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# How personal nostalgia influences giving to charity

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### ABSTRACT

Personal nostalgia provides an emotionally engaging means for bonding a donor to a nonprofit organization. Yet, little is known about the relationship between personal nostalgia and charitable giving; this research seeks to fill this gap. A review of the extant literature is integrated with the findings from thirteen focus groups (Study 1) to develop a conceptual model. This model is tested in Studies 2 (using 457 older public television donors) and 3 (with a broader sample of 502 donors) using structural equations modeling. The findings indicate that discontinuity, recovery from grief, and loneliness, along with previous life experiences influence the level of personal nostalgia felt by a donor and associated with a charitable organization. This personal nostalgia provides emotional and familial utility to the donor. The research establishes that the effect of personal nostalgia on the donor's commitment is mediated by the emotional and familial utility that the nostalgia generates.

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# 1. Introduction

Donations made to Not-for-profit Organizations (NPOs) by individuals totaled more than \$250 billion in 2005 (Lipman, 2007) and represented more than three quarters of all philanthropic giving (Giving U.S.A, 2007). However, philanthropic institutions have found it increasingly difficult to raise donations for a variety of reasons (Eikenberry, 2005). First, there has been a decline in the number of donors in the U.S. The Association of Fundraising Professionals (2007) estimates that the number of donors declined by 1.3% in 2006 (over 2005) and by 1.7% in the first half of 2007 over 2006. Second, there has been an increase in the number of charitable organizations (Sargeant et al., 2000). Third, the younger generation appears to be less motivated to give to charitable causes than in the past (Kottasz, 2004). Therefore, the key challenges for Marketing Managers of NPOs are to increase the amount of giving among current donors and/or to attract new and younger givers.

Giving to charity is influenced by a number of extrinsic and intrinsic factors. Sargeant et al. (2006) conceptually classify the non-economic intrinsic determinants of charitable giving into two categories: familial

utility (the motivation to support a charity that might benefit family members or friends or someone like them) and emotional utility (motivation to support a charity for emotional benefits). One frequently sees charitable organizations emotionally engage consumers when appealing for donations (Merchant et al., 2010; Basil et al., 2008). This can be facilitated through the identification of emotional constructs that drive commitment and charitable giving, such as nostalgia. The American Heritage Dictionary (1972) defines nostalgia as a longing for things, persons or situations that are not present. Past research has shown that there are two types of nostalgia: personal nostalgia and vicarious nostalgia. Personal nostalgia has been described as a longing for the past actually "lived" by the consumer (Sedikides et al., 2004: Baker and Kennedy, 1994), while vicarious nostalgia "deals with nostalgia for a period outside of the individuals living memory" (Goulding 2002, p 542). It is not linked to any direct personal experience. The focus of the current inquiry is on personal nostalgia and not vicarious nostalgia. Personal nostalgia evokes a variety of emotions (Batcho, 2007; Wildschut et al., 2006) and effectively influences preferences for products and services (Holak et al., 2008; Braun-LaTour et al., 2007).

Several fundraisers and nonprofits anecdotally believe that personal nostalgia is among the major drivers of charitable giving. For example, in an interview with the authors, fundraiser John Sauve-Rodd (Datapreneurs Consulting, U.K.) discusses his experience with a museum in Glasgow (Scotland), "It reopened in 2008 following a massive capital appeal. *Nostalgia was key*, and it turned out that thousands of people had incredibly fond memories of going there as children (memories of the place, of deceased parents, friends, etc)." It is interesting to note that the link between personal nostalgia and charitable giving has not yet been explored by academic researchers.

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In a recent study, Sargeant et al. (2006) found that emotional utility (the motivation to support a charity for emotional benefits) and familial utility (the motivation to support a charity that might benefit a donor's family members or friends or someone like them) impact the donor's commitment, which has an effect on donations. This research extends the work of Sargeant and colleagues, by building a theoretical network linking personal nostalgia to charitable giving. The authors do this by integrating previous findings and combining these with hypotheses novel to the literature. It is proposed that various life factors of the donor (discontinuity, recovery from grief, and loneliness) and past experiences associated with the charitable organization influence the level of personal nostalgia that a donor may experience. Personal nostalgia provides emotional and familial utility, which mediate the effect of personal nostalgia on the donor's commitment, which in turn increases the intentions to donate. The conceptual model was developed based upon a review of the extant literature and an analysis of the qualitative data (obtained from thirteen focus groups in Study 1). This was followed by two separate quantitative studies that empirically tested the proposed model. Study 2 used data collected from 457 older donors of a public television station, while Study 3 revalidated the results using data collected from a broader demographic sample, employing 502 donors using an online consumer panel.

