

Article

# The Effect of Regulatory Focus on Individuals' Donation Behavior

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**Abstract:** We examine how individuals' regulatory focus affects their donation behavior and how personal events experienced before the donation moderate this relationship. In this research, regulatory focus refers to the basic motivational orientation that affects how individuals pursue their goals. We propose that donors will judge potential rewards and risks associated with making a donation when deciding whether to donate and that regulatory focus and personal events will have a significant influence on this judgment. The results from both the survey and the experiment confirmed that participants with promotion focus were more likely to donate than those with prevention focus. In addition, the experimental results revealed that compared to those experiencing no personal event, the donation likelihood of prevention-focused participants increased significantly after experiencing a positive personal event but did not change after experiencing a negative personal event. In a similar vein, experiencing a negative event decreased the donation likelihood of promotion-focused participants whereas experiencing a positive event did not. Our research contributes new findings and insights to both regulatory focus and donation literature and provides useful guidelines for nonprofit organizations to design and implement donation programs.

**Keywords:** donation behavior; regulatory focus; personal event; potential rewards; perceived risks

## 1. Introduction

It is imperative that every constituent of a society works together for its sustainability, whether to conserve wildlife and nature, to preserve cultural heritage, or to cope with climate change [1,2]. Individuals buy green products and adhere to the 3 Rs (reduce, reuse, and recycle) in their everyday lives [3]. Moreover, they often donate their money, time, and other resources to support social causes. That is, individuals' donations play a crucial role in society's movement toward sustainability. In the past, altruistic behavior usually took place between individuals, and the decision to help was primarily up to one's own volition. Recently, however, numerous nonprofit organizations have emerged and have been making professional efforts to encourage and manage helping behaviors (e.g., UNICEF, Greenpeace, and WWF). Consequently, people are now exposed to more opportunities or attempts than ever to donate for social causes. In fact, according to Giving USA [4], in 2016, a total of 390.05 billion U.S. dollars was raised for philanthropic giving in the U.S., and seventy-two percent of that total came from individual donors. In addition, firms began to consider corporate social responsibility more proactively and to implement new marketing programs combined with social causes (e.g., TOMS Shoes). These marketing efforts push consumers to decide whether to contribute to greater causes through their purchases. Considering the significance of donation or charity-giving, the topic has attracted much scholarly attention in several disciplines including social psychology, sociology, economics, and marketing (see [5,6] for a comprehensive review). Scholars have examined characteristics of individuals who tend to donate more than others and identified numerous factors

that are related to charitable giving (e.g., demographics, socio-economic variables, religion, personality, cognitive ability, and context; [5]). They have also explored mechanisms by which people donate and suggested several forces that drive donation, such as awareness of need, solicitation, material costs and benefits, altruism, reputation, psychological benefits, values, and efficacy [5,6].

In this research, we propose a new variable, individuals' regulatory focus, which will have a significant influence on donation behavior. Regulatory focus refers to the basic motivational orientation that affects people in pursuing their goals and is characterized into two categories: promotion focus and prevention focus [7]. It is well established that individuals show different responses in diverse domains such as goal pursuit, decision-making, and information processing depending on whether prevention or promotion focus is more salient to them [8–11]. Surprisingly, little is known about how an individual's regulatory focus influences his or her donation behavior. We embark on this research to fill the gap in the literature and adopt the cost–benefit framework of decision-making; donors will weigh potential rewards and risks associated with donation-making and then reach their decision. We think that this is a valid approach because, these days, people frequently encounter donation requests from charity organizations that require quite a large commitment from donors, and, thus, their decisions become more effortful. We expect that distinct characteristics of regulatory focus will lead individuals to judge the rewards and risks involved with donation differently, which, in turn, determines their donation behavior.

In addition, we examine the role of a personal event that occurs to an individual before he or she makes a donation decision and propose that it will moderate the effect of his or her regulatory focus. It is common that people experience a series of events in which the previous event has implications for them to shape their reaction toward the event that follows. For instance, a person may come across a donation request on his or her way out of a restaurant where he or she had dinner. His or her reaction to the request is likely to differ whether he or she had a wonderful or miserable time at the restaurant. Moreover, the personal experience is proposed to interact with one's regulatory focus in affecting donation behavior.

