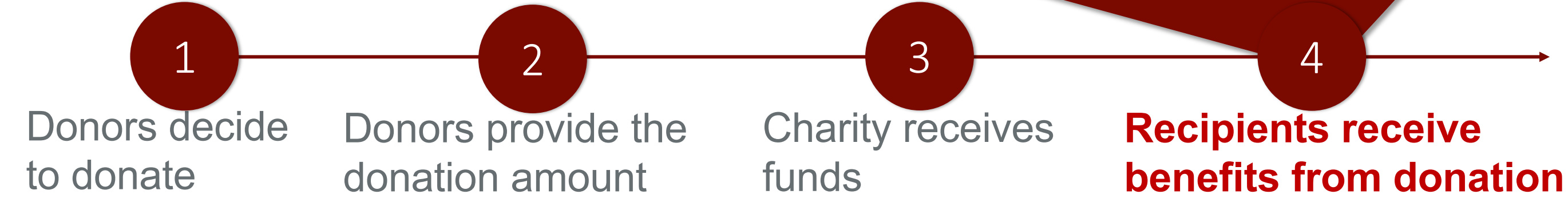


Impatient for Impact: Intertemporal preferences for earlier donation impact timing

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Q: Preference for Earlier Impact Timing?



Earlier impact timing might be preferred due to:

- consequence-dated utility for charity (Chopra et al. 2024)
- vicarious utility when deciding for others (Yang and Urminsky 2023)
- concern with charities hoarding donations (Shecter 2021)

Later impact timing might be preferred due to:

- savoring future positive events (Loewenstein 1987)
- social signaling utility pre gift receipt (Andreoni and Serra-Garcia 2021)
- procrastination in charitable giving (Knowles and Servatka 2015)

We find a strong preference for earlier impact timing:

- across hypothetical and consequential studies
- when trading-off against impact magnitude, quality rating, or overhead

Impact timing preference operates through both:

- inferences off charity trustworthiness
- discounted benefits to the donor and recipients

Study 1: Real Projects on “DonorsChoose”

Consequential, N=970, Prolific, B/W/S; DV: project choice

Control: two projects with the same impact timing (2 weeks)

