**RESEARCH PAPER** 



## Securing Donor Support on Nonprofit Commercialization: The Effects of Thematic and Episodic Message Framing

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Abstract The effect of nonprofit commercialization, the increased reliance on revenues from commercial activities such as program and service fees, is one of the most significant topics in nonprofit finance studies. Commercialization can jeopardize nonprofits' efforts to secure financial sustainability as donors become reluctant to contribute to highly commercialized nonprofits. This study examines the effect of thematic and episodic framing in acquiring support on nonprofit commercialization with an online survey experiment. The findings reveal that both thematic and episodic framings increase willingness to donate and volunteer, and combining both framings is more effective than using a single framing, suggesting that nonprofits can benefit from message framing in persuading donors and stakeholders of nonprofit commercialization.

**Keywords** Nonprofit commercialization · Commercial income · Donation · Message framing

## Introduction

Nonprofit organizations have been embracing business practices for decades, which can be defined as nonprofit commercialization, the increased reliance on commercial revenues from program and service fees (Kerlin & Pollak, 2011; Maier et al., 2016). There have been continuous efforts to investigate the negative consequences of

Cheon Lee cheonlee@nmsu.edu nonprofit commercialization such as goal displacement and mission drift (Balanoff, 2013; Eikenberry, 2009; O'Reilly, 2011; Salamon, 1999; Weisbrod, 2004). Specifically, researchers have highlighted its adverse impacts on private donations (Charles, 2018; Guo, 2006; Kingma, 1995). A recent meta-analysis (Hung, 2020) on nonprofit commercialization reveals that it crowds out donations, which imposes significant financial challenges to nonprofits seeking additional resources from commercial revenues while competing for grants and donations. For nonprofits to achieve financial sustainability by diversifying revenue portfolios, they require support from donors and stakeholders when introducing a new revenue model. Despite the continued interest in commercialization and its influence on donations, garnering support from donors and stakeholders on commercialization has not been sufficiently studied. To fill this gap in the literature, this study aims to explore whether message framing can improve donors' responses towards commercialization.

Nonprofits constantly face financial challenges and seek additional revenue sources. In such circumstances, managers would certainly want to avoid negative responses from donors and stakeholders when implementing new business models. Message framing can help nonprofits address the issue by influencing their opinions toward commercialization. Nonprofits have been implementing message framing techniques in fundraising and advertising efforts. In the same way that framing of an advertising message has a significant influence on consumers' judgements and decisions (Ganzach & Karsahi, 1995; Hallahan, 1999), nonprofits frame their messages to influence stakeholders' opinions (Cao, 2016; Erlandsson et al., 2018; Qu & Daniel, 2020). From a managerial perspective, managers can benefit from exploring the usefulness of message framing as a communication strategy. To make fundraising

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messages more appealing, nonprofits carefully choose their messages and frame the messages accordingly. Similarly, message framing can be a useful tool for nonprofit managers to influence attitudes toward commercialization to secure more support.

This study explores whether thematic and episodic message framing can improve donor responses toward nonprofit commercialization (Hart, 2011; Iyengar, 1990). A thematic-framed message describes a topic at an abstract level using general, collective information, including statistical figures as general trends, whereas an episodicframed message uses narrative case stories to describe a topic. From an online survey experiment, the findings show that both episodic and thematic framings increase willingness to donate and volunteer. Furthermore, combining both framings in the message induced higher levels of willingness to donate and volunteer than the messages with a single framing. The findings contribute to the literature by showing that message framing can positively influence attitudes towards commercialization and increase willingness to contribute.

The remaining sections of this paper proceed as follows. The first section reviews the literature on nonprofit commercialization, thematic and episodic message framing, and the hypotheses. The second section addresses the empirical strategy to examine the hypotheses including the experimental research design and the statistical results. The paper concludes with the discussion of the implications and limitations of the study.

