Abstract

Gift giving is an exchange that occurs since the beginning of civilization. It has a social, economic, and communication role (Belk, 1976). It is a complex act that involves many agents and factors, like gift giver and gift receiver preferences, the relationship between them, and the context where the gift is exchanged. The critical point in gift giving is to elevate receiver preferences without losing identity and keep a focus on the relationship (Liu, Dallas, & Fitzsimons, 2019). Nowadays, gift giving represents an essential part of Brazilian economics and culture (CNDL, 2019; 2020). This paper has an objective to understand how the offer framing effect, which suggests that the way a product is offered to a decision-maker and the number of choices this person performs, may impact the decision made (Mittelman, Andrade, Chattopadhyap, & Brendl, 2014), and how the social closeness between givers and receivers affects variety-seeking in gift giving situations. Through an experimental study, this paper found that social closeness influences variety-seeking, when givers and receivers are closer (distant) the choices are less (more) varied. It is also found that the relation between social closeness and variety-seeking depends on the way the choice is done (sequential or simultaneous) since this relation only happened when the choice was not sequential. Furthermore, preference uncertainty is a possible explanation for the main relation.

Keywords: gift giving, offer framing effect, variety-seeking, sequential choice, simultaneous choice

1. Introduction

Giving a gift to someone special, in a celebration situation or on a special date, is something usual in our society. Research made in November 2019 by Brazilian Credit Protective Service (SPC) and National Shop Manager Chamber (CNDL, 2019) showed that 77% of Brazilians would buy Christmas gifts and noticed that 32% of Brazilian used their last payment of the year to buy gifts and only 15% used the money to pay their debts. In 2020, the same institutes noticed that 72% of consumers planned to buy Children’s Day gifts and Father’s Day gifts. Brazilians, therefore, have a culture of gift giving especially on commemorative dates, even if this means not paying other bills (CNDL, 2019; 2020).

Gift giving is a complex act that involves many situations, people, conditions, and kinds of gifts. Furthermore, gifts may have a social, economic, socialization, or communication role (Belk, 1976). It is an act that happens since the beginning of civilization and demands a cognitive balance between the giver and the receiver’s likes and dislikes (Belk, 1976). Gift giving may serve as a rapprochement factor in the relationship between the giver and the receiver (Bradford, 2009; Chan & Molginer, 2017).

The present paper aims to study how the way products are shown in gift giving situations influences variety-seeking behaviors. The way products are shown has been studied when the choices are further for the self. Mittelman, Andrade, Chattopadhyap, and Brendl (2014) showed, through four experiments, that the way products are offered may influence the choice’s variety, authors call that the offer framing effect. Fishbach and Dhar (2005) proved that people tend to balance their choices when they are sequential. They observed that a first unhealthy choice resulted in a subsequent choice healthier to obtain this balance. Likewise, Mittelman et al. (2014) presented that individuals seek more variety when choices are sequential than when they are bundled, or simultaneous.

In addition, when choices are made in a gift giving context, they occur differently than when made for the self. When a gift giving choice occurs, givers try to please the receiver’s taste while trying to straighten their relationship, demanding an effort and a social and cognitive risk (Goodman & Lim, 2018; Liu, Dallas, &
Fitzsimons, 2019). Aron, Aron, and Smollan (1992), for example, noticed that when givers are giving a gift to someone close they tend to mix their taste with the knowledge they have about the receiver’s taste, even if that would not please the receiver, that might occur unconsciously to please both tastes and strengthen the relationship (Gino & Flynn, 2011). Therefore, the way products are offered might affect variety-seeking in gift giving situations.

On the other hand, even gift giving choices can be different between them. A factor that might influence this difference is the relationship between the giver and the receiver, which in this paper we call relationship closeness (Ward & Broniarczyk, 2011; 2016; Pillai & Krishnakumar, 2019). For example, when the giver and the receiver are closer the giver tries to please the receiver’s taste and the closer the relationship is the more the giver tends to spend on the gift (Ward & Broniarczyk, 2011; Pillai & Krishnakumar, 2019). Goodman and Lim (2018), however, noticed that relationship closeness might affect giving a material or experiential gift. Beyond that, the closer the relationship the greater the conflict between pleasing the receiver's preference and strengthening the relationship between them, demanding a bigger cognitive effort with closer people (Ward & Broniarczyk, 2016). Relationship closeness is, therefore, a factor that often influences different gift choices for closer or distant people.