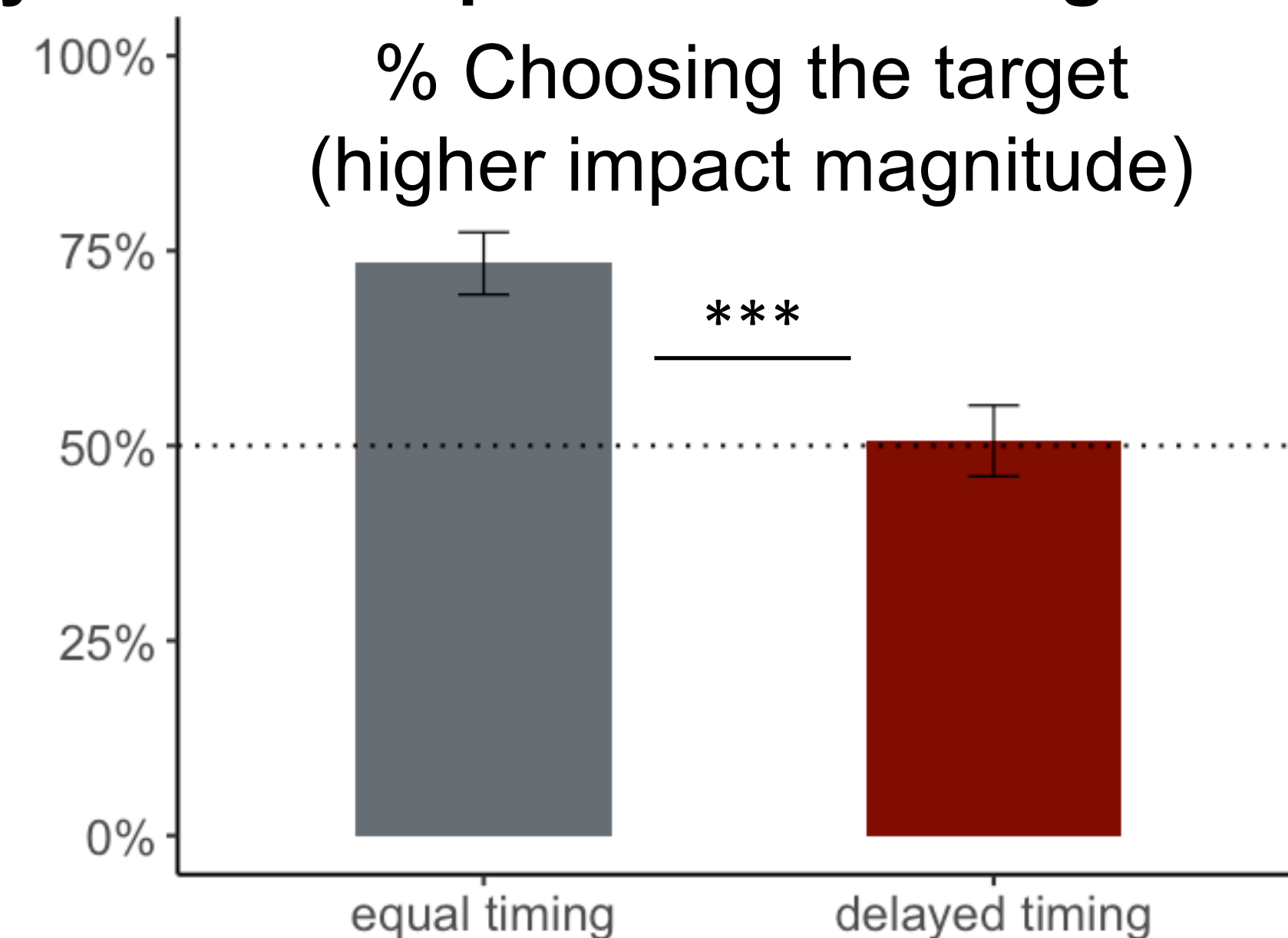
Treatment: higher-scope target had a later (6 weeks) impact timing

Ms. Sarah: Grades PreK-2 Bright Beginnings ECC, Dodge City, KS. This project will reach 38 students.

Ms. Valera-Sherman: Grades PreK-2 Willow Crest Elementary School, Anchorage, AK. This project will reach 300 students.

If you donate now to Ms. Sarah, the platform will send the magnetic tiles she requested to her within 2 weeks. If you donate now to Ms. Valera-Sherman, the platform will send cards and dice she requested to her within 6 weeks.

