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# Exploring Donation and Purchase Intentions to Corporate Owned vs. Corporate Sponsored Foundations

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**Abstract**

This study examines the donation intentions and purchase likelihood toward corporate owned and corporate sponsored foundations. A cross-sectional sample of Amazon's MTurk respondents is obtained. Results of the experiment indicate that relative to foundations sponsored by a corporation, corporate foundations are perceived to be more trustworthy and have a greater perceived impact on a cause, which lead to higher purchase intentions. Additionally, donation intentions to foundations is higher among the corporate foundations because of perceived impact. Implications of these results are discussed from both practical and theoretical perspectives.

*Keywords:* CSR, foundations, nonprofit marketing, cause marketing, impact philanthropy, trust

## Introduction

Corporate social responsibility (CSR) "addresses the most important concerns of the public regarding business and society relationships" (Carroll, 1999). Traditionally, businesses practice CSR in a variety of ways including donating money to a nonprofit organization, reducing pollution, allowing their employees time to volunteer, or creating their own foundation (Carroll, 1999; Petrovits, 2006). As part of businesses' CSR strategies, many form an alliance with a nonprofit by means of cause-related marketing. Cause-related marketing "is the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives" (Varadarajan & Menon, 1988). These business-nonprofit alliances have been shown to be mutually beneficial (Lafferty & Goldsmith, 2005) and have received much attention in the nonprofit marketing literature.

One topic that has received very little attention in the CSR or cause-related marketing literature is the contributions foundations make to society. Foundations contribute much to society in terms of monetary donations. Specifically, in the United States, there are 119,791 foundations (Candid, 2020) and of these, corporate owned foundations make up 2.4% of all foundations that gave approximately 8.5% of the $82 billion given by all types of foundations in 2019 (Candid, 2020). Despite the number of foundations that exist and the amount of money they donate, little is known about how consumers view their philanthropic efforts. Unlike the broad topic of CSR, corporate foundations research in the academic literature has been relatively scant (Rey-Garcia et al., 2018).

Businesses may choose to get involved in CSR through foundations by creating their own or forming an alliance with an existing one as a sponsor through cause related marketing. Both corporate owned foundations and alliances between corporations and nonprofits are helpful for businesses that want to improve their bottom lines and make a difference in society, but would it benefit the corporations more if they chose one option over the other? Would creating a foundation be more effective at fundraising for a cause than sponsoring an existing one? On one hand, sponsoring a foundation may receive a more favorable consumer response than owning a foundation. In the context of a foundation owned by a corporation, consumers may be concerned with the amount of proceeds going directly to the cause due to the for-profit structure of a company. When sponsoring, a company assumes the role of a supporter toward a cause and management of the foundation remains independent, suggesting for-profit interests of the company and nonprofit nature of the foundation remains separate.

On the other hand, it is plausible that consumers may favor a corporate owned foundation over a sponsored one because for-profit companies are perceived as competent (Aaker et al., 2010). This may lead to a consumer perception that company owned foundations are more likely to have a greater impact on the cause they support. However, nonprofits are perceived as being warm (Aaker et al., 2010) which may lead to a consumer perception that sponsored foundations are more trustworthy. Questions remain unanswered, including how different foundation types are viewed in the eyes of consumers. Our goal is to investigate the question of how foundations are perceived by consumers. Specifically, how foundation type (owned vs. sponsored) influences consumers' purchase intentions and donation likelihood.

The corporate owned vs. corporate sponsored question is of theoretical and practical importance. Theoretically, research examining how consumers view the difference between owned and sponsored foundations will not only expand our understanding of the CSR framework but also contribute to the conceptualization of corporate foundations. Corporate foundations have only recently begun to be conceptualized (Rey-Garcia et al., 2018) despite their role in company CSR efforts. Moreover, mechanisms to explain the relationship between foundation type and purchase and donation outcomes have also yet to be examined. Therefore, we seek to discover the route through which foundation type influences purchase and donation outcomes by investigating their effect on trust and impact.

Trust and impact are functions of warmth and competence respectively. Warmth and competence have been shown to play roles in consumers' perceptions of companies and to distinguish between for-profits and nonprofits (Aaker et al., 2010). As such, these traits and similar ones may play a critical role in understanding how consumers perceive the efforts of owned and sponsored foundations. CSR has been researched thoroughly in the for-profit domain, but it has not researched consumer perceptions when for-profits channel their contributions through foundations.