## Literature Review

## Nonprofit Commercialization and the Crowding-Out Effect

Nonprofits have been adopting management practices, revenue models, values and norms from the for-profit sector to ensure financial sustainability in the volatile environment. As a result, nonprofits have become more business-like by responding to the pressures (Dart, 2004). There have been numerous attempts to label such phenomenon as managerialization (Beaton, 2021; Hvenmark, 2013), nonprofit-business hybridity (Carré et al., 2021), and commercialization (Kerlin & Pollak, 2011; Maier et al., 2016; Salamon, 1993, 1999; Toepler, 2006). On a broader perspective, commercialization refers to the adoption of business knowledge and practices including commercial revenue, productivity, and marketing efforts (Beaton, 2021; Hvenmark, 2013). In a narrower scope, it refers to nonprofits' increased reliance on revenues from the sales of programs, services, and goods (Hung, 2021; Maier et al., 2016; Salamon, 1993). This study adopts the narrower definition to focus on the financial aspect of the phenomenon. Commercial revenue has increased significantly since 1980s, which was largely due to cutbacks in government funding (Kerlin & Pollak, 2011). A recent report from the Urban Institute National Center for Charitable Statistics (NCCS Team, 2020) reveals the continued trend of nonprofit commercialization; revenues of 501(c)(3) public charities increased from \$1.29 trillion to \$2.04 trillion (a 32.9 percent increase) between 2006 and 2016. The ongoing trend of commercialization attracted scholarly attention, especially on how commercialization effects private donations (Eikenberry & Kluver, 2004; Kerlin & Pollak, 2011; Maier et al., 2016).

There have been concerns about negative influences of commercialization on donations. Focusing on revenueseeking activities can be considered as mission drift, goal displacement, and illegitimate efforts to the stakeholders (Eikenberry, 2009; Maier et al., 2016). As a result, donors decide to withdraw their contributions to nonprofits. Also, donors may substitute donations with smaller amounts of fees for commercial services because they are less likely to contribute to transactional relationships. The negative effect can be problematic for nonprofits because efforts to secure additional resources might negatively affect existing revenue streams, jeopardizing their financial sustainability. A recent meta-analysis (Hung, 2020) on commercialization and donations reveals that commercialization indeed has a small crowding-out effect on donations. The crowding-out effect is found in multiple subsectors including arts and culture (Charles, 2018), human services (Guo, 2006), healthcare (Kingma, 1995), education (Calabrese, 2011), and international development (Herzer & Nunnenkamp, 2013).

Despite the continuous interest in the consequences of commercialization, the literature lacks empirical efforts to explore feasible solutions to secure more support on commercialization from donors. When commercialization is an irreversible trend in the sector, it is crucial for nonprofits to make it more acceptable to the donors. One possible option is to implement message framing strategies used for fundraising and marketing purposes to effectively communicate with and persuade the donors. This study seeks to explore how thematic and episodic framing can influence donor responses toward nonprofit commercialization.

#### **Message Framing**

Gamson and Modigliani (1989, p. 143) define framing as "a central organizing idea or story line that provides meaning to an unfolding strip of events weaving a connection among them. The frame suggests what the controversy is about, the essence of the issue." When framing is used in a message, it influences readers' opinions and thoughts. According to Chong and Druckman (2007b, p. 103), message framing refers to "the process by which people develop a particular conceptualization of an issue or reorient their thinking about an issue." By making alterations in how an issue is presented to the readers, message framing can increase the effectiveness of a statement (Cacciatore et al., 2016; Chong & Druckman, 2007b; Iyengar, 1991). Because of its usefulness, message framing has been utilized by the media and politicians to reshape the context of political issues, thereby influencing citizens' political opinions and attitudes as well as the intensity of emotional reactions (Gross, 2008; Iyengar, 1991).

In the nonprofit sector, message framing has been widely studied to examine its effects on attracting donations and volunteers (Cao, 2016; Chang & Lee, 2010; Das & Kerr, 2009; Erlandsson et al., 2018; Lindenmeier, 2008; Tugrul & Lee, 2018). There are studies that test positive and negative frames (Chang & Lee, 2010; Das et al., 2008; Erlandsson et al., 2018), affective and deliberative information processing (Dickert et al., 2011), statistical and anecdotal information E. Das et al. (2008), and gain or loss framing (Cao, 2016; Lindenmeier, 2008) to identify the effects of message framing on donations. While the literature focuses on the effect of framing advertisements for donations, this study plans to extend the literature on the effect of message framing on donations by framing the necessity of nonprofit commercialization.

#### **Thematic and Episodic Framing**

This study tests the effects of thematic and episodic framing. Thematic and episodic framing is introduced by Ivengar () in his studies of media presentations and the framing effects on political issues. It is often used by politicians and the media to influence readers' opinions on social and political issues to change their opinions in certain directions (Aarøe, 2011; Gross, 2008; Iyengar, 1991). Thematic framing describes a topic at an abstract level using general, collective information (Hart, 2011; Scheufele, 1999) and explain statistical figures and general trends in a broader context (Gross, 2008; Iyengar, 1990). On the other hand, episodic framing presents specific examples, concrete instances, or events in narratives (Scheufele, 1999). By describing examples, episodic framing can be more compelling to readers, thereby stimulating stronger emotional reactions than the thematic framing (Gross, 2008). The mechanism of thematic and episodic framing can be explained with construal level theory (CLT) that describes how individuals understand opinions and views of others (Trope & Liberman, 2010; Zhu et al., 2017). According to CLT, individuals perceive events, thoughts or objects based on psychological distance from themselves. People form "abstract mental construals of distal objects" to understand the objects (Trope & Liberman, 2010, p. 440). CLT categorizes mental construals into high-level and low-level construals; high-level construals are formed when people look at the bigger picture and focus on the central features, while low-level construals guide people to focus on concrete, specific details. In a similar vein, thematic framing can be considered to stimulate high-level construals, whereas episodic framing facilitates low-level construals to influence opinions and judgements.

