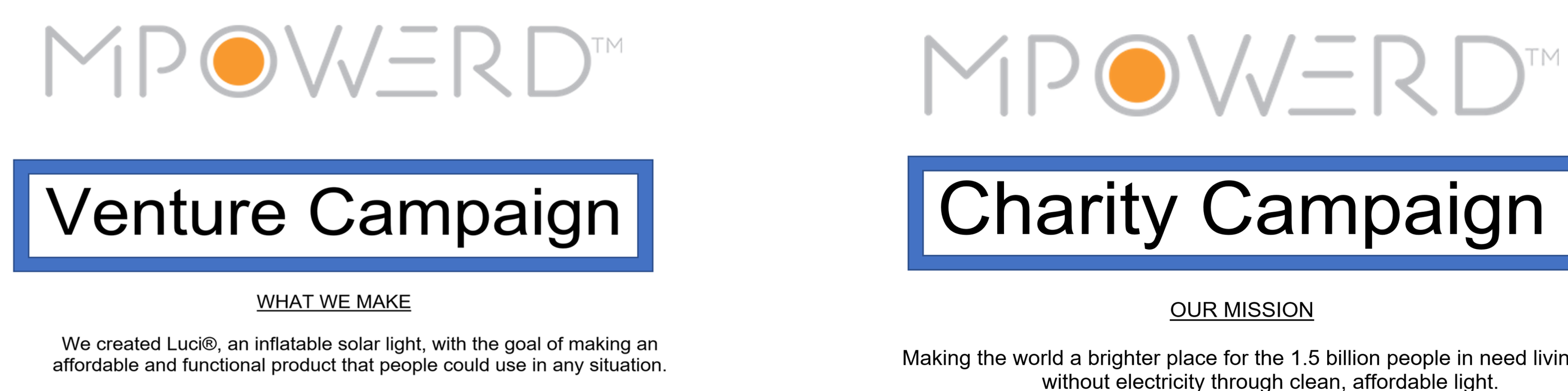


Charity Avoidance: When Consumers Walk Away (and When They Won't)