With the fact that the offer framing effect impact variety-seeking and that decisions for the self are different from gift giving decisions, as well as social closeness interferes on gift giving choice, this article aims to understand how the offer framing effect and the relationship closeness influence on variety-seeking when in gift giving situations.

2. Literature Review

2.1 Gift Giving

Having social relations and being in social groups are fundamental motivations for human beings, who need to feel belonged and are capable of maintaining relationships (Baumeister & Leary, 1995). Gift giving is a way to maintain and nurture relationships through its many conditions, situations, and agents (Belk & Coon, 1993).

Through a decision-for-others framework, Liu, Dallas, and Fitzsimons (2019) noticed that in gift giving the choosing focus is on the relationship between giver and receiver, since through gifts is possible to create, strengthen, and maintain social relations (Belk, 1976; Sherry, 1983). In addition, in gift giving receiver’s preferences are exalted, however, there is a difference between what givers think receivers like and what they do (Yang & Urminski, 2018).

Gift giving has a social paper in society as well it can be an economical exchange, serve as a communicator or exert a socializer paper (Belk, 1976). To Belk and Coon (1993) when the relationship between giver and receiver is more intimate gifts have a stronger social paper, however when it is less intimate gifts have a more economical paper. Therefore, gift giving has different dimensions and functions and can exert more than one function at a time. However, is not a simple decision and has originated many studies of this decision-making process (Belk, 1976; Sherry, 1983; Ward & Broniarczyk, 2011).

According to Sherry (1983), gift giving process has three stages: gestation, presentation, and reformulation. The first stage includes the behaviors before the gift exchange, it is when the giver analyses what to give, who is giving, and who is receiving. The presentation stage is properly the gift exchange, it is when the giver expects a reaction or a response from the receiver. The third stage is the reformulation where the focus is on consuming the gift, it is when the giver and receiver’s relationship may be affected positively or negatively (Belk & Coon, 1993).

The kind of gift given is also an important factor in the gift exchange. Goodman and Lim (2018) compared the difference in giving something material or something experiential and even though experiential gifts approximate more giver and receiver (Chan & Molginer, 2017). Givers prefer to give material gifts to distant people, that occurs because experiential gifts are more intimate and demand a greater knowledge of the receiver’s tastes, elevating the social risk of giving something the receivers don’t like (Goodman & Lim, 2018).

Gift giving someone closer is an easier task than someone distant because of the knowledge of the receiver’s tastes and preferences. However, it involves a bigger social risk, because giving something the receiver does not like can be more harmful to the relationship with someone closer (Hoyer, Macinnis, & Pieters, 2012; Goodman & Lim, 2018). Luo, Fang, Shen, and Cong (2019) point out that this relationship closeness may also affect the appreciation of the gift. The more the gift reflects the giver, the more the receiver will like it, when in a close relationship. In addition, when gifts reflect givers, they promote self-revelation being beneficial to the relationship (Arkin & Human, 2015). Otherwise, individuals with a bigger emotional understanding tend to
spend more money on gifts for close people, which is because givers think more expensive gifts reflect more consideration and affection (Pillai & Krishnakumar, 2019; Flynn & Adams, 2009). However, this relationship does not occur on the receivers' part, what matters is not the value of the gift, but the attention and affection involved in gift giving (Givi, Galak & Olivola, 2021).