From a research design perspective, one advantage of examining thematic versus episodic framing is that it can test the effectiveness of two different types of information. Contrary to positive/negative framing or gain/loss framing that make subtle changes in the same information, thematic and episodic framing can present two different types of information for persuasion. It is similar to affective and deliberative information processing (Dickert et al., 2011) and statistical and anecdotal information (Das et al., 2008) in that thematic framing portrays an issue in a broader trend while episodic framing describes the issues with narrative, concrete stories.

When thematic framing describes public policies or political issues in a broader context, readers tend to attribute the responsibility to the society (Iyengar, 1991). The key advantage of thematic framing is that it can show how commercialization has become a norm in the nonprofit sector. A thematic-framed message can describe that commercial revenue has been one of the major revenue sources for decades and commercialization is anything but something new (Kerlin & Pollak, 2011). Nonprofit managers can explain the general trend among nonprofits to highlight the diffusion and institutionalization of commercialization. For example, Metropolitan Museum of Art (MET) in New York City replaced its pay-as-you-wish policy with mandatory fee policy to visitors from outside New York in 2018. MET's decision to commercialize its fee policy became a prominent social issue in the city and neighboring states.<sup>1</sup> The museum elaborated the trend of commercialization that local and global peer museums were already implementing mandatory commercial fees. When commercialization is portrayed as a widely accepted norm endorsed by many nonprofits, donors and stakeholders would perceive that commercialization does not originate from revenue-seeking intentions but from societal pressures that drive nonprofits to become isomorphic to secure legitimacy and resources. Thus, using thematic framing on commercialization may secure support from donors and attract donations.

<sup>&</sup>lt;sup>1</sup> https://www.nytimes.com/2018/01/04/arts/design/met-museum-admissions.html.

Narrative, episodic fundraising messages are commonly used by nonprofits to attract donations (Barraza et al., 2015). Episodic framing attempts to make a message more compelling by triggering emotional reactions such as responsibility and guilt (Chang & Lee, 2010). Since nonprofits are familiar with episodic fundraising messages, describing commercialization with episodic framing would not be challenging for nonprofits. By providing episodic, narrative stories describing the necessity of commercial revenues to overcome financial difficulties, donors would be more willing to approve commercialization and increase their financial support. This study argues that both thematic framing and episodic framing are effective in increasing the level of acceptance and in positively influencing willingness to donate and volunteer.

- **H**<sub>1a</sub>: Thematic framing will lead to a higher acceptance toward the nonprofit's decision to commercialize compared to a message without framing.
- **H**<sub>1a</sub>: Episodic framing will lead to a higher acceptance toward the nonprofit's decision to commercialize compared to a message without framing.
- **H**<sub>2a</sub>: Thematic framing will lead to a higher willingness to donate and volunteer compared to a message without framing.
- **H**<sub>2b</sub>: Episodic framing will lead to a higher willingness to donate and volunteer compared to a message without framing.

Studies on thematic and episodic framing mainly focus on comparing the relative effectiveness of the two framings, and there have been few attempts in examining the effect of including both framings in a statement (Allen & Preiss, 1997). Some studies report that vivid, narrative stories are more compelling than statistical information (Green, 2006; Green et al., 2004), while others find that abstract, statistical information is more persuasive in attracting donations (Allen & Preiss, 1997; Hart, 2011). Studies exploring the effectiveness of combining high and low construal levels suggest that combining the two levels is not very effective (Griffioen et al., 2019). Griffioen et al. (2019) argue that people pay more attention to low-level construal factor that people can easily related to, suggesting that low-level factor cancels out high-level factor. Donors first search for nonfinancial information before collecting financial information, and do not seem to integrate financial information in donation decisions unless they are prior donors (McDowell et al., 2013; Parsons, 2007). Meanwhile, an experimental study by Rabinovich et al. (2009) reveals a potential complementarity between high-level and low-level construals in increasing willingness to donate by stimulating both abstract and specific levels. When combining both framings in a message, it is possible to deliver the message more comprehensively with both levels of construals. It also increases the amount of information and the chances to trigger participants with either abstract or specific mindset. This study expects that using both framings is more effective than using one framing in influencing donor responses.