This research has several theoretical contributions. First, it establishes that various donor life factors (discontinuity, recovery from grief, and loneliness), along with past experiences with the charitable organization in question, influence the personal nostalgia that a donor experiences. Second, it demonstrates that personal nostalgia results in both emotional and familial utility for the donors. Third, it finds that emotional and familial utility, resulting from personal nostalgia, mediate the relationship between personal nostalgia and donor commitment, which in turn increases the intentions to donate. Filling these gaps in the literature has important managerial implications. Charitable organizations (like hospitals, universities, museums, alumni associations, public television stations, etc.) could potentially segment and target their donors on the bases of their life stage and associated factors (such as grief, discontinuity and loneliness). Fundraising appeals for donations could trigger personal nostalgia, and charitable giving could then become a way for the giver to reconnect with the past. The remainder of this paper is structured as follows. At first the conceptual model is presented along with research hypotheses. This is followed by a discussion on each of the two empirical studies. Lastly, the authors conclude with implications for theory and practice.

# 2. Hypotheses development

# 2.1. Personal nostalgia

Personal nostalgia is a longing for the past that has been autobiographically experienced by the consumer (Baker and Kennedy, 1994). People experiencing personal nostalgia generally remember things and events more positively than when they actually occurred. They look to the idealized past as the way things were and should always be and regret the fact that things have changed (Stern, 1995). Past research (e.g., Batcho, 1995; Holbrook, 1993) shows that consumers get nostalgic about the following: (1) people and events from their past, (2) objects (like toys, clothes, foods, etc.), (3) family rituals (like Thanksgiving and Christmas), (4) birthdays, (5) festivals, (6) sporting events, (7) loved ones, (8) school, (9) friends, (10) places visited, (11) activities, (12) music, (13) TV shows/movies, and (14) the house they grew up in. Conceptually, personal nostalgia involves the recall of memories and the emotions that these memories evoke (Baumgartner, 1992). Some individuals show a higher propensity for nostalgia than others (Batcho 2007, 1995). Holbrook (1993) defined nostalgia proneness as "a facet of individual character-a psychographic variable or aspect of life-style, or a general customer characteristic—that may vary among consumers (p 246)."

# 2.2. Focus groups methodology

The conceptualization advanced here was developed from a qualitative study (Study 1), comprised of thirteen focus groups, along with a review of the extant literature. The objectives of the qualitative study were twofold: (1) to enhance the understanding of the antecedents and consequences of personal nostalgia and its impact on charitable giving and (2) to probe the relationships among these constructs and develop a theoretical model. Each focus group consisted of 4-6 consumers and lasted between 2 and 3 h. In total, participants included 33 females and 25 males. Participants were recruited from students, faculty and staff members from a large mid-Atlantic American university. In order to get a comprehensive perspective, respondents were selected from a variety of different ages, incomes and educational backgrounds. Respondents ranged from 19 to 60 years of age. The discussions were moderated by two researchers and were audio recorded. In-depth analysis of the transcripts, using two assessors, was completed in two stages. At first an independent review of the transcripts was conducted by each of the assessors. Each reviewer highlighted the transcripts based on common themes and transferred key statements to an analysis worksheet. Then, the assessors met to discuss and achieve consensus on the results at a summary level. The assessors achieved 100% intercoder reliability with respect to the key words/phrases and thereby the constructs emerging from the qualitative study. The names of the respondents have been changed in the quotations to maintain confidentiality.

