Social consequences of prosocial behaviors: the case of charitable donations

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Summary

Social consequences of charitable giving have been highlighted by researchers as key determinants of generosity. In that respect, charities are making much use of the dimension by notably publicly thank donors. Although the positive impact of public recognition on donations is not free of debate, prior literature generally assumed that such social reward will at worst have a neutral effect on people’s generosity. Through a series of experiments, we challenge that statement and propose that, depending on donors’ need for social approval, the presence of a public recognition might actually reduce generosity. Indeed, it appears that among people with low need for social approval, donations would decrease if they are made public. The present research provides a better understanding of the role of social reward in the context of prosocial behaviors and more specifically with charitable giving.

Keywords : Prosocial behavior, Charitable giving, social approval

JEL Classification: D12, D6

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SOCIAL CONSEQUENCES OF PROSOCIAL BEHAVIORS

THE CASE OF CHARITABLE DONATIONS

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Social consequences of charitable giving have been highlighted by researchers as key determinants of generosity. In that respect, charities are making much use of the dimension by notably publicly thank donors. Although the positive impact of public recognition on donations is not free of debate, prior literature generally assumed that such social reward will at worst have a neutral effect on people’s generosity. Through a series of experiments, we challenge that statement and propose that, depending on donors’ need for social approval, the presence of a public recognition can actually reduce generosity. Indeed, it appears that among people with low need for social approval, donations would decrease if they are made public. The present research provides a better understanding of the role of social reward in the context of prosocial behaviors and more specifically with charitable giving.

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Introduction

The determinants of charitable giving are numerous and have been the focus of substantial research over the years (Sargeant and Woodliffe, 2007; Bekkers and Wiepking, 2010, Legallély, 2013). While the impact of some determinants of charitable giving is now unanimously acknowledged, the role of others is still subject to questioning. In this vein, the role of social consequences and more precisely of social recognition is still unclear. For a long time, the literature has limited the effect of social norms and recognition (Polonsky, Shelley and Voola, 2002) but recent research has concluded in a strong relationship between social recognition and donating behaviors (Smith and McSweeney, 2007; Bekkers and Schuyt, 2008).

In this regard, Lee and Sargeant (2011) warned academics and practitioners about social desirability as an inherent bias of the charitable giving literature. Research on the impact of social reward and prestige is indeed often based on declarative behaviors (e.g. Polonsky, Shelley and Voola, 2002; Smith and McSweeney, 2007; Bekkers and Schuyt, 2008). Furthermore, some authors have recently proposed that this positive impact would also depend on the social influence that witnesses might have on the donor (Alpizar, Carlsson and Johansson-Stenman, 2008). On an individual perspective, people do not equally seek for peers’ approval (Satow, 1975). Research in other areas has already proposed that the impact of social (dis)approval could depend on individual specificities (Butters, 2004). These individual traits therefore result in what authors define as the need for social approval (Millham and Kellogg, 1980; Twenge and Im, 2007). This would notably explain the mixed results when dealing with public donations (Alpizar, Carlsson and Johansson-Stenman; 2008).

It appears somehow logical to assume that social rewards would positively impact people with high need for social approval. However, authors have so far also assumed that the effect would be at worst neutral among people with lower need for social approval. Answering the call for a better understanding of social consequences of charitable giving (Stürmer, Snyder and Omoto, 2005; Bekkers and Wiepking, 2010), the present paper suggests that such social recognition might actually have a negative effect on generosity, inhibiting some people to donate. Through a series of experiments, we investigate the comparative effect of public vs. private recognition and show that depending on people’s willingness to get social approval, recognitions can have opposite effect. We finally present several managerial implications and suggest leads for future research.

1. Theoretical Framework

As Shultz et al. (2007) pointed out, the impact of social norms in marketing research is based on two findings. First, most people tend to overestimate the predominance of several undesirable behaviors. Second, authors have shown that people often use their perception of social norms as a reference to compare their own behaviors (Clapp and McDonnell, 2000). As
a consequence, the use of social norms for marketing campaigns has gained a renewed interest (Weschler et al., 2003). However, such methods have so far often shown mixed results (e.g. Clapp et al., 2003; Neighbors, Larimer and Lewis, 2004). In the following sections, we review the fundamental principles underlying social interactions in the context of generosity.