From a practical perspective, if a business wants to get involved in CSR through foundation creation or foundation sponsorship, it would be important to know how consumers perceive the differences of corporate involvement between owning or sponsoring a foundation. As mentioned above, corporate owned foundations only made up 2.4% of all foundations in 2019 but they gave more proportionally than sponsored foundations (Candid, 2020). Would overall charitable giving increase if there were more corporate owned foundations? Or, would corporations have more interest in creating their own foundations if they could see that consumers have positive judgments of such? We expect that our findings will have valuable practical implications for corporations considering foundations as part of their CSR strategy. We argue that it is particularly valuable to investigate how different foundations are perceived by consumers because applying the answer to this question can lead to increased purchase and donation outcomes.

This document is subsequently structured in the following way. First, the theoretical development is articulated using a literature review on corporation and nonprofit alliances, consumer donation behaviour, trust, and impact philanthropy. Next, the hypotheses are developed, the data collection process is articulated, and results from the experiment are given. Last, a discussion of the results from the experiment along with its theoretical and practical implications are provided as well as the limitations of this manuscript and suggestions for future research.

## Theoretical Development

### *Business-Nonprofit Alliances*

Business-nonprofit alliances through cause related marketing serves many purposes (Varadarajan & Menon, 1988). Strong relationships between for-profits and nonprofits built on trust, commitment, and communication can be beneficial to both parties; not only through resource sharing, but also through the sharing of knowledge and information (Sanzo et al., 2015). However, this means that there must be clear cooperation and communication from both sides in order for the alliance to have its intended outcomes (Morgan & Hunt, 1994; Shumate & O'Connor, 2010). For a business, purchase intention increases when there is a sponsor connection with a nonprofit (Cornwell & Coote, 2005; Park et al., 2004). Additionally, when the motive for the sponsorship is perceived as being more altruistic, consumers will be more likely to identify with the business (Rim et al., 2016). Although many potential benefits for businesses can be attained by cause related marketing, these alliances can be quite complex.

First and foremost, the fit between the two entities must be high or the level of perceived altruism will decrease (Kim et al., 2012; Simonin & Ruth, 1998). This is especially important if the business is sponsoring a lesser-known nonprofit, because in that case, the partnership will confuse consumers (Kim et al., 2012). Moreover, if a lesser-known company partners with a well-known nonprofit, it can have negative effects because consumers will be weary of the true intentions of the company, so a lesser-known company should partner with a lesser-known nonprofit (Kim et al., 2012). The reputation of the business also plays into effect because with lower reputations it will gain more from a sponsorship of a nonprofit; however, the nonprofit would gain more from a business with a better reputation (Irmak et al., 2015).

A benefit of a company having its own foundation is that it gives it the opportunity to control where the money is going and how it is being used (Petrovits, 2006). Moreover, extant research has shown that a corporate foundation can be more efficient than an independent foundation because foundations need a constant stream of revenue (Rey-Garcia et al., 2018). Corporate foundations also raise more money than independent foundations and can do so with lower overhead (Koushayar et al., 2015). Although, corporate foundations can be more efficient than an independent foundation, it is essential for corporations deciding whether or not to establish their own foundation or sponsor other foundations, to consider consumer perceptions and how it differs between owning and sponsoring foundations.

### *Consumer Purchase and Donation Behavior*

There are many internal and external factors that affect how and why consumers decide to make a purchase or donate to a specific company. Additionally, nonprofits are evaluated by a different set of standards than for-profits. For example, past research has shown that for-profits are seen as more competent, while nonprofits are seen as having more warmth (Aaker et al., 2010). Furthermore, consumers are more likely to purchase a product from a for-profit they perceive to be competent, however, if a nonprofit is perceived to be both competent and warm, the consumer will choose to purchase the product from the nonprofit over the for-profit (Aaker et al., 2010). Additionally, when any organization is seen as both competent and warm, it produces feelings of admiration towards the organization (Cuddy et al., 2008).

In general, consumers are willing to reward companies that are socially responsible

(Becker-Olsen et al., 2006) meaning companies that participate in CSR activities can increase purchase intentions and can even utilize those activities to assist in the formation of a brand extension (Koschate-Fischer et al., 2012). If a business is creating a new product or extending the brand, especially a distant extension, the response from consumers will be more favorable if the business participates in CSR (Johnson et al., 2019). Businesses have been relying on competence to make money; however, when there is a combination of competence and warmth, the businesses will be even more successful (Aaker et al., 2010). Hence, if for-profits are primarily evaluated by consumers based on competence, it might make sense for them to consider a foundation as a brand extension as they will more likely benefit from the congruency.

