

# **CASE STUDIES ON THE UNINTENDED CONSEQUENCES OF VIRAL FUNDRAISING**

Pandey S, Amland B, Badshah A



**START  
CENTER**

STRATEGIC ANALYSIS,  
RESEARCH & TRAINING CENTER

Department of Global Health | University of Washington

# AGENDA

01

Introduction

02

Project Background and Objectives

03

Methods

04

Case Studies

05

Key Insights

06

Learning and Opportunities



# INTRODUCTION



START  
CENTER

STRATEGIC ANALYSIS,  
RESEARCH & TRAINING CENTER

Department of Global Health | University of Washington

# UNINTENDED CONSEQUENCES OF VIRAL FUNDRAISING PROJECT TEAM



**Samikshya Pandey, MPA**

Project Manager



**Brendan Amland, MBA**

Project Teammate



**Akhtar Badshah, PHD**

Faculty Lead

# **START CENTER OVERVIEW**



Leverages leading content expertise from across the University of Washington



Provides high quality research and analytic support to the Bill & Melinda Gates Foundation and global and public health decision-makers



Provides structured mentorship and training to University of Washington graduate research assistants

# PROJECT BACKGROUND & OBJECTIVES

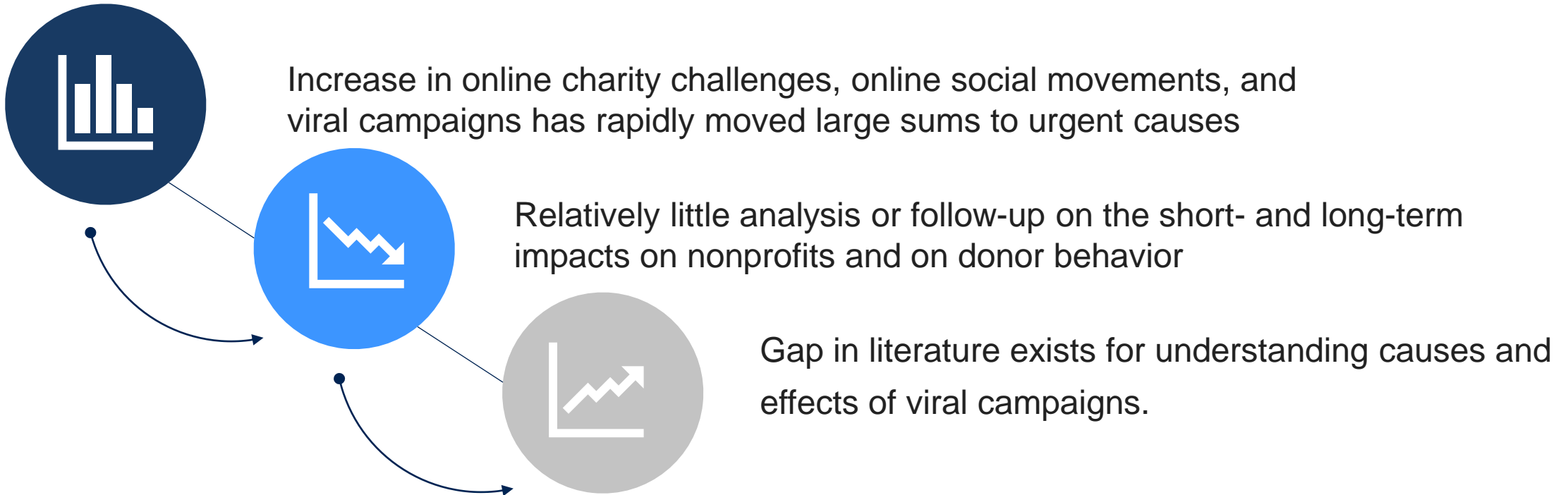


START  
CENTER

STRATEGIC ANALYSIS,  
RESEARCH & TRAINING CENTER

Department of Global Health | University of Washington

# PROJECT OVERVIEW



# **OBJECTIVE & APPROACH**

## OBJECTIVE

- To gain a deeper understanding of some of the main instances of viral fundraising campaigns
- To better understand the impact these campaigns have had on nonprofits and donor behavior

## APPROACH

- A deep dive into 5 case studies presented by the BMGF team including:
  - Case Overview
  - Impacts on donors
  - Non-Profit Response
- Key Insights and Learnings
- Impacts of these fundraising campaigns on donor relationship, non-profits and platforms.





# **METHODS**

- **Desk research:** Literature review, grey literature, news articles, recorded communication between non-profits.
- **Fundraising pages:** social media platform (Facebook campaign pages)
- **Interviews:** with leading experts on this sector:  
Mari Kuraishi, Jessie Ball DuPont Fund  
Beth Kanter, Nonprofit & digital communications expert  
Donna Callejon, Global Giving  
Kevin Conroy, Global Giving  
Oktay Dogramaci, PayPal

# **BACKGROUND**

## VIRAL FUNDRAISING

### CAUSES

01

Understanding some instances of viral fundraising.

02

What leads to the success of some fundraising campaigns

### IMPACTS

01

Donor behavior: erosions of trust in non-profit, peer to peer giving

02

Changes in non-profit fundraising practices

# **CASE STUDY**

## **FOCUS: 5 CASE STUDIES**

ALS Ice Bucket Challenge

RAICES Facebook Fundraiser

Australian Wildfires

Minnesota Freedom Fund

BLM Global Network

## **KEY QUESTIONS**

### **Organization**

- How movement started & timeline of notable events?
- How did the non-profit respond to sudden influx?