When giving a gift to someone close, givers tend to choose something that exalts the receivers’ preferences. Nevertheless, this may be a self-identity threat and to overcome givers might sequentially choose to reaffirm self-identity. Besides, receivers like more pre-established gifts, but givers do not notice that, and many times end up choosing gifts that do not generate satisfaction (Gino & Flynn, 2011). Therefore, there are differences between what givers think about receivers’ preferences and what they actually prefer. For example, givers evaluate the quality of the gift at the moment it is given, and they have a more abstract manner to observe the gift. On the other hand, receivers evaluate the utility of the gift, have a more concrete vision of the gift, and look to maximize a reaction at the giving moment (Baskin, Waksłak, Trope, & Novemsky, 2014; Galak, Givi, & Williams, 2016; Yang & Urminski, 2018). Also, givers do not repeat gifts choice as they would like, because they think that it is boring and less attentive to repeat gifts and when they choose for two or more people, they look to differentiate the choices to look more attentive (Givi & Galak, 2020; Steffel & Lebouef, 2014). Moreover, Choi, Kim, Choi, and Yi (2016) analyzed that when an individual chooses for others, he seeks more variety than choosing for the self.

Therefore, gift giving is a complex act that involves many dimensions, actors, and factors. It is a decision-making process different from choosing for the self, and differs when the receiver is closer or not to the giver. As Ward and Broniarczyk (2011) noticed, choosing something that goes according to the receivers’ taste may originate in a subsequent choice that goes according to the giver’s preference. Is therefore proposed that variety, in gift giving situations, may be affected depending on the kind of choice.

2.2 Sequential versus Simultaneous Choices

When someone is choosing two or more items, there are two ways of making that choice: they choose one after another, sequentially, or they choose all at the same time simultaneously, bundled. The way products are shown to the chooser impact on consumers’ preferences and the way they experience the chosen products (Mittelman et al. 2014; Mogilner, Shiv, & Iyengar, 2012). Sequential choices have been studied in different ways. Like how the first choice affects the subsequent, cognitive aspects and in comparison with simultaneous choices. Individuals tend to repeat their choices when there is a self-affirmation necessity and an identity necessity. There is also a difference in short-term or long-term choices. The short-term choices are more fragile and may be influenced by external and internal factors such as the rewards of choice and the level of abstraction that these are made (Huber, Goldsmith, & Mogilner, 2008). Novemsky and Dhar (2005) observed that a positive experience might cause a riskier subsequent choice. However, when the first-choice experience is negative, the second is more conservative. Otherwise, when the objectives are going as planned individuals tend to vary their choices (Fischbach & Dhar, 2005).

When talking about cognitive aspects of sequential choices, Laran (2010) noticed that sequential choices represent an opportunity to conduct the pursuit of personal goals. Consumers manage these personal goals by combining indulgent and healthy choices. When choosing for others, however, it is different. Consumers then focus on a pleasure-seeking goal, which leads to more indulgent choices for others.

Comparing simultaneous and sequential choices, individuals who choose sequentially to end up more dissatisfied and less involved with choices than when options are offered simultaneously (Mogilner, Shiv, & Iyengar, 2012). In addition, when products are shown simultaneously, participants choose a more dominant option than when products are shown sequentially (Basu & Savani, 2017). The way products are shown may also influence variety-seeking (Mittelman et al., 2014; Simonson, 1990).

2.3 Variety-Seeking Behavior

Variety-seeking is a result of a decision-making process. Simonson (1990) observed that when someone chooses many items for future consumption, simultaneously, they seek more variety than when the products are chosen immediately before consumption, sequentially, because of preference uncertainty at a future time. Moreover, consumers plan more diversification than they would want (Read & Loewenstein, 1995).

Consumers also seek variety, even if that means choosing a less preferred item (Ratner, Kahn, & Kahnemann, 1999). The way products are offered may also influence variety-seeking. For Mittelman et al. (2014) the number of acts of choice influenced variety-seeking, when performing more acts of choice people tend to seek more variety.
Variety-seeking may occur reactively or proactively. The reactive way is when there is satiation, and consumers look for something that offers more utility or risk. A proactive way is when consumers plan a variety to avoid preferences uncertainly. However, some internal and external factors may affect variety-seeking (Sevilla, Lu, & Kahn, 2019). The context in which the decision is made, social, cultural, and affective factors may affect variety-seeking. When consumers feel confined, are hungry, or are in an ambient with odors congruent with the product’s category they might seek more variety (Goukens, Dewitte, & Warlop, 2009; Mitchell, Kahn, & Knasko, 1995). In addition, when consumers are more pessimist about the result of the choice, they seek more variety (Yang & Urminsky, 2015).