In the following section, we develop our research model of individuals' donation behaviors based on the cost–benefit perspective. We then use the model to derive predictions regarding how individuals' regulatory focus influences their donation decisions and how experience of a personal event moderates the relationship. We present two studies—a survey and an experiment—which were conducted to test the hypotheses. Finally, we summarize the study findings and discuss the implications and limitations of this research.

## 2. Theory and Hypotheses

### 2.1. *Individuals' Decision-Making for Donation*

Several mechanisms have been proposed to explain why individuals donate (cf., [5,6]). People may automatically act when they are aware of a need for donation or when they encounter a solicitation for donation, which is likely an outcome of the altruistic nature of humans [5,6,12]. Moreover, individuals would perceive potential rewards and risks for charitable giving, which affects their decisions. As for the rewards, individuals expect to experience joy, avoid anticipated guilt, or improve self-image when engaging in a good deed [13,14]. In addition to these psychological benefits, making a donation may help donors improve their reputation or their status in social interactions, realize their attitudes and values, take advantage of exclusive services or selective incentives, or enhance their perceived "fate" when worried about uncertain outcomes (e.g., getting a job) [5,6,14–17].

On the other hand, people have to sacrifice their money, time, or other resources if they decide to make a donation. In addition, they perceive certain risks that may prohibit them from doing a charitable deed. The risks arise in part from the fact that donation frequently benefits unknown recipients [18,19]. The first type of risk is related to the perceived efficacy of donations; it may be uncertain whether the nonprofit organization will make proper use of the resources that donors gave

and whether their good deed will have a real effect for the recipients in improving their situation. Moreover, individuals may perceive social and psychological risks; they may be concerned about how other people will interpret their donation behavior as being altruistic or with hidden motives and whether it will help boost their feelings or self-image. We propose that individuals will consider these rewards and risks, consciously or unconsciously, when deciding whether to donate and that they are likely to make a positive decision if the potential rewards outweigh the sacrifice and perceived risks.

## 2.2. Regulatory Focus and Donation

Regulatory focus refers to the basic motivational orientation that affects how individuals pursue their goals and is known to consist of two types: promotion and prevention. Individuals with promotion focus consider ideals and aspirations important, are sensitive to positive outcomes, and prefer means that enable them to approach their goals [7,20]. In contrast, individuals with prevention focus tend to perceive duties and obligations as important, are sensitive to negative outcomes, and prefer means to avoid negative aspects or barriers that prohibit their goal achievement.

Since the regulatory focus theory was initially proposed in the early 1990s, it has undergone numerous scholarly investigations over the decades. Among a plethora of research findings, we elaborate on those that are relevant to the cost–benefit explanation of donation-making. To begin, promotion-focused individuals place greater weights on potential gains than on potential losses and are inclined to take risks. Thus, they are willing to pursue a challenging and difficult task, focusing more on its potentially desirable outcome and downplaying the high level of uncertainty to complete it [8]. They also prefer an action for change over inaction although the former normally involves greater risks and choose extreme options or stocks, which are characterized by high risk and high return, more than safer middle options or mutual funds, which are characterized by low risk and low return [10,11,21]. In contrast, prevention-focused individuals are more sensitive to the potential losses than gains and show risk-averse tendencies. They easily give up when confronted with a challenging or difficult task [8], are inclined to preserve the status quo, and prefer inaction and safer options [10,21,22]. In addition, regulatory focus is shown to influence individuals' perception of controllability. Promotion-focused individuals have a stronger perception that their actions will lead to a desired outcome even when there is no connection between them whereas prevention-focused individuals have a lower level of perceived control or illusory control [9]. Lastly, people show differences in their information processing style according to their regulatory focus. Individuals with promotion focus consider speed important whereas those with prevention focus emphasize accuracy [23].