1.1. The social dimension of charitable giving

As a prosocial behavior, charitable giving has social consequences. It is now admitted that such consequences can be actual determinants of prosocial tendencies (Mishra and Singh, 2015). In the specific case of charitable giving, people would indeed make their donations public when given the opportunity to do so (Andreoni and Petrie, 2004). More recently, Bekkers and Wiepking (2010) referred to reputation gain as a social consequence of charitable giving, pointing out that “people in the social environment of donors verbally or nonverbally reward donors for giving or punish them for not giving” (p. 13). Indeed, while giving to charity provides recognition from one’s peers (Wiepking, 2008), not giving to charity can be detrimental for people’s reputation (Bateson, Nettle and Roberts, 2006; Alpizar, Carlsson and Johansson-Stenman, 2007). Moreover, previous research has shown that recognition might also come from people who are not physically present (Silverman et al. 1984). In some cases, merely knowing that people are aware of the contribution would be sufficient to elicit donations (Bekkers and Wiepking, 2010). This bunch of implicit rules that are socially shared within the community can therefore stimulate and guide (prosocial) behaviors (Terry and Hogg, 2001; Aarts and Dijksterhuis, 2003).

Research on the impact of social norms has so far provided mixed results and no real consensus has yet emerged (Schultz et al., 2007). While some authors have concluded in a very limited effect of social norms (Polonsky et al., 2002), others found a strong relationship with generosity (Bekkers and Schuyt, 2008). The impact of social norms would actually depend on a bunch of individual factors (Hebert et al., 1997; Twenge and Im, 2007) as well as on the extent to which the behavior is adopted in public or private settings (Bagozzi et al., 2014).

1.2. Need for social approval

As Bekkers and Wiepking (2010) pointed out, the effect of social norms on prosocial behaviors depends on the value of approval that the donor enjoys (Bekkers and Wiepking, 2010). To identify this sensitivity to social norms and consequences, authors usually refer to the need for (social) approval (Strickland and Crowne, 1962; Mukai, Kambara and Sasaki, 1998; Sosik and Dinger, 2007; Twenge and Im, 2007). In this vein, the need for social approval (NSA) is defined as the extent to which a person will seek social recognition. This variable strongly differs between individuals (Bateson, Nettle and Roberts, 2006; Alpizar, Carlsson and Johansson-Stenman, 2007).
Stenman, 2008) and would have a significant impact on people’s behavior. As Auty and Elliot (2001) demonstrated, NSA might sometimes be a more important driver than one’s identity. Although NSA has never been mobilized in the case of charitable donations, a moderating role of the variable has been recently demonstrated in other contexts (e.g. Sosik and Dinger, 2007). When considering charitable giving, NSA might explain mixed results that have been found so far when dealing with social recognition. Indeed, it is logical to assume that the effect of social recognition will be conditioned by people’s will for approval.

In their article on the influence of social norms, Lapinski and Rimal (2005) explained that the extent to which a behavior is adopted in public or private settings would moderate the influence of social standards (e.g. Jirojwong and MacLennan, 2003; Bagozzi et al., 2014). When behaviors are not likely to be known by others, the influence of norms appears to be strongly reduced. Consequently, one might believe that a public recognition will exacerbate this effect. So far, the literature has generally assumed that the impact of a public recognition would be at worse neutral. In their theory of prosocial behavior that “combines heterogeneity in individuals’ degrees of altruism and greed with a concern for social reputation or self-respect”, Bénabou and Tirole (p. 1652, 2006) introduced a nuance to that. According to the authors, social rewards can sometimes conflict with initial motivations to donate. In that respect, they insisted on the extent to which people care about the opinion others have of them as a key determinant in the process. This goes along the same lines as the cautionary statement of Fehr and Falk (2002). As the authors pointed out, incentives can sometimes have the opposite effect to the one expected. They also insisted on the importance to take into account people’s desire for social approval. We therefore propose that, depending on people’s willingness to get social approval, recognition might reduce generosity. Indeed, for people with low NSA, public recognition might have a negative effect, conflicting with initial motivations to donate, such as personal values.

