

Masked donors: New study reveals why people make large donations anonymously

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New research that studied why people choose to make large donations to charity anonymously has found that it may act as a signal to other donors of the charity's quality. The findings, published today, also show that anonymous gifts rather than public ones induce larger donations from subsequent donors.

Researchers from the University of Bristol's Centre for Market and Public Organisation, studied the anonymous gifts from 70,000 donations made through the Virgin Money Giving website to fundraisers running in the 2010 London Marathon—the biggest single fundraising event in the world.

The team found that anonymous donations made on behalf of runners in

the London Marathon account for the majority of larger gifts than public ones. Furthermore, anonymous gifts rather than public ones induce larger donations from subsequent donors who give around four per cent more. The findings also reveal that early donations are more likely to be anonymous than later ones, particularly for the first to a fundraising page.

However, the researchers indicate that the reason why a person may choose to show the amount they have donated but conceal their identity is because it may act as a signal informing others looking to donate of the charity's quality and worthiness. Knowing this to be the case, a [donor](#) who wishes to see the charity succeed may intentionally choose to keep their identity private.

Michael Sanders, one of the authors, said: "Current [literature](#) on the reasons behind anonymous [donations](#) is limited. Our findings indicate that actually a large anonymous gift is viewed by other donors to the [charity](#)'s worthiness. A recent example of this type of phenomenon is the anonymous donation of \$200 million to Baylor University in Texas – the largest donation in the University's history – which acted as a signal of prestige for the organisation to other potential donors."

The paper is titled "Masked Heroes: endogenous [anonymity](#) in charitable giving."

Provided by University of Bristol

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