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ABSTRACT

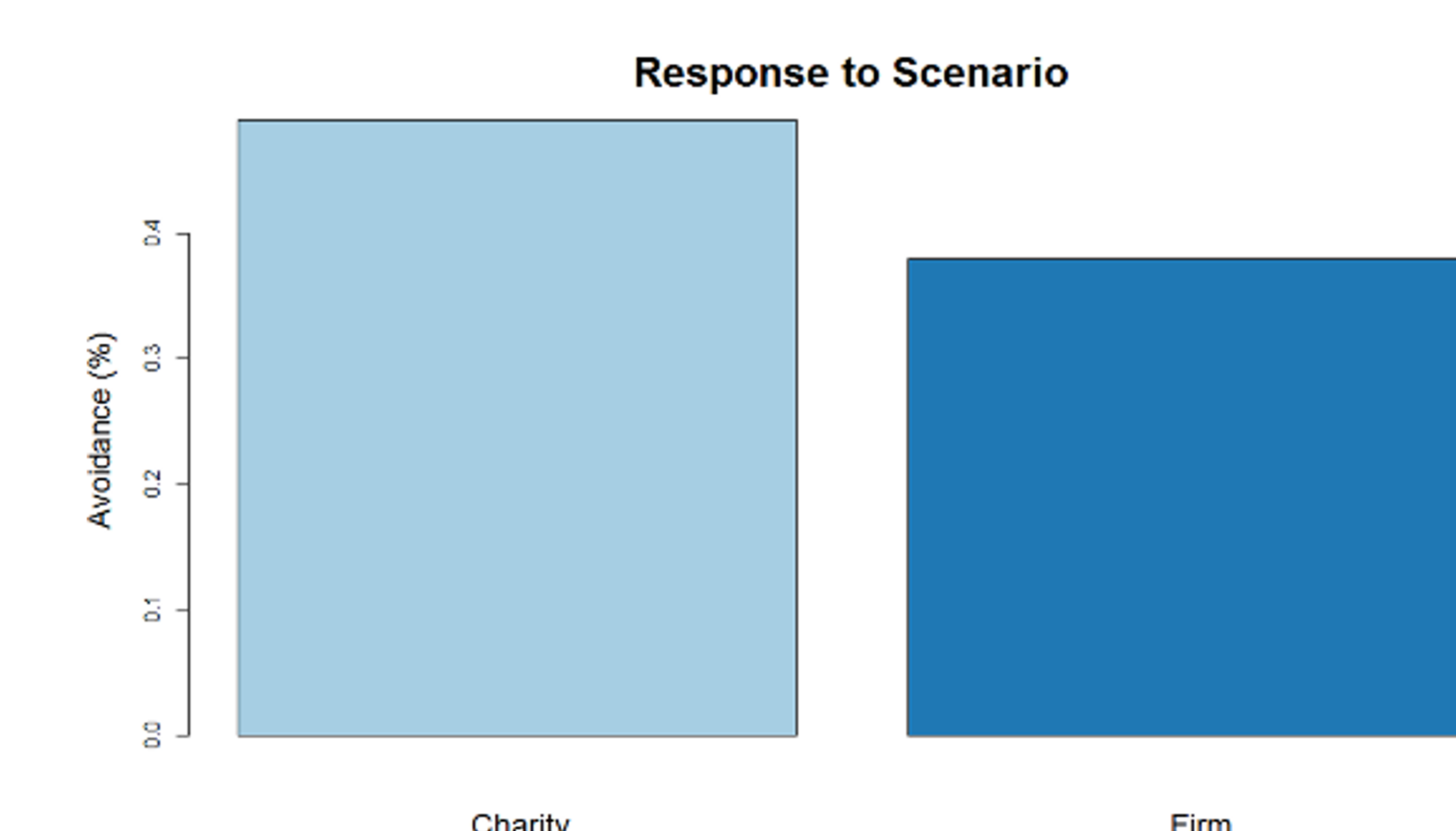
Imagine that you are collecting charitable donations for a cause that no one could say “no” to. Your nonprofit organization helps those in need, and many consumers feel that they ought to contribute to it. Is it possible that this attribute of your organization nudges consumers away from your organization? We build on the focus theory of normative conduct (Cialdini et al 1990) and predict that, counter-intuitively, emphasizing an organization's nonprofit attributes leads consumers to avoid the organization. This is because nonprofits activate injunctive norms (e.g. “I ought to donate”) which leads to anticipated guilt.



STUDY 1

We partnered with a social enterprise, MPOWERD, which manufactures inflatable solar powered lanterns for impoverished populations. In one condition, we emphasized this company's charitable attributes (e.g. helping the poor), while in the other we emphasized its stereotypically for-profit attributions (e.g. innovation). We set up an MPOWERD information booth in a suburban mall which displayed a sign emphasizing these charitable vs. for-profit attributes and covertly measured participants' tendency to approach and make eye contact with the booth representative. Participants were more likely to avoid the booth (Nonprofit mean = 94.94%, For-profit mean = 91.71%, $t(1238) = 2.2829$, $p = 0.02$) and to avoid eye contact ($\chi^2(1) = 4.027$, $p < .05$) when the company's charitable attributes were emphasized.