With the exception of Aaker et al. (2010), Bernritter et al. (2016), and Lee et al. (2018), research on warmth and competence has been limited in a nonprofit vs. for-profit context. Despite support showing that for-profits are perceived as more competent than nonprofits, it is unknown whether this phenomenon would exist as an extension of a for-profits' core business. Because for-profits are seen as more competent and incorporating CSR can increase purchase intentions, it would seem plausible that the perception of competence would extend to a for-profit's foundation.

***Trust***

Trust is "the reliance by one person, group or firm upon a voluntarily accepted duty on the part of another person, group or firm to recognize and protect the rights and interests of all others engaged in a joint endeavour or economic exchange" (Hosmer, 1995). Concerning trust and CSR, research shows that it is better to develop "a favorable social responsibility reputation rather than an ability reputation" (Johnson et al., 2019). Specifically, consumers will find businesses being socially responsible as more trustworthy (Fatma et al., 2015). This is essential as trust is a trait that has been shown to impact donation intentions

(Sargeant & Lee, 2004).

When it comes to communicating CSR information, the public prefers non-corporate sources of CSR communication to corporate sources (Kim & Ferguson, 2014). Additionally, due to third-party credibility, independent communication sources of CSR are considered more trustworthy than corporate sources (Morsing & Schulz, 2006; Pomering & Dolnicar, 2009; Schlegelmilch & Pollach, 2005). This stream of literature, suggesting that CSR information from for-profits are less trustworthy than CSR information produced by other sources, may lead one to feel that for-profits are perceived as being less trustworthy. However, trust is a trait that comes from both competence and warmth (Aaker et al., 2012), therefore, it is plausible that a for-profit could be more trusted than a nonprofit if it can express warmth and competence. In a context where consumers don't know the source of the CSR communication, as operationalized in the current work, we believe corporate foundations will be more trustworthy because corporations can have both competence and warmth, both of which are linked with trust (Aaker et al., 2010).

When a for-profit and nonprofit form an alliance, together they can have competence and warmth; however, the lack of warmth from the for-profit and the lack of competence from the nonprofit is noticeable (Aaker et al., 2010). Therefore, to compensate for the lack of warmth, a for-profit could engage in CSR by creating its own foundation. If consumers feel that a for-profit is both competent and warm or impactful and trustworthy, it may lead to an increase in purchase and donation outcomes. A for-profit is already seen as being more competent than a nonprofit and a for-profit is seen as being more trustworthy when participating in CSR than it would be without participating. As a result, a for-profit engaging in CSR through the creation of a foundation should increase consumer trust and purchase and donation outcomes. In accordance, we propose (see Figure 1):

*H1: Corporate foundations (vs. sponsored foundations) will lead to more perceived trust toward the foundation thus creating a positive effect on a) purchase intentions toward the corporation and b) on donation likelihood toward the foundation.*

*[Insert Figure 1 about here]*

***Impact Philanthropy***

A competence index (Aaker et al., 2010; Grandey et al., 2005; Judd et al., 2005) used to measure perceptions of competence included the traits of competent, effective, and efficient. Efficacy "refers to the perception of donors that their contribution makes a difference to the cause they are supporting" (Bekkers & Wiepking, 2011). Another related term, impact philanthropy, denotes an individual's desire to make a difference in the lives of others through charitable acts and to see the results of those acts (Duncan, 2004). Those considered "impact philanthropists" want to be sure that their donation will make a change (Duncan, 2004) and that the gift will have an increased perceived impact on the recipient (Sargeant & Woodliffe, 2007). Typically, impact philanthropists ask for the exact numbers that are being given to the cause and how much of their donation is allocated to overhead costs (Duncan, 2004). This is why many nonprofit organizations, like the Make-a-Wish Foundation, are reporting how much revenue goes to the services they provide (Vesterlund, 2006).

This phenomenon of impact philanthropy is changing how nonprofits are marketing to potential donors because they want to show the impact potential donors can have on a cause (Cryder et al., 2013). Highlighting the amount of money going directly to the cause, can create higher charitable giving (van der Linden, 2011). Indeed, providing this "tangible evidence" increases giving (Cryder et al., 2013). Additionally, having the opportunity to give to specific targets increases the perceived impact of a donation (Bekkers & Wiepking, 2007). Therefore, it is likely that individual donors would prefer to donate to a foundation that can show the perceived impact of a gift whether it is a corporate owned or corporate sponsored foundation.

