# Online tech is changing the dynamics of gift-giving

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Online gift-giving is spreading in social networks and causing people to give more gifts - online and in person - according to a new study led by René Kizilcec, Cornell University assistant professor of information science. About half of these gifts were unlikely to have occurred offline or via another online channel.

"Gift-giving is a fundamental part of human relationships, and technology is changing how it occurs: Social networking sites create greater awareness for gift-worthy occasions like birthdays, and gifts can be given last minute and over long distances. Digital traces of online gift exchanges are lifting the veil off these acts of generosity and inspire people to give more," Kizilcec said.

The paper, "Social Influence and Reciprocity in Online Gift Giving," co-authored with Dean Eckles of the Massachusetts Institute of Technology, and Eytan Bakshy and Moira Burke of Facebook, will be published in the *Proceedings of the SIGCHI Conference on Human Factors in Computing Systems*.

In the study, Kizilcec and his colleagues analyzed online gift-giving behavior on Facebook among U.S. adults during 2013. During that time, Facebook reminded users of their friends' birthdays and provided the option of sending an online gift - like a $15 Starbucks gift card - through the platform. The researchers complemented this data with surveys to get additional context.

The study found that when a person received a gift on Facebook for their birthday, they were then 56 percent more likely to also give an online gift through Facebook. This meant that approximately a third of all gifts given on Facebook after people's birthdays were inspired by receiving a gift in the first place.

"We found substantial evidence of social influence driving gift-giving behavior," said Kizilcec. "This boost in online gifts was not just the result of substitution away from offline gifts; but rather, it appears that receiving online gifts inspires people to give more gifts overall."

Most of the online gifts were reciprocal, being given to people who previously had given them gifts, online or offline. Three-fourths of gift-

givers on Facebook reported having received a gift in the past from the person to whom they gave the gift, but only 11 percent of recipients directly reciprocated gifts on Facebook.

Kizilcec explained: "It initially appeared as if online gifting was spreading on Facebook by paying forward acts of kindness. Upon closer inspection, it became clear that there is a broader network of gift exchanges, and these acts of reciprocity seamlessly transcend the online and offline worlds."

He noted that Facebook gifts were replacements for offline gifts about half the time. "We found that 58 percent of givers said they would still have given that person a gift without Facebook, but 42 percent reported that it would have been more difficult. This indicates that some Facebook gifts were substitutes for gifts given through other channels, while other Facebook gifts were incremental, this is, they would not have occurred otherwise," he said.

Age was another factor in online gift-giving on Facebook. "While millennials gave fewer gifts on Facebook than non-millennials in absolute terms, millennials were easily influenced to give online gifts after receiving one. On average, millennials were twice as likely to give gifts on Facebook after receiving one," Kizilcec said. "Nevertheless, people between the ages of 45 and 64 still had the highest levels of Facebook giving, partly because they gave gifts to both their peers and younger generations."

Although technology may be changing how gifts are given, "the societal norms and practices transcend the gap between digital and in-person giving," Kizilcec said. "This study reveals that people rapidly internalize social norms about online gift-giving. Those who saw their friends exchange gifts were more likely to consider online giving 'normal' than those who learned about online gifts through other means.

"At a time when the spread of misinformation is in the foreground," he said, "it is especially gratifying to see strong evidence for the spread of kind and cooperative behaviors like gift-giving."

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