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journal homepage: www.elsevier.com/locate/jeboDo I care if you are paid? Field experiments and expert forecasts in charitable giving[☆]Holger Rau^a, Anya Samek^{b,*}, Lilia Zhurakhovska^c^a University of Göttingen, Platz der Göttinger Sieben 3, 37073 Göttingen Germany^b University of California, San Diego, La Jolla, CA (USA) & NBER^c University of Duisburg-Essen, Lotharstr. 65, 47057 Duisburg Germany

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ABSTRACT

There is a widespread belief among fundraisers that solicitations by volunteers will be more effective than solicitations by paid workers. In this paper, we confirm this belief through incentivized surveys of fundraising professionals. To explore whether this belief has merit, we conduct a door-to-door fundraising experiment in which solicitors communicate their compensation status to households. In our experiment, we vary (1) whether solicitors are paid or not and (2) the information that potential donors receive about solicitors' compensation. We find that fundraisers perform equally well in the paid and volunteer conditions when no information about compensation is given to donors. Interestingly, we find that donations are unchanged when donors are informed that solicitors are volunteers. Further, informing donors that solicitors are paid does not decrease donations – in fact, it somewhat *increases* donations. These results stand in contrast to forecasts of fundraising professionals. A follow-up survey with laypeople suggests that knowing whether a solicitor is paid affects both trust in the charity and perceptions of the solicitor.

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1. Introduction

Individual households in the United States contributed almost 450 billion dollars to charities in 2019 (Giving USA, 2020). The supply of charitable dollars is met by high demand – billions are spent on fundraising activities annually. Some fundrais-

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ing activities are undertaken by volunteers, while others are undertaken by paid workers.¹ Further, some US states – for example, Alaska – have laws stating that paid solicitors must disclose their compensation status to potential donors.²

There is an ongoing discussion in the fundraising community about whether volunteers or paid solicitors will increase the supply of charitable dollars. The idea that volunteers may be more effective than paid solicitors is widespread.³ Volunteers could raise more money either because volunteers are more motivated, or because potential donors are more sympathetic to volunteers. In what is now a seminal paper, [Gneezy and Rustichini \(2000\)](#) show that high school students raise about the same amount of money when they are paid as when they volunteer, but that the money raised goes down significantly if the payment amount is small. However, in [Gneezy and Rustichini's \(2000\)](#) study, the potential donors were not aware of whether solicitors were paid. Therefore, it is not clear whether and how the information on the mode of fundraising – paid or volunteer – affects donations.

Our contribution in this study is to investigate the second possibility that potential donors react differently when they are informed that solicitors are paid or volunteers. As such, we use a field experiment in which we vary whether solicitors communicate their compensation status to potential donors. Next, to better understand whether our results add value to the *a priori* beliefs of fundraisers, we combine the evidence from our field experiment with incentivized forecasts of fundraisers.

Communicating solicitors' pay status could affect donation decisions in several ways. First, it could affect donations by influencing donors' perceptions of the charity. Related work proposes that potential donors have incomplete information about charities, therefore, information about the charity obtained during the solicitation has signaling value and can influence giving ([Lange et al., 2017](#)). As an example of this, [Gneezy et al. \(2014\)](#) find that informing potential donors of low overhead costs increases donation rates. The idea is that donors become more convinced about the efficiency of the campaigns (e.g., [Bowman, 2006](#); [Sargeant et al., 2006](#)).⁴ We propose that when a charity informs potential donors that solicitors are paid or volunteers, it may act as a signal of charity quality since donors may believe that more transparent charities are higher-quality or are more trustworthy.

Second, communicating solicitors' pay status could affect how solicitors themselves are perceived by potential donors. [Bekkers and Wiepking \(2011\)](#) argue that a positive perception of solicitors increases the likelihood of donating.⁵ For example, volunteering may signal intrinsic motivation of the solicitor ([Brown et al., 2018](#)). We propose that knowing a solicitor is a volunteer could cause the potential donors to see the solicitor more favorably and, therefore, be more likely to donate.

To test these effects, we conduct a door-to-door fundraising field experiment (similar to [DellaVigna et al., 2012](#); [Chuan & Samek, 2014](#))⁶ with data from more than 1000 households. Our field experiment applies a 2×2 treatment design. We vary (1) whether solicitors are paid or not and (2) whether solicitors divulge their compensation to potential donors. In the information treatments, solicitors either tell the potential donors that they are volunteering (*Volunteer*) or that they are compensated (*Paid*). In the no-information treatments, we vary whether solicitors are paid, but solicitors do not say anything about their compensation to donors (*Control-Volunteer* and *Control-Paid*).⁷ In all treatments, solicitors inform potential donors that 100% of the donations made will directly go to the cause. Thus, we rule out efficiency concerns as a potential confound with respect to the compensation of the solicitors.

We combine our field experiment with data from incentivized forecasts of fundraising professionals, who are asked to predict the results of our experiment. There are several goals of this forecast. First, we want to provide empirical support for our anecdotal evidence of fundraisers' beliefs. Second, we aim to understand the value of field experiments to the fundraising profession. For example, if fundraising experts are able to use their background knowledge to predict the impact of using volunteers versus paid solicitors, conducting costly field experiments may not add value. However, if fundraising experts are inaccurate in their beliefs, then field experiments can provide much-needed evidence for the impact of different solicitation techniques.