In summary, we expect that, for promotion-focused individuals, the greater weighting on potential gains than on potential losses will transfer to the judgment they make about the potential rewards and risks of making a donation and that stronger belief in the action–outcome link will reduce their perceived level of risks involving donation efficacy. In addition, the speedy decision-making style is likely to work in support of the decision they are inclined to make. Thus, we predict the following:

**Hypothesis 1 (H1).** *Promotion-focused individuals are more likely to donate than prevention-focused individuals.*

## 2.3. The Moderating Effect of Personal Events

Are there any factors that may increase the donation likelihood of prevention-focused individuals? We propose that the personal events donors experience before making the donation decision will have a significant impact on donation behavior. It has been shown that personal experience affects the way people think and behave and the way they view the world or environment [24–27]. When people experience positive events, they tend to think that their current state or goal pursuit process is in good shape and that the environment is in favor of them. This perception leads them to pay more attention to the goal or positive outcomes and less attention to the difficulty of achieving the goal or negative

aspects of outcomes [25]. In addition, a positive emotion that is normally elicited in the experience of a positive event increases individuals' tendency to take risks and allows them to pay more attention to the positive information about or aspects of a risky alternative [26]. On the other hand, in the case of a negative event, individuals tend to stay vigilant and prefer more conservative and less risky reactions [24,27]. Therefore, due to greater weighting of positive outcomes and risk-taking tendency in conjunction with the positive view of the world, in general, individuals are more likely to donate after experiencing a positive than a negative personal event.

Moreover, we find similarities between regulatory focus and experiencing personal events in influencing individuals' psychological responses. This is possible because one's regulatory focus was likely to be determined or affected by individual experiences that accumulated over the years [28]. It appears that promotion focus is in line with experiencing a positive event whereas prevention focus is in line with experiencing a negative event. We propose that, if an individual experiences a personal event that is not aligned with his or her regulatory focus, the experience will have a greater effect on his or her donation behavior than when the personal event is aligned with regulatory focus. More specifically, if prevention-focused individuals experienced a positive personal event before making their donation decision, their likelihood to donate will increase relative to when experiencing a neutral or no event (i.e., baseline). This is because experiencing a positive event allows them to reconsider and modify their initial tendency that was negative toward donations to the direction that their experience suggests [29,30]. In contrast, experiencing a negative event confirms the dispositional inclination of prevention-focused individuals, and, thus, they do not feel the need to change their responses. As for promotion-focused individuals, experiencing a negative event will lead them to go through their decisions in more elaboration and, thus, to make revisions according to what the negative experience suggests whereas experiencing a positive event that is aligned with their dispositional tendency will have little impact.

**Hypothesis 2a (H2a).** *Compared to the no-personal-event condition, prevention-focused individuals are more likely to donate after experiencing a positive personal event than after experiencing a negative personal event.*

**Hypothesis 2b (H2b).** *Compared to the no-personal-event condition, promotion-focused individuals are less likely to donate after experiencing a negative personal event than after experiencing a positive personal event.*

### 3. Study 1

We conducted Study 1 to test Hypothesis 1 in real-life settings and used a survey in which individuals of diverse backgrounds responded to questions regarding their own donation behaviors and regulatory focus.

#### 3.1. Design and Participants

After posting an announcement about the survey, we recruited a total of 160 participants from members of an online research panel in Korea (similar to Amazon's Mechanical Turk), who fall between the ages of 30 and 55. This age group is characterized by economically independent potential donors. Participants answered the survey questions online after logging in to the designated website and were provided with incentives from the panel operator in exchange for their participation.

#### 3.2. Questionnaire

The questionnaire consisted of three parts (see Appendix A). First, we included two questions to assess participants' past and current donation behaviors as the main dependent variable. Participants responded on a three-item 7-point scale about their donation behavior in 2017: I made a donation (not at all [1]—a lot [7]), the size of my donation was ... (small amount [1]—large amount [7]), the frequency of my donation was ... (seldom [1]—often [7]); Cronbach's  $\alpha = 0.87$ . They also indicated whether they currently donate on a regular basis. Second, the participants' regulatory focus was measured

using a composite regulatory focus scale ([31]; prevention focus: Cronbach's  $\alpha = 0.67$ ; promotion focus: Cronbach's  $\alpha = 0.83$ ). Since the initial internal reliabilities of the prevention and promotion items did not meet the recommended criterion, we excluded an item from each subscale and used the eight items in the main analysis. The main results did not change regardless of the number of regulatory focus items. Relative regulatory focus score was computed by subtracting the average of promotion items and the average of prevention items. In this study, the mean of the difference score was 0.16, and a higher score indicates that promotion focus is stronger. Lastly, several extraneous variables were included for control purposes: age, sex, marital status, employment, education, and income.

