analysis was the breakdown of annual donation amount. As seen in Figure C, there are two large spikes in



donation amounts at \$300-399 and \$1,000-1,999. It is interesting to note that these two large spikes correspond with the donation amount required to become a Keeper’s Circle Gift Club member (\$300-599) and a Nussbaum member (\$1,250).



Source: Author’s compilation and the Indianapolis Zoo Donor Survey

*Multiple Linear Regression*

After considering the summary data for my dependent and explanatory variables, I then moved forward with my multiple regression analysis. As seen in Table 2 below, six of the explanatory variables in my model had a significant impact on donation amount. Four variables

had a statistical significance (p-value) at the .1 level, one variable had significance at the .05 level, and one variable had significance at the .01 level.

**Table 2: Multiple Regression Results**

<b>DonationAm</b>	<b>Coefficient</b>	<b>Standard Error</b>	<b>t-statistic</b>	<b>P-value</b>
My gift makes a difference.	401.25	176.2	2.28	**<0.05
Giving to an efficient organization	336.19	175.78	1.93	*<0.1
Giving back to the community	-345.11	189.97	-1.82	*<0.1
I am part or the organization	616.24	222.79	2.77	***<0.01
Political beliefs	-260.05	353.32	-0.74	0.462
Philosophical beliefs	272.84	177.99	1.53	0.127
Tax benefits	-76.33	180.15	-0.42	0.672
Gender	-313.24	167.84	-1.87	*<0.1
Age	10.69	5.41	1.97	*<0.1

Source: Author’s compilation using R and data from the Indianapolis Zoo Donor Survey  
 Significance: \*\*\*p<.01; \*\*p<.05; \*p<.1; n=188; R-squared=.150

### *Findings*

“My gift makes a difference” had a positive statistical relationship with donation amount at a 95% level of confidence. The results show that survey respondents who indicated this as a reason why they give philanthropically increased the average donation amount by approximately \$401. This result supports my original hypothesis and makes sense when consider the available literature on the topic of donor motivation. Intrinsic motivations, such as feeling good about your gift, are frequently cited as major reasons why donors give philanthropically. It would seem that, in the case of the Indianapolis Zoo, this specific donor motivation is highly correlated with larger annual gifts.

The variable “supporting an efficient organization” had a statistically significant positive relationship with donation amount ( $p < 0.1$ ). When indicated, this particular donor motivation increased the average donation amount by roughly \$336. These results seem to correlate with the literature previously discussed that cited trust in an organization as a reason for philanthropic giving. It makes sense that trusting an organization to spend your funds efficiently may influence you to give more to that particular cause.

A negative statistical correlation was observed between the variable “giving back to the community” and the dependent variable average donation amount ( $p < 0.1$ ). A decrease in average donation amount by approximately \$345 was shown when donors chose this particular philanthropic motivation. This result was in contrast to my initial hypothesis that giving back to the community would have a positive impact on donation amount. There are several factors that could have contributed to this result. First, the survey itself did not allow donors to rank their motivations in any way. Because of this, there is no way to conclude how important “giving back to the community” was as a motivation in relation to other choices. Also, because the survey did not ask about income information, there is no way to draw a correlation between donor income and motivation responses. It is possible that this motivation could have had a positive correlation with percentage of income donated. However, it is important to note the significance level for this relationship is very low with a p-value of less than 0.1.

“I am part of the organization” had the strongest positive statistical relationship with average donation amount at a 99% confidence level. This donor motivation was strongly correlated with an increase in average donation amount of over \$615. These results support my initial hypothesis that donors who are actively involved in the organization will, on average, give larger annual gifts than those outside of the organization. This is supported by the literature

citing trust and positive attitude towards an organization, important aspects of being actively involved, as significantly related to higher magnitude gifts by donors.

Gender, specifically the variable “female”, had a statistically significant negative relationship with the average donation amount ( $p < 0.1$ ). These results suggest that female survey respondents are correlated with an approximately \$313 decrease in average donation amount. This runs counter-intuitive to my original hypothesis that gender (females) would have a positive impact on average donation amount. Instinctively, I would have considered females more altruistic due to their more emotional connection with organizations.