### **Donor/Non-Profit Impacts**

- Donor behavior and perception before, during, & after viral campaign

### **Unintended Consequences:**

- Donor engagement, non-profit engagement, & platform utilizations

# CASE STUDIES



START  
CENTER

STRATEGIC ANALYSIS,  
RESEARCH & TRAINING CENTER

Department of Global Health | University of Washington

# CASE I: ALS ICE BUCKET CHALLENGE

## OVERVIEW

### KEY STATS

|                    |                                |
|--------------------|--------------------------------|
| Money Raised       | 220M, a 658% increase          |
| # of Donors        | ~3M                            |
| Average Donation   | \$72                           |
| Average Donor Age  | Dropped to 35                  |
| New Donors         | 2M                             |
| Social Media       | 17M FB videos viewed 10B times |
| Length of Campaign | 6 weeks                        |

### KEY FACTS

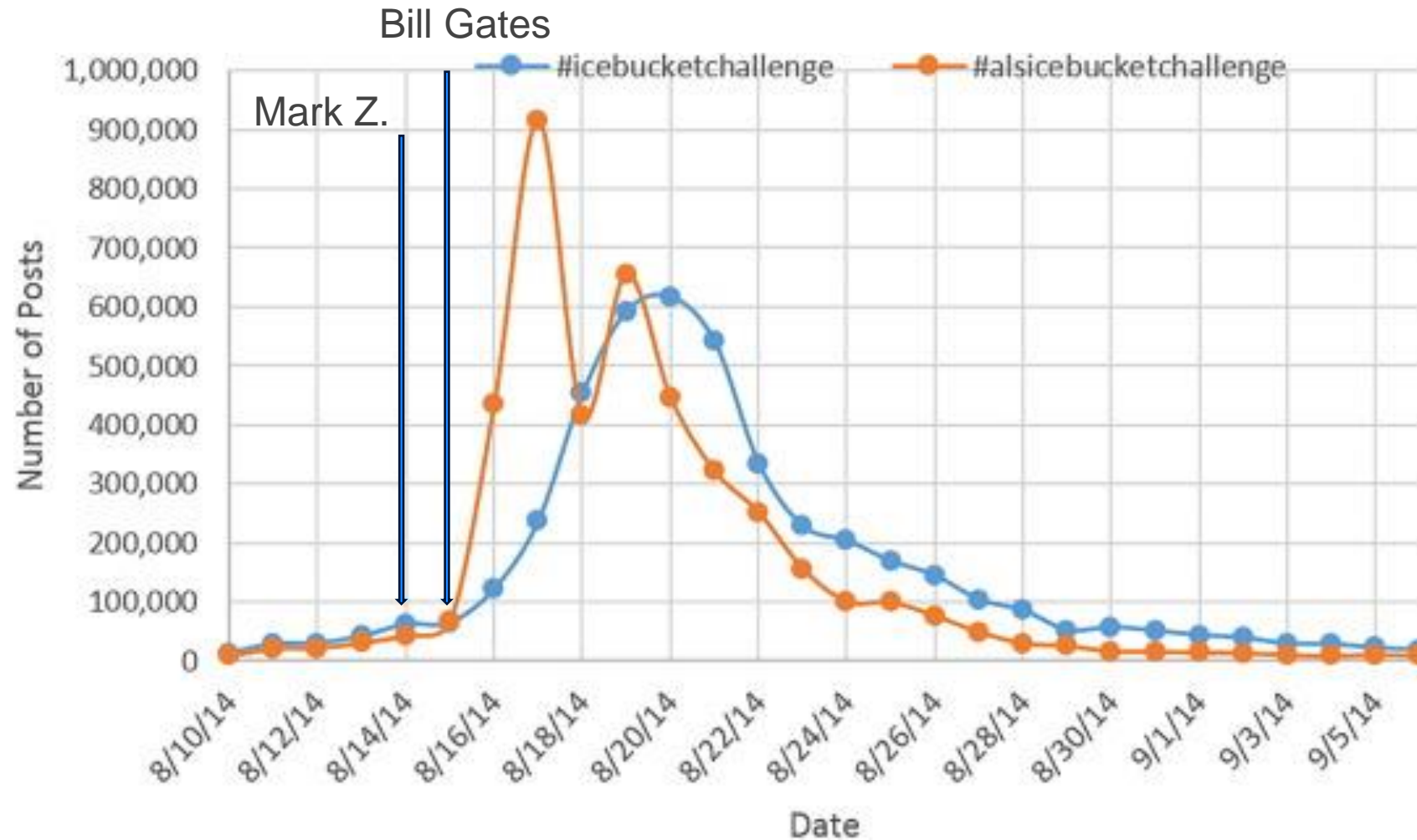
- No **'external' event** spurred donations
- Strong built-in mechanism to **spread from peer to peer**
- Ability to **participate without donating**
- Challenge had been circulating among pro athletes for months before going viral
- **Most donations went through ALS website**, others through 3<sup>rd</sup> party company

