

# Study finds Facebook popularity hampers fundraising efforts

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People with fewer friends on Facebook raise more money for charity than those with lots of connections, research by an economist at the University of Warwick has found.

Professor Kimberley Scharf analysed data from JustGiving.com and found a negative correlation between the size of a group and the amount of money given by each donor – with the average contribution by each person dropping by two pence for every extra connection someone had on Facebook.

This research builds on and supports earlier analytical findings, published in the November issue of the International Economic Review by Professor Scharf, a Research Director at the University's Centre for Competitive Advantage in the Global Economy (CAGE), that finds large social groups are less likely to share information about charitable causes when compared to those who are part of smaller circles – and that this results in less fundraising success.

In that paper, the phenomenon of 'free-riding' on information sharing is the main driver behind the findings - when people are part of a larger [social group](#), they feel less of a need to share information about well performing charities because they're expecting other [friends](#) to share the information; but this concept of free-riding also extends to giving in social groups - friends expect other friends to stump up most of the cash and so they don't bother themselves.

"The problem is that everyone thinks the same thing and therefore the actual amount of money that's donated is less than it would have been had fewer friends been asked in the first place," she said.

But Prof Scharf also discovered that the amount a person can raise doesn't only depend on the number of friends they have online – those who complete tougher fundraising activities generate more cash.

"Whilst running is by far the most popular event on JustGiving, it is in fact individuals who complete triathlons that typically attract the largest number of donations and raise the most money in total," she added. "So doing something physically demanding and asking a small group of friends for their support is much more effective than relying on donations from lots of people for what would be perceived as a relatively less exerting activity."

Although there could be many reasons for these outcomes, the research supports the idea that motives for giving in online platforms, such as JustGiving.com, could be driven by "relational warm-glow," that is, People are motivated by the idea of helping their friends achieve their fundraising goals – it makes the fundraiser feel good and this in turn impacts on the people who've made the donations.

And it is possible that donors have a more intense warm glow experience when the fundraiser exerts more effort, such as could happen when s/he fundraises by taking part in a triathlon instead of by taking a leisurely stroll, and this could then transpire into larger donations. Exploring further the underlying mechanisms behind this behaviour is part of Professor Scharf's other on-going research into charitable giving in social groups.

"Giving behaviour is largely affected by existing personal relationships, whether its friends, family or work colleagues – these factors are

extremely important according to the responses we had from donors."

**More information:** "Private Provision of Public Goods and Information Diffusion in Social Groups" *International Economic Review* 55(4), November 2014: 1019-1042.

"Relational Warm Glow and Giving in Social Groups" (with Sarah Smith), CAGE Working Paper Number 193/2014.

"Online Fundraising – the Perfect Ask?" (with Abigail Payne and Sarah Smith), CAGE Working Paper Number 194/2014.

Provided by University of Warwick

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