

Longer deadlines make people donate more money

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Credit: George Hodan/public domain

"If you give a donation within three days, an anonymous contributor will donate an additional DKK 10."

This was the message that researchers from the Department of Economics and Business Economics, Aarhus BSS - Aarhus University, sent out via email and text message on behalf of DanChurchAid to

approximately 53,000 Danes who had previously donated money.

The deadline given to trigger the additional donation from the anonymous contributor varied. For one group of email recipients, the deadline was three days. For others it was 10 days, and a third group was given until the first day of the following month. The text message gave slightly shorter deadlines.

The results showed that the donations increased when the deadline was longer.

We don't like pressure when donating

"We know from other studies that people don't like pressure when donating money, so we interpret the results to mean that if you pressure people with a short deadline, it creates a sort of give-and-take mindset in the recipient: "Alright, I'll agree to donate quickly, but you're not getting as much."

So explains Mette Trier Damgaard from the Department of Economics and Business Economics at Aarhus BSS, who is behind the study together with Christina Gravert from the University of Gothenburg. The study was published in the *Journal of Behavioral and Experimental Economics*.

Deadlines have no effect in and of themselves

According to the theory on deadlines and people's tendency to postpone actions to a later time (procrastinate), the number of donations should increase significantly just before the deadline.

However, in this study, the researchers found that the various deadlines

had no effect on the number of donations. No matter the deadline, almost all donations occurred within the first two to three days after the email and text message were sent. Mette Trier Damgaard calls it the "now or never" effect and points to two possible explanations:

"The recipients might be aware that if they don't donate right away, they'll forget. Another possibility is that they donate quickly to avoid having to be asked again. We know from other studies that people will literally go far to avoid the pressure of being asked."

Do deadlines make sense?

The new research contains interesting aspects for charities around the world. In Denmark alone, we donate around DKK 2 billion to charity each year.

However, the researchers are reluctant to draw any conclusions with respect to other industries. Because in many other situations, deadlines can have a positive effect in relation to preventing people from procrastinating and postponing things.

"With our study, we want to provide a more nuanced picture and a greater understanding of where, when and how deadlines work," says Mette Trier Damgaard.

Facts about the research

1) Emails and text messages were sent to approximately 53,000 Danes who had donated money to DanChurchAid at least once within the past six years.

2) For the approximately 20,300 email recipients, the deadline was three

days, ten days or until the first day of the following month respectively.

3) For the approximately 33,000 text message recipients, the deadline was shorter - midnight on the following day, three days or until the first day of the following month respectively.

4) The deadlines were not mentioned in the subject field of the email, but were included in the heading when the email was opened.

5) The email itself was written and designed by DanChurchAid.

6) Read the full research article: "Now or never! The effect of deadlines on charitable giving" in *Journal of Behavioral and Experimental Economics*

More information: Mette Trier Damgaard et al, Now or never! The effect of deadlines on charitable giving: Evidence from two natural field experiments, *Journal of Behavioral and Experimental Economics* (2017). [DOI: 10.1016/j.socec.2016.04.013](https://doi.org/10.1016/j.socec.2016.04.013)

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