We find that when no information is given about the compensation scheme, fundraisers perform equally well in the paid and volunteering conditions. This result replicates the prior result in [Gneezy and Rustichini \(2000\)](#). Importantly, we find that providing information about compensation status matters, but not in the way that fundraisers expect. First, informing potential donors that solicitors are volunteers does not have a significant impact on donation behavior relative to not informing them. Second, informing potential donors that solicitors are paid does not decrease donations; in fact, it somewhat *increases* them relative to not informing them. Our results stand in contrast to incentivized forecasts of fundraising professionals, who believe that solicitors who communicate that they are volunteers are more likely to raise money and will raise more money than solicitors who communicate that they are paid workers.

¹ [Cassar \(2018\)](#) argues that often volunteers work for non-profit organizations, as these positions are usually connected to a prosocial mission.

² See [Alaska Department of Law \(2020\)](#)

³ See, for example [VolunteerHub \(n.d.\)](#)

⁴ Other information with signaling value includes donor gifts ([Lange, Price, & Santore, 2017](#)), information about past donation amounts ([Shang and Croson, 2009](#)) and suggested gift amounts ([Reiley & Samek, 2018](#); [Charness & Cheung, 2013](#)).

⁵ This is in line with findings of [Price \(2008\)](#) who reports that perceived physical attractiveness of solicitors plays a role as well – for example, in their study, blonde female solicitors raise more than their brunette counterparts.

⁶ Alternative fundraising approaches include phone and mail solicitations (e.g., [Edwards & List, 2014](#); [Huck & Rasul, 2011](#); [Karlan & List, 2007](#); [List, 2004](#)). Many of these settings analyze the efficiency of matching schemes in charitable giving (e.g., [Adena & Huck, 2017](#); [Karlan, List, & Shafir, 2011](#); [Meier, 2007](#)).

⁷ In the no-information treatments, we also varied the payment status of solicitors to control for motivational crowding effects on the solicitor side. These effects were emphasized by [Gneezy and Rustichini \(2000\)](#), i.e., paying (small) financial incentives to solicitors lowers their performance. See [Barasch, Berman, and Small \(2016\)](#) for an experimental demonstration in fundraising.

Table 1
Experimental Treatments.

<i>Control</i>		<i>Treatments</i>	
<i>Control-Paid</i>	<i>Control-Volunteer</i>	<i>Paid</i>	<i>Volunteer</i>
(A) 233 households	(B) 254 households	(C) 266 households	(D) 284 households

Notes: This table reports on the total number of households who opened the door in each treatment. A total of 2,808 households were assigned, but only 1,037 were approached and opened the door. The door opening rate was about 40%, which did not differ by treatment. These households are regarded as independent observations (unconditional on whether subjects donated).

A follow-up internet survey with laypeople shows that most people think door-to-door fundraisers are unpaid volunteers. This may explain why in our field experiment, communicating that solicitors are volunteers does not have a significant impact, while communicating that solicitors are paid does have some impact. The survey results further suggest that communicating that a solicitor is paid versus communicating that a solicitor is a volunteer affects perceptions of the solicitor and the charity, which may inform us on the mechanisms through which the effects operate.

Our study contributes to two main literatures. To the literature on charitable giving, we contribute suggestive evidence that increased transparency (through disclosing that a solicitor is paid) may increase contribution rates. We also contribute to the literature on experts' forecasts. This literature finds that academic experts are able to predict the results of different incentive schemes (DellaVigna and Pope, 2018a, 2018b). However, similar to our finding, the literature also finds a substantial disconnect between fundraising experts and the results of different solicitation techniques (Samek and Longfield, 2019). Taken together, these results suggest the value of gathering empirical evidence on solicitation techniques for practitioners.

2. Field experiment and experts' forecasts

2.1. Design of field experiment

We partnered with a local non-profit organization called Family Voices for our field experiment. Family Voices is a program at the University of Wisconsin-Madison (UW-Madison) that offers a free tutoring program for low-income teens in the Madison, Wisconsin area. The organization usually does not send out solicitors to collect money. Thus, potential donors should not have previously been informed about whether our solicitors are paid or not. The organization is not political and has no record of any scandals related to the spending of donations.

Our interest was in exploring whether knowing that a solicitor is a paid worker or an unpaid volunteer affects the likelihood of a donation and the amount of donation. To study these issues, we recruited undergraduate student research assistants who acted as solicitors. In each soliciting session, we varied 1) whether we paid our solicitors for that session and 2) whether our solicitors provided information about their payment status to the potential donor. Table 1 presents the experimental treatments and the number of observations (number of households approached) in each treatment. We are mainly interested in testing whether learning that a solicitor is paid or is a volunteer affects donations. We identify potential intrinsic motivation effects of solicitors by comparing cells A (*Control-Paid*) and B (*Control-Volunteer*).⁸ If donation behavior in the control conditions does not differ, we can pool them and compare the *Control* condition to cells C (*Paid*) and D (*Volunteer*) to test our main hypothesis.

We recruited 17 students (about half of whom were female) who were trained to carry out the experiment by acting as door-to-door solicitors. When we recruited the solicitors, they were told that they would be working under both paid and unpaid conditions. Although solicitors could have opted out of working under either of the conditions, in practice, none did so. Hence, we can rule out potential solicitor selection effects into treatments. We explain the assignment of solicitors to treatments later in this section.

