SOCIAL SAFETY OR SAVING TIME? AN EMPIRICAL STUDY IN GIVING GIFT CARDS

Lei Huang, Dalhousie University, Canada
Caroline Graham Austin, Montana State University, USA

ABSTRACT

Social risk is an area that has been extensively explored with regards to gift giving in general, but only in a limited fashion with regards to gift cards (e.g., Tuten and Kiecker 2009). In this paper, we examine the situations in which a gift card is the giver's first choice of a gift, and when it is a last resort. Specifically, we aim to answer questions how gift givers perceive themselves, and how they want others to perceive them (i.e., self- and meta-perception), are innately tied to when and why consumers choose to give gift cards. In this paper, we explore the risk-reduction strategies that consumers use when choosing gift cards in lieu of specific gift items – strategies related to consumers' self-perceptions, meta-perceptions, social ties, and gender. We use a field study to explore both intrinsic and extrinsic reasons why people choose to give gift cards in lieu of actual gifts. The focus is about people's experiences of giving gift cards, such as why they choose to give them, whom they purchase them for, and how they feel about the exchanges. We received 217 valid survey questionnaires with a response rate of 80.6%.

Our findings suggest that people with the strongest ties feel the least social anxiety when choosing gifts (and gift cards) for each other; those with medium ties are most eager to satisfy their recipients, and those with weak ties are most likely to feel anxiety about choosing the "wrong" gift. Although people are more likely to select gift cards as their last choice than their first choice (45% vs. 22%), they think it is tacky to display the dollar amount on a gift; whereas people who select gift cards as their first choice believe that gift cards are trustworthy. As a last choice option, gift cards allow consumers to engage in identical reciprocation, thanks to their published monetary values, and thereby help them to reduce social risks. In general, males seem to like giving gifts cards more than females do. For instance, men are more likely to choose gift cards for immediate family members, close friends, social friends, and co-workers, compared with women. These behaviors are in accordance with people's driving attitudes. For instance, compared with female subjects, males claim they are more comfortable giving gift cards to family members (including significant others and friends because they do not worry about whether the recipients will think the gifts are inappropriate and/or useless. Despite their lower acceptance rates, however, relative to men, women think gift cards are more trustworthy.

One major contribution of our research is the extension of gift theory by suggesting that reducing one's own exposure to social risks (rather than being convenient) is the *dominant* reason that drives people to choose gift cards in lieu of actual gifts. Another contribution of this research is the demonstration that even though they are heavily promoted as an easy and effective way to alleviate gift shoppers' social anxiety, gift cards carry symbolic meanings all their own related the spectrum of personal and professional relationships. This, in turn, can create additional angst for shoppers who would just like to know, "Will the recipient like this?" Not every gift buyer engages in self-doubt and meta-perceptual dithering when gift shopping; as we have demonstrated, people frequently buy gift cards simply because they are fun, and trustworthy, and easy to buy, store, wrap, ship, and use. However, it would be unwise to discount financial and social norms that come into play during the gift selection process. After all, it *is* the thought that counts.

References Available on Request.