- H<sub>3a</sub>: The effect of message framing on the level of acceptance will be greater when both framings are used in the message.
- **H**<sub>3b</sub>: The effect of message framing on the willingness to donate and volunteer will be greater when both framings are used in the message.

#### **Empirical Strategy**

#### **Experimental Design and Participants**

This study uses an online survey experiment to examine the effect of thematic and episodic framing on the participants' acceptance toward commercialization and willingness to donate, and willingness to volunteer. At the beginning of the experiment, participants answered demographic questions on age, gender, ethnicity, region, and income. In the main section of the experiment, participants were informed that they will receive a passage about a nonprofit museum that decided to replace their pay-as-you-wish fee policy with a new mandatory fee policy. The scenario is based on the case of MET replacing its 50-year voluntary admissions policy with a mandatory fee policy in 2018. As the MET is one of the leading museums in the arts and culture subsector, its decision to commercialize signals the financial difficulties nonprofits face in acquiring government grants and donations. According to the MET, 14 percent of its \$305 million operating budget from donative fee would be replaced with commercial revenue with an increase to 16 or 17 percent (\$49 million) from the policy change.<sup>2</sup> The participants were randomly assigned to four groups; three groups were treatment groups, and the other group was the baseline group (the control group). Those in the treatment groups were exposed to slightly longer passages compared to those in the baseline group.

The baseline group was created with a brief explanation on the museum's exhibitions to make the participants spend similar time on reading the passage compared to those in the treatment groups.<sup>3</sup> All four groups received a paragraph on a hypothetical museum that decided to

<sup>&</sup>lt;sup>2</sup> https://www.nytimes.com/2018/01/04/arts/design/met-museum-admissions.html.

<sup>&</sup>lt;sup>3</sup> The baseline group with contextual information (additional paragraph explaining the exhibitions of the museum) was compared to a group without the contextual information (a group that only received the paragraph explaining the new fee policy), and the two groups were

replace its pay-as-you-wish policy (up to \$25) with a mandatory fee policy charging \$25 for each adult. The new policy can be defined as commercialization; the recommended fee up to \$25 can be considered as a voluntary donation, whereas a mandatory fee of \$25 is considered as a commercial fee. The first treatment group with episodic framing was exposed to a story of a museum employee sharing a story of two museum employees being laid off and others facing early retirement. The second treatment group with thematic framing was exposed to a media statement that explained the low percentage of visitors paying the full recommended amount and the museum's relatively low reliance on commercial revenue and government grants when compared to regional and international peers. The third treatment group was exposed to a message with both framings that combined the two vignettes. Excluding outliners who spent more than 600 s to complete the survey, the average amount of time to complete the survey was 189 s for the group with episodic framing, 182 s for the group with thematic framing, and 193 s for the group with both framings, and 166 s for the baseline group. The time difference between the baseline group and the treatment groups can be the result of participants forming high-level and low-level construals in their mindsets to analyze the given information explaining the necessity of introducing a new fee policy (Fig. 1).

After the treatment, participants answered one question each on (1) whether they accept the museum's decision to implement the mandatory fee policy, (2) their willingness to donate, and (3) their willingness to volunteer. The vignettes presented to the experiment groups can be found in the Appendix.

#### Sample

Participants were recruited from Amazon's Mechanical Turk (MTurk) program using the Qualtrics survey interface. MTurk is a crowdsourcing marketplace where researchers can collect data at a reasonable cost (Buhrmester et al., 2011). There are several advantages to using MTurk to recruit participants. The differences between MTurk samples and a nationally representative sample can be reduced significantly by controlling demographic and political variables (Levay et al., 2016). Samples collected via MTurk and other samples collected offline and online such as university students show no difference in responses (Bartneck et al., 2015). Still, there are potential downsides to using MTurk samples. For instance, there have been concerns that workers may not respond seriously or truthfully or survey environments are far from ideal conditions (Chandler & Shapiro, 2016). Workers recruited from MTurk tend to be more careless than paper-andpencil respondents or student respondents recruited offline (Aruguete et al., 2019). Nevertheless, there is little evidence that these distractions have a negative influence on the quality of data recruited from MTurk (Chandler & Shapiro, 2016). 31 participants who either did not complete the experiment or answer all the questions were excluded from the analysis. A total of 602 participants were recruited in two days. After the completion of the survey, participants received \$0.50 as compensation. Table 1 shows the descriptive statistics and mean scores of dependent variables by each treatment condition.

