

# A Review of Domestic and Foreign Philanthropic Research and a Comparative Analysis of Corporate and Individual Donations

Bo Han

School of economics and management, Chongqing university of posts and telecommunications, China

## Abstract

Through literature review, this paper summarizes the research on philanthropy at home and abroad in recent years. According to the existing research subjects, the research on philanthropy is mainly divided into two parts: corporate donation and individual donation. Through the summary of corporate donation and individual donation, this paper explores the difference between the corporate donation and individual donation, and finds that the main difference between them is the difference in the three aspects of donation motivation: donation mode and information source, so as to provide references for future research in the field of philanthropy.

## Keywords

philanthropy, corporate donation, individual donation, research review.

## 1. Introduction

Charity is a social cause in which people voluntarily give love and aid and help the weak and the poor. With the rapid development of modern philanthropy, "charity" has been endowed with a broader connotation. Philanthropy is defined not only in terms of money and material donations, but also in terms of fully channeling and mobilizing rich private resources, including social capital, time, and entrepreneurial talent, to improve our lives and transform our world. Charity is based on the moral foundation, through charitable organizations or voluntary organizations to help and help people in need of activities, at the same time, he also believes that charity must be unrequited selfless dedication, without any self-benefit.

With the progress of The Times, the rapid development of the economy, the rise of many enterprises, the people's living standard has been improved, more and more enterprises and individuals to participate in the charity work, do their part for the charity work; In recent years, there are more and more researches on philanthropy. The research subjects are mainly divided into corporate donation and individual donation. The difference between enterprise donation and individual donation is summarized.

## 2. Corporate Donation

In terms of corporate donation, about the definition of corporate philanthropy, Bartkus (2015) argue that firms in determining its under the premise of no direct interests relationship, voluntary giving recipients of cash or other donations[1]; Morris (2013), Morgeson (2013) think that corporate philanthropy to strategically improve enterprise moral reputation and brand image[2-3]; Wang(2011) found that corporate donations can also help enterprises obtain social and political legitimacy, enabling them to trigger positive responses from stakeholders and obtain key political access in the future[4]. Peloza (2015) believe that corporate donation is an important tool to help enterprises build a "pro-social" image and get help from stakeholders[5].The research results of Chen(2018) show that there is a significant positive correlation between the amount of charitable donations and the innovation output

performance of enterprises[6]. Zhu(2017) analyzed that the donation behavior of enterprises has a significant anchoring effect[7]; Wu (2018) based on the theory of resource dependence and transaction cost, found that the higher the customer concentration, the lower the enterprise's donation level[8]. Gao(2012) showed that those enterprises with better performance in product responsibility (r&d investment)[9], those with organized labor unions, those with more investment in environmental protection, and those with lower salary and welfare level of employees had more charitable donations. Zhao(2007) compared the donation behaviors of transnational corporations and domestic enterprises, and found that the two showed obvious differences in donation concepts, donation strategies and decision-making mechanisms[10]. Gu(2015) showed that the shareholding ratio of important shareholders was negatively correlated with the donation behavior, but the shareholding ratio of management was positively correlated with the donation behavior[11]. Through theoretical discussion and empirical research, Wang(2014) showed that the expected performance feedback of companies with high attention from analysts had a stronger positive impact on r&d behavior[12], but a weaker positive impact on philanthropic donation behavior. Based on the review and summary of articles related to corporate donations, it can be seen that some enterprises hope to gain a good reputation and prestige through charitable donations, establish a brand image of social responsibility and moral sense, and improve the visibility of enterprises. Therefore, from the research on corporate donation, it can be seen that there is a very close relationship between charitable donation and brand image.

### 3. Individual Donations

In the research related to personal charitable donation, the following six categories of influencing factors and characteristics are mainly divided:

Demographic factors: Debra (2007) and Michael (2013) investigated the influence of factors such as income, gender, age, growth environment, political ideal, marital status and fundraising ability of charitable organizations on individual charitable donation behavior[13-14]. Gerard (2013) explored the nature of charitable donors in 84 important sentences obtained from a series of in-depth interviews, and discussed how to turn such donation into a continuous relationship[15]. Through four studies, Alexis (2018) used self-construction to measure the impact of deviation from performance norms on pro-social behaviors of independent donors[16]. Bendapudi (2006), Reed (2007) and others have studied philanthropic promotion strategies and found that few empirical studies have explored the demand for time and money[17-18].

Research on donor characteristics: Aquino (2007) found through three empirical studies that consumers with high organizational status prefer to give money rather than time, and the higher their moral status, the more willing they are to donate time rather than money[19]; Shang (2008) et al. studied the influence of identity consistency on donation in gender dimension through experiments[20], and the research showed that female gender identity was more willing to donate to people outside the group than male gender identity. Duclos (2014), research orientation and the victim group members is analyzed with the self by the interaction of pro-social behavior[21], the study found that the independent self explaining tendency consumers in helping needy groups inside and outside the others showed a similar tendency, and depend on each other's tendency will develop stronger than outside the group members help's commitment to the group's members.

