



The relationship between the frequency of gifts given and donation reciprocal behavior

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Abstract. Charities always remind people of generosity because people give money to others without getting any substantial things back. However, this may contradict with the self-interest, one of the human nature. Therefore, lots of researchers conduct the study to test reciprocal behaviors, engaging in kind exchange in social interaction, in donation. This paper also wants to find the elements that influence the intensity of reciprocity during donation. By referencing to Armin's research, the relationship between the amount of gifts gave by charity and donation behaviors, this paper proposes a new variable: frequency. The proposal is that the more frequency the gifts sending is, the less effective of the donations are.

Keywords: Donation, reciprocity, frequency, novelty, sense of debt.

1 Introduction

When talking about human instincts, people usually have two divergent ideas: self-interest and self- altruism. Greed, the high excessive desire for wealth, has a strong biological and social base [1]. It is reinforced in every single social interaction from bargaining little penny to embezzle billions of amount. However, this can't explain the existence of charities and donations worldwide, which are the epitome of altruism. A mixture of extreme greed and extreme altruism forms the human nature [2], which is vital to any cooperation that human evolved. By decreasing the intensity of both selflessness and altruism, people regulate their behaviors on the basis of reciprocity, a mutually beneficial exchange.

Besides talking about reciprocal behaviors can gain a mutual exchange of support, emotional care and love [3], the reciprocity in business bond the consumers to the service by using some free gifts, discount coupon, and a good after-sale attitude to let consumers feel a sense of gain. In this way, lots of consumers shows gratitude by buying more [4].

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For charity, most of the donations are made by individuals. In fact, there are \$358 that the American charities get in 2004: corporations donations take 5 percent and foundation grants take 14 percent, and the rest of donation is taken by individuals [5]. Therefore, how charities encourage individuals to donate becomes critical. People's behavior can be easily manipulated by reciprocity: when they receive free stuff, such as the selfie and painting from poor children, they all want to return something in any form because their compassion, empathy, and hope are evoked during the process [6]. As a result, charitable organizers seize the common characteristics of people to increase the number of donations by sending some gifts to people to take advantage of people's reciprocal behavior. The article, *Charitable Giving as a Gift-Exchange Evidence From a Field Experiment*, shows a positive correlation between the value of the gifts and the amount of money people donate due to reciprocal behavior [7]. Despite this positive relationship, some charitable organizations usually mess things up by over-disrupting the consumers. Inspired by this research, our group wants to analyze the relationship between the frequency of sending gifts and people's donations, shown by reciprocal behavior. We hope to find the appropriate frequency of gifts given so that the number of donations will increase. With the comparisons among different frequencies, it is easier for organizers to redirect themselves when regulating the sending frequency. Therefore, in our study, we will randomly choose 15,000 participants and divide them into four groups to send solicitation letters, including two a year, four times a year, twice for two years, and four times for two years. We assume that the higher the frequency of sending gift letters is, the less likely it is for people to donate. To further illustrate, the rest of the paper will have three sections: Design of Research, Potential Results & Importance of Research, and Conclusion.

2 Design of Research

To achieve our goal of promoting more donations by giving letters and gifts, we will conduct a field experiment, which allows us to examine how people react by observing their donation behaviors after receiving letters and gifts in a real environment. Another advantage of field experiments is that they are typically easier to control than lab experiments, which allows the experimenter to precisely determine if there is a causal relationship between the independent and dependent variables [8]. Our experiment aims to find out how the frequency of sending out letters and gifts will affect the reciprocal behavior of donors. We will work with a charity in the UK and stay in line with their wishes: to get donations from people who can sponsor an orphan child so that each orphan gains the chance to be educated just like children who are upbringing in a stable and loving environment. The charity focuses on funding children in Asian countries such as Pakistan, Bangladesh, India, Sri Lanka, and Nepal. Based on the information above, we will send letters and gifts to selected locations in Wales and mail 15,000 to villagers in each village (unlimited by gender and age) on Easter Day, April 9, 2023. Each mail contains a letter and a gift: the letter includes the introduction of the donation project, the end date of the donation, and the expectation of the amount donated. Here is the template for standard donation (see Figure 1).

[Organization Name]
 [Street Address]
 [City, St Zip]
 [Organization's Phone Number]
 [Optional - Organization's Website]

[Today's Date]

[Name of Recipient]
 [Address]
 [City, St Zip]

Dear [Name of Recipient],

[Start with an introduction to your cause or goal by using stories and facts to connect with the recipient emotionally.]

[List the specific goal and purpose of this fundraiser.]

[Make a specific request of the recipient - how do you want them to react. Make sure to indicate if you are looking for time, items or money and how much.]

[Include details on how they should take action. Do you want them to donate online or by check? Provide them with the information they need to follow through with the action. You may wish to also indicate if the donation would qualify for a tax donation.]

[End by thanking the individual for their help in reaching the goals. Go ahead and thank them in advance for their donation.]

[See [Vertex42.com](#) for tips and sample letters.]

Respectfully, [or With Kind Regards,]

(Sign here for letters sent by mail or fax)

[Typed Name]
 [Title]

P.S. - [Include information about deadlines or a final statement tying the letter together.]