We first provided a training session for our solicitors on how to solicit. The solicitation was fully scripted (see Appendix A). During the training, solicitors learned detailed information about the charity and its goals and practiced reading the script to one another. At the beginning of the script, the solicitor introduced him/herself as either a paid worker, working for UW-Madison Family Voices (*Paid*), an unpaid volunteer, volunteering for UW-Madison Family Voices (*Volunteer*), or as being from UW-Madison Family Voices (*Control-Paid* and *Control-Volunteer*). Then, in all treatments the solicitor provided a few sentences describing Family Voices. To rule out ambiguity about the efficiency of donations, in all treatments the solicitor noted that 100% of the donation would go towards covering the costs of educational materials for the program. In keeping with the natural field experiment methodology (Harrison and List, 2004), potential donors were not informed that the solicitation was part of an experiment.

Solicitors received a name badge with their name and the name of the charity. Depending on the treatment, the name badge either contained the words "paid worker", "unpaid volunteer" or no additional words at the top (see Appendix B). Solicitors wore the name badges while visiting households. As we study whether information about the payment condition

⁸ Solicitors may signal their motivation with facial expressions and other cues (see Barasch, Berman, & Small, 2014, 2016).

of solicitors affects donations, it is important to reach working people as well as homemakers. Thus, soliciting was conducted on Saturdays and Sundays. We conducted the study in two waves in October 2014 and March 2015.

We created routes with 25 houses in each and then randomly assigned them to solicitors. We chose routes that we deemed to be in safe residential areas of Madison, Wisconsin. Since we wanted all our solicitors to work in each treatment cell, we provided the following compensation scheme. A day of work was broken into four routes, whereby two routes were completed in the morning and two were completed in the afternoon. Solicitors were always provided with two routes of paid work and two routes of unpaid work for each day. The paid work was compensated at \$25 per route while volunteering time was uncompensated. Upon arriving to the site, each solicitor flipped a coin to determine whether the morning would consist of a paid route followed by an unpaid route, or vice versa. Solicitors then flipped another coin to determine whether the afternoon would consist of a paid route followed by an unpaid route or vice versa. We also randomly assigned whether we ran the information treatments either in the afternoon or the morning (the remaining part of the day was assigned to the no information treatments). The solicitors' treatment assignment therefore determined which treatment each household was assigned to. As noted earlier, no solicitors declined to participate in the unpaid sessions, generating a balanced dataset of paid and unpaid treatments.⁹

Upon visiting each household, solicitors were asked to record key information about each visit. This included whether or not they approached the house (i.e., whether they knocked or rang a doorbell; houses with a 'no soliciting' sign or that did not feel safe were not approached), whether the door was opened, whether the individual donated, and the amount of the donation. Solicitors also recorded their perceived gender and race of the person opening the door.

2.2. Expert forecasts

We conducted the expert forecasting survey from September of 2019 through February of 2020. We recruited participants mostly through phone calls to charities, aiming to select people who were involved in the fundraising practices at their organizations. To do this, we first found lists of charities on Charity Navigator (www.charitynavigator.org). We next called these charities and asked to speak to the person who is in charge of their fundraising program. When we reached a suitable person, we emailed them a link to our survey.¹⁰ We recruited additional participants by asking fundraising practitioners attending the Science of Philanthropy Initiative (SPI) meetings in fall of 2019 to participate. We told fundraising professionals that our survey was about fundraising practices and did not specifically mention solicitors' compensation when recruiting for the survey.

The experts were given information about the study that we conducted (see Appendix C). They also received information about the donation probability in the two *Control* conditions (*Control-Paid* and *Control-Volunteer*) and were asked to make forecasts about the donation probability and the donation amounts conditional on donating for the two treatment groups. Experts were paid based partly on the accuracy of their answers. Specifically, three respondents were selected at random to be paid via Amazon gift card. The selected respondents were paid a \$25 participation fee, as well as up to \$100 depending on how close their forecasts were to the actual outcome in one randomly selected question.

We did not provide any information about the paper authors or title of the current study, which we had previously presented a few times without the expert component. Hence, experts would have found it difficult to find the slides online.

3. Results

3.1. Summary statistics

Table 2 presents summary statistics on the approached households in each treatment of the field experiment. In total, solicitors approached 2808 households, which represents over 90% of households assigned in the routes. Using Census data, we find that the mean annual income of the surrounding area of the approached households was \$102,977 (sd = \$14,387).

Of the approached households, roughly 40% opened the door in each treatment, for a total of 1037 subjects. We have data on perceived demographics for 1012 of these subjects (97.6%). Of those potential donors who opened the door, solicitors perceived 92.3% as white and 49.4% as female. We had a similar number of males/females and white persons in each treatment. None of the pairwise treatment comparisons using Mann-Whitney U tests on the door-opening rates differ significantly at conventional levels (neither separated by gender, nor on the aggregate level). Thus, we conclude that treatments were balanced on observable characteristics.