Research on the characteristics of recipients: FISHER (2014) investigated how the attractiveness of poor children affects the compassion they evoke[22], and found that attractive (good-looking) children are considered to be ideal traits related to social competence. Small (2009) explored how expressions on victims' faces affect donations. Based

on the theory of emotional contagion and compassion[23], when donors see sad expressions compared with happy or neutral expressions, they are especially compassionate and more likely to donate. Ein-gar (2013) found that the closer the time and social distance between the recipient and the donor is, the more likely people are to donate to a certain individual[24]. The research of Lee (2014) shows that when the recipient is responsible for their own plight, people's willingness to donate will be reduced[25]. Duclos (2014) When the donee and the donor belong to the same group, the donation intention is higher, such as the donee and the donee are in the same block and other groups[21].

Research on altruistic egoism: American economist Harbaugh (1998) mainly derives the motivation of charitable donation from the satisfaction of the heart and reputation brought by the donation[26], while Bergstrom (1986) found that there is a kind of pure altruism that donors do not consider their own interests and only consider others' interests through the establishment of the traditional public goods donation model[27]. Foreign scholars often study the influencing factors of altruism and egoism as the motivation for charitable donation. Joy (2001) found that in most cases, gifts are given to those closest to us in the society[28]. Philip thinks that people give money to get something in return. A donation should not be seen as a transfer of money, but as a transaction. White (2009) showed that the effects of altruistic and egoistic appeals are different in different situations[29]. In public places and collectivist cultures, the effects of altruistic appeals are better, while in private situations, the effects of individualistic culture on egoistic appeals are better for individuals with high social status. Chang (2014) studied how the appeal of egoism (as opposed to altruism) in charity advertisements helps to regulate guilt, improve advertising attitude and promote the intention of charitable donation[30]. The research results showed that guilt can enhance people's willingness to donate and also enhance the donation effect of egoism.

Research on the influence of emotional factors: the impact of social environment on charitable giving: the study of Small (2008) showed that if the donor knew someone who had the same experience as the recipient[31], their donation behavior would be greatly improved; used public service advertisement to induce donation response, and the experiment verified that empathy can significantly improve people's donation. Zhou (2012) showed that nostalgia can increase people's empathy or sympathy, and thus increase their willingness and behavior to donate[32]. Kemp (2013) are expounded for individuals with specific emotional appeals for subdivision and orientation strategy[33], the study found that the two kinds of common emotions of pride, and compassion to charitable donations, biological gender and gender role as potential factors regulate mood, studies have shown that sympathetic mood charitable donations can promote more women, more emotionally can improve men's proud charitable donations.

research on donation motivation: John (2017) showed that party leaders donate money to their colleagues to win elections and cultivate ideological homogeneity[34], regardless of the status of the majority, when they try to obtain the majority of seats, their attention to the election is more able to promote donation behavior than when they have the majority of seats. Zheng (2011) found that in both the short term and the long term, the cumulative excess return is positively correlated with the ranking of donations[35]. There are a lot of research from multiple angles to study the characteristics of the donor, found there are many influence factors, such as: charitable consciousness, sense of generosity, the understanding of charity, donation to bring cheerful mood, and demographic characteristics such as income, education, religion, so this article on the comprehensive study of internal external cause personal charitable giving.

## 4. The Difference between Corporate Donation and Individual Donation

By sorting out the above literature, the author firstly summarizes the differences between corporate donation and individual charitable donation:

(1) difference in donation motivation: in terms of donation motivation, corporate donations are mostly egoism, which is used to promote corporate reputation and establish a good corporate image. However, the behavior of individual charitable donation is mainly dominated by altruism, which emphasizes the social behavior of citizens participating in the voluntary help of charitable donation.

(2) differences in donation methods: corporate donations are mostly in the form of corporate finance and in-company crowd-funding, mostly in the form of cash donations or material donations, and mostly in the form of charitable organizations and public welfare platforms cooperating with the company; The existing ways of individual charitable donation are diversified; With the rise of online charitable donation platforms, citizens have diversified ways to participate in charity, most of which are mobile payment or direct donation to recipients.

(3) different information sources: in terms of information sources, the information sources of corporate donations are mostly from social reports and charitable organizations cooperated with by enterprises. The information of individuals in the enterprises is from enterprises, while the information of individual donations is mostly from the publicity and network platform of the charitable organizations.

At the same time, through the review and summary of domestic and foreign journal papers, it can be found that many scholars at home and abroad have conducted a relatively systematic and comprehensive research on the behavior of charitable donation. In recent years, some scholars have pointed their research direction to the intention and behavior of individual charitable donation, and conducted research from multiple fields and perspectives.

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