### 2.3. Conceptual model

On the bases of the qualitative findings and the literature review, it is proposed that the donor's key life factors (discontinuity, loneliness, age, and recovery from grief) and past experiences associated with a charitable organization influence the level of personal nostalgia that a donor may experience. Personal nostalgia, in turn, should provide emotional and familial utility to the donor. Past research (e.g., Sargeant et al., 2006; Sargeant, 1999) shows that emotional utility and familial utility impact the donor's commitment to the charitable organization. The authors build on this research and propose that familial and emotional utility derived through personal nostalgia is also likely to enhance the emotional experience of the donor and thus strengthen the donor's commitment to the charity, which in turn will increase intentions to donate. Demographic variables (income, gender, race, education) are included in the model as control variables. The proposed conceptual model is presented in Fig. 1 and is subsequently discussed in detail.

# 2.4. Antecedents to personal nostalgia

### 2.4.1. Discontinuity

Change events in life may result in insecurity and other negative feelings for the person involved (Tesser and Beach, 1998). Nostalgia may provide a means of regulating and addressing these feelings. Change can disrupt the norm and push the individual out of his or her comfort zone, which was reflected in responses from focus group members. Discontinuity can be experienced when a loved one passes away, when one moves to a new country, in the loss of a job, in the changes brought about by marriage, divorce, graduation or any event that disturbs the equilibrium of life. When faced with these disjunctive episodes (Best and Nelson, 1985), individuals tend to draw on inner resources to restore a sense of stability, security and continuity. It is proposed here that recalling the warm comforting memories of the past through personal nostalgia during periods of

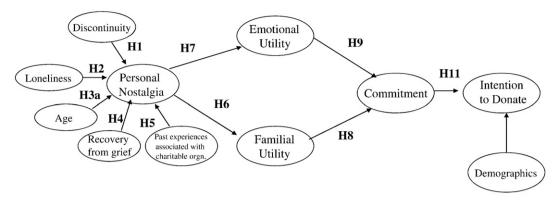


Fig. 1. Conceptual model.

change helps to maintain a sense of continuity. An example from the focus groups includes:

"I remember when I landed at New York airport, I just had my two bags and I felt torn from my home in Beijing and longed for going back. That was fifteen years ago. Even now when I feel that things are changing very fast around me, I think back to my home, my room and my parents in Beijing and it gives me comfort"—Ying (43 years old, female).

Therefore, it is hypothesized that:

**H1.** There is a positive link between discontinuity and personal nostalgia.

### 2.4.2. Loneliness

Loneliness is an emotional state in which a person experiences a powerful feeling of emptiness and isolation (Hawthorne, 2006). It is correlated with anxiety, depression, frustrations and insecurity, making the individual feel a sense of meaninglessness in their life (McWhirter, 1990). Among both younger and older adults loneliness is linked to such examples of negative affect as boredom, unhappiness and dissatisfaction (Perlman et al., 1978). It is argued here that when people feel lonely, they are likely to remember the days that they spent with friends and family and seek to relive happier times. One example included:

"My last born (child) went to university this summer, you know when there is not much to do in the day, I go to his room and remember him and search for him in his belongings"—Sue (47 years old, female).

Thus, it is hypothesized here that:

**H2.** There is a positive link between loneliness and personal nostalgia.

# 2.4.3. Age

Is personal nostalgia influenced by age? A review of the literature on memory reveals that there seems to be some inconsistency about age-related differences in recalling events. Some researchers argue that reminiscing is a powerful way for older adults to generate positive emotional experiences (Kennedy et al., 2004). On the other hand, some researchers have failed to find age-related differences (between younger versus older adults) in recalling past negative or positive events (Gruhn et al., 2005). In the context of nostalgia, researchers have argued that personal nostalgia is a part of the normal aging process. Davis (1979) argued that as people age, they develop a preference for bygone days, and Batcho (1995) found that older respondents got more nostalgic than younger respondents. However, the findings of the qualitative research in this study suggest that personal nostalgia is not necessarily a result of age. Younger respondents became extremely nostalgic for days gone by (even if

these bygone days were closer to the present than for older individuals). An example could be seen in the following response:

"When I see advertisements for Transformers, I remember my toys and how much fun those days were. I then think of my mother and miss the food she cooked."—Dan (20 years old, male)

Thus, keeping in mind the extant literature as well as our findings from the focus groups, the authors present competing hypotheses about the effect of age on personal nostalgia. Consistent with the majority of existing nostalgia literature, the authors hypothesize that there is a positive effect of age on nostalgia. On the other hand, based on a minority of the literature and our findings from the focus groups it is proposed that there is no relationship between age and personal nostalgia.

