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Gamification Techniques and Millennial Generation Philanthropy

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Gamification Techniques and Millennial Generation Philanthropy

Karen Kavanaugh, PhD

Abstract

This qualitative study used **Q methodology** to examine how Millennials perceived the use of gamification elements might impact their philanthropic behavior. Overall Millennials appeared to embrace the idea of using gamification to further nonprofit fundraising. Five factors or donor-profiles were extracted from the Q-sort results and provided insight into not only the preferred gamification elements, but also general Millennial fundraising engagement preferences.

Problem

In 2015 Millennials replaced Baby Boomers as the prominent income producers in the U.S. (U. S. Census Bureau, 2014).

At the same time, charities lack the understanding of how Millennials are different in:
- what motivates them to give to charity (Karlan & McConnell, 2014)
- the channels they prefer to use to give (Curtis, 2013)
- their prolific use of social media and game-like applications
- their acceptance of engagement strategies like gamification (Sargeant, 2014)

. . . while struggling to maintain their individual donor giving levels.

Purpose

To provide U.S. based nonprofits with insights to increase their understanding of how Millennials perceive various gamification components and their impact on philanthropic behavior.

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Research Questions

How do members of the Millennial generation perceive that gamification would impact their financial donations?

Relevant Literature

Gamification is the use of game elements to turn "something not a game into a game" and to engage users (Monjack, 2011, para 5; Zichermann & Cunningham, 2011); Examples of gamification:
- competing with your friend on the number of steps taken on your FitBit
- earning special status for your airline miles
- the Xprize challenge
- Jillian Michaels fitness program where badges are earned
- The Nissan Carwings leaderboard

Motivational engagement theories:
- theory of planned behavior (TPB) (Ajzen, 1991)
- theory of reciprocal altruism (TRA) (Scharf & Smith, 2014)
- self determination theory (SDT) (Vassileva, 2012)
- social status theory (Karlan & McConnell, 2011)
- warm glow theory (Curry, Roberts, & Dunbar, 2013)
- Fogg behavioral model (Fogg, 2009)

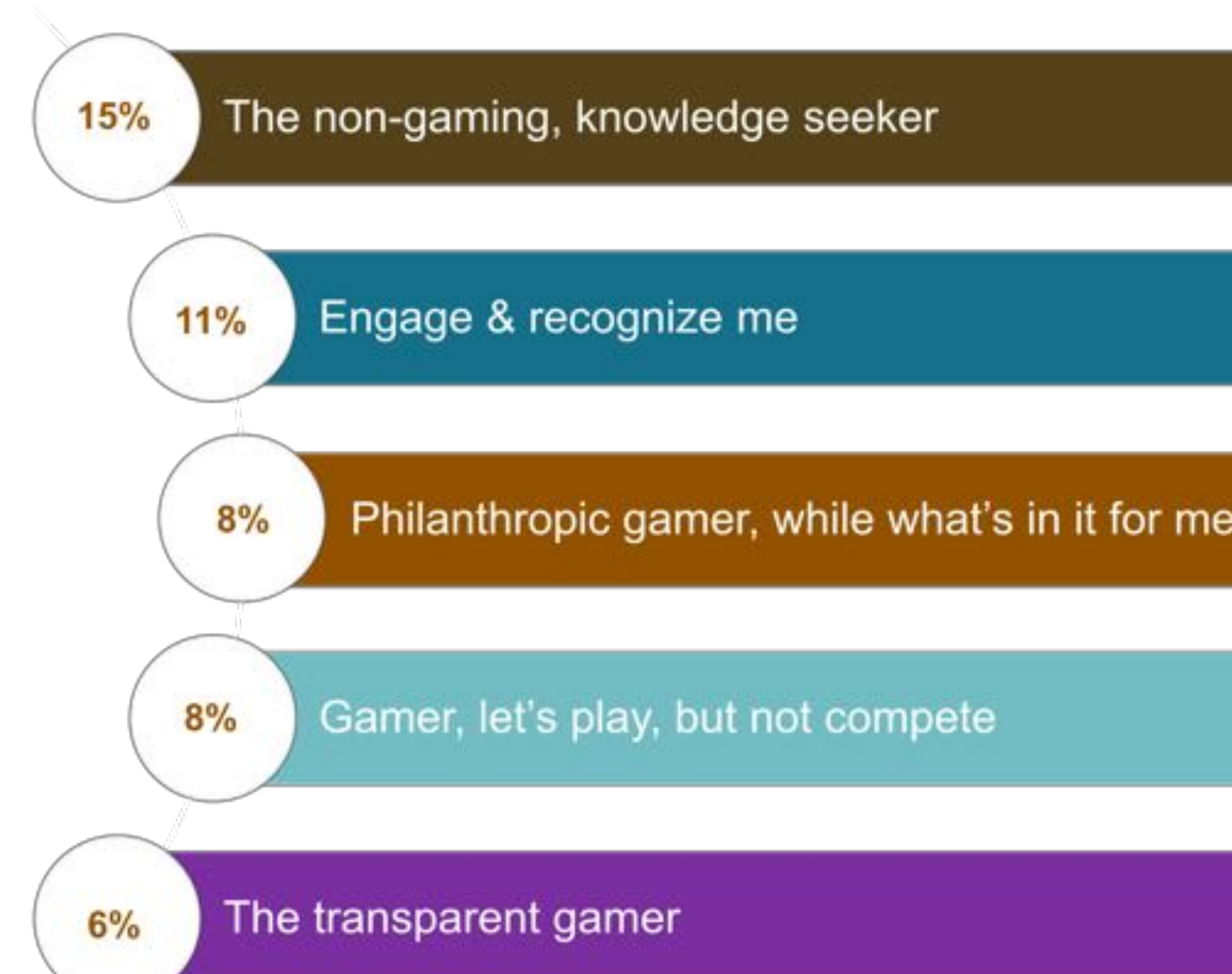**Characteristics of Millennials** (Sargeant, 2014):
- tied to their mobile devices
- impulsive buyers/givers
- peer fundraising & crowdfunding
- understanding the purpose