### 3.3. Results

#### 3.3.1. Participant Characteristics

Of the survey participants, 49.4% were female, and the mean age was 44.4. The majority of participants were married (64.4%), had attended college or graduate school (82.5%), and had a full-time job (77.5%). The monthly mean income was 3,800,000 KRW (about \$3500 USD).

#### 3.3.2. Donation Behavior

Since we included two dependent measures in the survey, separate analyses were performed. First, we ran a linear regression analysis using the degree of past donations as the dependent variable, and regulatory focus and control variables as the predictors. The results showed that among the control variables, income was the only significant predictor; as income increased, participants donated more in 2017 ( $\beta = 0.49$ ,  $t = 2.97$ ,  $p < 0.005$ ). Regulatory focus was also a significant predictor; participants donated more as their promotion focus became stronger ( $\beta = 0.26$ ,  $t = 2.07$ ,  $p < 0.05$ ). Second, we conducted a logistic regression analysis using current choice to donate as the dependent variable, and regulatory focus and control variables as the predictors (See Table 1). The analysis revealed that income was the only significant predictor among the control variables; as income increases, participants choose to donate on a regular basis to a greater extent ( $\chi^2 = 12.18$ ,  $p < 0.01$ ). Regulatory focus was also a significant predictor; the participants' likelihood to donate currently is higher as their promotion focus becomes stronger ( $\beta = 0.54$ ,  $\chi^2 = 7.94$ ,  $p < 0.01$ ). Thus, Hypothesis 1 was supported.

**Table 1.** Results of logistic regression analysis: donation choice.

	B	S.E.	Wald	Df	Sig.	Exp(B)	Number of Donors
Regulatory Focus <sup>1</sup>	0.536	0.190	7.935	1	0.005	1.709	
Prevention focus							27.1% (23/85)
Promotion focus							60.0% (45/75)
Age <sup>1</sup>	0.024	0.033	0.505	1	0.477	1.024	
30~39							31.0% (13/42)
40~49							47.4% (37/78)
50~							45.0% (18/40)
Sex	-0.266	0.432	0.380	1	0.537	0.766	
Female							35.4% (28/79)
Male							49.4% (40/81)
Marital Status	0.389	0.463	0.706	1	0.401	1.476	
Single							29.8% (17/57)
Married							49.5% (51/103)
Education			2.841	2	0.242		
High school							25.0% (7/28)
College	0.659	0.562	1.374	1	0.241	1.932	46.7% (49/105)
Graduate	-0.104	0.734	0.020	1	0.887	0.901	44.4% (12/27)
Employment	0.787	0.618	1.624	1	0.202	2.197	
Unemployed							25.9% (7/27)
Employed							45.9% (61/133)
Income <sup>2</sup>			12.176	3	0.007		
~2000							23.8% (10/42)
2000~4000	0.203	0.549	0.136	1	0.712	1.225	30.6% (19/62)
4000~6000	1.546	0.607	6.490	1	0.011	4.694	65.7% (23/35)
6000~	1.958	0.762	6.604	1	0.010	7.088	76.2% (16/21)
Constant	-3.363	1.776	3.587	1	0.058	0.035	

<sup>1</sup> Regulatory focus and age were treated as continuous variables in the analysis, and their groups were created to report the number of the participants who chose to donate; <sup>2</sup> unit: 1000 KRW (about 0.93 USD).

## 4. Study 2

We conducted Study 2, using an experiment, to replicate the Study 1 results (Hypothesis 1) and test the moderating effect of personal events on donation behavior (Hypothesis 2).

### 4.1. Design and Participants

The experiment used a 2 (regulatory focus: promotion vs. prevention)  $\times$  3 (personal event: no event vs. positive event vs. negative event) between-subjects design. A total of 169 undergraduate students (female = 58.3%; mean age = 22.2, 1 unreported) in South Korea participated in the experiment in exchange for extra credits and were randomly assigned to one of the experimental conditions. We recruited the students through the marketing department subject pool at the university, and they gave their informed consent for inclusion before they participated in the experiment.