Therefore, it is hypothesized that:

**H3a.** There is a positive link between age and personal nostalgia.

**H3b.** There is no effect of age on personal nostalgia.

# 2.4.4. Recovery from grief

A review of the literature on grief shows that there are three phases that are experienced when a loved one dies (Goalder, 1985). The first involves disbelief in the death of the loved one. The second begins the coping process, and the third is recovery (proceeding with life overcoming the pain). Bonnano and Kaltman (1999) argued that one of the means of recovery is to develop "continued bonds with the deceased to 'foster' the continuity of identity" (p 562). However, this does not mean that the individual stops grieving for the deceased. Scharlach (1991) found that when some adults were reminded of the death of their parents, they cried even years after that death. Therefore, it is posited that the bereaved think of their deceased loved one and get nostalgic in order to maintain bonds with these loved ones. One example from the focus groups includes:

"I often remember my grandmother who died last fall. I remember how she played with my brother and me while she baby sat us. I regret not spending enough time with her when she was in the nursing home. I think of her and feel nice"—Caylee (22 years old, female)

Therefore, it is hypothesized that:

**H4.** There is a positive link between recovery from grief and personal nostalgia.

# 2.4.5. Past experiences

The more intense the past experience, the stronger the memories and emotions associated with that experience (Holbrook, 1993; Baumgartner, 1992). Novel events, especially those related to life scripts (like marriage and graduation), are remembered better (Bluck and Habermas, 2000; Rubin et al.,

1998. In the context of charitable giving, it is reasonable to argue that a charitable organization is likely to evoke personal nostalgia if it is associated with certain special and emotional life events among donors. One focus group example included:

"One of the proudest days of my life was my graduation from university. I still remember that day very clearly. All my friends enjoyed ourselves after the ceremonies. I wish I could go back... just for that moment."—Jake (39 years old, male.)

Thus, it is hypothesized that:

**H5.** There is a positive link between past experiences associated with the charitable organization and personal nostalgia.

# 2.5. Consequences of personal nostalgia

### 2.5.1. Emotional and familial utility

Familial utility is the motivation to support a charity which might benefit family members or friends or someone like them (Sargeant et al., 2006; Sargeant, 1999). It is proposed here that while getting nostalgic, the individual is likely to connect previous experiences and memories to one's friends or relatives and feel a personal affinity for the person(s) being remembered. This personal affinity could motivate the individual to donate in anticipation of some benefit accruing to family members or friends. For instance, Hank (51 years old, male) said that he remembered growing up in Portsmouth (Virginia) and donates to a local community center there. He feels that his donation to the community center would benefit his friends and family members who still live in that neighborhood. The relationship between nostalgia, familial utility and charitable giving is also visible in the context of healthcarerelated charities, which have long believed that the memory of a deceased loved one may motivate the donor to give to a healthrelated cause to ease the suffering of others who are undergoing the same suffering as their loved one had experienced (Kotler and Clarke, 1987). For example,

"My father died of Alzheimer's disease. I donate money to the hospital every year ....why that hospital? Well I feel a connection there and I hope that my donation will help others who also have this disease"—Sam (56 years old, female).

Thus, it is hypothesized that:

**H6.** There is a positive link between personal nostalgia and familial utility.

Emotional utility refers to the donor's motivation to support a charity for emotional benefits (Sargeant et al., 2006; Cialdini et al., 1987). Past research shows that personal nostalgia results in a range of positive and negative emotions. There is the warmth and comfort but also the regret that the past is now gone (Holak and Havlena, 1998). The person experiencing nostalgia wishes that he or she could cling to the fondly remembered days of the past (Davis, 1979). It is proposed here that while getting nostalgic, the individual is likely to feel several emotions, which could motivate the individual to donate to the charitable organization that evokes this nostalgia. One example included:

"As a child I used to live in New York. My parents would often take me to visit the museums. Floods of memories come back and it makes me feel good, and I miss those days. Even though I do not live in New York now, I usually donate to a couple of museums there."—Albert (44 years old, male).

