

The Psychology of Gift Exchange

Mayet, C. & Pine, K. J.
University of Hertfordshire
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Gift giving is a social, cultural and economic experience; a material and social communication exchange that is inherent across human societies and instrumental in maintaining social relationships and expressing feelings (Camerer, 1988, Joy 2001).

Research within different disciplines to gain insight of gift giving behaviour has continued for over forty years. Gifts are bestowed in celebration of key life events, a medium for nurturing personal relationships, to encourage economic exchange and to socialise children into appropriate behaviour patterns (Belk, 1979). Obligations within a community require that individuals are required to give, receive and to reciprocate (Mauss, 1954). In his essay the French anthropologist-sociologist Marcel Mauss (1954), presented a theoretical analysis of the gift-giving process, that was based on his examination of gift-giving amongst various primitive, secluded, or ancient societies. He concluded that gift-giving is a self-perpetuating system of reciprocity and summarised three types of obligations which preserve gift-giving:

1. The obligation to give.
2. The obligation to receive.
3. The obligation to repay.

The requirement to give may be ingrained in religious or moral necessities, with a strong need to recognise and maintain a status hierarchy and to establish or maintain peaceful relations, or merely the expectation of reciprocal giving. These motives, which do not acknowledge purely selfless giving, become embedded into the fabric of a society so that under appropriate conditions an individual is socially obligated to give. Receiving gifts is seen as equally mandatory and evading or refusing gifts is interpreted as an unsociable or even hostile act. Tensions are created in receiving a gift and Mauss attributed this occurrence as the result of acceptance being an implicit recognition of dependence on the giver. In order to reduce this tension the obligation to repay must be fulfilled and failure to repay or repay sufficiently will result in a loss of status and self-esteem. Repayment gifts that are adequate or overly adequate generate an obligation to repay on the part of the original giver and the cycle is re-established. Thus, of the three forms of obligation; to give, to receive and to repay, it is reciprocity, or the sense of indebtedness, that guides the gift exchange system. Explicitly, it is the aspiration to achieve 'balanced reciprocity', the symmetry between giver and receiver achieved through role reversal (Roberts, 1990; Sahlins, 1972).

The majority of gift exchanges that are intended to preserve social ties or bonds occur within a framework of ritualised occasions, such as at birthdays or during Christmas. These ritualized occasions often provide maintenance rites (Cheal, 1988), and play an

important role in maintaining established relationships (Bourdieu, 1977, 1986). A cycle of reciprocal gift exchanges establishes a relationship of transactions between individuals (Sherry, 1983), relationships are thus, re-affirmed by regular gift exchange.

Generally, it is not always possible or necessary to mutually exchange gifts at the same time and so the staggered nature of reciprocity means that 'balanced reciprocity', as a symmetry between giver and receiver, is unlikely at a stated point in time (Sahlins, 1972; Sherry, 1983; Roberts, 1990; Pieters and Robben, 1998). Consequently, giver and recipient roles are continually reversed to sustain the exchange partnership through time. There are four core elements of gifting that are drawn from the literature; the giver, the recipient, the occasion and the gift.

It is the interaction between all four elements within the gift giving process that produces the uniqueness of a particular gift exchange. Sherry (1983) describes gift giver motivations as altruistic and agonistic; altruistic intentions as centring on delivering recipient happiness and agonistic intentions as centring on power and focussing on the enhancement of the giver. These motives are intended to maximise gift giver satisfaction versus maximising recipient pleasure; gift giving is not a one way exchange, as there are accumulated benefits for the giver too. The giving of gifts is generally a positive experience for the giver and one that increases the giver's self-concept (Mick and DeMoss, 1990), as the act of giving enables the giver to feel valuable and generous (Langer,2000). Gift givers 'gifting capacity' is referred to by Wooten (2000) and describes the qualities and attributes a giver requires in order to succeed as a giver; creativity, recipient empathy, and the intuitive use of money, time and effort. Wooten (2002) also emphasizes that the recipients material comfort can act as an anxiety inducing factor for the giver, as gift selections become challenging when affluent recipients are in a position to buy whatever they want and are therefore viewed as wanting for nothing.