### 4.2. Procedure

After a brief introduction to the experiment, participants read the scenario carefully by projecting themselves into the situation described (see Appendix A). In the first part, the personal event was manipulated by result of an internship application. For the positive event, participants heard the news that they got the internship they applied for; for the negative event, the news was that they did not get the internship. For the neutral event condition (i.e., no event), participants were given general news about their school. Since student participants are familiar with internship applications and can easily empathize with the manipulation, the projective role-play method is considered appropriate in this context [32]. In the second part, participants saw an advertisement asking for donations by a charity organization and were to consider whether to donate. The two dependent measures were included to evaluate participants' donation decisions: they indicated their intention to donate on a scale (1 [spend for myself] to 9 [donate for others]) and then made a binary choice between the two options, donating or spending for oneself. In addition, participants' regulatory focus was measured using a composite regulatory focus scale ([31]; prevention focus: Cronbach's  $\alpha = 0.70$ ; promotion focus: Cronbach's  $\alpha = 0.75$ ) (see Appendix A), and participants were categorized into those with promotion focus or those with prevention focus using the median split method. Lastly, participants indicated how they would feel if the personal event described in the scenario happened to them on a two-item seven-point scale (unhappy–happy; sad–pleased) (Cronbach's  $\alpha = 0.96$ ), which was used for manipulation check of the personal event. Upon completing the measures, the participants were debriefed, thanked, and dismissed.

### 4.3. Results

#### 4.3.1. Manipulation Check

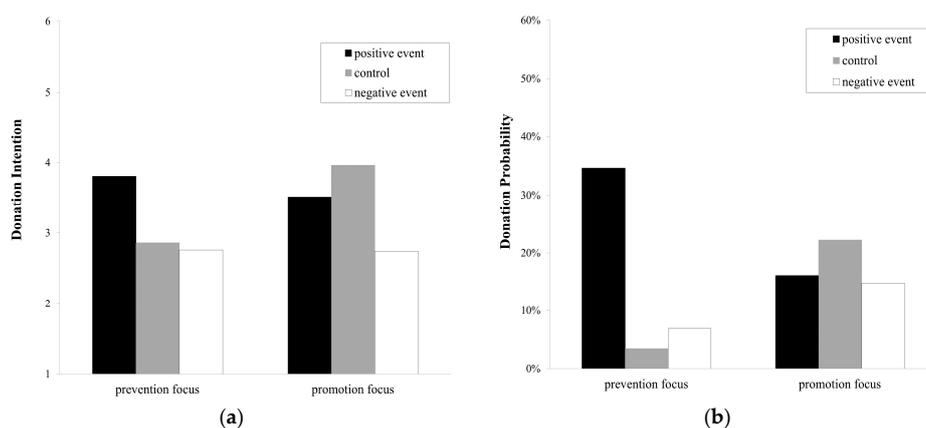
We ran a one-way ANOVA with the personal event as the independent variable and participants' feelings as the dependent variable. The analysis produced a significant main effect ( $M_{\text{positive event}} = 5.51$ ,  $SD = 1.22$  vs.  $M_{\text{no event}} = 4.42$ ,  $SD = 0.89$  vs.  $M_{\text{negative event}} = 2.05$ ,  $SD = 1.25$ ;  $F[2, 166] = 137.42$ ,  $p < 0.001$ ). Relative to the no-personal-event condition, participants in the positive-personal-event condition felt more positively ( $F[1, 166] = 26.18$ ,  $p < 0.001$ ), and participants in the negative-personal-event condition felt more negatively ( $F[1, 166] = 122.47$ ,  $p < 0.001$ ). Therefore, the result confirmed successful manipulation by the personal event.

#### 4.3.2. Donation Intention

First, we ran an ANOVA with regulatory focus and personal event as the independent variables and participants' intention to donate as the dependent variable. Then, we performed planned-contrast analyses to test the hypotheses that required comparisons of specific conditions. As for Hypothesis 1, we needed to compare the donation intention of promotion-focused participants with those of

prevention-focused participants when they did not experience a personal event (i.e., control condition). The analysis produced a significant effect of regulatory focus ( $F[1, 163] = 5.75, p < 0.05$ ), and, indeed, those with promotion focus showed a greater intention to donate than those with prevention focus ( $M_{\text{promotion focus}} = 3.96, SD = 1.81$  vs.  $M_{\text{prevention focus}} = 2.86, SD = 1.27$ ). Thus, Hypothesis 1 was supported.