Thus, it is hypothesized that:

**H7.** There is a positive link between personal nostalgia and emotional utility.

#### 2.5.2. Commitment

In this era of relationship marketing, the focus is on establishing long-term intimate relationships between buyers and sellers. Equally appropriate is creating a relationship between donor and recipient (Belk, 1979). Building relationships with consumers helps move the company from one-time transactions to long-term "partnerships" of exchanges (Morgan and Hunt, 1994). For this to happen, it is proposed that commitment is vital to the creation of and maintenance of relationships (Morgan and Hunt, 1994). A donor's commitment to a nonprofit is the enduring desire to maintain the relationship with the organization (Sargeant and Lee, 2004). In a model of donor behavior, Sargeant et al. (2006) found that emotional utility and familial utility impact the donor's commitment to the charitable organization. Building on their work, the authors replicate these hypotheses. It is further hypothesized that the effect of personal nostalgia on commitment is mediated by emotional and familial utility. Thus, the authors hypothesize a fully mediated relationship between personal nostalgia and commitment, which leads to the following hypotheses:

**H8.** There is a positive link between the familial utility (derived through personal nostalgia) and the commitment to the charitable organization.

**H9.** There is a positive link between the emotional utility (derived through personal nostalgia) and the commitment to the charitable organization.

**H10.** Emotional and familial utility mediate the relationship between personal nostalgia and the donor's commitment to the charitable organization.

Sargeant et al. (2006) found that the donor's commitment to the nonprofit influences his/her charitable giving. As a result it is proposed that the donor's commitment to the charitable organization will influence the donor's donation intentions to that charity. Thus, the higher the donor's commitment, the greater the intention to donate to that charitable organization. Therefore, it is hypothesized that:

**H11.** There is a positive link between commitment to the charitable organization and intention to donate.

# 3. Study 2-Data from donors to public television

### 3.1. Overview

Study 2 empirically tested the conceptual model developed in Study 1. Data were collected from a donor list for a regional public television station. The public television station shared a list of names and addresses of those who had donated to them during the previous 12 months. Printed questionnaires were mailed to 2010 donors along with prepaid return envelopes. In all there were 457 usable responses. The respondents had a mean age of 66 years, with 36% in the age group of 35–60 years and 64% older than 60. In terms of income, 11% of the respondents indicated an annual household income of less than \$50,000, 39% indicated an income of between \$50,000 and \$100,000, and 50% indicated an income of greater than \$100,000. In terms of ethnicity and education, 97% of the sample indicated their ethnicity as Caucasian with 68% of the respondents having engaged in at least some amount of post graduate study. Thus, the sample was on average older, more educated, less ethnically diverse, and more affluent than the U.S. population in general. Finally, non-response bias was examined by comparing early and late respondents and no significant difference was found with respect to key variables between the 33 earliest and the 33 latest respondents.

### 3.2. Measures

Discontinuity was measured using the Life Experiences Survey (LES) developed by Sarason et al. (1978). Loneliness was measured using the 20-item scale developed by Russell et al. (1980). Recovery from grief was assessed using the 2-item measure developed by Carnelly et al. (2006). The presence of significant past experiences linked with the charity in question was measured using a 2-item measure developed by Schulkind et al. (1999). Personal nostalgia was measured using the 20item Personal Nostalgia Inventory developed by Batcho (1995). Scales developed by Sargeant et al. (2006) were used to measure Emotional Utility (two items) and Familial Utility (three items). Commitment was measured using the four-item scale developed by Morgan and Hunt (1994) and adapted by Sargeant et al. (2006) to a non-profit context. Finally, age was determined by asking respondents to indicate their year of birth, while intention to donate was measured by the four-item measure developed by Ranganathan and Henley (2008). Respondents were asked to answer the questions on emotional utility, familial utility. commitment and intention to donate with regard to the charitable organization he/she had last donated money to.