Culture is another factor that influences variety-seeking, in places where feeling unique is valued people seek more variety, and the opposite occurs in collectivist cultures (Kim & Drolet, 2003; Yoon et al., 2011). People also vary their choices to feel part of the group where they are choosing, wanting to feel unique and to seem more expert (Ariely & Levav, 2000; Novemsky & Ratner, 2003; Sela, Hadar, Morgan, & Maimaran, 2019).

2.4 Hypotheses

Considering the way products are offered affects variety-seeking, as proved by Mittelman et al. (2014), choices made in sequence are more varied than simultaneous choices. As well as gift giving choices are different from choices for the self, and choosing for others may cause a more varied choice than choosing for the self (Belk, 1976; Choi et al., 2016). The present paper, through an experimental study, proposes that:

H1: The product offer affects variety-seeking in gift giving situations, whereas in sequential (non-sequential) choices there will be a more (less) search for variety.

However, even in gift giving situations, one choice can be different than another and the relationship closeness is a factor that influences this choice (Ward & Broniarczyk, 2011; 2016; Pillai & Krishnakumar, 2019). That is because when gift giving someone the giver has two motivations: exalt the receivers’ preferences and fortify the relationship with the receiver (Liu, Dallas, & Fitzsimons, 2019). Nevertheless, the closest the relationship is, the more the giver wants to exalt the receivers’ preferences (Ward & Broniarczyk, 2016). Therefore, the relationship closeness will affect the decision. The closer giver and receiver are, the more they know about each other preferences (Goodman & Lim, 2018). Therefore, to please someone distant, givers are going to look for more varied choices.

H2: Relationship closeness affects variety-seeking in gift giving. Whereas the close (distant) the relationship is, the choice will vary less (more).

In order to test the proposed hypotheses, we conducted an experimental study.

3. Method

Participants were recruited online through a link sent by email to a private university in Brazil. 263 participants were recruited, but 203 were validated. We discarded those who did not finish the questionnaire or did not correctly answer the manipulation check question. The design was a 2 (way products were offered: sequential or simultaneous) x 2 (relationship closeness: distant or close) between subjects. We adapted experiment 2 from Mittelmann et al. (2014), to bring more to Brazilian reality and insert the gift giving situation.

Participants, randomly, received an initial instruction where they were located in a situation of a distant relationship or a close relationship. This manipulation was adapted from Ward and Broniarczyk (2011) and Pillai and Krishnakumar (2019). In the distant relationship situation, the participants received the following instruction:

We frequently interact with people that we do not have a close relationship. For example, co-workers, classmates, and friends of friends. Imagine someone that you do not have a close relationship, a new co-worker that is arriving, and you do not know him yet.

Now in the close relationship situation, participants received the following instruction:

We frequently interact with people that we have a close relationship. For example, close friends, family, and dates. Imagine someone that you have a close relationship, a family member that you are familiar with for a long time.

After reading the instruction, participants were asked to write a name for this imagined person, then they were asked to give a box with two chocolates to this imagined person. Participants in a non-sequential condition saw the two chocolate boxes already done; totaling four boxes, two with mixed brands and two with the same brand of chocolate, as seen in figure 1. We choose chocolates because Brazilian people know them, and they are feasible gifts.
Participants in the sequential condition were exposed to an image with the two different chocolates and were asked to choose one chocolate for the box, after that, participants were solicited to choose the second chocolate for the box (see figure 2).

