



A regulatory-focused perspective on philanthropy: Promotion focus motivates giving to prevention-framed causes



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ABSTRACT

This research employs the framework of regulatory focus theory to examine effectiveness of donation appeals using managerially controllable variables, with results demonstrating objective and implementable outcomes. The results indicate that while individuals' promotion (vs. prevention) focus motivates philanthropic giving, it is prevention-framed (vs. promotion-framed) causes and appeals that garner greater support from donors. Moreover, we demonstrate that individuals' promotion focus motivates giving to prevention-framed causes more than to promotion-framed causes. This counter-intuitive finding that persuasion of philanthropy does not function through a traditional regulatory-fit paradigm is an insight with both theoretical and managerial implications. This research leads to the recommendation that to enhance the effectiveness of donation appeals, non-profit managers need to consider message framing, specifically the use of a prevention-framed appeal and a target market of prospective donors with a chronically dominant or situationally activated promotion focus.

1. Introduction

The United States of America and Canada are among the most generous nations in the world when it comes to philanthropic giving, with 63% and 65% of the population, respectively, donating money to charity in 2015 (World Giving Index, 2016). Moreover, the United States of America and Canada ranked second and sixth, respectively, in terms of percentage of adults participating in giving behaviors, such as helping a stranger, donating to charity, and/or volunteering time (World Giving Index, 2016). The non-profit sector accounts for approximately 5.3% of Gross Domestic Product (GDP) in the United States (US Bureau of Economic Analysis, 2014) and 8% in Canada (Statistics Canada, 2009). According to Giving USA (2016), 80% of the \$373 billion donated to American non-profits in 2015 was contributed by individual donors. Given the considerable contributions of individuals to the non-profit sector, it is essential to understand what motivates individuals to participate in philanthropic behavior and how we can best motivate or affect this behavior.

The extant literature has examined a variety of factors that influence the willingness of donors to support a cause (e.g., Aaker & Akutsu, 2009; Shang, Reed, & Croson, 2008; Winterich & Zhang, 2014) and the effectiveness of donation appeals (e.g., Bennett, 2003; Duclos & Barasch, 2014; Fisher & Ma, 2014; Small & Simonsohn, 2008). Yet, the existing research is relatively limited when it comes to

understanding philanthropic behaviors in relation to individuals' goals and motivations, how these influence the persuasiveness of donation appeals, and the managerial implications that follow. The current research attempts to enrich the existing understanding of the goals and motivations that drive philanthropic giving. We employ the framework of Higgins' (1997) regulatory focus theory that distinguishes between two motivational orientations that co-exist in every individual: promotion focus, a motivational orientation characterized by a focus on hopes, aspirations, and the attainment of positive outcomes, and prevention focus, a motivational orientation characterized by a focus on responsibilities, duties, and the avoidance of negative outcomes (Higgins, 1997).

Our findings indicate that philanthropic giving is motivated by individuals' promotion focus. In addition, we find that philanthropic causes that are framed with a prevention focus (i.e., emphasize avoidance of negative outcomes) yield greater support than causes that are framed with a promotion focus (i.e., emphasize attainment of positive outcomes). As such, we document a counter-intuitive phenomenon that cannot be easily deduced from existing regulatory focus research. It is generally believed that to enhance persuasiveness of communication messages, marketers should match message framing to the regulatory focus of their audience. Known as the 'regulatory-fit effect', this technique makes information easier to process and yields greater persuasion (Higgins, 2000; Lee & Aaker, 2004). Here we demonstrate that when it

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comes to crafting donation appeals, the logic of ‘regulatory fit’ should not be applied. Instead, non-profit managers should frame their appeals with a prevention focus and target prospective donors who are dominant in promotion focus (either chronically or situationally). These practical implications offered to managers of non-profits do not intuitively flow from previously published regulatory focus and fit research; as such they represent an important contribution from a managerial perspective. In addition, the current investigation offers several theoretical insights. One, we identify philanthropic giving as an outcome of promotion focus, thus contributing to regulatory focus theory. Two, we demonstrate that prevention-focused framing is a message element that can enhance the persuasiveness of donation appeals, thus contributing to philanthropy literature. Three, we identify the context of donation appeals as a boundary condition to the ‘persuasion through regulatory fit’ paradigm and offer suggestions for future research based on this finding.

2. Conceptual framework

2.1. Perceived impact as a driver of philanthropic giving

Existing research offers several definitions of charitable/philanthropic behavior. Some have defined it as behavior that enhances the welfare of needy others without receiving a reward in return (Bendapudi, Singh, & Bendapudi, 1996), while others defined it as “actions intended to benefit one or more people other than oneself” (Batson, 1998, p. 282), or simply as actions that intend to benefit others (Taute & Mcquitty, 2004). Consistent with these definitions, we argue that philanthropic giving involves making an impact in the lives of others (i.e., help and contribute to the needs of others) by giving up one’s own personal resources (e.g., money, time). Making an impact thus represents the *reason* for supporting philanthropy, while giving up resources represents the *means* by which this occurs.

