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## **Reciprocities of Charitable Giving: Perspectives From Donors, Nonprofits and Beneficiaries**

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This study explores the notion of reciprocity in the context of charitable giving. Results show that donors, nonprofit staff, and beneficiaries, experience in various ways two broad types of reciprocities: reciprocity expectations, and reciprocity actions. Implications of the study of reciprocity in the context of charity are also revealed.

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# Reciprocities of Charitable Giving: Perspectives from Donors, Nonprofits and Beneficiaries

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## EXTENDED ABSTRACT

The concept of reciprocity, which can be generally defined as the moral obligation to give back in return for someone else's past behavior (Gouldner, 1960), has been primarily developed in the social and economic sciences (e.g. Gouldner, 1960; Ekeh, 1974; Hobhouse, 1951; Kolm, 2008; Kolm and Ythier, 2006; Mauss, 1924; Sahlins, 1972) and has also been extensively explored in consumer research mainly through gift giving (e.g. Belk, 1976; Belk, 2010; Belk and Coon, 1993; Giesler, 2006; Joy, 2001; Marcoux, 2009; Otnes, Lowrey and Kim, 1993; Sherry, 1983; Weinberger and Wallendorf, 2012). When it comes to *charitable giving*, however, the role played by reciprocity is far less understood. Scholars who showed preliminary interest in the phenomenon have argued that the *desire to reciprocate* can be a strong motivation to initiate the charitable act (e.g. Panas, 2012; Prince and File, 1994; Schervish, 1997). This preliminary conceptualization, however, offers a limited understanding of the concept. In fact, the motivation to donate is unlikely to be the only manifestation of reciprocity in a context where the act of giving creates a chain that links various actors (donors, nonprofits and beneficiaries) with different motivations, intentions, reactions and status regarding the gift (Sherry, 1983). The role of reciprocity in this complex system has yet to be understood. More precisely: What forms of reciprocity can be found in this context? How are they experienced by the actors? What are the theoretical and applied implications of reciprocity in the charitable context? The focus of our study is to shed some light on those questions.

To explore reciprocity in charitable giving, we combined results from three fieldworks. The first is an 8-month ethnographic study (Arnould and Wallendorf, 1994) of the *Children's Wish Foundation of Canada* (CWFC), a major nationwide charity that grants wishes to critically ill children. The second involves long interviews (McCracken, 1988) with nonprofit managers and 27 individuals who raised money as "third-party fundraisers" for the benefits of CWFC or *Leucan*, a major provincial charity dedicated to funding social support and research on juvenile cancer. The third is a ZMET (Zaltman, 1997) of the concept of charitable giving conducted with 10 active donors.

Our data shows that reciprocity is experienced by the three groups of actors and that it operates at two alternating levels. Firstly, our informants experience *reciprocity expectations*. In other words, they live reciprocity as a thought, a mental representation of what they anticipate receiving – what we call *inward expectations*– or anticipate being obliged to give in return – what we call *outward expectations*. Each type of actor nurtures different forms of reciprocity expectations. For instance, donors have a complex relationship with the idea of reciprocity. Primarily, almost every donor from our sample declared expecting nothing in return for their charitable acts. This is consistent with the idea that givers can truly be or seek to appear benevolent or non-calculating (e.g. Belk and Coon, 1993; Godbout, 1998; Prince and File, 1994). Nonetheless, beyond this ostensible selfless discourse, they build two types of expected reciprocities, mainly inward-driven, regarding nonprofits and beneficiaries. First, reciprocity occurs as *expected recognition* from the nonprofit (e.g. I should receive private and/or public acknowledgment in return for my gift) and the beneficiaries (e.g. a beneficiary should make a public appearance at my fundraising event). Second, it occurs as *expect-*

*ed performance* regarding both the nonprofit (e.g. in return for my gift, the nonprofit should perform its duty well and should maximize the amount of my donation invested directly on the beneficiaries) and the beneficiaries (e.g. I expect beneficiaries to be happy and smiling, to be transformed by my gift). Nonprofit staff and beneficiaries also experience various forms of reciprocity expectations. Contrary to donors, though, they are not only inward but also outward driven, meaning that they are related to anticipations of receiving as well as of obligations of repaying (further details will be introduced in the presentation).

Secondly, our informants perform *reciprocity actions*. Actions refer here to acts (physical, emotional, etc.) with an intention and a meaning for the actor (Kolm, 2008). For instance, donating is in itself perceived as a form of reciprocity: consistent with the literature, we found that donation can be the manifestation of a paycheck. Further, our informants value various forms of donation differently. They consider donating time as morally superior to donating money because of the higher commitment with beneficiaries and the greater sacrifice implied in direct voluntary action. Also, emotions and feelings can be manifestations of reciprocity. For example, some donors experienced *Leucan's Shaved Head Challenge* by putting their own heads up to raise donations in order to empathize with beneficiaries (i.e. to understand and share what it means to lose hair because of chemotherapy). Nonprofit actors and beneficiaries also perform reciprocity actions. Nonprofits have various recognition packages for donors. They also maintain high work ethics and practices including emotion work (Hochschild, 1983) and sometimes relationship closure after delivering the service in order to protect beneficiaries from feeling obligated to repay. Beneficiaries also perform reciprocity actions through volunteering, donating, and private and public acknowledgment of charitable actions.

Important implications can be derived from this study. We highlight three of them here. First, if direct reciprocity (Kolm, 2008) is an appropriate concept when studying dyadic gift giving (e.g., Belk and Coon, 1993; Otnes, Lowrey and Kim, 1993), it is inadequate in charitable giving. It must instead be conceptualized as an extended exchange (Bagozzi, 1975) distinct from Giesler's (2006) gift system and intracommunity giving (Weinberger and Wallendorf, 2012). The concept of *liquid reciprocity* can be developed in order to capture how charity constituents are related in various and complex ways. In addition, reciprocity has been previously conceived as an outcome of the reformulation stage of giving (Sherry, 1983). We show that it can also occur during the gestation (reciprocity expectations) and pre-station (reciprocity actions) stages. Finally, numerous studies have analyzed donors while beneficiaries have remained largely neglected (Bruce, 2005; Ruth, Otnes and Brunel, 1999). We show that studying reciprocity of charitable giving forces putting beneficiaries back into the equation.

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