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Saving the masses: The impact of perceived efficacy on charitable giving to single vs. multiple beneficiaries *



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ABSTRACT

People are more generous toward single than toward multiple beneficiaries, and encouraging greater giving to multiple targets is challenging. We identify one factor, perceived efficacy, which enhances generosity toward multiple beneficiaries. We investigate relationships between perceived *self-efficacy* (believing one can take steps to make an impact), *response efficacy* (believing those steps will be effective), and charitable giving. Four studies show that increasing perceived self-efficacy increases perceived response efficacy (Studies 1 and 2) and increases donations for multiple beneficiaries (Studies 1–4). Further, results show that boosting perceived self-efficacy enhances giving to a greater extent for multiple than for single beneficiaries (Studies 3 and 4). These effects emerge using various charitable giving contexts, efficacy manipulations, and measures of generosity.

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1. Introduction

Charitable organizations often encourage donations by focusing donors on helping one beneficiary. For example, some humanitarian organizations offer opportunities to sponsor single individuals—one child, student, or teacher. Similarly, some wildlife funds encourage the symbolic adoption of single animals—one polar bear, panda, or penguin (e.g., World Wildlife Fund, 2012). Focusing on one beneficiary can be a successful fundraising strategy because single beneficiaries tend to evoke greater sympathy, guilt, and caring than do multiple beneficiaries (e.g., Jenni & Loewenstein, 1997; Kogut & Ritov, 2005a, 2005b). However, this strategy also has limitations.

First, it is not always feasible for charities to focus on single beneficiaries given their missions (e.g., research, preventative aid, awareness). Second, it can be misleading to suggest that donations benefit single beneficiaries when they actually contribute to a general pool of funds; doing so can damage charities' reputation and future financial support (e.g., Kiva, 2011; Roodman, 2009). Third,

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individual-level fundraising may not be economical, and charities lose flexibility in resource deployment when they receive donations that are restricted to single beneficiaries. Such restrictions may weaken an organization's operating efficiency, particularly in the event of more pressing or unforeseen needs. In light of these limitations, we sought to examine one theoretical construct that might increase giving to multiple beneficiaries.

To begin, we briefly review literature that has shown that donors tend to give more to single than to multiple beneficiaries, and that this tendency is often driven by emotional concerns such as sympathy and guilt. We also describe previously-conducted studies that illustrate the difficulties in increasing generosity toward multiple targets. We then shift our focus to a different driver of giving-perceived efficacy-that we suggest contributes to donors' generally-lower willingness to give to multiple targets. To gain a deeper understanding of the effect of perceived efficacy on giving, we utilize a common and more nuanced conceptualization of perceived efficacy that is well established in the literature (e.g., Bandura, 1977; Block & Keller, 1997; Keller, 2006). Specifically, we differentiate between perceived self-efficacy (the belief that one can take the steps required to achieve an outcome) and response efficacy (outcome expectations: the belief that the steps taken will result in the desired outcome). Thus, in our charitable giving context, self-efficacy is conceptualized as people's belief that they are capable of taking steps to achieve their objectives (e.g., accomplishing their goals, taking steps to help a cause). Response efficacy is conceptualized as the belief that actions taken

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to achieve their objective, such as helping a charitable cause, will be effective. Next, we present four studies that were designed to (1) test whether generosity toward multiple beneficiaries can be increased by manipulating perceived self-efficacy in a variety of ways (Studies 1–4), (2) examine the relationships between self-efficacy, response efficacy, and charitable giving towards multiple beneficiaries (Studies 1 and 2), and (3) examine whether the effect of increased self-efficacy on giving may be different for multiple than it is for single beneficiaries (Studies 3 and 4). To gain convergent evidence, these studies utilized a variety of perceived efficacy manipulations, charitable giving contexts, and measures of hypothetical and real giving.

The results show that encouraging people to consider their ability to achieve an unrelated goal or an outcome (i.e., boosting self-efficacy) heightens the degree to which people believe their charitable actions can make an impact (i.e. boosts response efficacy), and increases generosity toward multiple beneficiaries. In addition, increasing perceived self-efficacy reduces the disparity in people's willingness to donate to single and multiple beneficiaries—importantly, by raising giving levels for multiple beneficiaries, rather than by lowering giving levels for single beneficiaries. These results show that giving to multiple beneficiaries depends at least in part on whether perceived efficacy is higher versus lower. We also explore possible reasons why these effects occur. We conclude with a discussion of the theoretical and practical implications of this work.