Geography of Facebook Reach



# CASE I: ALS ICE BUCKET CHALLENGE

## Twitter Posts & Celebrity Activity





# CASE I: ALS ICE BUCKET CHALLENGE

## INTERMEDIA INTERACTIONS - NEWS MEDIA INVOLVEMENT



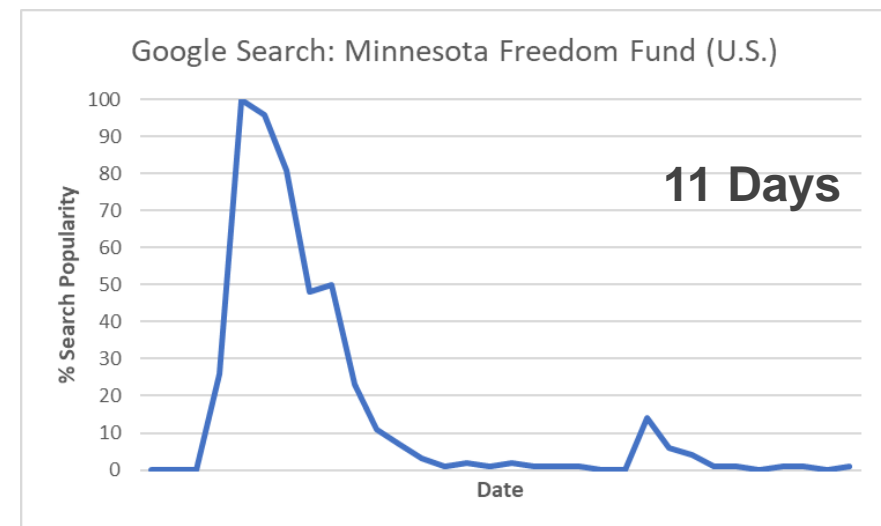
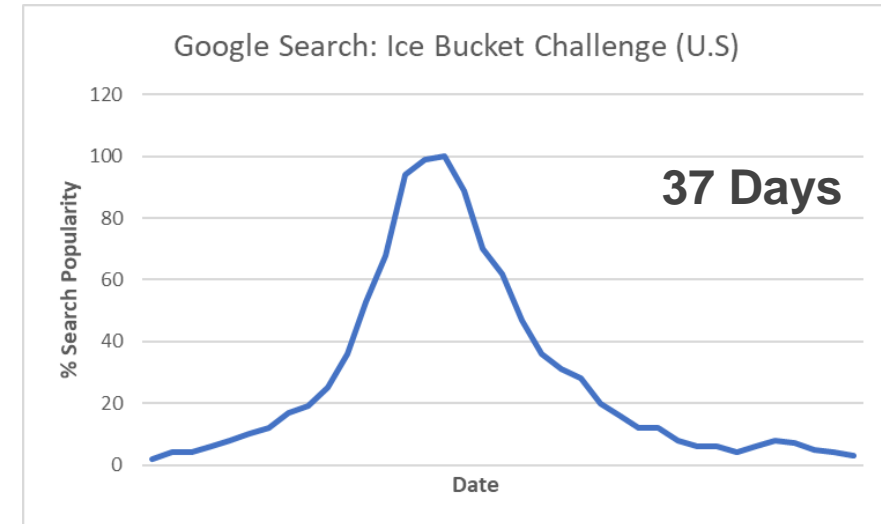
### News Media Coverage

- News media 'contributes to **extend the level and duration** of attention'<sup>1</sup>
- When popularity of user-generated content decreases, **news media** picks up on issues to **exert top-down influence**<sup>1</sup>



### News Media Attention

- Study analyzing journalistic coverage of IBC found **prominence (celebrities)** **appeared most often**, 38.4% of articles<sup>2</sup>



# CASE I: ALS ICE BUCKET CHALLENGE

## SIGNIFICANT LEVERS FOR DONATIONS



### SOCIAL PRESSURE

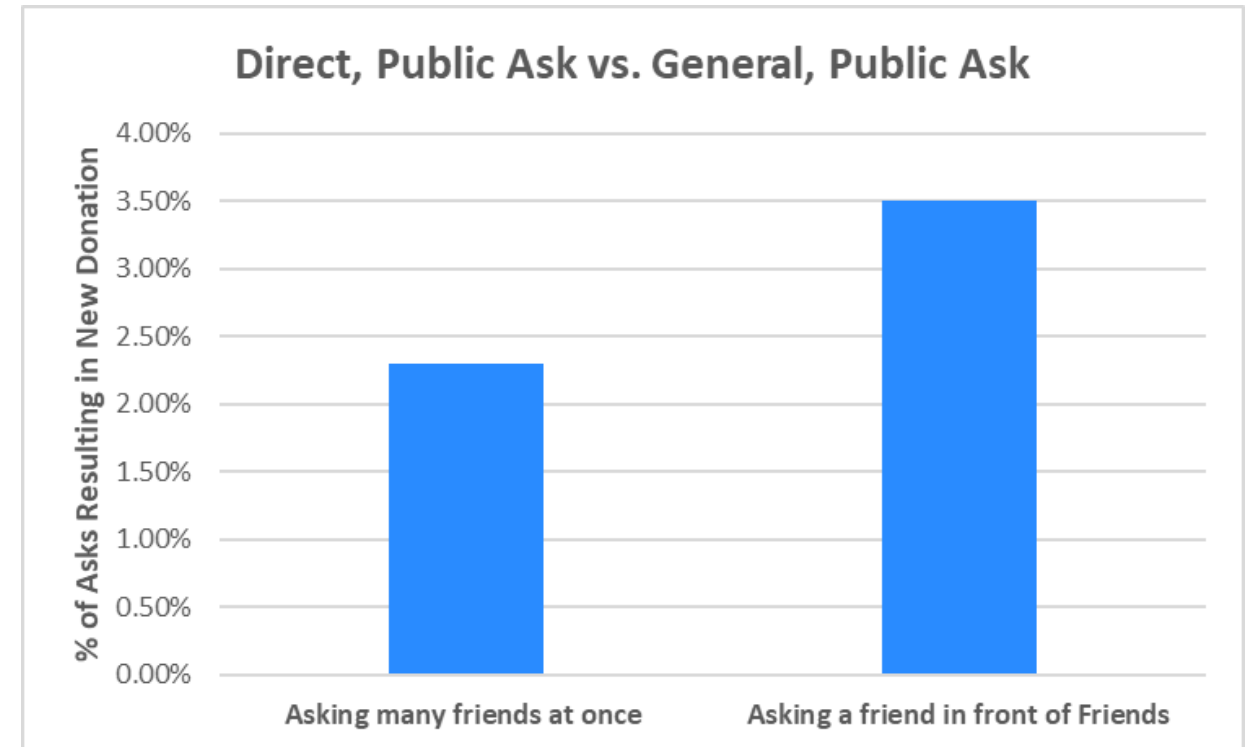
- When **strong ties** make a request, **social pressure can be high**<sup>1</sup>
- Most robust predictor of giving is **being asked to give**<sup>2</sup>
- “practices more likely **to be adopted** when they are performed by those **close to us, emotionally, physically, or situationally**<sup>3</sup>



### LESS ANONYMITY

- Study found **private Facebook messages had no effect** on donations, but **public ones had significant effect**<sup>4</sup>

Castillo, M et al. *Friends Asking Friends for Charity: The Importance of Gifts and Audience* (2016)



1. Castillo, M., et al. *Journal of Public Economics* 114, 29–35 (2014).

2. <https://www.givingtuesday.org/lab/2018/12/issues-innovations-charitable-giving-behavior>.

