



Improved Thrift Store Performance Means Better Mission Fulfillment

A new survey pinpoints ways to connect with thrift-store donors and shoppers. All nonprofits can find helpful insights in the results.

By Mark Mitchell

Many nonprofit organizations operate thrift stores or hope to open such stores to support their missions. Understanding the behavior of those who donate to and buy from these stores can enhance their effectiveness.

To increase such understanding, students in the School of Business at the University of South Carolina Upstate worked with the author to conduct a survey.¹ Here are the results:

It's less expensive to keep existing supporters than to replace them.

Why Do People Donate to Thrift Stores?

According to our research, people donate used items to organizations for the following reasons (ranked in order of importance):

1. seasonal cleaning, disposal of unwanted items
2. need to free up space, decide to donate worthy items
3. desire to help others and support an organization's worthy cause
4. moving and don't feel like transporting things that aren't used much

5. unable to use items because of weight loss or gain
6. post-holiday disposal of unwanted items
7. desire for end-of-year tax deduction
8. items no longer needed because of a loved one's death.

What Matters to Donors When Choosing a Thrift Store for Their Donations?

The following considerations (ranked in order of importance) are most critical to people when deciding where to donate their used merchandise for resale:

1. confidence that the organization will put their donations to proper use
2. convenience of donation drop-off locations
3. the organization's mission
4. perceived safety of neighborhood of drop-off site
5. general appearance of donation site and sales area
6. religious affiliation of the organization.

Why Do People Buy from Thrift Stores?

Buyers frequent thrift stores for many reasons. However, two buyer motives jumped out from the others:

1. Value Seeker. I saved money.
2. Special Purpose. I needed a unique item for a themed event.

Where Do People Get Information about Thrift Stores?

Our research shows that donors and shoppers learn about thrift stores in the same ways, ranked in the same order of importance:

1. visibility of stores or drop-off stations
2. past experiences as donors or shoppers
3. recommendations from family and friends
4. ministers or community leaders
5. news media (television, radio, newspaper, etc.)
6. Yellow Pages
7. Internet.

What Criteria Are Important to Shoppers Choosing a Thrift Store?

When evaluating a thrift store, the most important factors for prospective buyers (ranked in order of importance) are:

1. cleanliness of store and surroundings
2. quality of merchandise
3. well-organized displays of merchandise
4. value of merchandise
5. convenience of store location
6. friendly store staff
7. store staff attentive to customer's needs
8. uniqueness of merchandise
9. quality of brand names present.

What Does It Mean for Your Organization?

As this study makes clear, people have high expectations when selecting a thrift store to support, both with their donations and their purchases. Respondents were very clear on this fact: Past experiences as both donors and buyers matter! Additionally, thrift store shoppers expect what they see at the mall: a clean store, high-quality merchandise, well-organized displays, value for their money, convenience, and a friendly and attentive staff. Based on insights gained from our research, here's an action plan to guide your work:

- **Work to build support for your organization.** Effective nonprofit marketers create long-term, mutually beneficial relationships with donors and buyers alike, realizing that it's less expensive to keep existing supporters than to replace them. Positive word-of-mouth communication is one of the best ways to gain support.
- **Be sure your facilities are highly visible.** Not only your brick-and-mortar facilities but also any mobile collection vehicles or kiosks should be easy for people to find.
- **Spruce up the exterior of your store.** People will use your outside decor to judge the contents inside.
- **Organize your store's interior to facilitate a buyer's search efforts.** Provide well-organized displays with good lighting and lots of visual stimulation.

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- **Train your employees in product presentation and client interaction.** Stress the importance of customer satisfaction. Donor and buyer loyalty are keys to your success.²
- **Take a critical look at your processes for acquiring donations.** How might you improve the collection of items? From a donor's point of view, could you provide more drop-off sites in more convenient locations? Could you arrange to go to donors rather than having them come to you?
- **Anticipate seasonal buying needs** (such as costumes for Kentucky Derby parties in early May and Halloween parties in October) and common donation times (such as when people clean their houses in the spring-time and discard items after Christmas). Attain top-of-mind awareness so people immediately think of your organization when planning a themed event or starting a cleaning project that will result in donations.
- **Stay true to your mission.** People will stop giving if they sense their donated items won't be used as believed.
- **Offer good value.** Thrift-store shoppers want to extend their purchasing power by saving money.
- **Remember, the success of your thrift store will determine, ultimately, your ability to fulfill your service mission.** That's what counts! ■



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Footnotes

¹Focus group research was conducted to refine content for a questionnaire. The questionnaire was then transformed to a Web-based survey and sent to members of students' social networks (family, friends, co-workers, and so on). The sample group was deemed to be a reasonable cross section of the local population, though it was slightly younger and better educated; 454 usable responses were collected.

²See these *Nonprofit World* articles at www.snpo.org/members: "Relationship Marketing: Guaranteeing the Future" (Vol. 14, No. 5), "Build a Powerful Staff Team" (Vol. 18, No. 4), and "Are You Delighting Your Customers?" (Vol. 18, No. 5).

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