We included two control conditions – *Control-Paid* and *Control-Volunteer* – to account for the possibility that solicitors may put forth differential effort when they are paid or volunteers, even when they do not provide this information to

⁹ The solicitors were not told about the purpose of the study. However, solicitors were exposed to all treatments and therefore could have guessed about the directional hypotheses that we had about the study. This could have generated some demand effects –e.g., solicitors may have attempted to work harder in one condition or another because they wanted to “help” the experimenter. Further, it could have generated selection into the solicitor position, since those who were not open to doing volunteer work may not have signed up to work. It is not entirely clear in which direction those demand or selection effects would have gone, but readers should interpret the results with this point in mind.

¹⁰ The survey includes data that are used in a different paper (Samek & Longfield, 2019). None of the data used in the current paper are used in the other paper. We contacted charities in California, Arizona, Nevada, Oregon and Washington, Texas, Arizona, Oregon and New York.

Table 2
Summary Statistics on Approached Households in the Field Experiment.

	N assigned	% approached (of assigned)	% opened door (of approached)	N males (if door opened)	N females (if door opened)	N white (if door opened)	N (if door opened)
<i>Paid</i>	755	93.11	37.84	132	128	244	266
<i>Volunteer</i>	732	92.62	41.89	138	144	257	284
<i>Control</i>							
<i>Paid</i>	644	94.41	38.32	118	111	217	233
<i>Volunteer</i>	677	91.29	41.10	126	119	235	254
<i>All</i>	2,808	92.84	39.78	514	502	953	1,037

Notes: The table gives an overview on the number of assigned and the percentage of approached households and on the percentage of households that opened the door by treatment. The number of males, females, and whites among those who opened the door is presented in columns 5–8. The sum of males and females is smaller than the total number, as for 21 households the gender of the subject was either not recorded, or a couple (a male and a female) opened the door together.

Table 3
Regression Analysis of Field Data.

	(LPM), Dependent Variable = Donated (Binary) (<i>All data</i>)		(OLS), Dependent Variable = Donated Amount (<i>All data</i>)		(OLS), Dependent Variable = Dollars Donated (<i>Data conditional on Giving</i>)	
	(1)	(2)	(3)	(4)	(5)	(6)
<i>Paid</i>	.050* (0.028)	.061** (0.029)	.928 (0.615)	1.185* (0.611)	.673 (2.467)	.744 (2.510)
<i>Volunteer</i>	.010 (0.028)	.003 (0.028)	−0.002 (0.602)	−0.116 (0.620)	−2.253 (2.724)	−2.322 (2.841)
<i>Constant</i>	0.143*** (0.112)	−0.086 (0.137)	2.423*** (0.364)	−2.504 (2.997)	17.195*** (1.571)	11.448 (13.145)
<i>Controls</i>	NO	YES	NO	YES	NO	YES
<i>Solicitor Fixed Effect</i>	YES	YES	YES	YES	YES	YES
<i>Obs.</i>	1,037	1,011	1,037	1,011	164	162
<i>Prob > F</i>	.179	.061	.536	.300	.976	.971
<i>Adj. R-squared</i>	.005	.011	−0.001	.003	−0.066	−0.076
<i>Root MSE</i>	.364	.365	7.943	7.968	13.089	13.215

Notes: Models 1–2: estimates for a linear probability model. Models 3–6: estimates for an ordinary least squares model; Models 1–4: All data conditional on the door being opened are included. Models 5–6: Only data from those donors who make positive donations are included; Standard errors in parentheses. Significance at the 10%, 5%, and 1% level is denoted by *, **, and ***, respectively. The regressions include fixed effects for the solicitor. *Controls* include for household income, household ownership of the house/apartment (using Census data, at the Census-tract level), donor being white, donor being female (based on solicitor perceptions), and for the hour of day. 1,012 potential donors had perceived demographics (both gender and race), and one of these donors was missing income information, leaving us with 1,011 observations when including these controls.

donors. We find that this is not the case. The donation rate in the *Control-Paid* treatment was 15.45% and the donation rate in the *Control-Volunteer* treatment was 14.17%. The average donation amounts, conditional on donating, in the *Control-Paid* and *Control-Volunteer* conditions were \$18.22 and \$15.53, respectively. We do not find any statistical difference between donation rate or amount across the two *Control* conditions (Chi2 and Mann-Whitney U test on donation rates and donation amounts, respectively: $p = 0.692$, $p = 0.620$). Hence, we pool these data for the remainder of this analysis. Our treatment comparisons therefore focus on the impact of being told the solicitor's pay status.

Our analysis sample of the expert survey comprises 101 respondents.¹¹ 39.60% of experts responded that they use volunteer solicitors at their charity, 14.85% use paid solicitors and 10.89% use both types of solicitors.¹² The experts stated that they were familiar with the fundraising practices within their organizations. Most experts were very experienced in their field. Their experience in the fund-raising sector ranges from over 6 years (67.33%), 1–5 years (29.70%) to less than 1 year (2.97%).

3.2. Donation probability

Our main outcome measure is the probability of donating, conditional on opening the door. Fig. 1 provides an overview of these results.

We find that when solicitors communicate that they are paid, the likelihood of giving increases somewhat from 14.78% to 18.80% (see first and second bars from the left). This is an increase of 27.20%. By contrast, the likelihood of giving does not change when solicitors inform donors about being volunteers (and is approximately 15%, see third bar from the left).