3. Burgess, A et al. *Sociology* 52, 1035–1051 (2018)

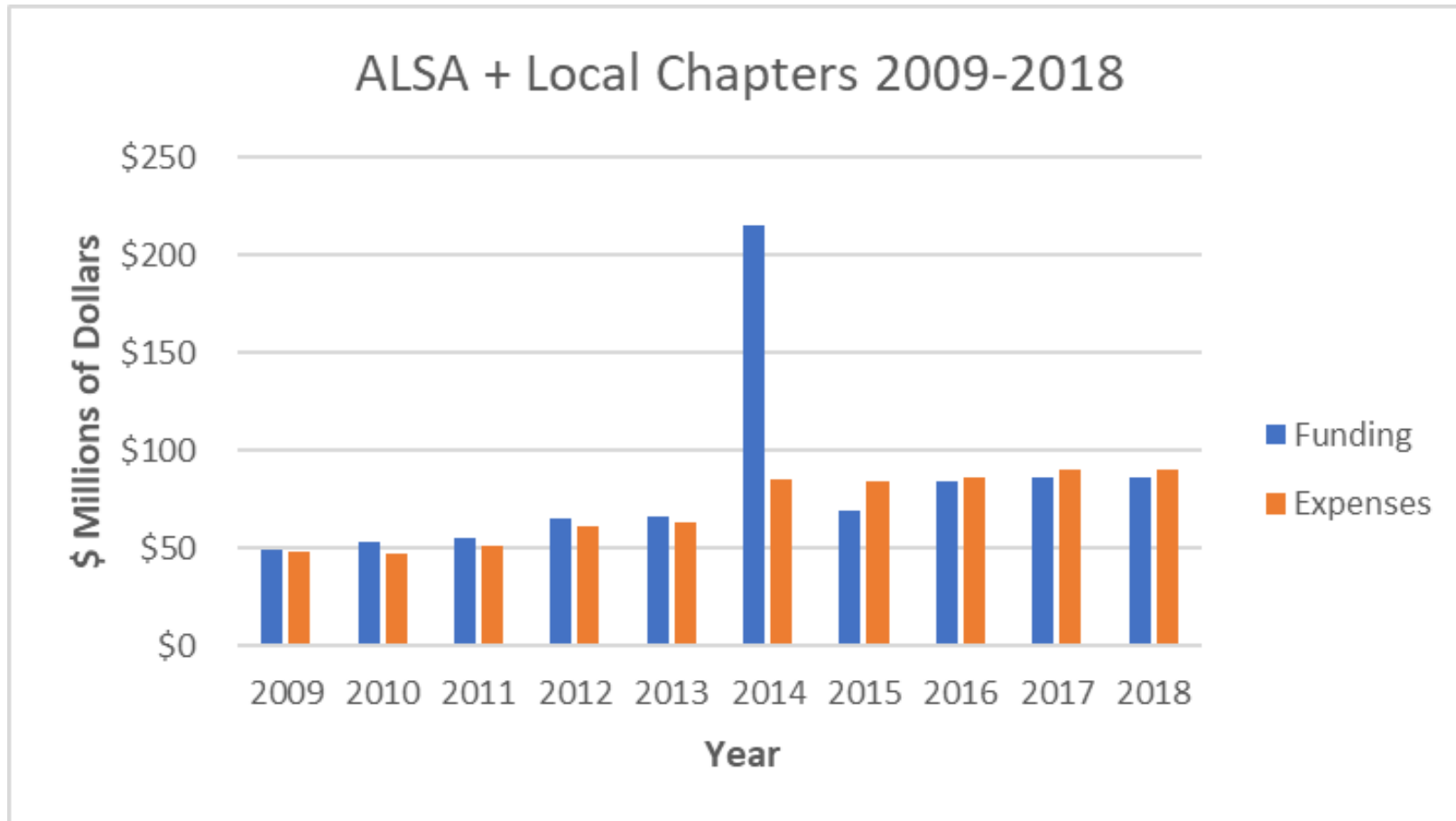
4. Castillo, M et al. *Friends Asking Friends for Charity: The Importance of Gifts and Audience* (2016)



# **CASE I: ALS ICE BUCKET CHALLENGE**

## **DONORS AND DONOR REACTION**

Sustained increased level of funding after the challenge



"I'm getting emails, everything from, 'Spend the money this way' to emails that say, 'Take your time, do it right' to people who say, 'I've got the cure for ALS, so just pay me, and I'll give you the cure.' I'm getting it all," [CEO] Newhouse says



# CASE II: MINNESOTA FREEDOM FUND

## OVERVIEW

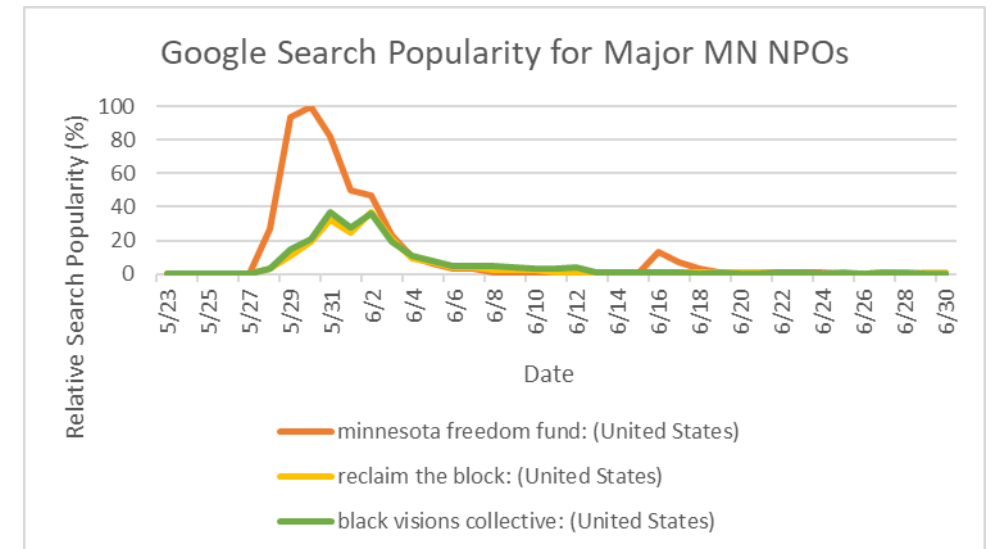
### KEY STATS

|                    |   |
|--------------------|---|
| Money Raised       | 35M, 9,900% increase                        |
| # of Donors        | 900K  |
| Average Donation   | \$39  |
| Location of Donors | 85% outside MN across all GiveMN nonprofits |
| Social Media       | 27K tweets within 3 day                     |
| Length of Campaign | 20M within 4 days                           |