It is important that gifts mirror the occasion (Sherry, 1983). In Western Society gift givers are expected to present comical gifts at a 'hen night' and romantic gifts for Valentine's Day etc. Gifts symbolise more than material attributes; to give something is to give a part of oneself (Mauss, 1954). Gifts are considered extremely representational and emotional, allowing givers to communicate without the use of language (Belk, 1996a). Research into the perfect gift (Belk, 1996b) has identified and contends six principles; namely that the gift should:

1. Illustrate true giver sacrifice.
2. The givers only wish should be the recipient happiness.
3. The gift is a luxury.
4. The gift is distinctively appropriate to the recipient.
5. The recipient is surprised by the gift.
6. The gift succeeds in pleasing the recipient.

The 'perfect' gift is interpreted as gifts that 'delight' (Durgee and Sego, 2001) or 'best' gifts (Rucker et al., 1996); they are gifts that are successful. The suggestion of givers sacrifice is represented by financial, effort and time sacrifices (Belk, 1996b; Rucker et al., 1996).The specific sacrifice of the gift giver's labour or effort, as one form of gift value is identified by Cheal (1987). But the sacrifice of time may be valued by the recipient as the

real gift, with the time spent on sourcing and purchasing the gift symbolising time invested in the maintenance of the relationship in order that “the gift must communicate the investment of time and effort without being explicit” (Pandya and Venkatesh, 1992, p. 153). Adhering to successful gift ex-change rules (appropriateness, empathy and effort) has been identified as important to achieving gift success (Pine 2009). Therefore, a gift may be valued more for what it represents than for the concrete material benefits exchanged (Wolfenbarger, 1990). A gift is a symbolic declaration about the giver, the receiver and the relationship connecting them. Wolfenbarger’s (1990) investigative research advocates that there are four categories of symbols correlated with gifts; gifts that are symbolic of the self and of the giver, gifts that are symbolic of the giver’s knowledge of the receiver, gifts that are symbolic of the occasion and gifts that are expressive and contain an array of significant meanings. Although a Belgian study conducted by Mortelmans and Damen, (2001), also established that higher socio economic groups are inclined to substitute a scarcity of time with more expensive gifts.

Within given relationships gift givers and recipients try to achieve balanced reciprocity and this requires that their roles are reversed through time in order to maintain the exchange partnership. There is evidence that implies that gift selection by givers is principally based on the self-concept of the giver and has little to do with the characteristics of the recipient (Belk, 1979; Wolfenbarger, 1990). Such an approach would not enable the giver to present a desired gift as suggested in research on the perfect gifts and where the recipient is taken into account. The giver’s perception of the recipient as being similar or different to themselves might mean that a disliked gift is purchased by the buyer, a characteristic very unusual in standard buyer behaviour (Belk 1976). Langer (2000) hypothesised that the act of giving presents the giver with an opportunity to feel more effective, useful and generous. Gift giving is not only beneficial for recipients’; gift giving is a positive experience and one that increases the giver’s self-concept (Shapiro, 1993). Giving and receiving gifts often induces high levels of anxiety among individuals, as recipients must estimate the motivations of the givers and regulate their responses and conform to socially acceptable behaviours that expose them as appreciative. Givers must measure the response of a recipient and identify motivations, research conducted by Wooten (2000) demonstrates that gift-givers become apprehensive when they are exceedingly motivated to elicit desired reactions from their recipients but are pessimistic about their ability to succeed. Gifts are significant to our strengthening and maintaining important relationships and the stability of social structures are reliant on the aptitude of gift exchange partners to receive what they need and want from the other in exchanges (Gouldner, 1960).

Even though recipients may be surprised by a particular gift or gifting occasion, they may equally be involved in the decision and purchasing process. It is not unusual for recipients to out rightly express their desire for a particular gift or they may articulate their longings in less obvious ways by ‘sleuthing out’ (Durgee and Segoe, 2001) by subtly making suggestions whilst in the company of potential givers.

Sherry (1983) explored the social, economic and personal aspects of the gift exchange process and offered a model that has the broadest acceptance within the literature. The model takes the form of a flow diagram with two ‘columns’ labelled giver and recipient which move through three principal stages of ‘gestation’, ‘prestation’ and ‘reformulation’. The ‘gestation’ stage incorporates giver and recipient behaviours prior to the gift exchange

and involves the entire process of the gift transforming from a conceptual idea to the material item. It is the stage where the giver is thinking of what gift to purchase or create where to look for it and how to present it to the recipient. The 'prestation' stage is the actual gift exchange, involving custom and ceremony, gift-wrapping and giver/recipient interaction. The final stage of 'reformulation' inspects any repositioning of the relationship between the giver and recipient; a new formation of a strengthened, affirmed, weakened, or severed relationship and considers the outcome of the gift with regards to consumption, display, storage, exchange or rejection.