Charitable giving motivators (Saratovsky & Feldmann, 2013):
- familial utility
- emotional utility
- demonstrable utility
- practical utility
- social comparison
- spiritual utility

Procedures

Q methodology was used as a phenomenological qualitative design tool to collect and analyze interview data (Brown, 1993).

Instrument: 32 Q-sort statements were used; a subset of the Q-sort statements included:
1. Accumulating badges that designate a giving level
2. Competing against individuals in my social network
3. Participating in a fundraising challenge or quest
4. Receiving a $5 gift card or other gift for donating
5. Seeing my name on a leader board
6. Getting special access to the charity's programs
7. Seeing the name of people outside my social network in a giving leader board
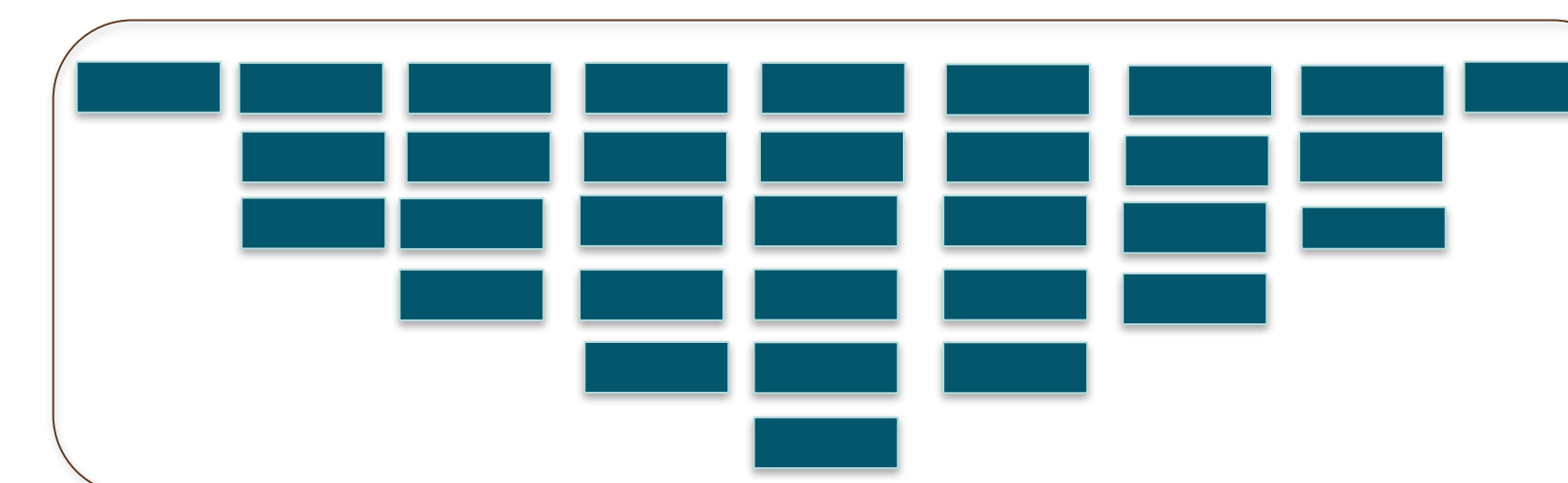
Participants: 36 Millennials from the University of Arkansas, Fayetteville

Process:
- Participants were asked to perform the online Q-sort
- 11 participants agreed to share their reasoning for Q-sort placement via interviews

Q-sort answer sheet:

Least likely to influence me to give   Most likely to influence me to give

Data Analysis

Q methodology factor analysis (via Q-Assessor) was used, along with analysis of notes captured during face-to-face interviews (using MaxQDA).