### KEY FACTS

- **‘External’ event** spurred donations
- **Matching nature** of the campaign
- **Little traditional news** media attention
- Most donations went through MFF website, 160K through GiveMN platform

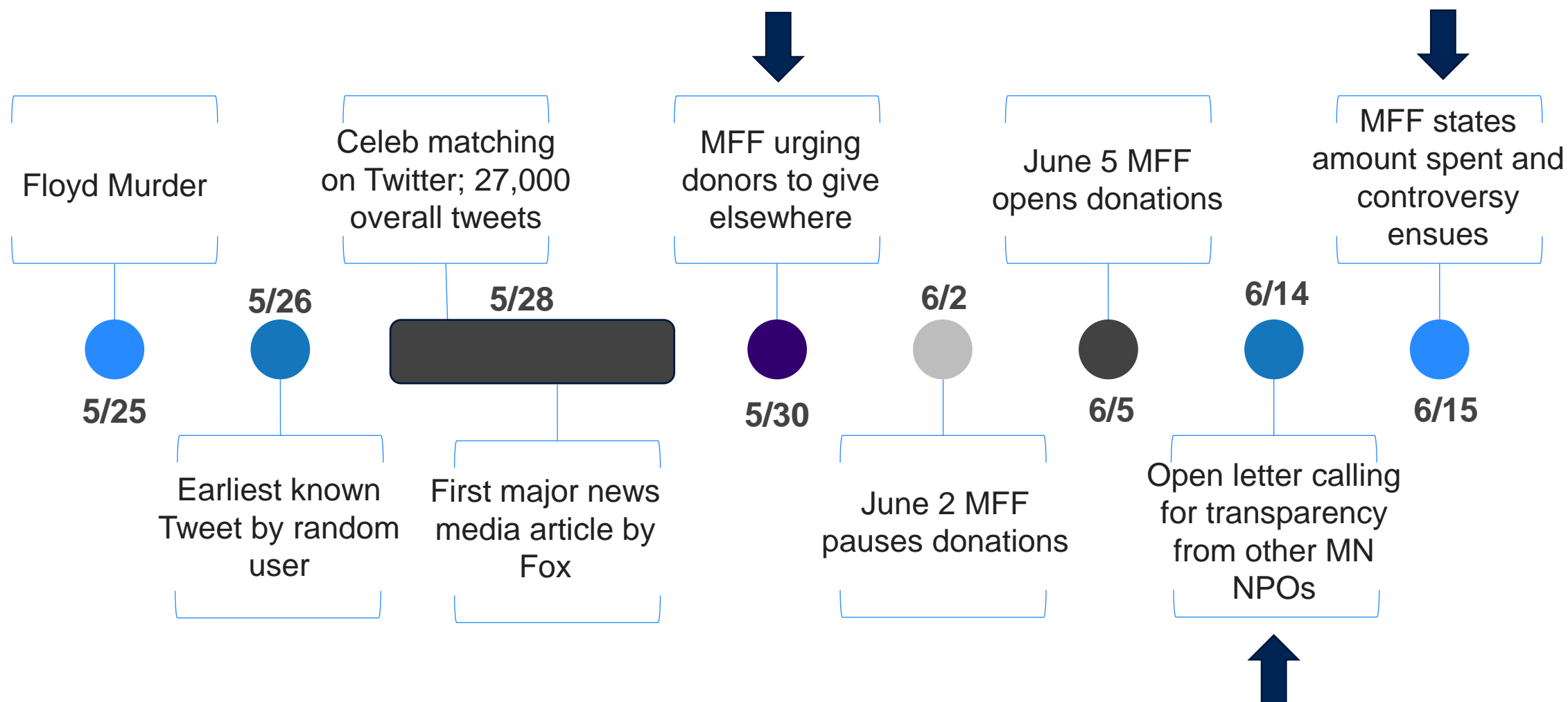
### First outlet for rage giving in MN



Source: Google Trends

# CASE II: MINNESOTA FREEDOM FUND

## TIMELINE



# **CASE II: MINNESOTA FREEDOM FUND**

## SIGNIFICANT LEVERS FOR DONATIONS



### **VIRAL ELEMENTS IN CAMPAIGN**

Matching chain on social media is another method of building elements of virality into a campaign



### **INCREASED VISIBILITY**

Publicly observable behavior is a trigger for virality and donations.

Even private FB messages from friends soliciting donations are not effective



### **SOCIAL CURRENCY**

From STEPPS framework for virality, social currency, or the 'desire to appear good', is critical