Fig. 1. The Standard Donation Request Template [9]

The gift, on the other hand, presents the children's imaginary life painted on the post-cards with a sign of the author. Then the sending dates will be the only variable. The date April 9, 2023, will be our first time to send, and the donation deadline is in 15 days, that is, until April 24. After that, we will count the first total figure of contributions and the number of donations. The second mailing time will be International Children's Day, June 1, 2023, and ends on June 16, then the amount and figure of the donation will also be recorded by the charity. The results of these two mailings will serve as the control group of our experiments, which corresponds to the frequency of sending gifts and letters twice a year.

Next, we will launch three treatment groups. Their frequency is divided into four times a year, twice every two years, and four times every two years. The payment period will still be within 15 days. As a result, it means that for the first treatment group, including the first two mailings before, we will send gifts and letters again to the same

people in Wales on August 1 and October 1, 2023, then observe the results of the donations. The second treatment group has a frequency of twice within two years, resulting in the first mail (April 9, 2023) and the second mail (Easter, March 31, 2023). Finally, the frequency of the third experimental group is four times in two years, which includes our first and second mail in 2023, as well as March 31 and June 1, 2024, as another two times. All mail results will be recorded by the charity carefully and shared with us. Eventually, the different results obtained by the three treatment groups will be compared with the control group to find out if there is a relationship between the frequency of mailing and the number of donations, leading to our conclusion.

3 Potential Result & the Importance of this Research

With the common goal of charity to encourage people to donate more money, organizations may send invitation letters and gifts in a high frequency by which they simply perceive to surge the amount of donation money. On the contrary, based on psychological and economic factors, the result may lie on the opposition. We will give three reasons to further illustrate our point.

Firstly, some people don't have regular plans for donations. According to the Stanford Social Innovation Review, it concludes the six reasons for people to donate: Generosity, Self-satisfaction, Guilt, Reciprocity, Duty, and Prestige [10]. In this case, people who are pushed by those group-sending letters and gifts will not do charity regularly in their daily life, so sporadic gifts will spark their generosity to donate. However, too many gifts sending will lead a declination of donation due to their disbursement arrangement. To illustrate, those people's planning of expenditure is slightly different from philanthropic people who are used to leaving their part of the money for donation. In this case, one or two donations, after receiving notification, will not break their disbursement arrangement, but with more and more urges for donation, they will ignore those notifications increasingly.

Secondly, the lack of new design letters and gifts renders the impossibility of long-term promotion. Humans love new things: our ancestors annexed new continents, landed on the moon, researched new medicines to check disease, etc. The same concept applies to this condition. It might be fresh for people to read the same designs and kinds of gifts for the first or second time. Still, they will gradually get bored when they repetitively read something similar or even annoyed because they believe the organizers are perfunctory. In this way, it is reasonable for them to stop donating money when they receive push letters and gifts at a high frequency.

Last but not least, people's sense of debt, one of the essential elements to push the donation, is undermined in this process. A sense of debt is formed when people receive gifts from poor children because theoretically they are on the rich side, and they should lend money to those poor children, however, receive the gifts from them. With the gifts, they are no longer irrelevant to those children, so their morality unconsciously pushes them to do charity. Nevertheless, if people donate their money when they receive the gifts the first or second time, they will refuse to donate more in the future when they

receive the same kinds of gifts. This is because their sense of debt is offset by their previous donation. As a result, they don't have any reason to continually donate.

How to improve the public's frequency of donation becomes a problem for any charity. From our perspective, besides changing new gifts and new designs of letters, charity can push out new standards. Instead of using letters and gifts as motifs, organizers can formulate reward standards when people reach different levels. For instance, when the total number of a person's donations reaches 200\$ a year, they can get a Starbucks card and get an advanced cooking utensil when they reach 500\$ a year. In this case, they are not only driven by those gifts but also feel a sense of achievement. Of course, there are lots of ways to increase the donation enticement, but organizers should avoid repeatability throughout the motivation. By conducting the research, we can understand people's donating behavior in real life rather than hypothesizing. As a result, the organizers can change the model of nudging to maximize their profits.

4 Conclusion

Our final prediction, based on the above article, is that if gift letters are sent frequently to people who don't have the habit of donating, it will wane their desire for continual donations. The main reason is, besides the devoid of novelty, people who receive gift letters, firstly, may be tempted to donate by internal condemnation for receiving a free gift, but if letters were sent with a high frequency, this condemnation would diminish because they had already donated in the past, so people would no longer willing to donate. There is also an experiment, conducted by APA (American Psychological Association), with a similar topic, *The Frequency and Value of Benefits as Determinants of Reciprocity Behavior*. The results from the experiment shows that people's decision to reciprocate are influenced by the frequency and the magnitude of benefits contradictorily [11]. However, there may be some limitations in our experiment. First of all, the results may depend on the education level of the participants: people who are more educated possibly have stronger internal condemnation to elicit them to donate. In addition, it also depends on the income level of the receivers: if some receivers' salaries are only enough to cover their living expenses, they may not donate even if they have internal condemnation because they do not have enough money to donate. Furthermore, since this experiment is limited to monetary donations, it covers up some extra donations, such as clothes or book donations. Also, the results of the experiment are based on long-time research, which affects the accuracy of the outcome, including the migration of people and some other variables in the surroundings.

If the predicted results are the same as the actual experimental results, we can use this method to find the most effective frequency to get more donations. In this case, the charity can change its model to avoid aesthetic fatigue and the disappearance of the desire for donation thus gathering more donations to help orphanages. Moreover, the benefits of this research can be expanded, such as encouraging blood donation. Therefore, if our predictions are confirmed, more businesses and establishments in need of donations can make use of human nature, reciprocal behavior, to increase sales or donations.

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