

## Effective fundraising techniques for charitable sporting events

*Meungguk Park, Southern Illinois University Carbondale*

*Taebo Yob, Southern Illinois University Carbondale*

*Phill Anton, Southern Illinois University Carbondale*

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Abstract 391**

Non-profit organizations (NPOs) have played a critical role in promoting many charitable events in American society (Salamon, 1998). According to the American Association of Fundraising Counsel (2003), non-profit organizations generated approximately \$240 billion for charitable causes in 2002. However, due to the facts such as a lack of governmental support (Gladden, Mahony, & Apostolopoulou, 2005) and fierce competition among charities, many NPOs face a major challenge to solicit funds (Clotfelter, 1993; Lowell, Silverman, & Taliento, 2001; Bendapudi et al., 1996). In order to increase fundraising success, NPOs have developed various fundraising strategies. Due to the popularity of sports in general, sporting events are one of the most commonly used methods as a charitable event for NPOs (e.g., the Komen Breast Cancer Foundation's Race for the Cure, the American Cancer Society's Relay For Life, and the Annual Subway Charity Golf Tournament).

Given the significance of athletic donors in collegiate athletics, a number of studies in the context of sport management have examined the relationship between donor behavior and marketing strategy (Billing, Holt, & Smith, 1985; Gladden, Mahony, & Apostolopoulou, 2005; Mahony, Gladden, & Funk, 2003; Verner, Hecht, & Fansler, 1998). Despite the importance of charitable sporting events, there has been a minimal amount of academic literature in the domain of sport marketing regarding fundraising techniques for NPOs. Therefore, the purpose of this study was to identify the effective fundraising techniques for NPOs that use sporting events as a fundraising tool.

Data were collected from 169 participants from the five Relay For Life events in a Midwestern state. Relay for Life events are designed to honor cancer survivors and those who suffering from these disease. Over 3 million Americans participate in these events each year and the American Cancer Society has been recognized as one of the most successful charitable organizations in the United States (American Cancer Society, 2006). In order to identify fundraising techniques, the authors employed several research methods: a review of the secondary sources, interviews with participants of charitable events, and a pilot study. The pilot data were collected from 23 participants in a Relay For Life event. A total of sixteen fundraising techniques were identified: eight for the individual and team levels respectively. The eight techniques for the individual level were e-mailing, writing letters, personal solicitation, online fundraising, selling food, holding a special party, selling ribbons and wrist bands, and selling stars-donation cards. The eight fundraising techniques for the team level were team fundraising competitions, silent auctions, food concessions, selling souvenirs, fundraising dinner or social events, onsite fundraising, matching gifts, and car washes.

The descriptive data analysis of frequency indicated that 45% (n=76) of participants stated that the most commonly used fundraising techniques at the individual level was personal solicitation, while 40% (n=68) selling food prior to relay events, 24% (n=41) e-mailing, and 24% (n =40) selling ribbons and wrist bands. However, the most effective technique was selling food which generates average of \$159 per individual, followed by personal solicitation (\$75), and ribbons selling (\$75). A t-test of independence found that there was a significant correlation between the number of years of participation and the amount of raised fund ( $p = .004$ ). People who have had a longer history of participation tend to raise more funds. In terms of the relationship between fundraising techniques and participants' demographic backgrounds, a number of studies from non profit sector have revealed that there were different giving behaviors based on donors' demographic backgrounds such as gender, age, and income (Carson, 1993; Mesch, Rooney, Steinberg, & Denton, 2006; Ostrander & Fisher, 1995). In this study chi-square analyses of independence ( $\chi^2$ ) found that fundraising techniques at the individual level did not significantly differ between genders ( $\chi^2 = 10.758, p = .150$ ) and ages ( $\chi^2 = 36.372, p = .133$ ). However, fundraising techniques were partially significant in participants' income level ( $\chi^2 = 31.376, p = .068$ ).

With regard to the team level, the top five most common fundraising techniques were food concessions (49%), team fundraising competitions (37%), silent auctions (30%), selling souvenirs (22%), and onsite fundraising (22%). The top three fundraising techniques, food concessions, team fundraising competitions, and silent auctions, generated a similar amount of fund which was approximately \$200 per team.

This study will contribute to the body of literature regarding athletic donors and fundraising programs in the context of sport marketing by identifying effective fundraising techniques. In addition, this study will provide valuable information for coordinators and directors of NPOs who use sporting events to be more successful in fundraising both at the individual level and the team level. For example, for individual level, this study found that although personal solicitation is the most commonly

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used technique, selling food is the most effective technique to raise money. Therefore, coordinators and directors of the sporting events for charitable causes should encourage their members to use the technique of selling food. For team level, they should encourage team members to use top three techniques determined by this study.