# CASE III: BLM GLOBAL NETWORK

## OVERVIEW

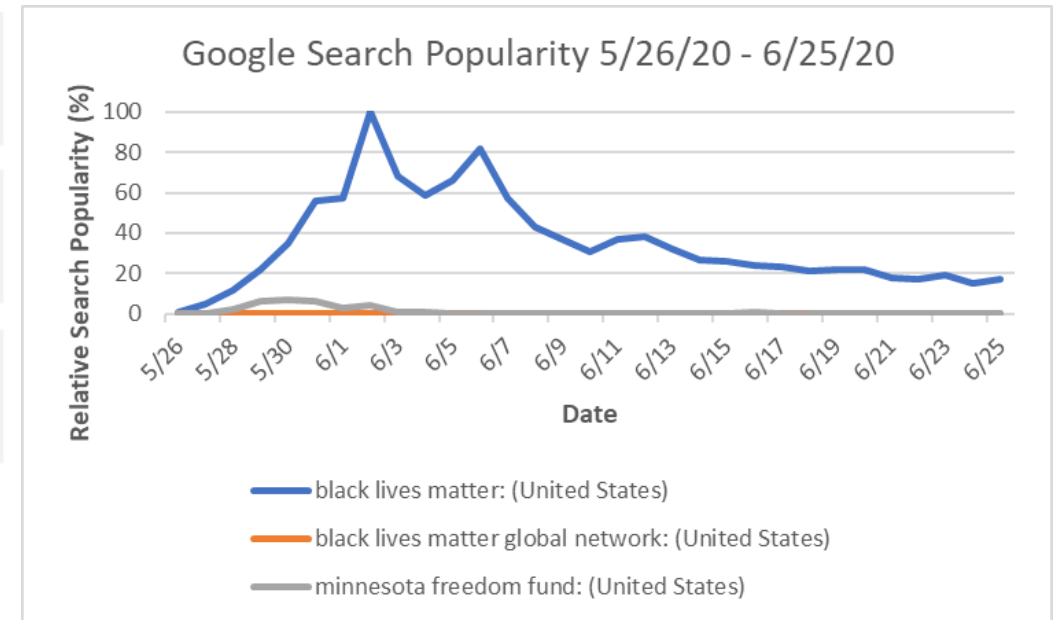
### KEY STATS

|                         |   |
|-------------------------|---|
| Money Raised            | 36.3M, 1900% increase                                     |
| # of Donors             | 1.1M  |
| Average Donation        | \$33  |
| Platforms for Donations | BLM website; GoFundMe received ~10% of donations          |
| Social Media            | 1.4B views of race and BLM-related videos from 5/25 – 6/5 |
| #BlackLivesMatter       | Tweeted average of 3.7M times per day in May and June     |

### KEY FACTS

- 'External' event spurred donations
- Significant news media attention
- Most donations went through BLM Global Network website

### Sustained level of attention on BLM



Source: Google Trends

# CASE III: BLM GLOBAL NETWORK

## SOCIAL MEDIA & NEWS MEDIA

News articles reach peak of 45K in a single day

Views of news articles reaches 311M through 6/15

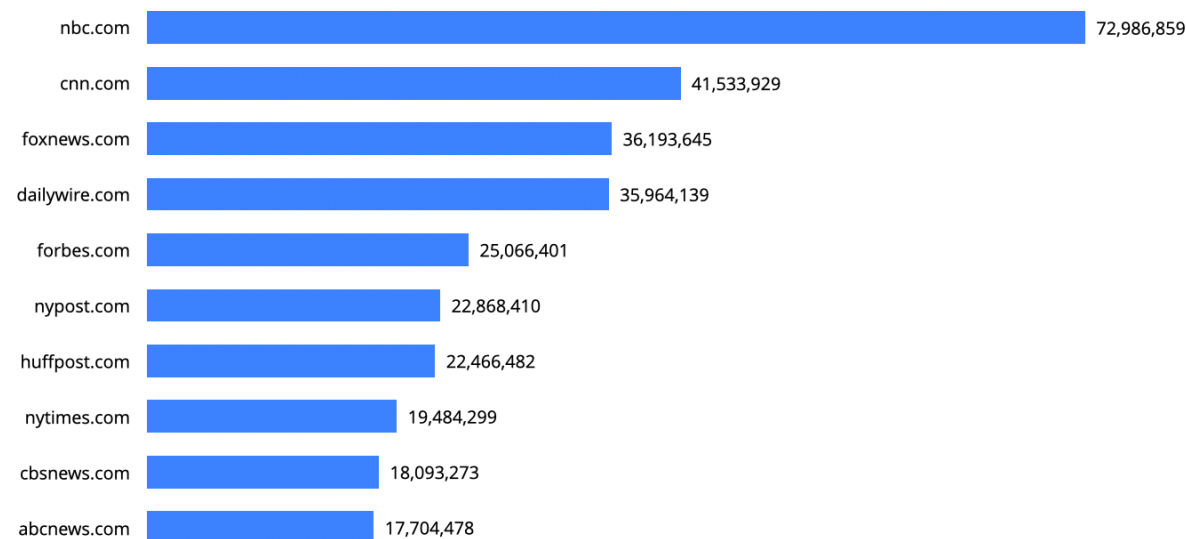
BLM articles over time



\*Source: NewsWhip Analytics from May 17, 2020 - June 15, 2020 only.



Most engaged publishers writing about BLM



\*Source: NewsWhip Analytics from May 17, 2020 - June 15, 2020 only.



**Social Media:** 8.8M tweets on May 28<sup>th</sup>, over 80M in June, 1.4B video views from 5/25 – 6/15

# **CASE III: BLM GLOBAL NETWORK**

## **CONTROVERSY AND ISSUES**

### **MISTAKEN DONATIONS**

**\$4.35M**

Attempted donations through Benevity to the wrong charity, BLM Foundation

**200**

Companies whose employees tried to donate to wrong charity

**180**

Individual campaigns on GoFundMe raising \$350K for the wrong charity

### **RELATIVELY LITTLE SOCIAL MEDIA BACKLASH**

- Backlash came from conservative media and right-wing online message boards
- Did not experience nearly as much negative attention from donors as Minnesota Freedom Fund (MFF)

### **DESPITE**

- BLM Global Network is not a 501(c)(3), but is fiscally sponsored
- Less financial transparency than organizations such as MFF.
  - Fiscal sponsor reporting little detailed information on 2019 expenses: 25% salary-related, 46% “consultant fees”.