2. Charitable giving to single versus multiple beneficiaries

Many studies have shown that people are more generous toward single rather than multiple beneficiaries because single beneficiaries evoke stronger emotional concern (e.g., Kogut & Ritov, 2005a). Many factors contribute to this effect. As compared to multiple beneficiaries, single beneficiaries seem more vivid, identifiable, and tangible; in addition, people experience diminished sensitivity and guilt as the magnitude of target beneficiaries increases (Baron, 1997; Cameron & Payne, 2011; Fetherstonhaugh, Slovic, Johnson, & Friedrich, 1997; Jenni & Loewenstein, 1997; Kogut & Ritov, 2005a, 2010; Small, Loewenstein, & Slovic, 2007). Therefore, people tend to be more generous to single than to multiple beneficiaries, regardless of whether two, eight, or millions of beneficiaries are involved (e.g., Kogut & Ritov, 2005b; Slovic, 2007).

Dozens of studies have increased our understanding of people's perceptions about and generosity toward single beneficiaries. However, less research has focused on donor perceptions of and giving to multiple beneficiaries. For example, Kogut and Ritov (2005a, 2005b) examined the influence of identifying information (none vs. age only vs. age and name vs. age, name, and picture) and number of beneficiaries (one child vs. eight children) on giving. Adding layers of identifying information boosted giving for the single child but had no effect for the eight children. Although the authors were not focused on examining ways to increase giving to multiple beneficiaries, their work contributes to our understanding of multiple beneficiaries by suggesting that the same factors that boost giving to single beneficiaries may not be successful for multiple beneficiaries.

In other work, researchers have investigated giving patterns after priming participants to think analytically, informing them about the tendency to give to single over multiple beneficiaries, and providing them with statistical information (e.g., Small et al., 2007). However, none of those approaches enhanced giving to multiple beneficiaries. In one study, for example, Small et al. (2007) designed an intervention to educate donors about their tendency to help a single, identified beneficiary versus multiple, statistical beneficiaries. While this intervention attenuated participants' tendency to give more to the single (vs. statistical)

target, it did so by decreasing giving to the single target, rather than by increasing giving to the statistical target (Small et al., 2007).

However, some evidence suggests that giving to multiple beneficiaries can be increased. Smith, Faro, and Burson (2013) boosted giving to multiple beneficiaries by enhancing the perceived entitativity ("inherent coherence," Campbell, 1958) of those targets (e.g., framing 200 gazelles as a herd of 200 gazelles). These findings are encouraging because they suggest that greater giving can be stimulated for multiple beneficiaries, at least in contexts in which the multiple beneficiaries can be reframed or viewed as a single, coherent unit. In the present work, we sought to identify another, more general manner in which giving can be increased for multiple beneficiaries. Specifically, we attempted to increase giving to multiple beneficiaries by heightening people's belief that they can make a difference. In contrast to prior work, the current work aims to boost giving to multiple targets by changing people's beliefs about their own ability to be effective (self-efficacy), rather than directly influencing beliefs about whether a target beneficiary or charitable cause can be helped.

In summary, while much research has demonstrated people's heightened tendency to help single beneficiaries, less research has investigated and identified ways to increase giving to multiple beneficiaries. The current work examines how one factor—perceived efficacy—might positively influence people's generosity toward multiple beneficiaries.

3. The current research: the role of perceived efficacy

Many factors influence giving decisions in addition to feelings of sympathy and caring. People also feel the need to control their environment and ensure that their actions make a difference (e.g., Cryder, Loewenstein, & Scheines, 2013; Fiske, 2004). The term perceived efficacy is often used to refer to perceptions regarding one's impact, and the current work relies on this concept to help explain patterns of giving. To gain a more nuanced understanding, we build on classic efficacy research (Bandura, 1977) to distinguish between two efficacy forms—perceived self-efficacy and response efficacy—and investigate their influence on giving to single and multiple targets.

The literature on perceived efficacy has identified self-efficacy and response efficacy as two main categories of efficacy perceptions (Bandura, 1977; Block & Keller, 1997; Keller, 2006). Self-efficacy refers to the perception that one is capable of taking steps to perform a desired action; response efficacy refers to the perception that the steps taken will result in the desired outcome. Generally, self-efficacy and response efficacy are correlated, and according to Bandura's (1977) model, self-efficacy precedes response-efficacy. Nonetheless, the two efficacy forms have been found to have unique antecedents and consequences and thus have been described as discrete constructs (e.g., Bandura, 1977; Maddux & Rogers, 1983).

We are not the first to implicate perceived efficacy as a factor influencing charitable giving decisions (Bendapudi, Singh, & Bendapudi, 1996; Cryder et al., 2013). For example, in their review of helping behavior, Bendapudi et al. (1996) suggest that charities may want to focus on raising money for single beneficiaries, because those targets may induce higher self-efficacy perceptions:

"When the need appears enormous, donors may believe that they are powerless to reduce it; this lack of self-efficacy may lead to their choosing not to help at all. To counter this trend, the charity may focus on a manageable segment of the need (e.g., helping one needy child as opposed to the starving millions), assuring donors it possesses the ability to provide serious help."

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