For-profits are perceived as having more money than nonprofits (Aaker et al., 2010). Because a for-profit is perceived to have more money than a nonprofit, when donating to a sponsored foundation, consumers could perceive a greater portion of their donated money going to overhead expenses and not directly to the cause as it does not have the resources a for-profit would have. Additionally, past research on nonprofit donation behaviour shows a negative relationship between large allocations to overhead expenses and donations (Baron & Szymanska, 2011; Greenlee & Brown, 1999; Tinkelman & Mankaney, 2007). However, by informing individuals that overhead costs are covered and individual contributions will not be allocated to overhead expenses, the donation rate will increase (Gneezy et al., 2014).

With a corporate foundation, employees, facilities, and other overhead expenses can be paid by the corporation (Rey-Garcia et al., 2018). This could lead to consumers perceiving the owned foundation as having the ability to have a greater impact on the cause being helped and a greater amount of donations going directly to the cause than a sponsored foundation. If individuals believe that more money is going directly to the cause, this can motivate individuals to increase their purchase intentions and donation likelihood because they will feel like they are making a greater impact. Therefore, we hypothesize (see Figure 1):

*H2: Corporate foundations (vs. sponsored foundations) will lead to more perceived impact of the foundation thus creating a positive effect on a) purchase intentions toward the corporation and b) on donation likelihood toward the foundation.*

## Methodology

### *Participants, Design and Procedure*

Participants from Amazon's Mechanical Turk (MTurk; *N* = 143; 35% female; median age = 32, mean age = 34.54, age range = 18 – 69; 79.7% Caucasian) completed a single factor between-subjects experiment with two conditions (*founded by* vs. *sponsored by*). In both conditions, participants imagined coming across a flyer of the hypothetical Literacy for All Foundation (LFA) that asked participants to donate to the foundation (see Appendix A for the flyers). In the *founded by* condition, the caption above the flyer stated that the LFA Foundation was founded by the hypothetical company Books Co. and the flyer disclosed that the foundation was founded by Books Co. In the *sponsored by* condition, the caption above the flyer stated that the LFA Foundation was sponsored by the company Books Co. and the flyer disclosed that the foundation was sponsored by Books Co. The alliance between LFA and Books Co. was mentioned in two places to ensure an effective manipulation. All the other parts of the flyers were identical between the two conditions. Because CSR information that comes from different sources elicits different consumer responses (Kim & Ferguson, 2014), we did not disclose the source of the flyer to participants to control for any preconceived notions. Literacy was chosen as the cause because previous research shows that people generally support proceeds going to improving child health and we wanted this cause to appeal to different types of people (Park, 2018).

***Measures***

After reviewing the flyer, participants completed the measures of donation likelihood ("How likely would you be to donate to the Literacy for All Foundation?"; 1 = very unlikely, 7 = very likely), perceived impact of the foundation (three items; $\alpha = .95$; e.g., "By donating to Literacy for All I think one can make a big difference," 1 = strongly disagree, 7 = strongly agree; adapted from Erlandsson et al. 2018), perceived trustworthiness of the foundation ("I believe the Literacy for All Foundation is: 1 = untrustworthy, 7 = trustworthy), and purchase intentions ("Imagine you are in the market to buy a book. How likely would you be to purchase from Books Co.?" 1 = very unlikely, 7 = very likely; adapted from Zhang & Buda, 1999). In addition, as an attention check, participants indicated whether they knew Books Co.

was a company ("In the flyer you just reviewed, Books Co. is a: 1 = company, 2 = foundation, 3 = not sure what it is") (all measures are shown in Appendix B). Table 1 presents the descriptive statistics and correlation matrix. The study ended with demographic questions.

*[Insert Table 1 about here]*

**Results**

*Attention check.* Since company-foundation alliance is at the centre of the current work, it was important that participants were aware of Books Co. being a company. Out of 143 participants, 50 indicated that they thought Books Co. was a foundation. Thus, participants who reported Books Co. as a foundation were excluded from the analysis leaving a sample of 93, including participants who either knew Books Co. was a company (80) or were unsure about it (13).