### 3.3. Measurement model

In order to evaluate the measurement properties of the endogenous and exogenous variables, a confirmatory factor analysis of the complete measurement model was examined using AMOS 16. In terms of the validity of the measures, convergent validity was indicated by large and significant standardized loadings of the constructs on their posited indicators (Anderson and Gerbing, 1988). In this analysis, standardized factor loadings of greater than 0.45 were determined to have good convergent validity, and were retained. All items were also evaluated conceptually and examined for potential cross-loadings on other constructs. The measurement model demonstrated reasonable levels of fit  $[\chi^2 (674) = 1299, \chi^2/d.f. = 1.93, CFI = 0.94, IFI = 0.94, TLI = 0.93,$ GFI = 0.88, RMSEA = 0.043] to the data. Hair et al., 2006 recommend that for models with sample sizes greater than 250 and with more than 30 observed variables, CFI, TLI and IFI should be above 0.90 and RMSEA below 0.07. All the constructs demonstrated sufficient reliability ( $\alpha_{Intention to donate} = .90$ ;  $\alpha_{Commitment} = .87$ ;  $\alpha_{Emotional utility} = .88$ ;  $\alpha_{\text{Eamilial utility}} = .61$ ;  $\alpha_{\text{Personal nostalgia}} = .88$ ;  $\alpha_{\text{Loneliness}} = .89$ ;  $\alpha_{\text{Recovery from grief}} = .85$ ;  $\alpha_{Past experiences}$  = .96). The discriminant validity of all measures was found to be acceptable using all three methods suggested by Anderson and Gerbing (1988).

### 3.4. Structural model and results

The two single-item constructs (age and discontinuity) were added to the model, and the demographic measures of income, education, gender and race were included as control variables. Structural relations among the constructs were set up as hypothesized in the conceptual model. The error term for each of the single item measures (except gender, which was treated as perfectly reliable) was set at 0.20. Structural equation modeling was run using AMOS 16. The structural model showed reasonably good fit [ $\chi^2$  (928) = 1690,  $\chi^2/d.f.$  = 1.82, CFI = 0.90, IFI = 0.90, TLI = 0.90, GFI = 0.85, RMSEA = 0.042]. An examination of the squared multiple correlations for the endogenous constructs shows that this model explains 16% of the variance in personal nostalgia, 8.4% of emotional utility, 9% of familial utility, 21% of commitment and 64% of intention to donate.

All hypotheses were tested using the path coefficients. Hypothesis 1 (H1), which posited a positive link between discontinuity and personal nostalgia was supported ( $\beta_1=0.16,\ t=3.22,\ p<.001$ ). Loneliness was found to have a significant impact on personal nostalgia ( $\beta_2=0.20,\ t=3.71,\ p<.001$ ), supporting H2. Contrary to what was hypothesized in H3a, and supporting competing hypothesis H3b, age did not have a significant impact on personal nostalgia ( $\beta_3=0.04,\ t=.84,\ n.s.$ ). As

hypothesized, recovery from grief had a significant and positive impact on personal nostalgia ( $\beta_4$ =0.25, t=3.91, p<.001), supporting H4. H5 was also supported. Past experience associated with the charitable organization was found to be significantly related to personal nostalgia ( $\beta_5$ =0.17, t=3.54, p<.001). Hypotheses 6 and 7 were also supported. There was a significant link between personal nostalgia and familial utility ( $\beta_6$ =0.23, t=3.78, p<.001) and personal nostalgia and emotional utility ( $\beta_7$ =0.30, t=5.40, p<.001), respectively. Positive links were also found between familial utility and commitment ( $\beta_8$ =0.17, t=2.85, p<.01) and emotional utility and commitment ( $\beta_9$ =0.37, t=6.38, t<.001); hence H8 and H9 were supported.