#### **Post-manipulation Measures**

#### Acceptance Towards the Decision

The survey asked a question regarding how much respondents accepted or opposed the nonprofit's decision to commercialize using a 10-point Likert scale (1 =strongly oppose, 10 = strongly accept). This measure was adopted from a study conducted by Chong and Druckman (2007a) on message framing. Chong and Druckman asked participants whether they opposed or supported a proposal to manage urban growth in a city. This measure seemed applicable to the experiment setting in this study where participants were asked to identify whether they accepted or opposed the museum's decision to implement the mandatory fee policy.

Willingness to donate and volunteer. Following previous studies, this study measures behavioral intentions, willingness to donate and willingness to volunteer to measure the effects of message framing (Cao, 2016; Chang & Lee, 2010; Das & Kerr, 2009). For willingness to donate and volunteer, each was measured with a survey question asking how much respondents wanted to donate to and volunteer for the nonprofit after reading the vignette using 10-point Likert scale (1 = not at all, 10 = very much). The two questions were presented in a randomized order since the order can affect participants' responses.

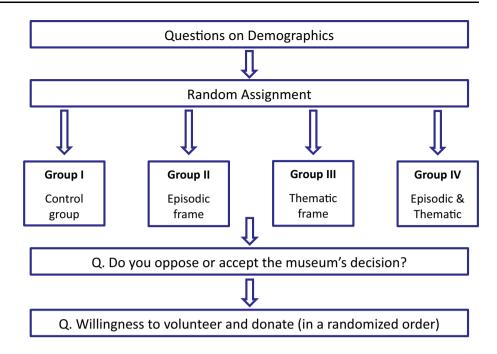
#### Results

Table 2 shows the descriptive statistics and correlations of dependent variables. Analysis of variance (ANOVA) and chi-square tests were conducted to identify whether demographic variables significantly differ between experiment groups. There was no significant difference between the experiment groups for demographic variables at the significance level of 0.05. All three dependent variables

Footnote 3 continued

not statistically different from each other in terms of the dependent variables.

#### Fig. 1 Experimental design



were positively associated with each other at the significance level of 0.001. The ANOVA was used to test the differences between experiment groups and the baseline group.

Table 3 shows the effects of thematic framing and episodic framing on acceptance toward commercialization. There were significant differences between the baseline group and groups that received the episodic framing ( $F(1, 598) = 5.41, p = 0.02, \eta^2 = 0.01$ ), and groups that received thematic framing ( $F(1, 598) = 5.13, p = 0.02, \eta^2 = 0.01$ ). Both the episodic and thematic framings had a small effect on the level of acceptance ( $\eta^2 = 0.01$ ). The interaction effect of the two framings is not statistically significant (F(1, 598) = 0.01, p = 0.92). In other words, the effect of the episodic framing does not vary depending on the thematic framing, and vice versa. Thus, the results support hypothesis H<sub>1a</sub> and H<sub>1b</sub>.

Analyses on the effect of thematic and episodic framings support H<sub>2a</sub> and H<sub>2b</sub>. According to Table 4, those who were exposed to either episodic framing (*F*(1, 598) = 11.70, p < 0.001,  $\eta^2 = 0.02$ ) or thematic framing (*F*(1, 598) = 9.67, p = 0.002,  $\eta^2 = 0.02$ ) showed higher levels of willingness to donate when compared to that of those in the baseline group. Tukey's honestly significant difference (Tukey's HSD) post hoc test showed that all three treatment groups showed higher willingness to donate than the baseline group at 0.05 level. Table 5 shows the effects of the thematic and episodic framing on willingness to volunteer. Both the episodic framing (*F*(1, 598) = 4.76, p = 0.03,  $\eta^2 = 0.01$ ) and the thematic framing (*F*(1, 598) = 7.24, p = 0.007,  $\eta^2 = 0.01$ ) were effective in increasing the level of willingness to volunteer. Again, no interaction effect was found according to the results. Given the small effect sizes of main effects, Monte Carlo post hoc power estimates were calculated to assess whether the sample size was appropriate to obtain a power of 0.8 at  $\alpha = 0.05$ . The power estimates for main effects were greater than 0.8.

Tukey's HSD post hoc tests were conducted to test whether treatment groups that received a message with both framings showed significantly higher level of dependent variables than those who received messages with either thematic or episodic framing. Although Figs. 2, 3, and 4 show that the treatment group with both framings showed higher levels of acceptance towards the decision, willingness to donate, and willingness to volunteer, the post hoc tests revealed that the treatment groups were not significantly different at 0.05 level, not supporting  $H_{3a}$  and  $H_{3b}$ .