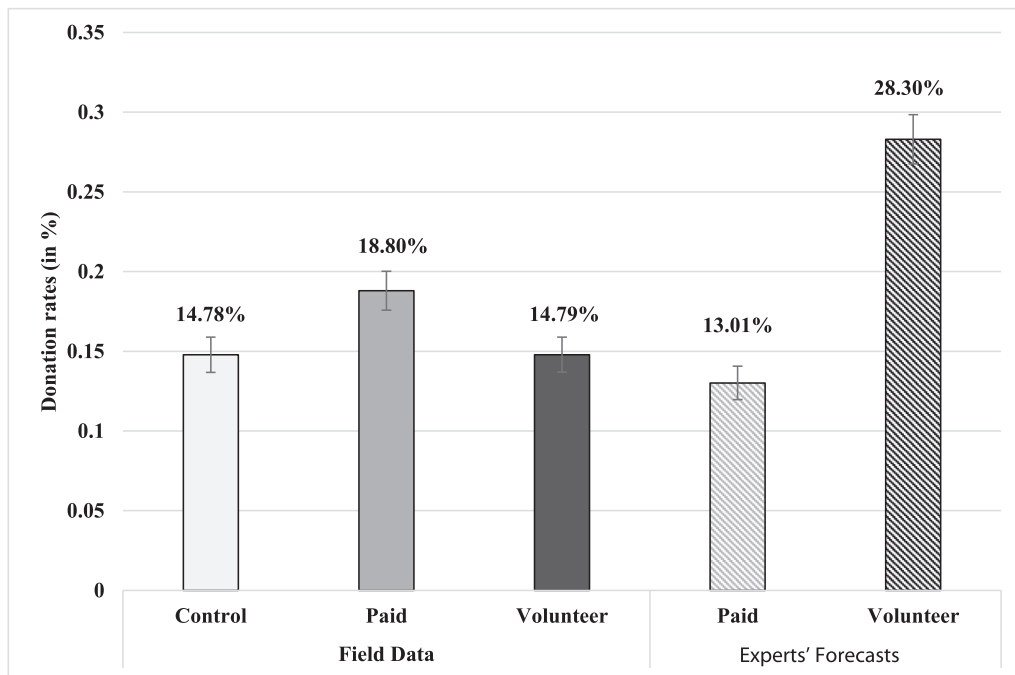


Fig. 1. Overview of donation rates

Notes: The bar graph depicts the donation rates in the treatments. Data from all 1,037 households that opened the door are included at left. Experts' forecasts on donation rates in the treatments are depicted at right. "Control" refers to the treatments in which solicitors do not communicate their pay status (pooling both control conditions). "Paid" and "Volunteer" refer to the treatments in which solicitors do communicate their pay status.

Table 3 reports regression analyses incorporating solicitor fixed effects, with and without additional controls, including household socioeconomic and demographic characteristics and time of day.¹³ In Models 1 and 2 the dependent variable is the probability of donating. We find that informing the donors that solicitors are paid significantly increases the donation probability (Model 1: $p = 0.075$; Model 2: $p = 0.037$), while informing donors that solicitors are volunteers does not significantly affect donation probability (Model 1: $p = 0.732$; Model 2: $p = 0.911$). A Wald test shows that solicitors in *Paid* are somewhat more likely to receive a donation than solicitors in *Volunteer* (Model 1: $p = 0.192$; Model 2: $p = 0.080$).

This brings us to the first two results:

Result 1: The information that a solicitor is paid does not decrease donation rates, and in fact yields somewhat higher donation rates.

Result 2: The information that a solicitor is a volunteer has no effect on donation rates.

The two right-most bars in Fig. 1 depict the experts' forecasts regarding donation rates in our field study. The experts predict the donation rate in *Paid* to be 13.04% ($sd = 10.59$) and in *Volunteer* to be 28.29% ($sd = 15.63$). For simplicity, the displayed donation rates for the control conditions in the expert survey were rounded up from the actual numbers – specifically, we displayed 15% and 16% for *Control-Volunteer* and *Control-Paid*, respectively.¹⁴ Comparing to the displayed rates, experts predicted donation rates to decrease by 18.50% ($sd = 67.98$) in *Paid* and to increase by 88.58% ($sd = 100.35$) in *Volunteer*, relative to *Control*. This is a statistically significant difference for *Paid* versus *Control* (Mann-Whitney test $p < 0.001$) as well as for *Volunteer* versus *Control* (Mann-Whitney test $p < 0.001$).

Result 3: Experts believe that the information that a solicitor is paid will decrease donation rates, whereas information that a solicitor is a volunteer will increase donation rates.

In summary, we find that informing potential donors that solicitors are paid somewhat increases donation rates, whereas telling potential donors that solicitors are volunteers had no significant effect on donation rates. Importantly, our results highlight a substantial disconnect between the beliefs of experts and the results of the field experiment.

¹¹ In total 214 respondents participated in the full survey (with about 50 recruited through SPI and the remainder recruited through Charity Navigator), but only a sub-set (102) of those were shown the questions in this paper and the remainder were shown questions used in Samek and Longfield (2019). Of the 102 who were shown our question, 1 respondent said they had read our paper so we exclude this person from the analysis sample.

¹² These numbers do not sum to 100 because we asked respondents to "select all that apply" from a list of various potential fundraising practices.

¹³ Table A1 in Appendix E provides the results from regressions that do not include the fixed effects of solicitors.

¹⁴ We made a small error in the rounding, since 15.45% got rounded to 16% instead of to 15%.