Although my regression model does not offer an explanation for this relationship; one possible cause could be related to who in the household completed the survey. The survey offers no data on the household environment of the donor. It is possible that the female of the household was simply the one to fill out the survey but the amount in which the household donated to the zoo could have been a joint decision. However, it is important to note that the significance level of this relationship is very low with a p-value of less than 0.1.

Finally, within this population, age had a statistically significant positive relationship with donation amount ( $p < 0.1$ ). An increase in age by one year is correlated with an increase in average donation amount by roughly \$10. These results support my original hypothesis that age would have a positive impact on average donation amount. Logically this seems to make sense as well. As previously mentioned, younger adults are just beginning their careers and many do not have the disposable income necessary to become such a high level donor. However, the older an individual becomes the more likely he or she is to be in a more stable financial situation, possibly even retired, allowing for more disposable income with which to give philanthropically.

Originally, I hypothesized that political beliefs would have a negative impact on average donation amounts, meaning donors who chose this variable as a reason they give philanthropically would be correlated with an on average lower donation amount. While this variable was negatively correlated with donation amount, supporting my hypothesis, the relationship was not statistically significant. Given that roughly 38% of donors consider tax benefits to be a motivation for giving philanthropically, I thought this variable would have a significant positive relationship with donation amount. However, the results showed an insignificant negative relationship.

Additionally, philosophical beliefs were insignificant, going against my original hypothesis. Considering the high response rate, approximately 53% of respondents to this donor motivation, I thought it would have a more significant impact on donation amount. Because philosophical beliefs, in my opinion, play a large role in the intrinsic motivations one has to give philanthropically, I believed that this particular factor would have a larger significant impact.

## **Limitations**

Historically, surveys can be an unreliable source of data for any type of analysis, as the researcher must take into account the possibility of human error. The anonymity used when conducting the Indianapolis Zoo Donor Survey was in hopes of curbing the respondent's inclination to stretch the truth. Despite this benefit of anonymity, it was also a limitation to the overall survey, as there is no way to link specific survey respondents with additional information about them that the Indianapolis Zoo may have held.

One difficulty I encountered while analyzing this survey data was that there was no way to distinguish between what portion of each respondent's donation amount was from their

membership fee and what portion was an additional contribution to the zoo. Additionally, the question “what motivates you to make philanthropic gifts” allowed respondents to choose more than one answer. This may skew the data, as there is no way of knowing which motivation was the donor’s first choice.

Additionally, it is important to remember that this survey was only sent to Indianapolis Zoo Nussbaum and Gift Club members, thus limiting the scope of the analysis. While the results may be beneficial to the Indianapolis Zoo, it would be inappropriate to generalize the relationships seen between donor motivations and donation amounts in this study to other organizations. The small response rate poses an additional limitation to the analysis, as it provides us with a smaller scope of individuals to analyze.

## **Conclusions and Recommendations**

The available research on the topic of donor motivation suggests that many factors play a role on a person’s likelihood to give philanthropically, including trust, emotional commitment, and feeling good about his or herself. While the Indianapolis Zoo Donor Survey reached only a small portion of philanthropic donors, I am still able to make recommendations for the Indianapolis Zoo specifically based on my results.

First, I recommend that the Indianapolis Zoo continue to highlight the efficiency of their organization to current and prospective donors. The motivation “supporting an efficient organization” was chosen by over 40% of all survey respondents. This particular factor also had a positive significant relationship with increased donation amounts. Though the significance level was not as strong as some of the other factors, at a 90% confidence interval, I believe it is still an important factor to keep in mind for the future. The literature suggests that trust is a key

part of donor motivation. By continuing to promote the organization's high level of efficiency, the Indianapolis Zoo will continue to build trust with its donor base and other potential donors.

Second, "I am part of the organization", as my results show, was the most statistically significant factor affecting donation amount. This would suggest, as seen in the literature, that people who have a stronger connection with the organization, i.e. positive attitudes toward it, are more likely to give larger donation amounts. Because of this, I recommend that the Indianapolis Zoo continue to expand their "extended family" of dedicated volunteers and specifically target those within the organization for larger philanthropic gifts.

The need for additional financial resources will never ebb in the nonprofit sector. Because of this, it is vital that successful nonprofit organizations understand the complexity of donor motivation and how it affects overall gift giving. However, every organization is different. In order to ensure the continued sustainability of their organization, executives should take the time to research and analyze their donor base, highlighting the factors that motivate them the most and tailoring the organization's fundraising efforts in those areas.