*Primary analyses.* Using PROCESS Model 4 (Hayes, 2018), we tested the indirect effect of foundation-type (1 = founded by, 2 = sponsored by) on purchase intentions through perceived trustworthiness of LFA and perceived impact of LFA (in parallel). Results revealed a significant effect of foundation-type on trustworthiness ($b$ = -.51, $p$ < .05) and a significant effect of trustworthiness on purchase intentions ($b$ = .31, $p$ < .01). Results also showed a significant effect of foundation-type on impact ($b$ = -.56, $p$ < .05) and a significant effect of impact on purchase intentions ($b$ = .38, $p$ < .001). More importantly, supporting $H_{1a}$ and $H_{2a}$, the indirect effect of Foundation-type on purchase intentions was significant through both perceived trustworthiness and perceived impact as the confidence interval did not include zero (perceived trustworthiness: β = -.16, SE = .09, 95% CI: -.3583, -.0055; perceived impact: β = -.21, SE = .14, 95% CI: -.5404, -.0060), and the direct effect was no longer significant (β = -.16, $p$ = .51).

Next, we tested the indirect effect of Foundation-type (1 = founded by, 2 = sponsored by) on donation likelihood through perceived trustworthiness of LFA and perceived impact of LFA (in parallel).[1] Results revealed a significant effect of foundation-type on perceived trustworthiness ($b$ = -.51, $p < .05$) but the effect of perceived trustworthiness on donation likelihood was not significant ($b$ = .26, $p$ = .07). Results also showed a significant effect of foundation-type on perceived impact ($b$ = -.56, $p < .05$) and a significant effect of perceived impact on donation likelihood ($b$ = .79, $p < .001$). Moreover, the indirect effect of foundation-type on donation likelihood was not significant through perceived trustworthiness (β = -.13, SE = .11, 95% CI: -.3832, .0308), which does not lend support for $H_{1b}$. However, supporting $H_{2b}$, perceived impact was a significant mediator since the confidence interval did not include zero (β = -.44, SE = .25, 95% CI: -.9486, -.0052). The direct effect of foundation-type on donation likelihood was no longer significant (β = -.16, $p$ = .58).

**Discussion**

In two hypotheses, we proposed that trust and impact mediate the effect of foundation type on purchase intentions (H1) and donation likelihood (H2). In all analyses, trust and impact were in the model operating in parallel. The results partially supported the first hypothesis on trust. There was evidence for trust significantly increasing purchase intentions, but there was no significant evidence for trust mediating the effect of foundation type on donation likelihood. While different from our expectations, theoretically, it yields the interesting result that when compared against the mediating role of impact, trust is no longer critical. In other words, we find that impact plays a larger role in consumer contributions than trust. A theoretical explanation of our divergent findings may be found in the fact that we used two different foundations, so they were both perceived to be trusted. CSR has shown to

[1] We employed *donation amount* as another dependent variable but did not report it since the results were identical to *donation likelihood*.

induce consumer perceptions of trust (Gao & Mattila, 2014). However, out of the two foundations tested, one is owned by a corporation and the other is sponsored by a corporation so they are distinct in terms of corporate involvement. Since for-profits and nonprofits are linked with different consumer perceptions (Aaker et al., 2010), the owned foundation may have been judged more by its impact. Indeed, corporations are considered to be more impactful (Rey-Garcia et al., 2018). Both foundations could have been equally trusted and so the reaction focused more on impact.

Our second hypothesis proposed corporate owned foundations as having a greater impact to the cause being supported than corporate sponsored foundations thus increasing purchase and donation outcomes. This hypothesis was supported by the experiment. Our research looked at two similar options for businesses looking at participating in CSR, one option starting a corporate foundation and the other sponsoring an independent foundation. This research contributes to the literature on CSR practices in several ways. First, it supports that consumers can determine their own opinions of CSR activities (Mendini et al., 2018; Zasuwaya, 2017). Second, this research demonstrates that consumers can see differences in CSR practices when it comes to trust and impact, which then affects their purchase and donation decisions.

This research offers theoretical contributions. First, this research responds to a call for further research on the organizational alternatives to corporate philanthropy (Rey-Garcia et al., 2018) which fills a gap in the literature regarding consumer perceptions of corporations' relationships with foundations. Past research has explained how corporations should create their own foundations because of the efficiency with the resources and funds they have (Rey-Garcia et al., 2018). However, efficiency does not necessarily dictate effectiveness and corporations must consider more than just efficiency (Rey-Garcia et al., 2018).

Second, our work adds to the emerging literature on foundations by exploring the relationship between type of foundation and purchase and donation outcomes. Specifically, our work was designed to investigate the role of trust and impact in consumer perceptions of different foundation types. Our findings support that corporate foundations are perceived as being more trustworthy and having a greater impact on the cause they support over sponsored foundations. Therefore, results of this research also extend the literature on trust and impact as mechanisms in another domain of CSR.