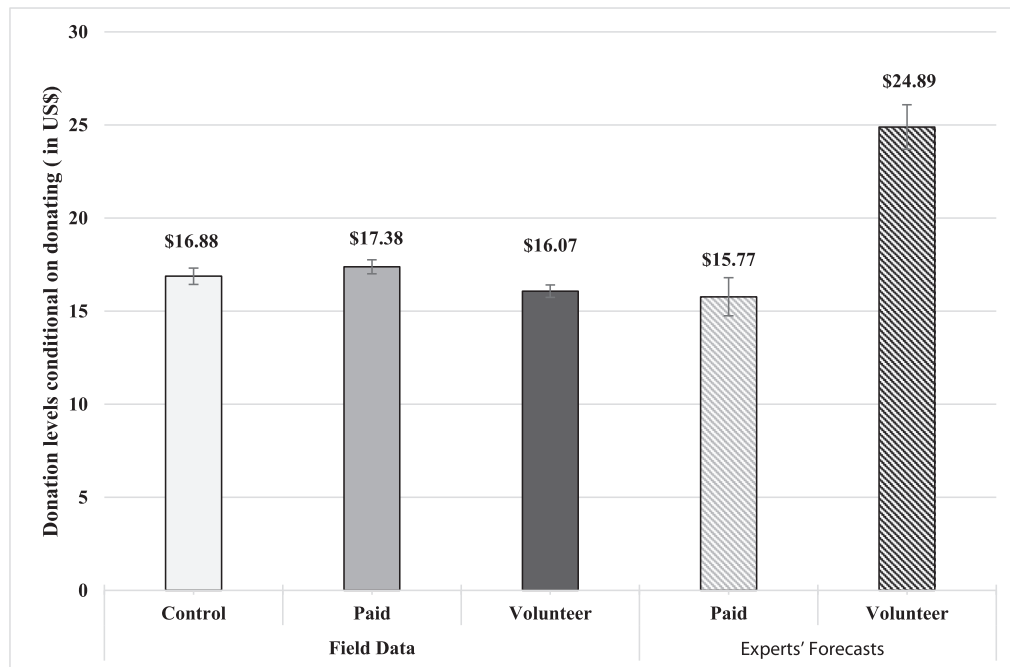


Fig. 2. Overview of donation amounts conditional on donating

Notes: The bar graph depicts the average donation amounts (in dollars) in the treatments. Donors can decide to donate any possible amount. Only data of potential donors that opened the door and gave a positive amount are included in this figure. Experts' forecasts on conditional donation amounts in the treatments are depicted at right. "Control" refers to the treatments in which solicitors do not communicate their pay status (pooling both control conditions). "Paid" and "Volunteer" refer to the treatments in which solicitors do communicate their paid status.

3.3. Donation amount

In this section, we first consider unconditional donation amounts – i.e., including 0 s for non-donors. We next consider conditional donation amounts – i.e., excluding non-donors. Note that the expert survey only asked about conditional donation amounts.

As shown in Models 3 and 4 in Table 3, the treatment effect on unconditional donation amounts in *Paid* is weaker than on donation rates (Wald test comparing *Paid* to *Volunteer* in Model 3: $p = 0.172$; Model 4: $p = 0.069$). This suggests that the effect may be driven by the probability of donating rather than by the amount donated.

We next turn our attention to donation amount conditional on donating. Fig. 2 shows the average actual and predicted donation amounts (in US dollars) of potential donors who opened the door, excluding non-donors. The figure is organized in the same manner as Fig. 1, i.e., the bars on the left depict the field data, while the bars on the right display experts' predictions. Fig. 2 shows that average conditional donation amounts slightly increase by 2.99% in *Paid* (mean = \$17.38; $sd = 12.22$) and slightly decrease by 4.76% in *Volunteer* (mean = \$16.07; $sd = 10.83$) compared to *Control* (mean = \$16.88; $sd = 14.06$). However, the analysis in Models 5 and 6 in Table 3 shows that these small differences are not statistically significant (Models 5 and 6 for *Paid* and for *Volunteer*: $p \geq 0.410$). This brings us to the next result:

Result 4: The (moderate) increase in donations in *Paid* results from higher donation rates and not from higher conditional donation amounts.

The experts saw the control donation amounts of \$18.22 and \$15.14 for the *Control-Paid* and *Control-Volunteer* treatments, respectively. They predict a small decrease by 5.46% in conditional donation amounts in *Paid* (mean = \$15.77; $sd = 10.22$) but a large increase by 49.22% in conditional donation amounts in *Volunteer* (mean = \$24.89; $sd = 11.99$).¹⁵ The expert predictions are significantly different from the displayed values in *Control* (Mann-Whitney test *Paid* p -value < 0.001, *Volunteer* p -value < 0.001). This brings us to the next result:

Result 5: Experts believe that the information that a solicitor is a volunteer increases conditional donation amounts and the information that a solicitor is paid decreases conditional donation amounts.

¹⁵ Similar to our approach regarding the donation rates, we calculate the relative predicted changes in the treatments relative to the average displayed conditional donation amount in the two *Control* conditions (\$16.68) instead of the actual average conditional donation amount in *Control* (\$16.88).