Hypothesis 2 concerns the effect of positive or negative personal events relative to the no-personal-event condition for each type of regulatory focus (see Figure 1a). First, the interaction between regulatory focus and personal event was marginally significant ( $F[2, 163] = 2.59, p = 0.08$ ). Moreover, the results of the contrast analysis revealed that, compared to when experiencing no personal event, prevention-focused participants showed a greater intention to donate after experiencing a positive personal event ( $M_{\text{positive event}} = 3.81, SD = 2.10$  vs.  $M_{\text{control}} = 2.86, SD = 1.27; F[1, 163] = 4.16, p < 0.05$ ), but their intention did not differ after they experienced a negative personal event ( $M_{\text{negative event}} = 2.76, SD = 1.53$  vs.  $M_{\text{control}} = 2.86, SD = 1.27; F[1, 163] = 0.05, p > 0.80$ ). Thus, Hypothesis 2a was supported. On the other hand, compared to when experiencing no personal event, the donation intention of promotion-focused participants decreased after they experienced a negative personal event ( $M_{\text{negative event}} = 2.74, SD = 1.89$  vs.  $M_{\text{control}} = 3.96, SD = 1.81; F[1, 163] = 6.84, p < 0.01$ ) but did not change after they experienced a positive personal event ( $M_{\text{positive event}} = 3.52, SD = 1.65$  vs.  $M_{\text{control}} = 3.96, SD = 1.81; F[1, 163] = 0.98, p > 0.30$ ). Therefore, Hypothesis 2b was supported.



**Figure 1.** Results of experiment: (a) donation intention; (b) donation probability.

#### 4.3.3. Donation Choice

We employed a similar analysis approach to test the hypotheses using the donation choice data. To begin with Hypothesis 1, we ran a z-test for the effect of regulatory focus with participants who did not experience a personal event (i.e., control condition). The result showed that promotion-focused participants chose to donate more than prevention-focused participants ( $22.2\%_{\text{promotion focus}}$  vs.  $3.4\%_{\text{prevention focus}}$ ;  $z = 2.16, p < 0.05$ , one tail). Thus, Hypothesis 1 was supported.

As for Hypothesis 2, we conducted a logistic regression with regulatory focus and personal event as the predictors and participants' choice to donate or not as the dependent variable and then ran z-tests for contrast analyses (see Figure 1b). First, the logistic regression produced a significant interaction between regulatory focus and personal event ( $\chi^2 = 6.84, p < 0.05$ ). Moreover, consistent with Hypothesis 2a, relative to after experiencing no personal event, prevention-focused participants chose to donate more after experiencing a positive personal event ( $34.6\%_{\text{positive event}}$  vs.  $3.4\%_{\text{control}}$ ;  $z = 3.14, p < 0.001$ , one tail), but their donation choice did not differ after experiencing a negative personal event ( $6.9\%_{\text{negative event}}$  vs.  $3.4\%_{\text{control}}$ ;  $z = 0.59, p > 0.25$ , one tail). In contrast, promotion-focused participants chose to donate to a similar degree regardless of their personal experiences ( $16.1\%_{\text{positive event}}$  vs.  $22.2\%_{\text{control}}$ ;  $z = -0.59, p > 0.25$ , one tail;  $14.8\%_{\text{negative event}}$  vs.  $22.2\%_{\text{control}}$ ;  $z = -0.70, p > 0.20$ , one tail). Thus, Hypothesis 2b was not supported.

## 5. Discussion

### 5.1. Summary of Findings and Implications

This research examined how individuals' regulatory focus affects their donation behavior and how experiencing a personal event moderates this relationship. The results from both the survey and the experiment confirmed that participants with promotion focus were more likely to donate than those with prevention focus. We found this pattern of results to be robust across the diverse measures of donation behavior. In addition, the experimental results revealed that, compared to after experiencing no personal event, the donation likelihood of prevention-focused participants increased significantly after experiencing a positive personal event but did not change after experiencing a negative personal event. In a similar vein, experiencing a negative event reduced the donation likelihood of promotion-focused participants, although this result was significant for the intention measure but received only directional support for the choice measure, whereas experiencing a positive event did not. We think that the weaker effects of personal event for promotion-focused individuals can be attributed to the possibility that they possess a stronger sense of internal control, which makes them less susceptible to the influence of external factors in decision-making [9].