This research also offers practical implications that corporate foundations should take into consideration when appealing to consumers for contributions. First, corporate foundations should work hard to build trust and competence with their consumers. Trust and competence both lead to greater donation likelihood. Interestingly, we find that trust does not explain additional variance beyond impact with donation likelihood. Therefore, consumer contributions may be more of a function of their perceived impact of the donation than their perceived trust toward the organization. Consequently, corporate foundations may want to emphasize their impact on a cause above and beyond trust.

The results of this research support corporate foundations being a viable option for businesses who wish to incorporate CSR as part of their marketing strategy. When compared to a corporation sponsoring a foundation, creating its own foundation was seen as more trustworthy and having a greater impact on the cause the foundation is supporting. Additionally, purchase intentions were greater when a corporation had created its own foundation. The results of the research can give businesses an initial look at how consumers perceive corporate foundations vs. sponsored foundations.

Results also showed that there was an increase in donations to the corporate foundation over the sponsored foundation. However, because it is the greater perceived impact that leads to greater donation likelihood, corporate foundations should consider focusing on trying to illustrate in detail the impact they are making on the causes they support. Past research shows the best way to illustrate the impact of contributions is to provide "tangible evidence" of the impact it has on the cause itself and by being transparent about how the money donated is being used (Cryder et al., 2013; Vesterlund, 2006).

**Limitations and Future Research**

Despite the interesting results of this research, it is not without a few limitations. In our manipulation of the foundation being owned or sponsored by a corporation, the level of clarity was not as strong as it could have been as evidenced by many participants failing the check. This was illustrated during the attention check when almost 35% of participants could not answer the question of what type of foundation they viewed correctly. Future research should find ways to make the different types of foundations more apparent to the participants.

This research used a company and foundation that are unfamiliar with consumers; future research could use a company and foundation that are known to consumers to see if there is a difference in trust and impact. On top of that, there can be a moderator with the level of fit between the company and the foundations, since there are popular foundations, such as the Susan G. Komen Foundation that many companies sponsor. There is little fit between Quilted Northern toilet paper and breast cancer (Twombly, 2004), however, it has sponsored the Susan G. Komen Foundation.

Additionally, donation likelihood through trust did not yield significant results. Trust is a component of both competence and warmth (Aaker et al., 2012), and future research could look more closely at how individuals perceive corporate owned vs. corporate sponsored foundations in terms of their warmth. Another moderator that may be of theoretical interest is company reputation. Our research did not point to any specifications for the reputation of the company of the foundation. Future research should explore reputations of the company as there is research about reputation of a corporation affecting the success of business-nonprofit alliances (Irmak et al., 2015).

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**Appendix A**

**Flyer Images used in the Experiment**

*Sponsored by:*


*Founded by:*

**Appendix B**

**Measures**

*Perceived trustworthiness*

I believe the Literacy for All Foundation is: 1 = untrustworthy, 7 = trustworthy

*Perceived impact* (adapted from Erlandsson, Nilsson, and Västfjäll 2018)

By donating to Literacy for All, I think one can make: (1 = strongly disagree, 7 = strongly agree; $\alpha = .95$)

a. A big difference

b. A big difference for people affected by illiteracy

c. A big difference for projects to help with illiteracy

*Purchase intentions* (adapted from Zhang & Buda, 1999)

Imagine you are in the market to buy a book. How likely would you be to purchase from Books Co.? (1 = very unlikely, 7 = very likely)

*Donation likelihood*

How likely would you be to donate to the Literacy for All Foundation? (1 = very unlikely, 7 = very likely)

*Donation amount*

Imagining you had $20 to donate, how much of it would you give to the Literacy for All Foundation? (slider scale: $0-$20)

*Attention check*

In the flyer you just reviewed, Books Co. is a: company, foundation, not sure what it is

**Table 1**

Descriptive Statistics and Correlation Matrix

| | | M | SD | 1 | 2 | 3 | 4 |
|---|---|---|---|---|---|---|---|
| 1 | Perceived Trustworthiness | 5.35 | 1.17 | - | | | |
| 2 | Perceived Impact | 4.43 | 1.36 | .48 | - | | |
| 3 | Purchase Intentions | 4.74 | 1.33 | .46 | .53 | - | |
| 4 | Donation Likelihood | 3.71 | 1.83 | .44 | .66 | .70 | - |

*Note.* $N = 93$. All correlations are significant at $p < .01$ (two-tailed).

**Figure 1**

Research Model