4. Survey investigating the channels through which compensation information affects donations

4.1. Survey design and data

To better understand the changes to donation behavior when solicitors are paid, we conducted a separate online survey with laypeople. First, we wanted to learn about respondents' beliefs about the compensation of solicitors who knock on their door. Second, we were interested in respondents' perception of solicitors stating whether they are paid or unpaid. Finally, we assessed respondents' motives to donate to charity.

We used the platform Prolific (<https://prolific.ac>) for the survey. Prolific is a UK-based firm that recruits respondents worldwide for academic surveys. We restricted our sample to respondents residing in the US, which gave us a potential subject pool of 18,623 participants. The study was conducted in September 2018. We recruited 200 participants (109 males (54.5%), 90 females (45%), and one person (0.5%) who did not categorize themselves as male or female. 80.5% of respondents were white and the mean age was 42.17 years ($sd = 10.02$). 43% of the respondents stated that they regularly donate money to non-profit organization(s) and their average annual donation is \$1,627.43 ($sd = \$18,397.89$). Respondents' after-tax monthly income ranged from less than \$500 to over \$15,500 (mean = \$5,384.62, $sd = \$3,257.78$).

A complete text of the survey is available in Appendix D. First, respondents were informed that the survey was expected to take 5 min and that they would earn \$1 for completing it. Next, they were asked what they think is the proportion of charities' door-to-door fundraisers who are paid for their job. Second, respondents were presented with two situations in the same order. In the first condition, respondents were asked to imagine that the solicitor told them they were paid. In the second condition, respondents were asked to imagine that the solicitor told them they were unpaid. For each condition, respondents were asked their agreement (on a scale between 1 = strongly disagree to 7 = strongly agree, with 4 = neutral (neither agree nor disagree)) with five statements:

1. I would believe him/her.
2. This would increase my trust in the charity he/she is working for.
3. I would be happy that he/she told me the truth.
4. I would perceive him/her as greedy.
5. I would feel pity for him/her.

Finally, respondents were again presented with the five statements and were asked to rank them according to how important they are for their decision to donate to charity.

4.2. Survey results

Perhaps the most useful aspect of the survey was to understand *a priori* beliefs about pay status. Respondents expect, on average, that 33.05% of solicitors doing door-to-door fundraising are paid. There is a large standard deviation in these responses ($sd = 28.94$) and answers range from 0% to 100%. This supports the notion that respondents seem to face high uncertainty about solicitors' compensation. Thus, informing respondents about solicitors' compensation may help to reduce uncertainty. However, on average, respondents believe that solicitors are unpaid. Thus, informing respondents that solicitors are paid may change more perceptions than informing respondents that solicitors are volunteers.

Recall that we asked respondents to rank which statement is most important for their donation decision. The most important statement was "trusting the charity the solicitor is working for," followed by "believing that the solicitor tells the truth" and "being happy that the solicitor tells the truth." The two least important aspects were: "perceiving the solicitor as greedy", and "feeling pity for the solicitor." Table A2 in Appendix E provides more data describing these rankings.

Figure 3 summarizes respondents' agreement with the five statements, where the *Paid* condition is in gray and the *Volunteer* condition is in black. The statements are ordered from left to right corresponding to the respondents' stated order of importance.

In what follows, we use Wilcoxon signed-rank tests to evaluate the statistical significance of our results. Independent of the condition (*Paid* or *Volunteer*), the highest agreement exists for the statements about believing the solicitor and being happy that the solicitor told the truth (both are significantly higher than neutral, $p < 0.001$ for all comparisons). Respondents are on average neutral about the solicitor's messaging affecting their trust in the charity. Respondents on average disagree that they would perceive the solicitor as greedy or would feel pity for the solicitor (both are significantly lower than neutral, $p < 0.001$ for all comparisons).

First, the condition affects some perceptions of the solicitor. The condition does not affect believing the solicitor (comparing *Paid* and *Volunteer*, $p = 0.432$). The condition does affect being happy that the solicitor told the truth. Respondents in the *Paid* condition relative to the *Volunteer* condition are significantly more likely to agree with being happy that the solicitor told the truth (5.83 versus 5.48, $p < 0.001$). Further, respondents in the *Volunteer* condition are significantly more likely than respondents in the *Paid* condition to disagree with the perception of the solicitor as greedy (2.52 versus 1.93, $p < 0.001$), and significantly less likely to disagree with feeling pity for the solicitor. (2.34 versus 2.94, $p < 0.001$).

Second, perceptions of the charity differ somewhat by condition, but the differences are not statistically significant. Learning that a solicitor is a volunteer somewhat increases trust in the charity relative to being told the solicitor is paid, and this is statistically significant at the 10% level ($p = 0.051$). Trust in the charity is somewhat lower than neutral at 3.74 in *Paid* and

