

Giving Gifts with Meaning

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by Karen Asp

It's that giving time of year again. Trouble is, you have no clue what to get half the people on your list. A possible solution? Charitable gifts.

Charitable gifts come in many different forms. You can donate money to a chosen charity in the person's name. Some charities even offer a fun gift, like a stuffed animal or wall calendar, to acknowledge your donation. You can also buy products for which a portion of the proceeds is donated to a specified charity.

Before you give any of these gifts, though, consider your recipient. "This is a gift you give friends and family who have what they need and aren't struggling," says Michal Ann Strahilevitz, Ph.D., professor of marketing at Golden Gate University in San Francisco. In other words, if your sister's a single mom who's about to lose her job, skip the charitable gift and give her something she can use.

If, though, this type of gift fits recipients on your list, these contributions will make a huge difference. "With the state of the economy this year, the stress on charitable organizations is so much greater because they have to do more with less," says Senny Boone, senior vice president for corporate and social responsibility for the Direct Marketing

Association's Nonprofit Federation.

There are also psychological benefits. "You get that warm glow of giving from making a difference," Strahilevitz says, adding that your self-esteem will get a lift and you'll reduce any guilt you feel about having more than others in these tough times.

But which charity should you choose? And how do you know where your money is going? To answer those questions, do some homework.

For starters, pick a charity your recipient cares about versus choosing causes you support. "Otherwise, recipients might think you're just pawing off your donations as gifts," Strahilevitz says. For instance, if one of your siblings has an autistic child, you might give to an organization that helps autistic children. Or if your friend volunteers at a pet shelter, consider giving to that shelter.

An easier option? Charity gift cards. You set the amount, and the recipient selects where that money goes, often choosing from hundreds of charities, depending on the card.

Of course, you want to make sure you're donating to a legitimate charity, which is why you should check in with charity watchdog organizations like Charity Navigator (www.charitynavigator.org) or Charity Watch (www.charitywatch.org). "Most charities are ethical, but there are a

few bad apples,” says Sandra Miniutti, vice president of marketing at Charity Navigator.

Charity Navigator, for instance, has evaluated over 5,000 charities and rated them on a scale of one to four, showing you exactly how they spend their money. “Look for charities that spend the bulk of the money — about 75 percent — on programs with the remaining 25 percent going to overhead and operating costs,” Miniutti says.

Finally, check that the charity has a donor privacy policy, which means that your information won’t be sold to other groups. Find that information on the charity’s web site. If in doubt, call the charity and ask.

All of this isn’t to say that material gifts don’t have a place. But if some people on your list lack for little, a charitable gift might be the ideal way to honor them.

Check out our Charitable Giving Gift Guide!