Study 1 Results



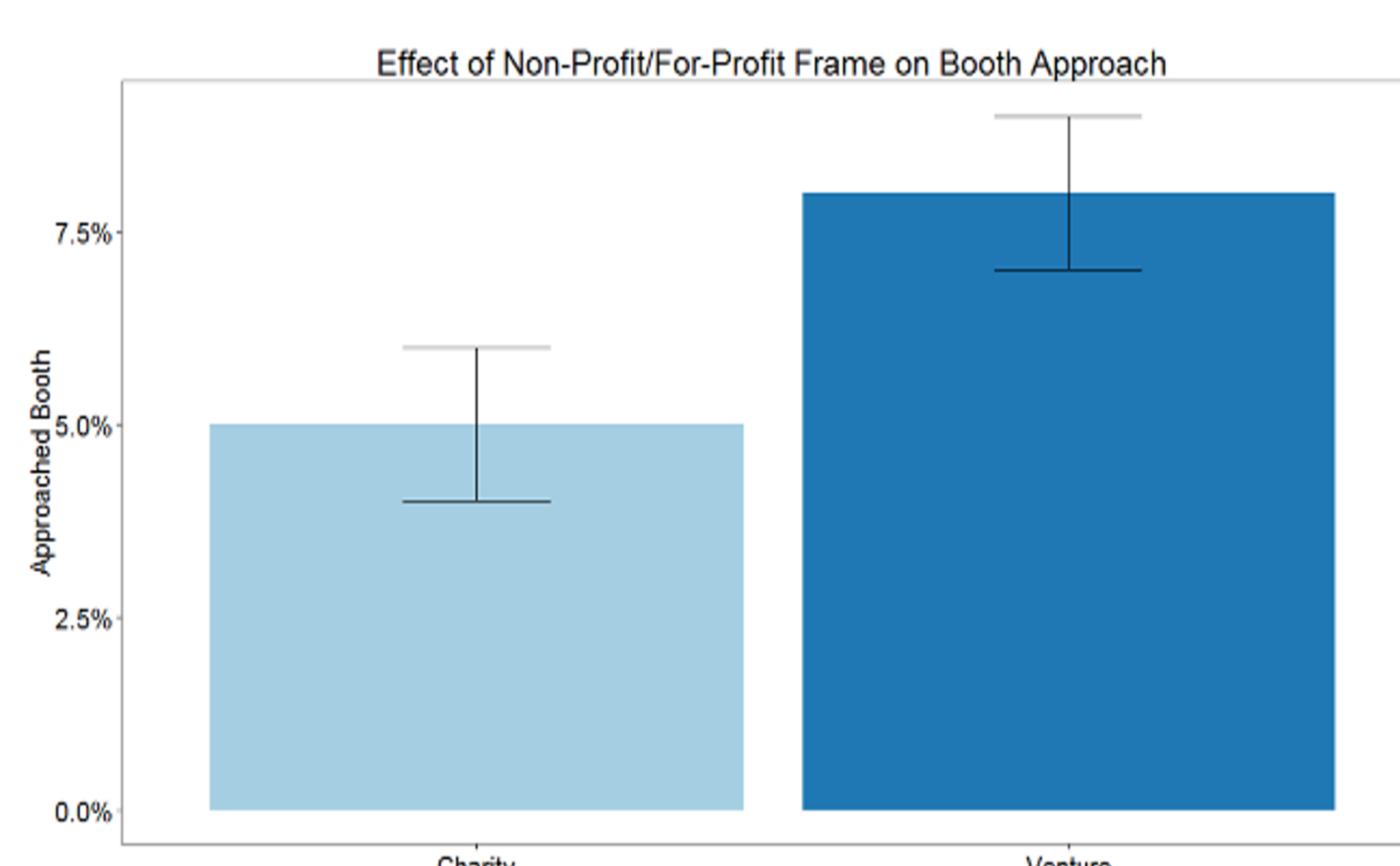
STUDY 2

In Study 2, we had 90 Amazon Turk participants (MTurkers) respond to a scenario in which they walk near a nonprofit vs. for-profit organization:

“You are walking down a city street on your way to eat at a restaurant. This restaurant is located at the corner of an intersection directly opposite from where you are standing. While waiting to cross the intersection, you notice a person across the street with a uniform and a clipboard. The uniform displays the words ‘Cyan Charity [Cyan Venture].’ You have two options. You can either take the path that passes by the person in the uniform or you can take the longer route that avoids the person in the uniform. Which path would you take to cross the intersection?”

Participants in the nonprofit condition experienced stronger injunctive norms (Nonprofit mean = 3.82, For-profit mean = 2.95, $t(88) = 2.7684$, $p = .007$) and anticipated guilt (Nonprofit mean = 3.36, For-profit mean = 2.53, $t(88) = 2.138$, $p = .04$).