Findings

The findings below include a summary of the 5 donor profiles extracted from the Q sort, the overall gamification rankings across all donor profiles and the findings relative to the motivational theories utilized in the conceptual design of the study.

Donor Profiles

- 15% — The non-gaming, knowledge seeker
- 11% — Engage & recognize me
- 8% — Philanthropic gamer, while what's in it for me
- 8% — Gamer, let's play, but not compete
- 6% — The transparent gamer

Overall Gamification Rankings

Gamification element	Sum of Z-scores
Knowledge about the charity	4.46
Access to the inner-workings of the charity	4.45
Using gamification for fundraising	3.68
Connecting **inside** my social network	3.51
Gifts (e.g. $5 gift card, hosting an event table)	0.62
Points	0.08
Challenge or quest	-0.74
Badges	-2.15
Leaderboards	-2.34
Gaining special **status**	-8.20
Connecting outside my social network	-8.73

Findings Relative to Existing Theory

- Use of network to fundraise outside one's own social network ranked lowest across all factors
- However, did align with notion that altruism is impacted by closeness of the relationship

- Social status was not highly valued for 4 of the 5 factors
- Factor A **strongly** valued knowing the amounts given by others

- Components that could be viewed as intrinsic ranked higher than purely extrinsic

Limitations

- Researcher bias in the construction of the Q-sort statements.
- Purposive sampling of university students, which excluded Millennials younger than 18.
- Some participants found the user interface of the online Q-sort instrumentation difficult to use.
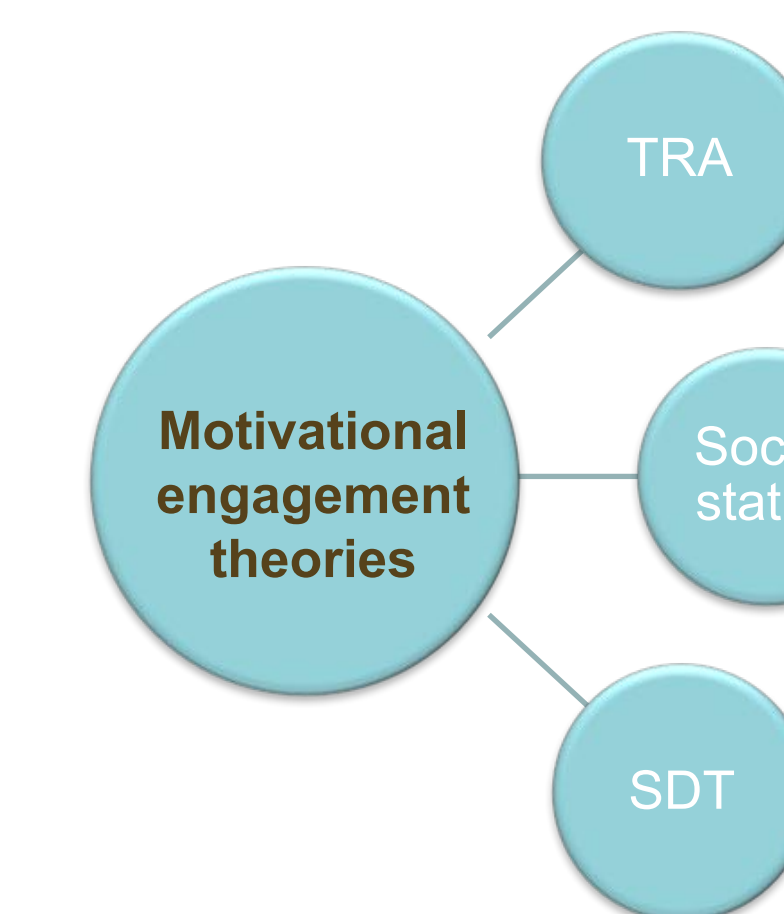
Conclusions

Based on history, the revenue challenges faced by nonprofits are not going to disappear anytime soon, nor will the seemingly enigmatic donation practices of Millennials suddenly be well understood. With this overwhelming level of uncertainty, knowing that at present Millennials embrace the notion of mixing gamification with fundraising can be used as a differentiator in attracting and keeping this generation of donors. Also, armed with the knowledge of the relative importance placed on transparency, nonprofits will be able to engage with these donors in ways that are most important to the Millennial

Social Change Implications

Nonprofits are increasingly being asked to fill a need to serve the underserved in our society, while revenue challenges continue to add pressure to their ability to fulfill their mission. The findings from this study can provide insights to nonprofits on how best to cultivate, educate and solicit donations from members of the Millennial generation, with the ultimate outcome of increasing their revenue stream and enabling them to better fulfill their mission and serve their constituents.

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