Result: Delay eliminates preference for higher-impact charity



Study 2: Test of Mechanisms

N=984, Prolific, B/W/S; DV: which charity to donate to

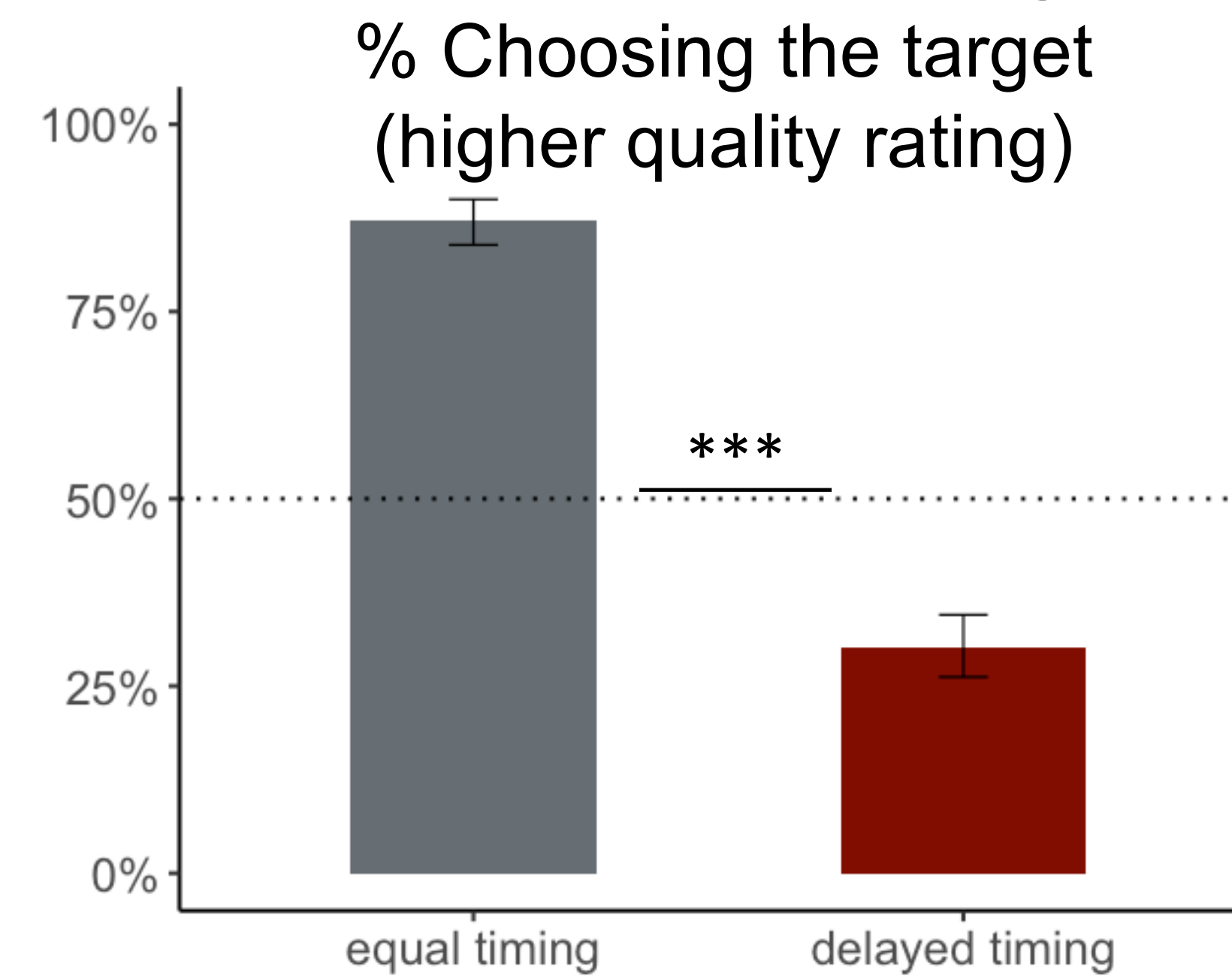
Control: two projects with the same impact timing (2 weeks)

Treatment: higher quality-rated target had later timing (6 weeks)