Interestingly, some authors have also proposed that the influence of social approval on prosocial behaviors might be unconscious (e.g. Mishra and Singh, 2015). The bare knowledge that a behavior is worth rewarding would in some cases be enough to motivate people. In the context of charitable giving, merely knowing that people are aware of the contribution would be sufficient to elicit donations (Bekkers and Wiepking, 2010). Going one step further current literature on the impact of social approval and behavioral privacy (e.g. Fehr and Falk, 2002; Lapinski and Rimal, 2005; Bagozzi et al., 2014; Mishra and Singh, 2015), it might be interesting to study how people react when they are given the choice to get or decline social approval. In that respect, we expect opposite effect between people with low and high NSA. For people with low NSA, the optional nature of the recognition might avoid the conflict with initial motivations to donate. In this case, remembering people with low NSA that their generosity is worth rewarding, without forcing them to accept the reward, might actually increase their willingness to donate. However, we expect the opposite effect for people with
high NSA. Indeed, if the recognition is optional, people have to intentionally demand the recognition. In this case, generosity can become suspected of being motivated by appearances, leading people to turn down rewards (Bénabou and Tirole, 2006).

### 2. Methodology

To test our different hypotheses, we conducted laboratory experiments. For each experiment, participants were asked to answer an online survey on an unrelated topic (world sporting events). At the end of the questionnaire, people were rewarded with an amount of money and were then given the opportunity to keep the reward for themselves or to donate to a charitable cause. When people chose to donate, they had to select the charity they wanted to support among the ten best-known organizations in Belgium. Providing respondents an opportunity to choose was a way to reduce potential negative attitude toward a particular charity. The questionnaire was administrated on Facebook because it was an efficient way to prime respondents with social rewards. The link of the questionnaire was shared on sports and sports club pages. For all studies, respondents were randomly assigned to one of the different conditions. The need for social approval (NSA) was measured with a multidimensional 20-item, five point Likert scale developed by Martin (1984). This scale is a revised and validated measure of the approval motivation scale developed by Larsen et al. (1976). By contrast with various studies dealing with social approval, we did not use the Marlowe-Crowne Social Desirability (MCSD) Scale (Crowne and Marlowe, 1960). This scale was not initially designed to measure people’s motivation to get social approval, but to assess socially desirable response tendencies toward self-report instruments (Martin, 1984). In that respect, numerous authors suggested that the MCSD Scale rather measures defensiveness, and not approval seeking (e.g. Thaw and Efran, 1967; Allaman, Joyce and Crandall, 1972; Millham, 1974; Berger et al., 1977; Martin, 1984).

#### 2.1. Study 1

The first experiment aimed at assessing the role of NSA on the impact of a recognition. At the end of the questionnaire, people were rewarded with an amount of money (five euros) and were given the opportunity to keep the reward for themselves or to donate the total amount to a charitable cause. The between-subjects design consisted in three conditions for the reward (no recognition, promise of a private recognition and promise of a public recognition). In the “private recognition” condition, people were told that they would receive a personalized thank you email from the fundraising manager. In the “public recognition” condition, people were told that they would automatically receive public thanks from the organization on their Facebook wall. In the second and third conditions, recognition was imposed. In other words, if
respondents chose to donate, they systematically received either a private or a public recognition. Respondents who declared to be current donors of a charitable organization were excluded to avoid bias related to prior willingness to donate. In total, 108 valid questionnaires were collected for the first condition (46.3% female, M_age=33.38, st.dev = 9.95), 105 for the second condition (45.7% female, M_age=34.21, st.dev = 9.53) and 105 for the third condition (46.7% female, M_age=36.24, st.dev = 9.54).

2.2. Findings

The goal of this first experiment was to assess the interaction effect of NSA on the impact of recognition on charitable giving. The dependent variable was binomial (0 = no donation, 1 = donation). Respondents were indeed given the opportunity to keep or to donate the entire amount. Analyses were conducted through Preacher and Hayes’s (2008) macro with bootstrapped samples (5000). General results are illustrated in figure 1. We first assessed the homogeneity of variances with a Levene test (*Levene statistic = 0.015; p = 0.985*). Regarding the reliability of the NSA Scale, all five dimensions provided a satisfactory Cronbach’s alpha. We assessed the impact of a recognition (private or public) on charitable behavior, considering the interacting impact of NSA. We performed a logistic regression of charitable behavior based on three independent variables: the level of NSA (*mean = 3.00487; st.dev = 1.27172; min = 1; max = 5*), the presence of a (private or public) recognition (absence = 0; presence = 1), and the interactional effect. Results showed a significant interaction effect between the level of NSA and the presence of a recognition (*β = 0.95; z = 3.28; p = 0.01*). These results support our first hypothesis on a positive moderating effect of NSA on the impact of recognition on charitable giving.