Wooten and Wood (2004) present a dramaturgical analysis to illustrate how recipients adapt their reactions to fulfil the social expectations of givers during the gift giving process and offer four acts; The elicitation act, acts of revelation and reaction and the act of consumption. The elicitation act occurs during the gestation stage; the recipient communicates his or her gift expectation either implicitly or explicitly. Acts of revelation and reaction occur during the prestation stage and incorporate all behaviours prior to, during and subsequent to the actual gift exchange. Throughout these acts recipient objectives are to reverently demonstrate their anticipation and positive reception of the gift. *The act of consumption* occurs during the reformulation stage and is the recipient's value expression of the gift, relationship and givers intention. If recipients effectively create a positive impression during each act, evaluated by the giver/s, they will have been successful in presenting a desirable effect. However, a meagre performance of any act can indicate to givers that the gift was unwanted or unappreciated.

Both Sherry's three stages and Wooten and Wood's acts lay the foundations, but recipient evaluations of givers' presentations are frequently adjudicated and influenced by: the relationship, the context within which the gift was given, the value of the gift and the appropriateness of the gift.

The Relationship

There needs to be a connection between the giver and the receiver for the exchange to take place and all gift giving must be explored within this relationship. "Gifts cannot occur outside of a relationship"; (Larson and Watson, 2001). The nature of the relationship can influence the givers inspirations and the receiver's interpretations of the gift [1].

Context

Gifts can generally be divided into two categories [2]; gifts given at formal occasions or ceremonies such as Christmas, weddings and birthdays are ritual gifts, while those given at other times might be spontaneous gifts. The timing and the environment within which the exchange takes place can also influence the context of the gift exchange process.

Value

Gifts may hold several types of values including economic, functional, social, expressive and sentimental [2]. A part of the givers individuality can be reflected in the gift and passed on to the receiver (Sherry, 1983) and therefore holds an expressive value that is an indication of depth of relationship that the giver has for the receiver and this value is difficult to measure, as it is personal and subjective.

Appropriateness

The appropriateness of a gift refers to choosing a gift that is suitable for the receiver or that the receiver will appreciate [3]. Appropriateness is perceived as being the key quality of a perfect gift [4] and is based on a number of factors including, the symbol of the relationship, stage of life, occasion and history.

The 'gift economy' in modern societies is a rather neglected area of research (Cheal 1988). However, it should be of continuing concentration for various reasons: The custom of exchanging seasonal and other gifts must create a substantial demand and market for consumer goods as demonstrated in Caplow's (1982) Christmas gift giving research in Middletown. He found that the total cost of gifts given by his participants at Christmas amounted to an average of 3-4% of their total annual income, no merge figure. Within the process of interpersonal communication and maintenance of relationships, gift exchange is an important factor as it may provide a valuable 'window' for observing social interaction. It is the significance of the norms and meanings underlying gift giving behaviour that make this an important crossing point between psychology and economics. Different types of gift-giving seem to be the subject to different unwritten rules (Moles, 1972) and this is supported by Caplow (1982, 1984). He established that 10% of gifts were given in the form of money and in 94% of these instances money was transferred from older to younger generations. Therefore an important rule in the case of a gift of money seems to be that the giver should be superior in age and /or status to the recipient.

Belk (1979) found that the majority of gift exchanges occur amongst family members and that it is intergenerational and downward and denotes that parents give to children and grandchildren (Caplow 1982; Cheal 1988). However, gift giving is not limited to family members and to a great extent one-third of all giving involves unrelated persons (Belk 1979), although the range of giving connections may vary by culture. Jolibert and Fernandez- Moreno (1983) noted that Mexican households give to a wider range of family members than French households. The English are less likely to broaden their giving to friends than are the Chinese, who are also prepared to widen their giving to strangers. (MaGrath,1985). Japanese consumers report more mandatory gift-giving occasions (kosai) involving individuals outside the family than do Americans (Alden and Green 1988). Without doubt, most people are part of a giving network, however the nature and degree of reciprocity may vary as a result of; age, financial resources and or status (Belk 1979).