# RAICES

THE REFUGEE AND IMMIGRANT CENTER  
FOR EDUCATION AND LEGAL SERVICES

## CASE IV: RAICES

### OVERVIEW

#### KEY STATS

|                       |  |
|-----------------------|--|
| Money Raised          | 20.7M,   |
| # of Donors           | 534.5K   |
| Average Donation      | \$39   |
| Social Media          | 1.6m invited, 473.7k shared                          |
| Platform for Donation | 20m on Facebook, 5 million directly to their website |
| Length of Campaign    | 20M within a week                                    |

#### KEY FACTS

- External event spurred donations
- 1.6M people were invited to donate
- Largest fundraising campaign in Facebook
- Campaign started by couple: Charlotte Willner and Dave Willner in California
- Website crashed and had to upgrade server to handle the volume



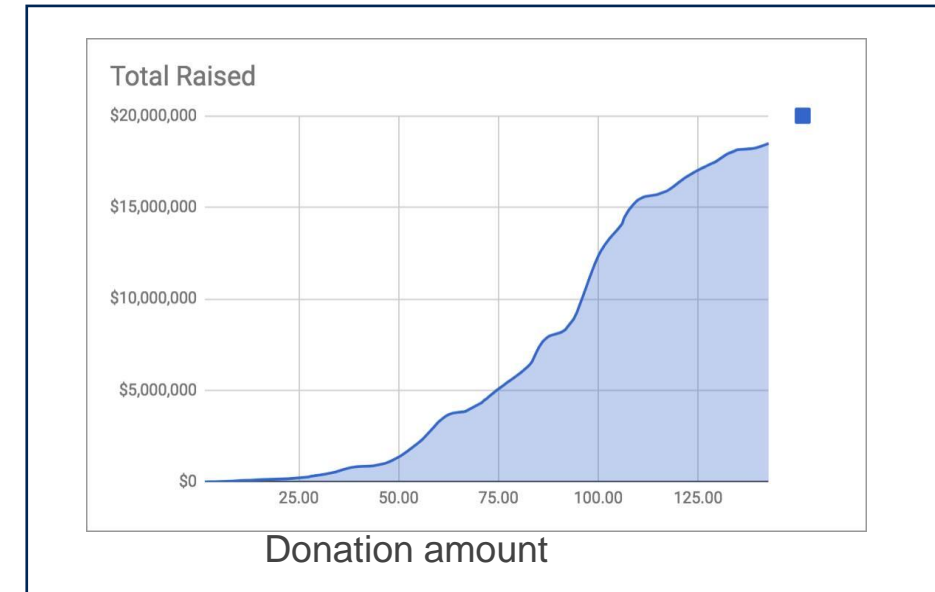
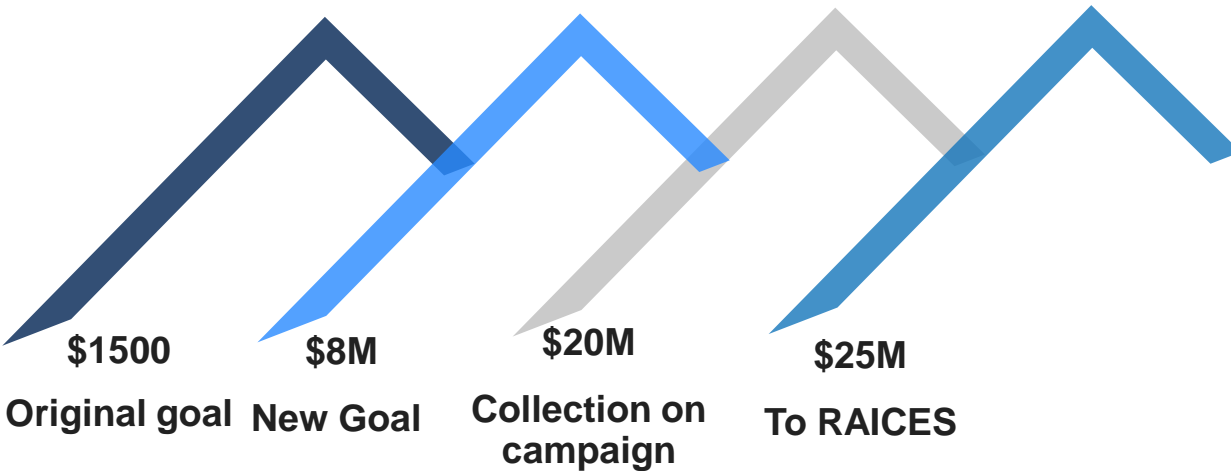
Facebook fundraiser page

Source: Facebook



# CASE IV: RAICES

## FUNDRAISING TIMELINE



| Years               | 2017      | 2018       | 2019       |
|---------------------|-----------|------------|------------|
| Contribution Income | 6,944,849 | 44,279,809 | 31,548,007 |
| Expenses            | 6,769,316 | 14,313,360 | 32,683,529 |

Annual Financial Documents

| Years | Facebook followers |
|-------|--------------------|
| 2017  | 12,000             |
| 2018  | 80,000             |
| 2019  | 110,000            |

Source: Candid

# **CASE IV: RAICES**

## SIGNIFICANT LEVERS FOR DONATIONS



### **VIRAL ELEMENT IN CAMPAIGN**

- Rage Fundraising
- Picture of a “blameless victim”



### **INCREASED VISIBILITY**

- Active Media attention
- Organizers were very active in the fundraising page: constant update
- Non-profit were active: Facebook Live
- Celebrity engagement: Mark Zuckerberg, Jimmy Fallon

# CASE V: AUSTRALIAN WILDFIRES (RFS)

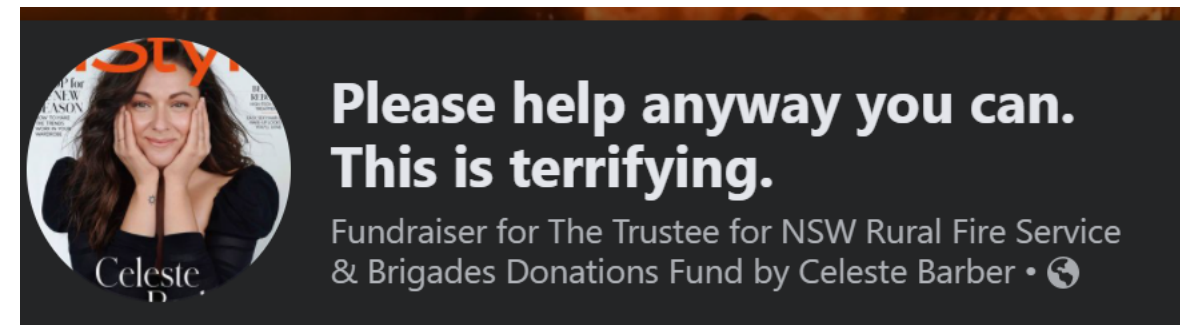
## OVERVIEW

### KEY STATS

|                       |                               |
|-----------------------|-------------------------------|
| Money Raised          | 37M                           |
| # of Donors           | 1.2M                          |
| Shares/Invitation     | 4.4m                          |
| Platform for Donation | Facebook > PayPal Giving Fund |