To break down this interaction effect, we further examined the slope of the NSA level for the presence and absence of a recognition. The slope is significant and positive for a medium level of NSA (*β = 0.90; z = 2.35; p <0.05*) and for a high (*X+σ*) level of NSA (*β = 2.12; z = 3.57; p <0.01*). For a low (*X−σ*) level of NSA, the effect of a recognition is not significant. Then, we assessed the impact of a private recognition still considering the interacting impact of NSA. In that respect, all results were non-significant. It therefore seems that a private recognition has no kind of impact on generosity. We then repeated the analysis with a public recognition. The logistic regression showed a significant and positive interaction effect between the level of NSA and the presence of a public recognition (*β = 1.55; z = 4.18; p <0.01*). Through the analysis of the slope of NSA for the presence of a public reward, results showed a significant and negative effect among people with low NSA (*β = -1.42; z = -2.01; p <0.05*), but a significant and positive effect for people with high NSA (*β = 2.49; z = 3.99; p <0.01*). These results enable us to validate the opposite effect of a public recognition depending on people’s need for approval.
2.3. Discussion

These results demonstrate several points. On a global perspective, the impact of a recognition on generosity would highly depend on people’s need for social approval. Concretely, people with a high NSA would be the most sensitive to the presence of recognition, while the behavior of people with low NSA would not be influenced by the presence of a recognition (Lapinski and Rimal, 2005). When dealing with public recognition, this moderating effect of NSA appears even stronger. More specifically, while the presence of a public reward has a positive impact on generosity among people with high NSA, it turns out that it has the opposite effect on people with low NSA. In other words, the presence of a public recognition would reduce generosity among people who have little need for social approval.

2.4. Study 2

In Study 1, we investigated the interacting effect of NSA on the effect of a recognition on generosity. Through the distinction between private and public recognition, it appears particularly interesting that while private recognitions do not seem to significantly impact generosity, public ones can actually inhibit charitable giving among people with low NSA. Nevertheless, this first experiment presents some limitations that are worth considering. First, the number of donators appeared surprisingly low despite the small amount given (five euros),
limiting contrast in the results. We might refer to the concept of fairness to explain that phenomenon. As Bolton, Warlop and Alba explained (2003), transaction fairness is the extent to which sacrifice and benefit are balanced. In game theory, Rabin (1993) proposed that people are willing to sacrifice material benefits to people who deserve it. However, that effect might be influenced by the immediate nature of the reward. Related to the endowment principle, asking people to immediately give away a financial reward they fairly earned would be considered unfair (Kahneman, Knetsch and Thaler, 1991). That could explain the poor donating rate in the first experiment. To address that limit in study 2, people were rewarded with an amount of money (five euros) and were given the opportunity to keep the reward for themselves or to donate forty percent of that amount to a charitable cause (two euros). Asking participants for a part and not the total amount of the reward aimed at increasing the number of donations.

To comfort initial findings, the between-subjects design consisted in three conditions for the reward (no recognition, imposed public recognition and optional public recognition). In the “imposed” condition, people were told that they would automatically receive a thank you message on their Facebook wall. The public recognition was therefore systematic and people could not refuse it. In the “optional” condition, people were given the choice to receive (or not) public thanks from the organization on their Facebook wall. Respondents were asked to opt in if they wanted the public recognition. Again, respondents who declared to be current donors of a charitable organization were excluded to avoid bias related to prior willingness to donate. In total, 103 valid questionnaires were collected for the first condition (44.7% female, M_age=30.84, st.dev = 9.68), 102 for the second condition (45.1% female, M_age=31.19, st.dev = 8.43) and 101 for the third condition (47.5% female, M_age=30.2, st.dev = 8.06).

