Appreciation of digital gifts from the perspective of givers and recipients

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Traditionally, a gift was something material: A physical object that was handed by the giver to the recipient. In recent years, gift-giving has become more digital, and some gift options are now purely digital (Kwon, Koleva, Schnädelbach, & Benford, 2017). In the present research, we focus on online media subscriptions as a widespread case of such digital gifts.

Gift givers often report anxiety about selecting a gift that is appreciated by recipients (e.g., Givi & Galak, 2017; Wooten, 2000). Several authors have documented asymmetries in gift appreciation between givers and recipients. One line of research argues that givers overestimate how much their gift would be appreciated by the recipient: For example, even when recipients explicitly state their wishes in a gift repository, givers believe that choosing an unrequested gift is better than choosing a gift from the list (Gino & Flynn, 2011). A contrasting line argues that recipients sometimes appreciate a gift even more than givers expect because they consider the thought and the gesture as such (Zhang & Epley, 2012). Digital gifts often are less time-consuming to search and often miss the wrapping of traditional gifts; consequently, perceived thoughtfulness might be lower. We therefore hypothesized that givers would overestimate recipients' appreciation.

For traditional gifts, asymmetries are explained by different weighting of attributes resulting from the differing perspectives of givers and recipients (Galak, Givi, & Williams, 2016). For example, givers assume that price matters for gift appreciation, whereas recipients report appreciation as unrelated to price (Flynn & Adams, 2009). Givers assume that a gift that matches recipients' preferences makes a good gift, but recipients actually prefer gifts with more sentimental value (Givi & Galak, 2017). Extending this to digital gifts, we hypothesized that givers would assume a stronger connection between involvement in a certain domain and appreciation for a gift from that domain (i.e., preference-fit) than recipients actually report.

In a preregistered online experiment, we randomly assigned 200 participants to the role of giver or recipient. Givers were asked to think about a specific person among their friends, and to rate this person's involvement in four different leisure domains: reading magazines, watching movies, playing video games, and listening to music. They then were presented with gift options for online subscriptions in each of these domains (e.g., a 6-months subscription to a music streaming service) and predicted how much the specific person they named would appreciate the subscription as a birthday gift. Recipients also named a friend, and rated their own involvement in the four leisure domains. They then imagined receiving a subscription as a birthday gift from that friend, and rated how much they would appreciate it for each subscription domain. Involvement was measured by a six-item scale adapted from Franke, Keinz, and Steger (2019); gift appreciation by five items adapted from Flynn and Adams (2009).

Results from a multi-level analysis of gift appreciation with role, involvement and their interaction as fixed effects and participant and domain as random effects support the hypothesized interaction ($B = 0.12$, $t(681.4) = 2.52$, $p = .012$). The slope of involvement on appreciation was steeper for givers ($B = 0.62$, $t(642.1) = 17.75$, $p < .001$) than for recipients ($B = 0.50$, $t(669.3) = 12.62$, $p < .001$). From the givers' perspective, recipients' involvement in a domain correlates more strongly with gift appreciation than it is the case from the recipients' perspective. In contrast to our hypothesis, we did not find that givers overestimated appreciation: for average involvement levels (role $B = -0.55$, $t(197.99) = 3.71$, $p < .001$) as well as for lower involvement levels, recipients even appreciated digital gifts more than givers predicted they would. For high levels of involvement (> 6.2), the difference was not significant. Figure 1 illustrates the pattern.

These results suggest that also for digital gifts, recipients value the gift as such (similar to the argumentation by Zhang & Epley, 2012). The difference to findings on overestimation of appreciation by givers (e.g., Flynn & Adams, 2009) may be due to the digital nature of the gifts studied here. These

gifts mostly do not encompass an actual handover, an aspect that is highly important for givers (Galak et al., 2016). The results for the interaction suggest that in line with previous research (Givi & Galak, 2017), givers might put too much focus on a specific aspect of the gift. For consumers struggling to find the "perfect gift", this could be welcome news: Although appreciation increases with involvement, some recipients who are not strongly involved in a domain appreciate a digital gift more than givers think.
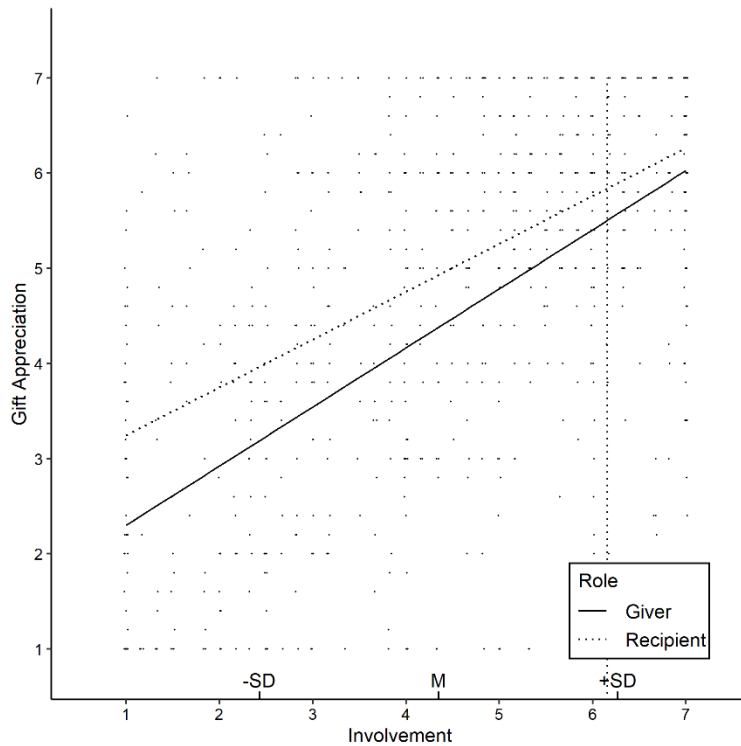

Figure 1: Interaction between involvement and role (giver vs recipient) in gift appreciation.
Fixed effects from multi-level model, $N = 200$ participants with 800 cases. The vertical dashed line indicates the Johnson-Neyman point; for lower involvement levels, the difference between givers and recipients is significant ($p < .05$).

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