Surprisingly, few attempts have been made to study individuals' regulatory focus and donation behavior, although each topic has received extensive scholarly attention in various fields. To our knowledge, the only exception is [33], in which the authors developed advertising messages based on regulatory focus and examined their effects in advertising contexts. Unlike their research, our research deals with regulatory focus that individuals possess as motivational orientations and adds new findings to both regulatory focus and donation literature. In addition, our results may offer an explanation for the lower level of donations in Asian than in Western cultures [28]. Research has suggested that prevention focus is a more prevalent motivational orientation among Asians [28], which might have an indirect effect on their donation behavior.

We introduced the cost–benefit perspective and demonstrated its validity in understanding individuals' donation behavior. Although the framework has been widely utilized in various decision-making contexts (e.g., [34,35]), it has seldom been used in the donation-making domain. We think that greater use of the framework may provide new insights into a better understanding of individuals' donation behavior. Lastly, our finding that personal events moderated the effect of regulatory focus certainly contributes to the literature. Although existing research focuses on (negative) events that occurred to donation recipients or the (negative) emotions elicited [36], the present research turns our attentions to donors' experience of personal events as another significant influencer. Moreover, we demonstrated that experiencing a personal event that is not aligned with dispositional tendency led people to reconsider and modify their initial responses. This is somewhat consistent with recent findings in research on processing fluency in that feelings of disfluency change individuals' style and pattern of psychological responses [29,30] but is different from the findings about superior effects of "fit" [37]. Future research is called upon to address this issue in a systematic manner.

Our findings provide several useful suggestions to nonprofit organizations that are largely funded by individuals' contributions or firms that consider cause-related marketing, in achieving the causes that they aim to support; helping people in need, conserving wildlife and nature, preserving cultural heritage, or coping with climate change [1–3,13,36]. First, marketing messages soliciting donations tend to focus on describing the recipients or social causes. We suggest that designing those programs should consider the characteristics of donors to produce better results. In addition, it seems apparent that the main target of the donation or voluntary programs should be individuals with promotion focus who are inclined to donate. It has become more feasible to identify the characteristics of those people that help the institutions take actions on or gain access to them using survey methods or big data. On the other hand, donation programs can be designed so that promotion focus becomes more salient to potential donors, temporarily or situationally. It is suggested that individuals' regulatory focus can be chronic or situational [31]. Lastly, it is a safer strategy to approach potential donors after

they experience a positive personal event, if this information is accessible, or to make them feel positive about themselves before making a donation request.

### 5.2. Limitations and Directions for Future Research

This research has some limitations, which may provide potential avenues for future research. First, we derived our hypotheses based on the assumption that promotion-focused and prevention-focused individuals would have different perceptions and/or weightings of potential rewards and risks associated with making a donation, but we did not test this directly in the study. Our research suffers from a similar weakness for the interaction effect between personal event and regulatory focus, which has to do with the effect of fit or misfit. We hope to see more rigorous investigation of the mechanisms in future research. In addition, we found slightly different results across the two dependent measures in the experiment. Although it is not unusual for people to respond differently depending on when they indicate their intentions or when they make a choice [38], it should be clarified whether our results are involved with systematic or random factors. Lastly, we used a lab experiment with a projective role-play method, which enabled us to examine causal effects in a rigorous and controlled setting. Although the survey results corroborated the generalizability of the experimental results on the effects of regulatory focus on donation behavior, we still have to be cautious about the hypothetical nature of the donation decisions that participants made in the experiment. That is, it is possible that the participants might not have behaved in the same way as they would in a real-world setting because their decisions did not involve actual spending. Our manipulation of personal events is also subject to similar criticism. A potential solution will be to give participants monetary rewards with which they can donate and to use actual events that participants experience in the lab experiment (e.g., winning or losing in a game). Or, we can consider an online field experiment, a method that has become more prevalent in recent years.

