

Gift or donation? Increase the effectiveness of charitable solicitation through framing charitable giving as gifts

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Researchers from Renmin University of China and Hong Kong Polytechnic University published a new paper in the *Journal of Marketing* that shows that framing charitable giving as gifts rather than donations significantly increases solicitation effectiveness.

The study is authored by Phyllis Wang, Yijie Wang, and Yuwei Jiang.



Individual giving is the biggest part of giving in the U.S., making up 69% of total contributions in 2019. However, charitable organizations worldwide are challenged by the task of effectively encouraging individuals to contribute to charitable campaigns.

Charitable giving is traditionally termed as "donations," whereas an increasing number of charity organizations have recently started to semantically frame <u>charitable giving</u> as "gifts." Yet charity organizations' decision to use donation framing or gift framing appears quite random, as if the two are interchangeable.

For instance, Feeding America and Food for the Poor require donors to indicate their gift amount, whereas Feed the Children and Good 360 ask donors to indicate their donation amount. Apparently, charity organizations have not fully grasped the impact of framing charitable giving as gifts or donations on the effectiveness of their solicitation campaigns.

To fill this <u>knowledge gap</u>, the research team investigated whether the new gift framing results in more charitable contributions than the traditional donation framing. Phyllis Wang adds that "In addition, we are interested in what the underlying mechanism is, if the effect indeed exists, and under which circumstances gift framing is more effective than donation framing."

Six studies indicate that framing charitable giving as gifts rather than donations not only increases donors' intention to contribute, but also enhances their real contributions. This happens because framing charitable giving as gifts rather than donations makes donors feel psychologically closer to beneficiaries.

For example, the third study is a collaboration with a company to organize a charitable campaign about contributing books to poor village



students and we measured employees' actual charitable contributions.

Specifically, one half of employees received a solicitation email adopting gift-related words, while the other employees received a solicitation email using donation-related words. "We found that the employees assigned to a gift-framed email not only were more willing to contribute, but also actually contributed more books than those assigned to a donation-framed email," says Yijie Wang.

The findings of this research provide substantive practical implications to <u>policy makers</u>, marketers, and charity organizations by identifying a quite simple and highly actionable strategy to promote charitable giving. Charity marketers often use donation framing and gift framing interchangeably in their advertisements in an apparent underestimation of their differences.

This research suggests that gift framing is a more effective strategy for soliciting contributions. Although more and more charities have started to use gift framing in their daily practice, the best way to employ this strategy remains largely opaque to them. Yuwei Jiang explains that "In our first study, we found that jointly using both donation and gift framings weakened the effectiveness of gift framing in promoting charitable giving. Therefore, we suggest that when charities use <u>gift</u> framing in their appeals, they should avoid the use of donation-related words."

In addition, charitable marketers should be aware that the effectiveness of framing charitable giving as gifts rather than donations varies across beneficiaries and donors. Based on findings of the fifth and sixth studies, marketers can benefit from framing charitable giving as gifts when soliciting contributions for general or distant beneficiaries, or from donors with a low need for status. However, this strategy may be less effective when soliciting contributions for beneficiaries who are



physically or psychologically close to donors, or from donors who see social distance as desirable.

More information: Phyllis Xue Wang et al, EXPRESS: Gift or Donation? Increase the Effectiveness of Charitable Solicitation through Framing Charitable Giving as Gift, *Journal of Marketing* (2022). <u>DOI:</u> <u>10.1177/00222429221081506</u>

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