Hypothesis 10 states that the effect of personal nostalgia on donor commitment is mediated by emotional and familial utility. In order to test this hypothesis, the authors initially followed the procedures developed by Iacobucci (2008) for structural models. As suggested by her, the theoretical model was fit with one additional path (Personal Nostalgia → Commitment). Examining this model, the authors found that the paths from Personal Nostalgia (PN)  $\rightarrow$  Emotional utility (EU),  $PN \rightarrow Familial \ utility \ (FU) \ and \ from \ EU \rightarrow Commitment \ (C) \ and \ FU \rightarrow C$ were statistically significant. The direct path from  $PN \rightarrow C$ , moreover, as expected, was found to be statistically non-significant ( $\beta = .05$ , t = 1.06, n.s.). The authors subsequently tested the significance of the total indirect effects of personal nostalgia on commitment (through emotional and familial utility) using the Z statistic as outlined by lacobucci (2008). The results indicated that there are significant indirect effects (Z=3.39, p<.001), and hence emotional utility and familial utility mediate the relationship between personal nostalgia and commitment. Further, since our theoretical model contained two mediators (emotional and familial utility) the authors also used the procedures described by Preacher and Hayes (2008) to conduct multiple mediation analyses. This procedure allows for the simultaneous examination and statistical testing of each of the estimated indirect (i.e., mediated) effects in a model (through the pathway of each mediator variable). The authors conducted these analyses using AMOS 16.0 to perform the bootstrap sampling procedures that Preacher and Hayes recommend. This bootstrap procedure uses sampling with replacement to draw a large number (1000) of samples from the data set, with path coefficients being calculated for each sample. Then, using the estimates on the basis of these 1000 bootstrap samples, the mean indirect effects and their confidence intervals (CIs) are calculated. At first, for the theoretical model, the authors found a significant total indirect effect (mediated though emotional and familial utility) of personal nostalgia on donor commitment (Z=3.33, p < .001). Next, the authors examined the 95% CI for the indirect effects through each of the two mediator variables separately. Preacher and Hayes (2008) state that if the value of 0 does not fall within the range of the CI for that effect, then the effect is deemed to be statistically significant. The authors found the indirect (mediated) effect of personal nostalgia on commitment through emotional utility (Effect size = .090;  $CI_{Low}$  = .051;  $CI_{High}$  = .138, p<.05) to be statistically significant. Similarly, the authors also found the indirect effect of personal nostalgia on commitment through familial utility (Effect size = .035;  $CI_{Low}$  = .013;  $CI_{High}$  = .054, p<.05) also to be statistically significant. Thus, these findings indicate that both the variables (emotional utility and familial utility) mediate the relationship between personal nostalgia and donor commitment. Therefore, the mediation hypothesis (H10) is supported. Finally, it was found that higher levels of donor commitment resulted in higher levels of intention to donate ( $\beta_{11} = 0.55$ , t = 6.82, p < .001), supporting H11.

# 3.5. Discussion

Study 2 empirically tested the hypothesized model. Care, however, should be taken in interpreting these results. First, even though the sample was comprised of donors, they were all affiliated with one particular NPO. Second, the sample was comprised of older consumers

(with a mean age of 66 years), and did not represent a wide range of age, income and education levels. In order to enhance the generalizability of these results, the model was further tested using data obtained from a more diverse sample in Study 3.

# 4. Study 3-Data from a more diverse group of donors

### 4.1. Overview

Data were collected in a follow-up study from 502 respondents participating in an online consumer panel. Data were collected from only those consumers who had donated money to a charitable organization during the previous twelve months. The respondents were administered the same survey as was used in Study 2. The sample in Study 3 had a mean age of 51 years old—with 22% being in the age group of 18-40 years old, 54% being between 40 and 60 years old, and 24% being over 60. As to income, 28% of the respondents indicated an annual household income of less than \$50,000, 48% indicated an income of between \$50,000 and \$100,000, and 24% indicated an income of greater than \$100,000. In terms of ethnicity and education, 88% of the sample was Caucasian and 24% of the respondents had done some amount of post graduate studies. The more balanced demographic profile shown for this sample enhances the potential for generalizability of the findings. There was a good mix of charitable organizations represented in the sample; 38.3% had donated to Church and Religious organizations, 22.9% to humanitarian organizations and 16.3% to hospitals. There was also a wide range of donation amounts; median gift amount was \$40, 46% of the respondents indicating a donation of less than \$25 and 14% indicating relatively large amounts (more than \$150).

### 4.2. Results

The measurement model developed in Study 2 was again examined using the data collected in Study 3. The items had large and significant loadings on the respective constructs. Since the CFA fit the new sample as well [ $\chi^2$  (674) = 1258,  $\chi^2/d.f.$  = 1.87, CFI = 0.92, IFI = 0.92, TLI = 0.92, GFI = 0.87, RMSEA = 0.044], evidence of cross validation is provided (Hair et al., 2006). As before, age and discontinuity were included in the model, along with demographic measures as control variables. Structural equation modeling was run using the paths specified in the conceptual model. The structural model showed a reasonably good fit [ $\chi^2$  (928) = 1954,  $\chi^2/d.f.$  = 2.1, CFI = 0.90, IFI = 0.90, TLI = 0.89, GFI = 0.85, RMSEA = 0.047]. Tests of the path coefficients showed that the results of Study 3 mirrored the findings of Study 2. As in the previous study, emotional and familial utility mediated the effect of personal nostalgia on donor commitment.

