

Impact Analysis of Donor Recognition Displays On Future Donations

Why should fundraising organizations consider installing a donor recognition display – and what impact does the installation of a donor recognition display have on future donations and stewardship? Because donor wall impact can be valuable to future donations received.

Answering these crucial questions required a significant amount of effort and comprehensive study. That's exactly what Steve W. Martin provided. A renowned business author and an expert on the study of human decision-making, Martin interviewed key fundraising professionals of leading healthcare, educational and cultural organizations. The resulting research, *The Impact Analysis of Donor Recognition Displays on Future Donations*, offers detailed insights as well as important metrics associated with donor recognition displays.

Categories of Donor Recognition Displays

The study identified three new categories of donor recognition displays based upon the organization's goal and psychological intention: "Focal Point" display, a "Distinguished Presentation" display, and a "Primary Recognition" display.

- **Focal Point Display** - A strategically placed display that can be equated to a work of art and serves as a focal point of the room. Located in a prominent position, the display acts as a centerpiece for the entry way, lobby or courtyard that people fixate upon and gravitate towards. The Focal Point display is synergistically created in conjunction with the architecture style and design elements of the building. Focal Point displays typically cost more \$100,000 and the most expensive included in this study was over \$200,000.
- **Distinguished Presentation Display** - A significant display that is both beautiful and functional. While not as elaborate as Focal Point displays, these theme-based displays capture the concept of community and underscore the institution's mantra and aspirations. Distinguished Presentation displays typically cost between \$50,000 to \$100,000.
- **Primary Recognition Display** - An aesthetically pleasing display that lacks the scale and grandeur of both Focal Point and Distinguished Presentations displays. These displays tend to be more practical by design and created to fit within budgetary constraints. Primary Recognition displays typically cost less than \$50,000.

You can find donor wall solutions [here](#).

Establishing the Donor Recognition System Budget

The average amount of money spent on donor recognition systems across all study participants was \$63,000. However, this number is misleading. A far more accurate indicator of the money

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actually spent is provided when the donor recognition displays are analyzed by category type (Focal Point, Distinguished Presentation, or Primary Acknowledgement display). The average for Focal Point display was \$155,000, Distinguished Presentation display was \$79,000, and Primary Acknowledgement display was \$33,000. The following chart shows the percentage of survey respondents by category of display.

“There are some walls that will be absolutely outstanding and will cost a quarter of a million and there are static walls that cost \$30,000. The wall has to fit within the taste and culture of the institution.”

Financial Impact on Future Donations

Study participants who have installed donor recognition systems were asked about the impact they have had on donations. Ninety-nine percent of survey participants reported increased donations associated to their donor recognition display. Sixty-one percent of survey respondents said it had increased donations by 10-15% while 19% said it had increased donations 15-20%. Eighteen percent indicated a minimal but unquantifiable increase. The figure below shows participants' responses:

“Donors continually ask how much do I have to give to get on that next level or why is my name not on there? How far away am I from that level? People who donated hundreds of dollars now donate thousands to be sure their name is on the board.”

In addition, study participants with Strategic Focal Point and Distinguished Presentation displays reported significantly higher increased donation rates than those with Primary Acknowledgement displays.

Conclusion

The study results indicate that strategically designed and placed donor recognition displays (such as donor display walls, donor naming plaques, and electronic donor displays) increase both the size and frequency of donations from existing donors while helping to attract new donors. You can learn more about setting your donor wall budget [here](#).

About Steve W. Martin

Steve W. Martin is a noted business, Harvard Business Review contributor, and teaches at the University of Southern California Marshall Business School MBA Program.

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