Please, choose the first chocolate for your box

Please, choose the second chocolate for your box

The condition participants were located in was random, as well as the order that images were exhibited. After choosing chocolates, participants answered a question about how close they were with the receiver of the box; they could answer on a 1 (nothing close) to 7 (very close) scale for a manipulation check. After that, participants answered the same 1 (minimum) to 7 (maximum) scale questions of how much they like chocolates, how often they buy chocolates, and how much they like each brand of chocolate. In the end, participants were asked about gender, age, and schooling. Before recruiting participants, we validated our questionnaire with experts, there we reformulated the initial instruction to be clearer, adopted the writing of the name of the person imagined, and standardized all the scales for 7 points.

To measure the dependent variable, variety-seeking, we use the participants chosen for a mixed-branded or same-branded box. When the choice had two different brands we considered a varied choice, when the box was with the same brands of chocolates, we considered a not varied choice. After that, we analyzed the results in SPSS.

4. Results

To verify H1 we realized a first analysis comparing the way products were shown (sequential or simultaneous) and the choice variety (varied or not varied). We used a chi-square test and got the following result: $X^2(1)=0.005$, $p>.05$, rejecting the first hypothesis. As our results go against what Mittelman et al. (2014) and Simonson (1990) found, we can corroborate the fact that gift giving choices are different from choices for the self.

To test H2, we also made a chi-square test comparing the relationship closeness and the variety-seeking $X^2(1)=16.061$, $p=.00$ finding that relationship closeness effect variety-seeking, when the giver and receiver were closer they seek less variety than when they were distant. After these two initial analyses, we divided the sample into four groups (see table 1) and tested the difference between the four groups with a chi-square test $X^2(3)=17.00$, $p=.001$, therefore we noticed that there is a difference between the four groups.
Table 1. Groups of kind of choice and relationship closeness

<table>
<thead>
<tr>
<th>Kind of Choice/ Relationship closeness</th>
<th>Close Relationship</th>
<th>Distant Relationship</th>
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<tbody>
<tr>
<td>Sequential Choices</td>
<td>Group 1</td>
<td>Group 2</td>
</tr>
<tr>
<td>Simultaneous Choices</td>
<td>Group 3</td>
<td>Group 4</td>
</tr>
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</table>

To verify which cells collaborate for this significant result we used the adjusted residual method, where the values over 1.96 and under -1.96 were considered significant, as well as the z critical (MacDonald & Gartner, 2000; Sharpe, 2015). With that analysis, we noticed that groups in sequential choice conditions (group 1 and group 2) did not statistically differ between them. However, groups in the simultaneous condition (groups 3 and 4) were significantly different between them.

We also compared the four groups to check the difference of variety in them, through the adjusted residuals method and the z critical. We noticed that in varied choices and the non-varied choices groups 3 and 4 are different, being group 3 less varied and group 4 is more varied. Furthermore, we also noticed that group 1 and group 4 are statistically different, being the first less varied and the second less respectively. As well as sequential choices with distant relationships (group 2) are more varied than sequential, or simultaneous choices, with a close relationship (groups 1 and 3), reaffirming the interaction proposed in H2.

After these results, we observed the influence of the taste of the receiver and the giver. Through a U of Mann-Whitney, as our sample was not normal, we first compared the givers’ taste in variety-seeking, \( U=6028, \ p<.05 \), meaning that when respondents liked more chocolates, they seek more variety in their choices, in line with Ward and Broniarczyk (2011) that shows that choosing a gift is exalting receivers’ preferences without forgetting your tastes and preferences. The same test was used to see the impact of uncertain preferences of the receivers on variety-seeking (when the respondents check the option “I do not know” in the scale), \( U=6082, \ p<.05 \). As both results were statistically significant, we might say that givers and receiver’s tastes and preferences influence in variety-seeking. We also analyze the influence of gender, schooling, and age, but none of them presented a significant effect.

We also tested, with a Kruskal-Wallis test, the differences in the four groups of the taste of the giver of chocolates and the perception of the receiver’s taste. Only in the perception of the receiver’s taste, we had a significant result. We noticed that in groups with a more distant relationship, there was more preference uncertainly than in groups with a closer relationship.