In order to test the robustness of the model, the authors also tested the hypothesized model with the 'amount last donated to the charitable organization' as the dependent variable. This model also demonstrated a good fit  $[\chi^2 \ (846) = 1550, \ \chi^2/d.f. = 1.83, \ CFI = 0.89, \ IFI = 0.89, \ TLI = 0.88, \ GFI = 0.86, \ RMSEA = 0.043].$  The path coefficients indicate that, besides age, all the other relationships were statistically significant (Loneliness  $\rightarrow$  Personal Nostalgia (PN),  $t = 3.65, \ p < .001; \ Age <math>\rightarrow$  PN,  $t = .70, \ n.s.; \ Recovery from grief <math>\rightarrow$  PN,  $t = 3.86, \ p < .001; \ Past \ experiences <math>\rightarrow$  PN,  $t = 3.43, \ p < .001; \ Discontinuity <math>\rightarrow$  PN,  $t = 3.30, \ p < .001; \ PN \rightarrow$  Emotional utility (EU),  $t = 5.37, \ p < .001; \ PN \rightarrow$  Familial utility (FU),  $t = 3.80, \ p < .001; \ EU \rightarrow$  Commitment (C),  $t = 6.38, \ p < .001; \ FU \rightarrow$  C,  $t = 2.22, \ p < .05; \ C \rightarrow$  Amount donated,  $t = 2.23, \ p < .05$ ).

# 4.3. Discussion

In Study 3 the model was tested using a more diverse sample in terms of demographics, charitable organizations donated to, and the amount donated. Additionally, the model was also tested using the amount last donated as the dependent variable. The results of this study replicated our findings in Study 2.

# 5. Implications

This research builds on past research involving nostalgia (Braun-LaTour et al., 2007; Batcho, 1995; Holbrook, 1993) and extends the literature on charitable giving (Sargeant et al., 2006; Sargeant and Lee, 2004; Sargeant, 1999). It empirically demonstrates that various donor life factors (discontinuity, recovery from grief, and loneliness) along with past experiences with the charitable organization in question, influence the personal nostalgia that a donor experiences. The results also confirm that personal nostalgia experienced by the donor results in emotional and familial utility. These two types of utility mediate the effect of personal nostalgia on the donor's commitment, which in turn increases the intention to donate. So what does this mean practically for charitable organizations? First, charitable organizations should consider evoking personal nostalgia in their fundraising appeals. This would be particularly helpful for NPOs that have the ability to associate themselves with special memories of the donor. For example, Public Broadcasting Services could evoke personal nostalgia by using childhood icons like Sesame Street characters in their fundraising appeals, reminding donors of warm memories associated with PBS in the past. Second, knowing more about the life-stage situation of the donor would be of great value to the charitable organization. Nonprofits could enhance the effectiveness of their donation appeals by framing the message consistently with the donor's emotional state. For example, if a donor has moved to a new city, the charitable organization with which he or she has had fond memories (for example, a museum, academic institution, or hospital) may find it effective to evoke nostalgia and remind the donor of the past. Indulging in nostalgia would help the donor cope with the current life situation and would enhance the non-profit's chances of a donation. Third, charitable organizations could seed nostalgia by building warm memories for their donors and potential donors around the charity, and hence set the stage for future opportunities for donor giving.

# 6. Limitations and future research

As with any study, there are certain limitations to the research conducted. First, the samples in both of the empirical studies were comprised of actual donors. Future researchers may want to look at the effect of nostalgia on donations among non-donors and lapsed donors. Second, all of the studies contained in this research involve qualitative or survey-oriented data, which are appropriate for initial model building and empirical testing. Future studies could employ experimental designs to elaborate upon and isolate specific components in the conceptual model developed in this study (For example, it is likely that the type of past experiences, pure financial vs. interactional, would influence personal nostalgia of the donor). Longitudinal studies could also be undertaken that gauge the long-term impact of nostalgia based charity appeals on the relationship between the nonprofit organization and the donor.

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