Whereas contributing to the well-being of others and impacting their lives is desirable (e.g., Duncan, 2004; Erlandsson, Björklund, & Backström, 2015; Sargeant & Woodliffe, 2007), economic theory of maximizing behavior and rational choice would tell us that giving up resources is not desirable (Crocker & Linden, 1998). Relatedly, perceived impact has been identified as a psychological mechanism that promotes charitable giving (Cryder, Loewenstein, & Scheines, 2013; Cryder, Loewenstein, & Seltman, 2013; Duncan, 2004; Erlandsson et al., 2015; Sargeant & Woodliffe, 2007); that is, individuals are more willing to support a cause if they perceive that they can make a greater impact with their donation. To this end, those individuals who focus on the “making an impact” side of philanthropic giving will be more likely to contribute than those who focus on the “giving up resources” aspect of the transaction.

2.2. Promotion focus as a driver of charitable giving

Understanding the drivers of philanthropic behavior has gained research momentum in recent years. For example, donation levels were found to increase with age, educational level, and empathetic inclination (Bennett, 2003). Strength of an individual’s moral identity has also been identified as an important driver of philanthropic giving (Aquino & Reed, 2002; Winterich, Mittal, & Aquino, 2013). Being low in power distance—the extent of acceptance of unequal distribution of power—also increases propensity for charitable giving behavior (Winterich & Zhang, 2014). In this research, we contribute to the understanding of factors that motivate philanthropic behavior by identifying *promotion focus* of Higgins’ (1997) regulatory focus theory as a robust predictor of charitable behavior overlooked by previous research.

Regulatory focus theory distinguishes between two independent self-regulatory systems that co-exist in every individual: a promotion focus and a prevention focus (Higgins, 1997). Promotion focus is a

system that originates from individuals’ nurturance needs, providing the motivation to pursue hopes and aspirations and to strive for positive outcomes. Prevention focus is a system that originates from individuals’ security needs, and it is a motivator for the fulfillment of obligations and duties and the avoidance of negative outcomes (Higgins, 1997). Every individual has either promotion or prevention as their dominant motivational system, and, based on this difference, individuals are commonly categorized into promotion-focused and prevention-focused people, respectively. Additionally, momentary situations can temporarily activate a promotion or prevention focus and cause individuals to behave in accordance with the activated motivational system.

Promotion-focused people tend to focus on positive outcomes and to think abstractly (Lee, Keller, & Sternthal, 2010). This implies that they focus on primary aspects of any action by attending to pros over cons, to desirability over feasibility, and to *reasons* (i.e., why) an action is undertaken over the *means* (i.e., how) by which it takes place (Eyal, Liberman, Trope, & Walther, 2004; Liberman & Trope, 1998; Vallacher & Wegner, 1987). In the case of charitable behavior, this suggests that promotion-focused individuals will focus on the primary aspect of charitable giving and view it as an opportunity to make an impact in the lives of beneficiaries. Prevention-focused people, by contrast, tend to focus on negative outcomes and think concretely (Lee et al., 2010). This implies that they focus on secondary aspects of any action—i.e., cons, feasibility, and the means by which an action is undertaken (Eyal et al., 2004; Liberman & Trope, 1998; Vallacher & Wegner, 1987). Prevention-focused individuals, therefore, will focus on the secondary aspect of charitable giving and view it in terms of the means that it requires to take place—i.e., giving up resources.

H1a. Promotion focus will be a better predictor of philanthropic giving than prevention focus.

H1b. Promotion (vs. prevention) focus will lead individuals to view philanthropy as “making an impact” (vs. “giving up resources”).

H1c. The “making an impact” view of philanthropy will explain the relationship between promotion focus and philanthropic giving.

2.3. Prevention (vs. promotion) framing increases perceived impact

Through the lens of regulatory focus theory, product, service, and communication messages can be framed with promotion focus, by emphasizing gains and attainment of positive outcomes, or with prevention focus, by emphasizing avoidance of losses and prevention of negative outcomes (e.g., Lee & Aaker, 2004). Likewise, a charitable cause can be framed with promotion or prevention focus. For example, a charity that provides health care to children can be framed as providing services to “promote better health” or to “prevent disease”, with these two types of framing corresponding to promotion and prevention focus, respectively. We argue that if a cause is framed with prevention focus, perceived impact of supporting the cause will be greater than if it is framed with promotion focus.

The appeal of philanthropy is to give to those in need. Whether the cause is related to providing food and shelter or to funding arts, we give to reduce beneficiaries’ insufficiency in some area (not to contribute to abundance). As such, some unmet need is at the center of every charitable cause. Consumer behavior literature suggests that unmet prevention-focused goals and needs cause more pain than unmet promotion-focused goals and needs (Idson, Liberman, & Higgins, 2000; Liberman, Idson, & Higgins, 2005). Therefore, if a cause is framed with prevention (vs. promotion) focus, it will generate the perception of causing more pain and distress if it is not supported. In other words, a prevention-framed cause will seem more severe and urgent than an equivalent cause framed with promotion focus. As such, supporting a prevention-framed (vs. promotion-framed) cause should be perceived to make greater impact, because the contribution goes to a more severe

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