## **Discussion and Conclusion**

Nonprofits struggling with financial difficulties is not something new in the nonprofit sector. Cutbacks in government funding and competition for donations threaten the financial sustainability of many nonprofits. The lack of financial resources makes it challenging for nonprofits to sustain the quality of services and future growth. To diversify revenue streams and to compensate for potential loss in grants and donations, commercialization is an attractive and reasonable solution to secure additional financial resources. Consequently, nonprofit

 Table 1 Descriptive characteristics and mean scores of dependent variables

	Control group		Episodic frame		Thematic frame		Episodic and thematic frame		
	Freq	Percent	Freq	Percent	Freq	Percent	Freq	Percer	nt
Gender									
Male	92	62	84	55	98	65	79	53	
Female	57	38	70	45	52	35	70	47	
Ethnicity									
White/Caucasian	115	77	104	68	118	79	116	78	
Black/African American	15	10	15	10	11	7	17	11	
Hispanic/Latino	8	5	12	8	5	3	4	3	
Asian	10	7	21	14	14	9	12	8	
Region									
Northeast	35	23	36	23	29	19	33	22	
Midwest	28	19	25	16	34	23	36	24	
West	36	24	46	30	39	26	34	23	
South	50	34	46	30	47	31	45	30	
Income									
< \$ 25k	24	16	23	15	27	18	14	9	
\$25k-34,999	18	12	13	8	14	9	12	8	
\$35k-49,999	22	15	28	18	25	17	28	19	
\$50k-74,999	44	30	32	21	40	27	48	32	
\$75k-99,999	18	12	32	21	27	18	25	17	
> \$100k	23	15	26	17	17	11	22	15	
Total	149	100	154	100	150	100	149	100	
Mean			SD			Min		Max	
Age 38.22			11.32			19		71	
	Mea	n S	D	Mean	SD	Mean	SD	Mean	SD
Level of acceptance	7.14	0	.21	7.57	0.20	7.56	0.20	8.02	0.16
Willingness to donate	4.95	0	.24	6.04	0.24	5.97	0.23	6.47	0.22
Willingness to volunteer	4.76	0	.27	5.32	0.24	5.44	0.25	5.93	0.23

**Table 2** Correlations among<br/>variables

	Mean	SD	1	2	3
Acceptance toward the decision	7.34	2.41	-	0.45***	0.35***
Willingness to donate	5.69	2.91		_	0.72***
Willingness to volunteer	5.27	2.92			-

\*\*\*p < 0.001

commercialization has become an institutional norm in the nonprofit sector (Kerlin & Pollak, 2011).

The crowding-out effect of commercialization on donations tells us that these revenue streams are not independent of but interconnected to each other. Preparing for grant applications, fundraising efforts, and engaging in commercial activities all require efficient allocation of scarce financial and human resources. Depending on their planned growth trajectory, characteristics of their industry, and revenue portfolio risks, nonprofits strive to achieve the optimal revenue structure with limited available resources while avoiding potential negative effects from one revenue stream to another. One way to avoid the negative effects is effectively explaining the necessity of commercialization

 Table 3
 Acceptance toward the decision

	Sum of squares	df	Mean square	F	р	Partial $\eta^2$	
(Intercept)	55.77	3	18.92	3.48	0.02		
Episodic frame	29.39	1	29.39	5.41	0.02*	0.01	
Thematic frame	27.89	1	27.89	5.13	0.02*	0.01	
Episodic * Thematic	0.05	1	0.05	0.01	0.92	0.00	
Error	3248.67	598	5.43				

\*p < 0.05

## Table 4 Willingness to donate

	Sum of squares	df	Mean square	F	р	Partial $\eta^2$
(Intercept)	184.61	3	61.54	7.58	0.001	
Episodic frame	94.99	1	94.99	11.70	0.001***	0.02
Thematic frame	78.49	1	78.49	9.67	0.002**	0.02
Episodic * thematic	12.78	1	12.78	1.57	0.21	0.00
Error	4854.38	598	8.12			

\*\*p < 0.01; \*\*\*p < 0.001

# Table 5Willingness tovolunteer

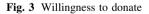
	Sum of squares	df	Mean square	F	р	Partial $\eta^2$
(Intercept)	102.92	3	34.31	3.97	0.01	
Episodic frame	41.16	1	41.16	4.76	0.03*	0.01
Thematic frame	62.56	1	62.56	7.24	0.01**	0.01
Episodic * thematic	0.20	1	0.20	0.02	0.88	0.00
Error	5165.86	598	8.64			

p < 0.05; p < 0.01



Fig. 2 Acceptance toward the decision

to secure legitimacy and donations from donors and stakeholders. This study addresses the concern through examining the positive effects of thematic and episodic message framing on donor responses towards commercialization.