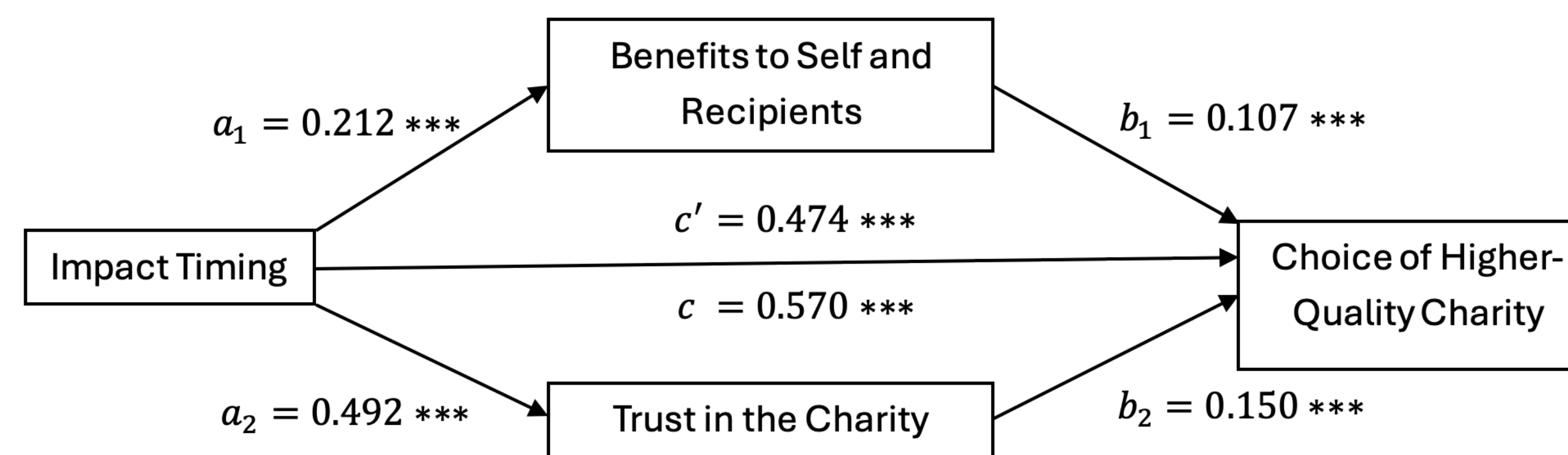
Additional measures: perceptions of benefits, trust in charity

	Core Giving	No Kid Hungry
Independent quality rating:	91	96
You will donate:	\$10 for 2 meals	\$10 for 2 meals
You will pay:	Today	Today
The charity will receive your donation:	Today	Today
The charity will give 2 meals in:	in 2 weeks	in 6 weeks

Result: Delay eliminates preference for higher-quality charity



Mediation by both trust in charity and benefits to self/recipients



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Andreoni, J., & Serra-Garcia, M. (2021). Time inconsistent charitable giving. *Journal of Public Economics*, 198, 104391.

Chopra, F., Falk, A., & Graeber, T. (2024). Intertemporal altruism. *American Economic Journal: Microeconomics*, 16(1), 329-357.

Gneezy, U., Keenan, E. A., & Gneezy, A. (2014). Avoiding overhead aversion in charity. *Science*, 346(6209), 632-635.

Knowles, S., & Servatka, M. (2015). Transaction costs, the opportunity cost of time and procrastination in charitable giving. *Journal of public economics*, 125, 54-63.

Loewenstein, G. (1987). Anticipation and the valuation of delayed consumption. *The Economic Journal*, 97(387), 666-684.

Shecter, B. (2021, August 10). Charities hoarded cash and failed to address crises during COVID: Report, <https://financialpost.com/news/economy/charities-hoarded-cash-and-failed-to-address-crises-during-covid-report>

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Study 3: Practical Implications on Overhead