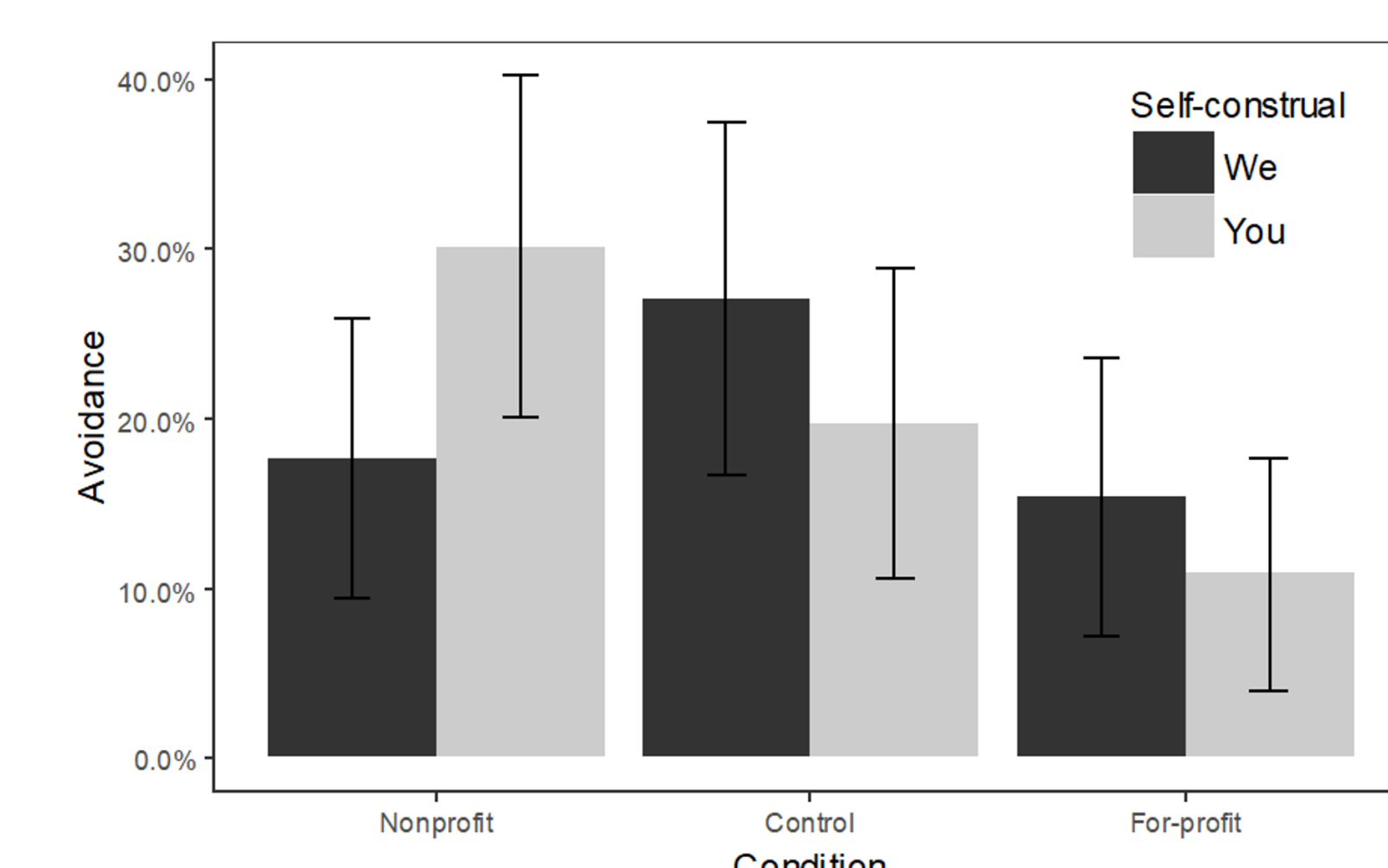
Study 2 Results



STUDY 3

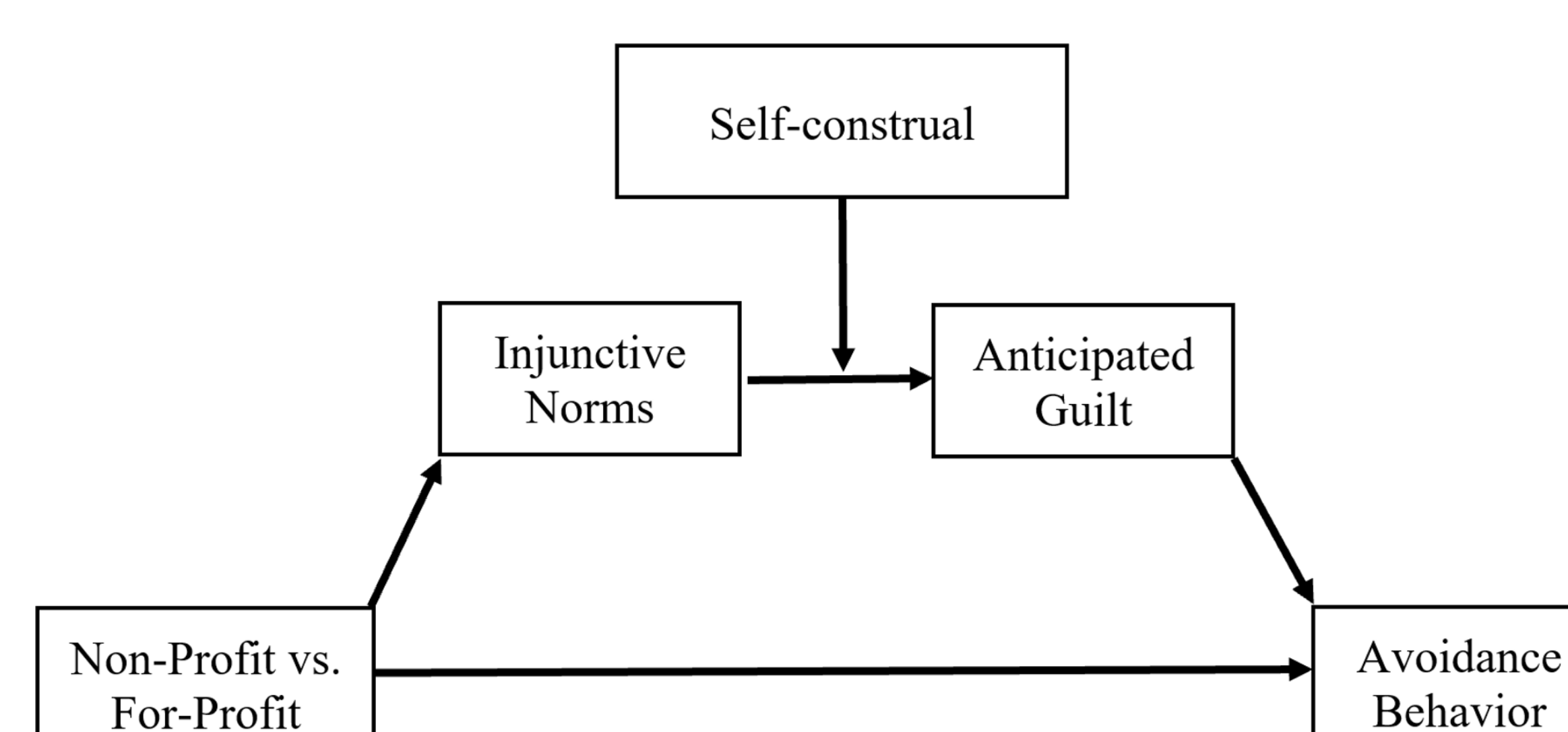
In Study 3 we tested a way to attenuate charity avoidance and tested the direction of our effect using a control group. We provided MTurkers with a scenario in which they saw an information booth sign in a mall. This sign emphasized the organization type for a health analytics organization (for-profit, nonprofit, educational) and invoked either an interdependent or independent self-construal (“We”, “You”). Invoking an interdependent self-construal attenuated charity avoidance in the nonprofit condition ($\beta = -1.108$, $z(478) = -2.059$, $p = .04$).

Study 3 Results



TAKEAWAY

Positioning your company as a charity may cause people to avoid interacting with you. You can fix this by using terminology like “We” instead of “You.”



References:
Cialdini, R. B., Reno, R. R., & Kallgren, C. A. (1990). A focus theory of normative conduct: Recycling the concept of norms to reduce littering in public places. *Journal of Personality and Social Psychology*, 58(6), 1015-1026.