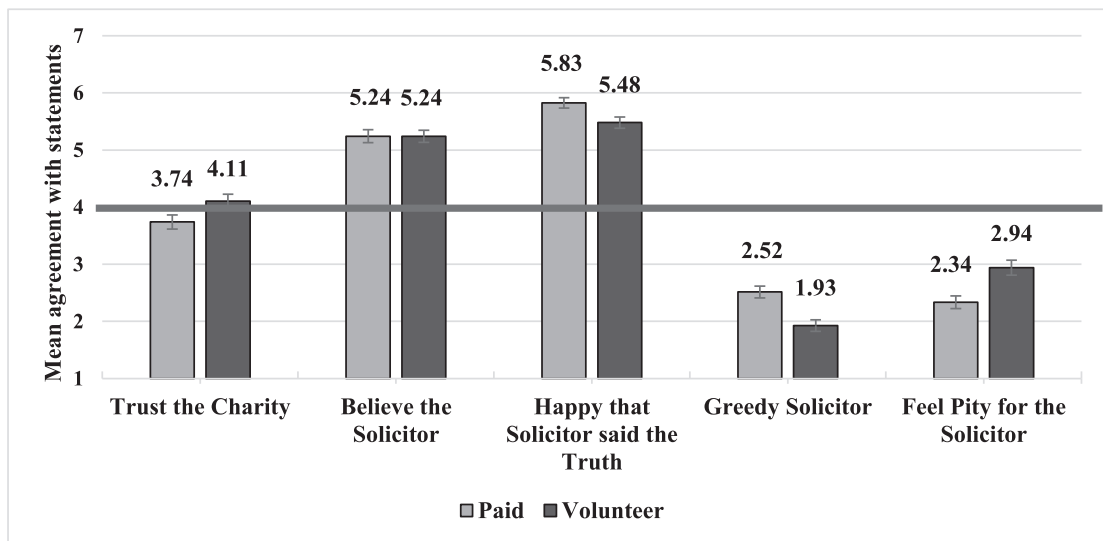


Fig. 3. Overview of agreement with statements

Notes: The figure represents respondents' agreement with statements when a solicitor tells them that the solicitor is a paid worker (gray bars) or a volunteer (dark gray bars). Respondents can answer on a scale between 1 = strongly disagree to 7 = strongly agree with 4 = neutral (neither agree nor disagree). The black horizontal line highlights the answer 4 = neutral (neither agree nor disagree). The statements are ordered according to their importance for respondents' donation decisions. Data from all 200 respondents is included.

somewhat higher than neutral at 4.11 in *Volunteer*, but only the impact of learning that the solicitor is paid is statistically significant at the 10% level ($p = 0.063$ for *Paid* and 0.312 for *Volunteer*).

The survey study suggests a potential mechanism driving the results from our field experiments. On the one hand, respondents are happier about being told the truth by paid solicitors than volunteers, and that aspect is important for respondents' donation decisions. One could argue that being happy about someone's actions increases the liking of the person. Thus, we could interpret our results as indicating that telling the truth about being paid leads to higher liking of the solicitors, which could lead to greater donation rates in the paid condition.¹⁶ On the other hand, respondents feel more pity for the volunteer solicitors than the paid solicitors (and also are less likely to think the volunteer solicitors are greedy), which could lead to greater donation rates in the *Volunteer* condition. Our findings that donation rates do not significantly differ from the *Paid* treatment compared to the *Volunteer* treatment in our field experiment may reflect these opposing forces. However, more work is needed to fully unpack these mechanisms.

5. Conclusion

We study the effects of informing potential donors about the compensation of solicitors (paid vs. volunteering) in a charitable fundraising campaign. Our research question is motivated by information asymmetries between potential donors and charities and the motivations of solicitors working for those organizations. In a door-to-door fundraising field experiment, we test the common wisdom of experts that informing potential donors that fundraisers volunteer may be beneficial for the campaigns. We focus on potential donors' reactions when informed about a solicitors' compensation status (paid vs. volunteer).

We find that households do not donate more when informed that a solicitor is volunteering. By contrast, the information that a solicitor is paid somewhat increases overall donations, and the effect is driven by donation rates. We compare our results to the findings in a forecasting survey where we ask fundraising experts to predict donation rates in our experiment. We find a disconnect between the experts' forecasts and the results of the field experiments. Experts believe that donation rates and donations conditional on donating are significantly higher when we communicate that a solicitor is volunteering, instead of communicating that the solicitor is paid. These findings confirm that there is the common wisdom among experts that volunteering activities benefit fundraising. The discrepancy with the field data highlights that field experiments in charitable giving may add valuable insights to the efficiency of fundraising campaigns.

In a separate survey, we find that people are happy that a solicitor told the truth when informing people that he/she is paid. This may explain why the transparent communication of a potentially selfish motive (i.e., compensation for a solicitation activity) may increase households' donations. Second, the survey also suggests that respondents believe that the

¹⁶ Krakowiak and Tsay-Vogel (2013) argue that positive outcomes increase the liking of a character. We claim that being happy about someone's honest message is related to perceiving the outcome of the contact as a positive outcome.

majority of solicitors volunteer. This may explain why we observe only a weak effect of informing households that solicitors are volunteering.

This separate survey shed light on how communicating compensation status affects perceptions of the solicitors and the charity. We were restricted in terms of how many questions we could ask in this survey due to time constraints. One could imagine additional paths through which treatment affects perceptions that could be explored in future studies. For example, a future study could investigate whether perceptions about the neediness of the solicitor matters: for example, solicitors who are paid might be perceived as needing their job more than solicitors who are volunteers, and donors may wish to give more to the former in order to help those solicitors keep their jobs. Alternatively, paid solicitors could be perceived as more competent than volunteer solicitors, and potential donors may be more likely to give to more competent individuals.

Supplementary materials

Supplementary material associated with this article can be found, in the online version, at doi:[10.1016/j.jebo.2021.12.020](https://doi.org/10.1016/j.jebo.2021.12.020).

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