This study contributes to the literature by showing that donors can respond positively to commercialization when thematic and episodic framing is used in messages. The findings reveal that using thematic and episodic framing to describe the necessity of commercialization and integrating both framings in a statement can increase the level of

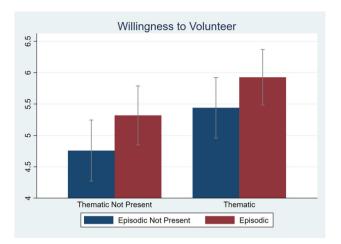


Fig. 4 Willingness to volunteer

acceptance and willingness to contribute. In other words, communication and messaging matters. When nonprofits intend to secure additional commercial income, they can acquire support by effectively communicating with donors and stakeholders with message framing strategies used for fundraising and advertising. In this study, commercial revenue from entrance fees is directly related to the mission of the museum so it might have been easier for the participants to accept the new fee policy. For nonprofit subsectors such as healthcare where commercial revenue consists of most of the revenue, gaining support for commercialization might not be a big challenge. For other subsectors where nonprofits rely heavily on other revenue streams, communication and message framing can help nonprofits acquire additional financial resources without facing negative responses from donors. Also, a follow-up experimental study comparing conditions with and without a commercial fee against non-residents and measuring residents' donation decisions would further examine the causality of the crowding-out effect. When donors reduce their contributions when they realize their hometown nonprofit is already charging a commercial fee to nonresidents, the finding would suggest the existence of the crowding-out effect.

In addition to the contributions to the existing literature, this study presents several practical implications to nonprofits in securing financial resources. Nonprofits can utilize their marketing and fundraising practices to sell donors on commercialization. With message framing, nonprofits can not only secure additional commercial revenue, but can also attract more charitable contributions by forming a shared understanding with donors on the financial difficulties they face. With thematic framing, a nonprofit can describe diffusion and institutionalization of commercialization in the nonprofit sector and how nonprofits have been implementing business models to acquire commercial income. Episodic framing can provide detailed, vivid narratives on the financial difficulties to explain why commercialization is an inevitable choice for nonprofits. Just as nonprofits use narrative stories to trigger emotional reactions to attract donations, they can utilize real stories to explain the necessities. In this study, only a small amount of information was given to participants for experimental purposes, so the effect sizes were small. In reality, nonprofits can provide more comprehensive, detailed information in fundraising advertisements, presentations at fundraising events or meetings to convince donors, so the effects of message framing would be stronger and much more significant. It is important to keep in mind that more support from donors and stakeholders does not solve other potential problems originating from commercialization. There can be numerous adverse effects from relying more on commercial revenues besides the crowding-out effect. With the business-focused mindset, nonprofit employees and volunteers might become dehumanized factors to serve more customers who are able to pay for services than clients who are unable to pay but need the most, especially when the employees and volunteers are living in precarious circumstances due to insufficient resources. In other words, commercialization can be more acceptable to the stakeholders, but it does not necessarily mean that there is no need for nonprofits to address the adverse effects of commercialization.

There are several limitations in this study. First, the findings may not be applicable to nonprofits in other subsectors or in other countries with different contexts. For nonprofit organizations that rely heavily on government funding, the findings from this study might not be applicable. Second, people may respond differently to detailed financial reports from nonprofits from how the participants responded in this study. With an online survey experiment where participants can easily get distracted, it is difficult to make them review a detailed financial report for a long period of time. Third, this study measured donation intentions but not real donation decisions. To improve the external validity of the findings, a follow-up study should measure real donation decisions such as donating a portion of the compensation from participating in an experimental study (Bodem-Schroetgens & Becker, 2020). Finally, the findings may not be applicable to commercial revenues that are not directly related to core services or nonprofits' missions. In this study, the entrance fee of a museum is directly related to the main services they deliver. It is unclear whether donors would respond similarly to commercial revenue that is not related to the mission of a nonprofit. Understanding the differences in donor responses to mission-related and non-mission-related commercial revenues would be a promising topic for future research.