2.5. Findings

Regarding the reliability of the NSA Scale, all five dimensions provided a satisfactory Cronbach’s alpha. After assessing the homogeneity of variances (Levene statistic = 0.179; p = 0.836), our first analysis aimed at comforting results from the first experiment regarding the negative effect of a public recognition among people with low NSA. Again, the analysis was conducted through Preacher and Hayes’s (2008) macro with bootstrapped samples (5000). General results of the second experiment are illustrated in Figure 2. We first assessed the impact of an imposed public recognition (vs. no recognition), considering the interacting impact of NSA level. We performed a logistic regression of charitable behavior based on three independent variables: the level of NSA (mean = 2.98; st.dev = 1.19759; min = 1; max = 5), the presence of an imposed public recognition (absence = 0; presence = 1), and the interactional effect. As in Study 1, results showed a significant interaction effect between the level of NSA and the presence of an imposed public recognition (β = 1.08; z = 4.11; p< 0.01). To break down this interaction effect, we examined the slope of the NSA level for the presence and absence of a recognition. As expected, the slope is significant and negative for a low level of NSA (β =
The goal was then to determine whether the imposed nature of the recognition has an impact on generosity. We therefore compared results of the second (imposed) and third (optional) condition. We performed a new logistic regression of charitable giving based on the level of NSA, the imposed nature of the recognition (imposed = 0; optional = 1) and the interactional effect. We observed a significant interaction effect between NSA and the optional nature of the social recognition ($\beta = -0.99; z = -3.77; p < 0.01$). Looking at the slope of the NSA level, we find a significant and positive effect for people with low ($\beta = 2.01; z = 4.41; p < 0.01$) and medium ($\beta = 0.8; z = 2.61; p < 0.01$) NSA. For people with high NSA, effect is negative but not significant. Finally, we assessed the impact of an optional social recognition (vs. no recognition) among people with low need for social approval. We conducted binary logistic regression and found a positive impact of an optional public recognition (vs. no recognition) among people with low need for social approval ($\beta = 1.12, p < 0.05$). These findings support $H_{3a}$ on the positive effect of an optional recognition among people with low NSA. Conversely, $H_{3b}$ is not supported by the results.

2.6. Discussion

The design of the second experiment enabled us to increase the donating rate, improving the robustness of the results. Analyses provide interesting findings, especially when it comes to people with low NSA. Our first analysis on the moderating effect of NSA on the impact of a (imposed) public recognition on generosity supports findings from the first experiment. Indeed,
it appears that while the presence of a public recognition significantly increases generosity among people with high NSA, it has the opposite effect among people with a low NSA. Then, we assessed the imposed nature of the public recognition. As previously mentioned, the negative impact on some people might be explained by potential conflicts between initial motivations to donate and the public reward (Bénabou and Tirole, 2006). However, the bare knowledge that a good deed is worth rewarding might be enough to drive people to engage in prosocial actions. The goal of the third condition (optional recognition) was to induce that knowledge among people without forcing them to benefit from the reward. Results showed that while an imposed recognition reduces generosity among people with low NSA, an optional recognition actually increases generosity among that same group of individuals. This suggests that people with low NSA are not indifferent to a recognition, but prefer to decline it. In that respect, sacrifice might appear even bigger. An explanation to that phenomenon might be that while an imposed reward is in conflict with donors’ values and initial motives, a non-imposed recognition actually reminds them of their good action but without interfering with other determinants.

3. Conclusion

The present research contributes to both prosocial and charitable giving literatures by investigating the influence of social recognition on generosity. Answering the call by Stürmer and Omoto (2005) and Bekkers and Wiepking (2010), we provide a deeper understanding of the impact of social consequences by notably suggesting that such social rewards can have a negative effect on charitable giving, inhibiting some people to donate. Whereas social recognition has been considered so far as having at worst a neutral effect, our findings clearly suggest that depending on individual specificities, it might actually reduce generosity. Through a series of experiments, we investigated the comparative effect of public vs. private recognition and showed that depending on people’s willingness to get social approval, recognitions can have opposite effects. We also considered the recent proposal by Mishra and Singh (2015) that the presence of an actual recognition is not always mandatory to drive people to behave prosocially. On a managerial perspective, our research provides relevant insights for the use of public thanks in the context of charitable giving.

Despite our rigorous approach, some limitations persist. First, findings based on experimental conditions must always be considered carefully because they do not always perfectly fit reality. For the purpose of this research, financial reward was given to participants. In that respect, further investigation is required to ensure the validity of the results when people have to give their own money. Then, while Facebook offers interesting conditions to implement social recognition, it also limits the scope of the contributions. Finally, we tried to deal with social desirability bias by making donations anonymous and by measuring the level of NSA, which
gives an assessment of people’s need for social approval. Nevertheless, we cannot consider results as totally free of social desirability, as an inherent bias to charitable giving research.
References