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**Author Contributions:** Kikyong Park suggested the initial research idea, performed the literature review, designed and executed the experiment, and analyzed the data. Gangseog Ryu elaborated on the research idea, developed the research model and hypotheses, provided guidance about the experiment and data analyses, and prepared the manuscript and will be the primary party to handle the review process. Both authors read and approved the final manuscript.

**Conflicts of Interest:** The authors declare no conflict of interest.

## Appendix A. Details of the Study Instruments

**Table A1.** Survey questionnaire: Study 1.

<b>Part 1: Donation Behavior</b>
<b>A. Please rate your donation behavior in 2017 on the following scale.</b>
I made a donation. (not at all—a lot)
The size of my donation was ... (small amount—large amount)
The frequency of my donation was ... (seldom—often)
<b>Part 2: Regulatory Focus [31])</b>
<b>A. Promotion Focus</b>
1. When it comes to achieving things that are important to me, I find that I don't perform as well as I would ideally like to. (R). <sup>1,2</sup>
2. I feel like I have made progress toward being successful in my life.
3. When I see an opportunity for something I like, I get excited right away.
4. I frequently imagine how I will achieve my hopes and aspirations.
5. I see myself as someone who is primarily striving to reach my "ideal self"-to fulfill my hopes, wishes, and aspirations.

Table A1. Cont.

<p><b>B. Prevention Focus</b></p> <ol style="list-style-type: none"> <li>1. I usually obeyed the rules and regulations that were established by my parents.</li> <li>2. Not being careful enough has gotten me into trouble at times. (R)</li> <li>3. I worry about making mistakes.</li> <li>4. I frequently think about how I can prevent failures in my life.</li> <li>5. I see myself as someone who is primarily striving to become the self I “ought” to be to fulfill my duties, responsibilities and obligations.</li> </ol>
<p><b>Part 3: Control Variables</b></p> <ol style="list-style-type: none"> <li>1. Age</li> <li>2. Sex (male, female)</li> <li>3. Marital status (single, married)</li> <li>4. Employment (full time, part-time, unemployed)</li> <li>5. Education (middle school, high school, college, graduate school)</li> <li>6. Income (~2000, 2000–4000, 4000–6000, 6000–8000, 8000~) <sup>3</sup></li> </ol>
<p><sup>1</sup> The extreme anchors on the response scale were <i>not at all</i> (1) and <i>a lot</i> (7); <sup>2</sup> Notes: (R) = reverse scored; <sup>3</sup> unit: 1000 KRW (about 0.93 USD).</p>
<p><b>Table A2. Experimental instrument: Study 2.</b></p>
<p><b>Instruction</b></p> <p>Please read the following scenario carefully, and imagine that you are facing the situation as described.</p>
<p><b>Manipulation of Personal Event</b></p> <p><b>A. Positive Event</b></p> <p>You are planning to work for a company after you graduate from college. About a month ago, you came across a summer internship recruitment for a company that you are interested in, and you applied for it. Today, you received an email saying that you got the internship position.</p> <p><b>B. Negative Event</b></p> <p>You are planning to work for a company after you graduate from college. About a month ago, you came across a summer internship recruitment for a company that you are interested in, and you applied for it. Today, you received an email saying that you did not get the internship position.</p> <p><b>C. No Event</b></p> <p>Today, you went to school to take classes. After class, you were passing by the bulletin board, which displayed various news about the school.</p>
<p><b>Donation Solicitation</b></p> <p>When you are leaving campus, you find out that people from a nonprofit organization are soliciting donations.</p>
<p><b>Measure 1: Donation Decisions</b></p> <ol style="list-style-type: none"> <li>1. How likely are you to donate? Spend for myself (1)—Donate for others (9)</li> <li>2. Which of the following would you choose? Spending for myself or Making a donation</li> </ol>
<p><b>Measure 2: Emotions</b></p> <ol style="list-style-type: none"> <li>1. How would you feel if the personal event described in the scenario occurred to you? Unhappy (1)—Happy (7) Sad (1)—Pleased (7)</li> </ol>
<p><b>Measure 3: Regulatory Focus</b></p> <p>The same items used in Study 1</p>
<p><b>Measure 4: Demographics</b></p> <ol style="list-style-type: none"> <li>1. Age</li> <li>2. Sex (male, female)</li> </ol>

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