### **Area for Future Study**

The analysis of what factors are associated with donor willingness to give philanthropically to the Indianapolis Zoo and their overall correlation with gift amounts provides ample opportunities for future research. As previously mentioned, one of the limitations of this study were some of the less than ideal survey questions. Moving forward, it would benefit the Indianapolis Zoo to include a question asking donors what level of membership they hold. This would allow the organization to decipher if the donation amount the donor indicated on the survey included the membership fee or not.

Additionally, it would be beneficial to repeat the survey, allowing respondents to choose only one motivation for giving philanthropically, or to rate their motivations on a scale from 1 to 5. This would alleviate the problem mentioned previously and allow for a more accurate representation of the relationship between the factors that affect donor motivation and donation amount. For the Indianapolis Zoo specifically, there is also the opportunity to conduct this survey and the corresponding analysis with all zoo donors, not just Nussbaum and Gift Club members. This would provide a larger sample size and could elicit more statistically significant results.

While donor motivation is a well researched and discussed topic, there is only a small amount of literature on the correlation between these cited donor motivations and overall donation amount. Continuing to conduct research, not only within the Indianapolis Zoo, but also within the nonprofit sector as a whole will give fundraising professionals additional resources to draw from when attempting to solicit large donations. As the number of nonprofits continues to grow and the resources available to them dwindle, nonprofit executives should have as much information as possible on the factors that affect donor motivation and a complete understanding of how they are related to donation amounts.



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## Appendix A

1. What motivates you to make philanthropic gifts?
  - a. My gift makes a difference
  - b. Supporting an efficient organization
  - c. Giving back to the community
  - d. I am part of the organization (board member, volunteer, staff, etc.)
  - e. Political beliefs
  - f. Philosophical beliefs
  - g. Tax benefits
2. How many nonprofit organizations do you financially support each year?
  - a. 1 - 10+
3. What is the number one reason you support the Indianapolis Zoo?
  - a. I love zoos
  - b. Animal conservation
  - c. To make an impact on my community
4. How satisfied are you with the way the Indianapolis Zoo spends its funds?
  - a. Very Satisfied
  - b. Somewhat Satisfied
  - c. Somewhat Dissatisfied
  - d. Very Dissatisfied
  - e. Unaware how funds are spent
5. What is the approximate amount that you donate to the Indianapolis Zoo annually?
  - a. \$1-99

- b. \$100-199
- c. \$200-299
- d. \$300-399
- e. \$400-499
- f. \$500-599
- g. \$600-699
- h. \$700-799
- i. \$800-899
- j. \$900-999
- k. \$1,000-1,999
- l. \$2,000-2,999
- m. \$3,000-3,999
- n. \$4,000-4,999
- o. \$5,000+

6. How satisfied are you with the way the Indianapolis Zoo thanked and receipted you for your donation?

- a. Very Satisfied
- b. Somewhat Satisfied
- c. Somewhat Dissatisfied
- d. Very Dissatisfied
- e. I did not receive a thank you/receipt

7. How do you prefer to be thanked and receipted? (choose all that apply)

- a. Email

- b. Letter
  - c. Phone
8. Approximately how many times do you receive communication(s) of any form from the Indianapolis Zoo annually?
- a. 1-5
  - b. 6-12
  - c. 13+
  - d. None
9. How much communication do you feel you are receiving from the Indianapolis Zoo?
- a. Too little
  - b. Just right
  - c. Too much
10. What is your preferred method of donating to nonprofit organizations? (choose all that apply)
- a. Online
  - b. Home Phone
  - c. Mobile Phone
  - d. Mail
11. What method have you used when donating to the Indianapolis Zoo? (choose all that apply)
- a. Online
  - b. Home Phone
  - c. Mobile Phone

- d. Mail
12. Where does the Indianapolis Zoo fall within your philanthropic priorities?
- a. Top tier
  - b. Middle tier
  - c. Lower tier
13. How do you rank the Indianapolis Zoo in comparison to other nonprofit organizations in the community?
- a. Top tier
  - b. Middle tier
  - c. Lower tier
14. What year were you born?
15. How would you best describe yourself?
- a. Female
  - b. Male