## **Appendix: Experimental Stimuli**

#### **Episodic Framing**

Brighton Museum of Art located in a metropolitan region in the East coast provides cultural experience and inspiration to local residents and tourists from all around the world. It has been implementing a **voluntary** fee policy (a *suggested* fee up to \$25 for adults, \$17 for seniors, and \$12 for students) to its visitors since 1970. Last month, it decided to change its voluntary fee policy to a *mandatory* fee policy of charging \$25 to adult visitors (\$17 for seniors, and \$12 for students). Admission for all children under 12 and Members and Patrons will continue to be free.

Jane, a curator at the museum shared her thoughts on a local media:

The museum is facing financial difficulties that can severely affect the quality of its services. Last month, Elisabeth Hess and Henry Richards who worked for our museum for more than ten years got laid off and some others may have to retire early under such circumstances. We are disappointed to be losing excellent colleagues. If we continue to lose our experienced workforce and cannot cover increasing operating costs, we won't be able to sustain the quality of our exhibitions. The new fee policy is an inevitable decision to secure additional resources to maintain our workforce and the quality of our services.

#### **Thematic Framing**

Brighton Museum of Art located in a metropolitan region in the East coast provides cultural experience and inspiration to local residents and tourists from all around the world. It has been implementing a *voluntary* fee policy (a *suggested* fee up to \$25 for adults, \$17 for seniors, and \$12 for students) to its visitors since 1970. Last month, it decided to change its voluntary fee policy to a *mandatory* fee policy of charging \$25 to adult visitors (\$17 for seniors, and \$12 for students). Admission for all children under 12 and Members and Patrons will continue to be free.

A report from the museum described the current situation:

Our museum is the only museum in the region not charging a mandatory fee. In 2005, 63 percent of visitors paid the full recommended fee but only 17 percent paid the full amount last year. Admissions revenue consists only about 15 percent of the total revenue, which is one of the lowest percentages among the peers in the city. Funding from government sources is not a significant source either. We received only 10 percent of its annual budget from the government whereas our peers with similar size receive large percentages of their funding from government. The new fee policy is an inevitable decision to secure additional resources to maintain our workforce and the quality of our services.

#### **Both Framing**

Brighton Museum of Art located in a metropolitan region in the East coast provides cultural experience and inspiration to local residents and tourists from all around the world. It has been implementing a *voluntary* fee policy (a *suggested* fee up to \$25 for adults, \$17 for seniors, and \$12 for students) to its visitors since 1970. Last month, it decided to change its voluntary fee policy to a *mandatory* fee policy of charging \$25 to adult visitors (\$17 for seniors, and \$12 for students). Admission for all children under 12 and Members and Patrons will continue to be free.

Jane, a curator at the museum shared her thoughts on a local media:

The museum is facing financial difficulties that can severely affect the quality of its services. Last month, Elisabeth Hess and Henry Richards who worked for our museum for more than ten years got laid off and some others may have to retire early under such circumstances. We are disappointed to be losing excellent colleagues. If we continue to lose our experienced workforce and cannot cover increasing operating costs, we won't be able to sustain the quality of our exhibitions.

Our museum is the only museum in the region not charging mandatory fee. In 2005, 63 percent of visitors paid the full recommended fee but only 17 percent paid the full amount last year. Admissions revenue consists only about 15 percent of the total revenue, which is one of the lowest percentages among the peers in the city. Funding from government source is not a significant source either. We received only 10 percent of its annual budget from the government whereas our peers with similar size receive large percentages of their funding from government. The new fee policy is an inevitable decision to secure additional resources to maintain our workforce and the quality of our services.

### **Baseline Group**

Brighton Museum of Art located in a metropolitan region in the East coast provides cultural experience and inspiration to local residents and tourists from all around the world. It has been implementing a *voluntary* fee policy (a *suggested* fee up to \$25 for adults, \$17 for seniors, and \$12 for students) to its visitors since 1970. Last month, it decided to change its voluntary fee policy to a *mandatory* fee policy of charging \$25 to adult visitors (\$17 for seniors, and \$12 for students). Admission for all children under 12 and Members and Patrons will continue to be free.

The museum has more than two million permanent collections among seventeen curatorial departments, each with a staff of specialized curators and scholars. The permanent collection consists of artworks from ancient antiquity including those from Egypt, European sculptures and paintings, and collections from American and modern art. The museum also has collections of African, Asian, Oceanian, Byzantine, and Islamic art. The museum is home to collections of musical instruments, costumes, and accessories, as well as antique weapons and armor from around the world.

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#### Declarations

Conflict of interest The author has no conflicts of interest to disclose.

**Ethical Approval** The human participants in the experiment for the research were presented with an informed consent form and signed the form to take part in the experiment.

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