In Western societies Christmas has evolved to adopt a more material meaning (Belk,1989,1993) and has become a significant occasion for acknowledging important social bonds. As families no longer tend live in tightly-knit communities, Christmas may be the only time of year that considerable effort is put into nurturing and appreciating relationships, (Cheal, 1987, 1988). Therefore, the need to "do Christmas right" seems to be given high priority and prevails over any inconveniences or stresses and irritabilities that result from the festive season. Women are typically the orchestrators of Christmas celebrations (Fischer & Arnold, 1990) and are not satisfied with average type celebrations. Consequently they often go to considerable efforts to create a Christmas more impressive than the previous one. Literature exploring gender differences in gift giving reveals that women are much more involved in the gift-giving process and women have been found to offer more gifts than they receive (Caplow, 1982; Fischer & Arnold, 1990). Rucker et al.

(1996) identified that women, on average, paid more for gifts and were more satisfied with their gift choice (Fischer & Arnold, 1990).

However, within romantic relationships it has been established that it is men who play a greater role in gift giving in the context of courtship. Gift exchanges between romantic partners have been categorised into three types: economic exchanges, social exchanges or an expression of agape love; selfless altruistic love, Belk and Coon (1993). By qualitatively analysing dating experiences that were recorded in participants' diaries Belk and Coon found that as per the economic exchange paradigm gifts were considered an investment. Men regarded gifts as a means of gaining sexual favours and women regarded them as a sexual debt. When a gift is viewed as a social exchange, it may be used to establish, strengthen and maintain social relationships and may represent a symbol of commitment. A gift that is offered as an expression of agape love creates an opportunity for the relationship to be celebrated and the gift represents a purely expressive value. This is in stark contrast to the economic and social exchange paradigms, which necessitate instrumental motives, the agape love paradigm suggests purely altruistic motives. Belk and Coon (1993) conclude that women are more likely to treasure gifts received for their meaningful or symbolic value, whereas men tend to do so for their utilitarian value.

Though anthropologists portray gift-giving as a positive social process, fulfilling various political, religious and psychological purposes (Boas, 1895; Mauss, 1925), economists, present a less encouraging observation. Waldfogel (1993), suggests that gift-giving represents an objective waste of resources and that givers buy gifts that recipients would not choose to buy themselves, or recipients value their gifts at less than market price. A phenomenon referred to as "the deadweight loss of Christmas"; a discrepancy between the true cost of a gift and the value attributed to it by a recipient. Social psychology research has established that people frequently have difficulty taking account of others' perspectives and that their feelings of understanding are subject to egocentrism, social projection, and multiple attribution errors.

Although gift-givers have extensive experience in the role of both gift-givers and gift-recipients, they tend not to be very adaptive at reversing roles and are therefore likely to overspend each time they purchase a meaningful gift. Flynn and Adams (2008) proposed a unique psychological explanation for this overspending problem; that gift-givers mistakenly associate the monetary value of a gift with how much recipients will appreciate the gift and assume that the more expensive the gift, the stronger a gift-recipient's feelings of appreciation will be. According to Camerer, 1988; Malinowski, 1922; Mauss, 1925, gift-giving characterises a symbolic ritual and creates an arena for gift-givers to effectively indicate their positive attitudes toward the intended recipient and their willingness to invest resources in a future relationship. Therefore it is perhaps understandable that givers suppose that the more expensive a gift the stronger the conveyed messages of thoughtfulness and consideration. Consequently, givers are motivated to spend greater amounts on gifts they feel will communicate a "stronger signal" to their intended recipient. However, gift recipients do not seem to base their feelings of appreciation on the enormity of the gift and disagree with gift givers about the connection between gift price and appreciation sentiments (Flynn and Adams, 2008). It seems that people find it difficult to

positively utilise information they gain as gift recipients and then use it effectively when they become gift givers. Regardless of their own knowledge, they fail to exploit information about their own preferences and experiences to enable them to generate successful gifts relations. Over time, this translates into massive financial expenditure on gifts, without learning to use personal insight to mediate successful gift choices. It seems that giver/receiver roles and the unique psychological experiences entailed may form a natural barrier, blocking healthy patterns of social exchange being developed.

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