N=299, Prolific, W/S; DV: which charity to donate to

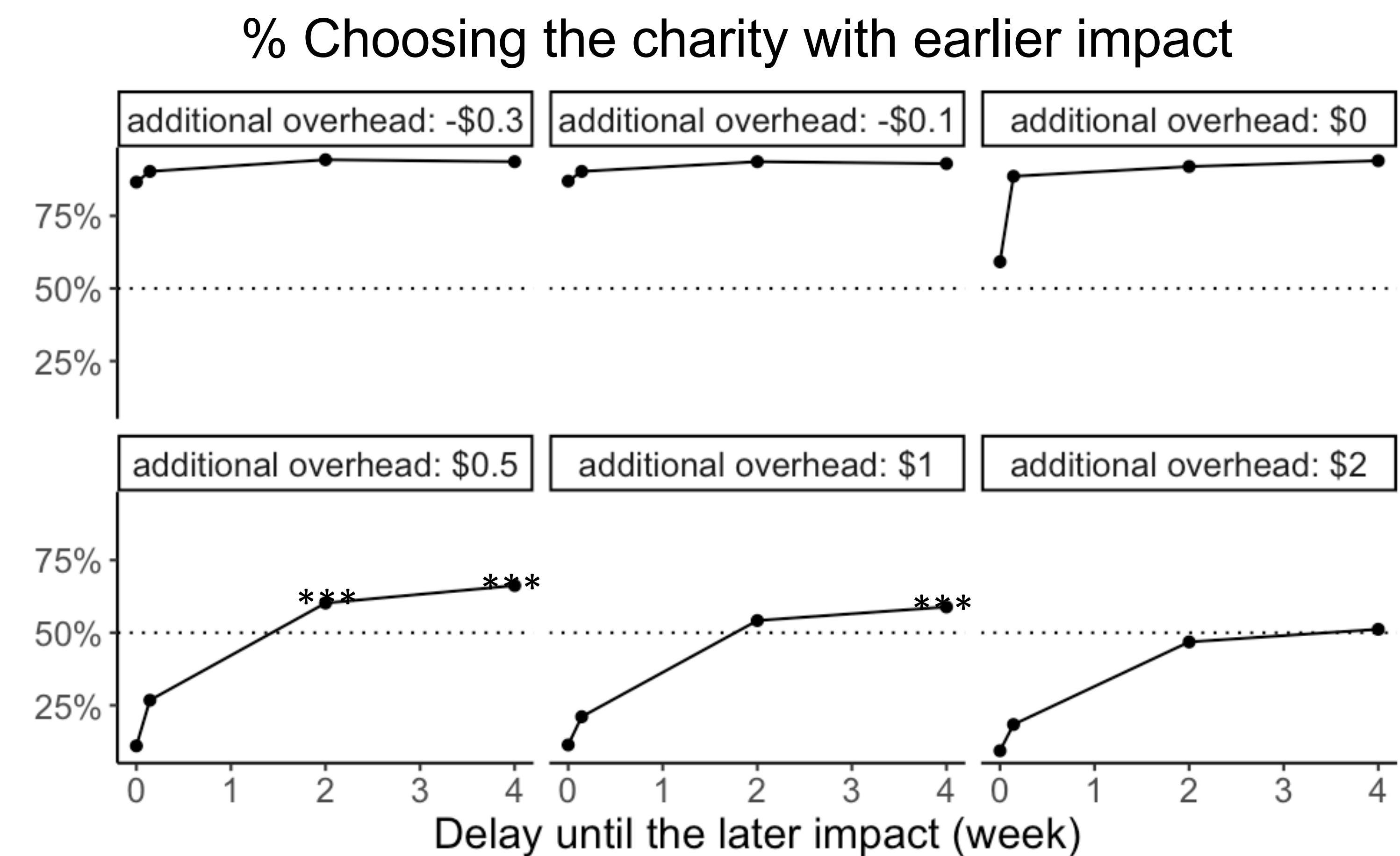
24 choices, varying the impact timing and overhead cost

Tradeoff between timing and overhead aversion (Gneezy et al. 2014)

	No Kid Hungry	Core Giving
You will pay:	Today	Today
The charity will receive your donation:	Today	Today
You will donate:	\$10.50: \$10 for 2 meals + \$0.50 for overhead	\$12.50: \$10 for 2 meals + \$2.50 for overhead
The charity will give 2 meals in:	1 week and 1 day	1 week

overhead difference \$2 (20% of the \$10)
delay until the later impact 1 day

Result: People are willing to pay an extra \$1 (10%) or more for a two-week earlier impact timing



Discussion

- People prefer a charity /project with an earlier impact timing.
- People trade off impact timing with other donation considerations (impact magnitude, quality rating & overhead).
- The impatience for impact can be explained as both:
 - delay signaling lack of trustworthiness
 - altruistic impatience for beneficiaries