

# Too many Facebook friends bad news for charities: study

August 6 2012

---

New research suggests the more friends we have on Facebook, the less likely we are to share information about charitable causes.

Economist Professor Kimberley Scharf, from the Centre for Competitive Advantage in the [Global Economy](#) (CAGE) at the University of Warwick, claims when we have larger online social networks, we rely on other people to pass on information about opportunities to give. This phenomenon is called 'free riding'.

Professor Scharf also suggests we may even rely on others to donate. She will present her [research paper](#) 'Private Provision of Public Goods and Information Diffusion in [Social Groups](#)' in Dresden at the 2012 International Institute of Public Finance Congress on 16-19th August.

In the paper, she develops an [economic model](#) of giving where people share overlapping social neighbours.

Professor Scharf said: "For example, with [Facebook](#) I have friends and my friends have friends. I wanted to see if the number of [social connections](#) individuals have affects the way that information about quality of charity provision is diffused, and if it does, what the implications are for total giving.

"[Information transmission](#) about giving opportunities is undermined by 'free riding' incentives – I count on other neighbours to convey information and so save on the effort of doing it myself. If there is less

information flowing about who are the more effective charities, then not all donations will be going to the best performing charity and there will be a reduction in the charitable good or service. As well as relying on others to pass on information, it may also be true that people are even relying on others to donate."

Professor Scharf said her study showed there is more giving in smaller, closer-knit groups of individuals who share common interests.

She said: "This is what matters, the closeness of social interactions: large loosely connected groups share information less effectively than smaller, better integrated groups.

"Economists have traditionally viewed giving as an individual choice. It is time for a rethink – we are long overdue in asking questions about how social connections shape giving. The answers are important, they will help us understand how better to target private and public resources aimed at promoting giving."

Professor Scharf added social interactions are not always good for giving. People may share information about worthy causes or good providers, but if there are too many people sharing information, the messages could get lost in the noise of the crowd.

**More information:** The paper 'Private provision of public goods and information diffusion in social groups' by Kimberley Scharf is published as a CAGE working paper ([www2.warwick.ac.uk/fac/soc/eco ... im\\_working\\_paper.pdf](http://www2.warwick.ac.uk/fac/soc/eco...im_working_paper.pdf)) and as a CEPR Discussion Paper 8607 ([www.cepr.org/pubs/new-dps/dplist.asp?dpno=8607.asp](http://www.cepr.org/pubs/new-dps/dplist.asp?dpno=8607.asp)).

Provided by University of Warwick

Citation: Too many Facebook friends bad news for charities: study (2012, August 6) retrieved 5 May 2024 from <https://phys.org/news/2012-08-facebook-friends-bad-news-charities.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.