5. Discussion

With the obtained results, we may observe that relationship closeness affected variety-seeking in gift giving situations. When the giver and receiver are closer, there is less variety-seeking than when they are more distant, confirming the H2 of this paper. This difference might be explained by preference uncertainly, as the distant relationships were more varied and the utilization of the term “I do not know” in those cases when asked for receivers’ preferences. The social risk might also be an explanation by the necessity to please the receivers and strength the relationship, which that means when they are distant givers vary their choices to at least please the receiver with one of the options (Goodman & Lim, 2018). Beyond that, giving a gift to someone close demands a higher concern in choosing the gift to please and there is a higher knowledge of other preferences (Liu, Dallas, & Fitzsimons, 2019; Ward & Broniarczyk, 2016).

When talking about the kind of choices, we did not confirm the main effect on variety-seeking, proving that gift giving choices are different from choices for the self (Belk, 1976). However, when divided into four groups of the sample we noticed that the relationship closeness influence on variety-seeking depending on the kind of choice, as it only happens when the choice is simultaneous. An explanation for that is that in sequential choices with a close relationship the offer framing effect, proposed by Mittelmann et al. (2014), might occur and occasioned a loss of the relationship closeness effect on variety-seeking as expected. In other words, choices in group 1 would be less varied, but as the giver performed two acts of choices, they end up seeking more variety than expected. With these two factors, there was no significant difference in variety when the choices were made in sequence to close relationship receiver.

On the other hand, when the choices were made sequentially with a distant relationship, we expected it to be more varied due to the number of choices and preference uncertainty, but this did not happen. In this case, what may have occurred is the fact that the choices were sequential had an effect which reduced the impact of the degree of relationship in the search for variety. However, to confirm or reject this hypothesis, a new study is necessary.
After observing the main relation of relationship closeness influences on variety-seeking in gift giving situations, we divided the sample into 4 groups and noticed that this relation only happens when the choice is made simultaneously. Therefore, we propose that relationship closeness influences variety-seeking depending on the kinds of choices (figure 3).

![Figure 3. The influence of relationship closeness on variety-seeking](image)

When we analyzed the influence of tastes on the variety, we observe the uncertainty of preference, that is, when the respondents marked "I don't know" when asked about the receiver’s tastes and preferences, there was more variety of seeking. Beyond that, the fact that the givers liked chocolates occasioned a variety-seeking behavior as well. That might occur because givers wanted to please receivers’ tastes without forgetting their own (Arkin & Human, 2015; Lou et al., 2019; Ward & Broniarczyk, 2011).

Even though this paper collaborates with the existing literature and has practical implications, there are some limitations. Firstly, data was collected online because of the pandemic. In addition, when comparing relationship closeness and variety-seeking, we considered variety binomial, and we observed the existence of a relation, but it would be interesting to measure the strength of this relation. To test experimental situations would be another possibility for the future, as only material products were tested. Furthermore, when choices were sequentially made to a distant relationship person more respondents opt to vary their choices, this difference was not statistically significant at a 95% confidence interval, which opens space for another study. We reinforce the need for new studies to carry out experiments that could help explain some of our results, in particular, to test the relationship closeness influences variety-seeking depending on the kinds of choices, and to test if sequential choices have an effect that reduces the impact of the degree of relationship in the search for variety.

The present paper contributes to gift giving literature, corroborating that choices for the self and in gift giving are different (Belk, 1976). Beyond that, this study brings sequential choices to gift giving scope, which is something new to our knowledge. Besides that, this paper expands the knowledge about the givers and receiver’s relationship, showing the influence of this relationship in variety-seeking. Furthermore, this study addresses a possible explanatory mechanism for the relationship between the gift giver and receiver that is due to (un)certain of the receiver’s preferences. In addition, this work shows that the main relationship found that relationship closeness influences variety-seeking depending on the kind of choices, we also show an alternative explanation for the main relationship which is the offer framing effect (Mittelmann et al., 2014). This paper can also help managers show an important point which is to understand the client purchase situation, because in each situation consumers may have a different behavior.

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