### KEY FACTS

- External' event spurred donations: Disaster
- Campaign was started by a comedian Celeste Barber
- Immediate processing of funds
- Had traditional news media attention
- Largest fundraising campaign in Facebook till now



# CASE V: AUSTRALIAN WILDFIRES (RFS)

## SIGNIFICANT LEVERS FOR DONATIONS



### News media attention

- Became an international headline, general audience. Multiple fundraising endeavors



### Increased Visibility

### Celebrity attention

- International donors: active engagement in the Facebook donation page
- Communication of the Instagram story



### Confusion

- Started as a goal of \$30,000.
- How the money was going to be spent?
- Miscommunication about how money could be spent
- Case went to Supreme Court: ruling money could only be spent in NSW RFS

# KEY FINDINGS & INSIGHTS

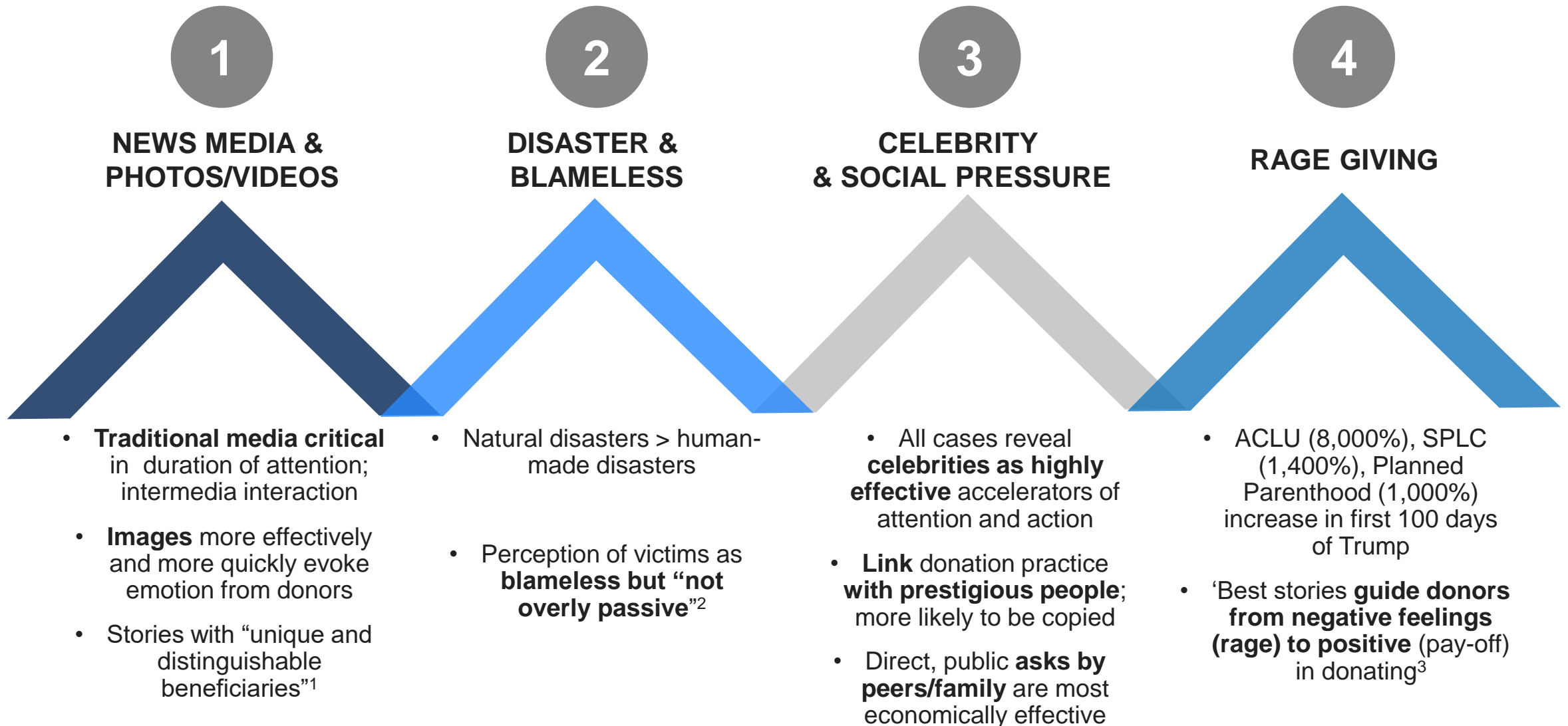


START  
CENTER

STRATEGIC ANALYSIS,  
RESEARCH & TRAINING CENTER

Department of Global Health | University of Washington

# KEY INSIGHTS ON VIRALITY



1. Smith, R. et al. *Journal of Consumer Research* 39, 961–976 (2013).

2. Marco H. et al. *Nonprofit and Voluntary Sector Quarterly* (2013).

3. Merchant, A. et al. *Journal of Business Research* (2010).

# KEY INSIGHTS ON VIRALITY

| Campaign<br>Factor | ALS | MFF  | Aus. Fires | RAICES | BLM  |
|--------------------|-----|------|------------|--------|------|
| Celebrity          | ✓   | ✓    | ✓          | ✓      | ✓    |
| Disaster/Rage      | --- | Rage | Disaster   | Rage   | Rage |
| News Media         | ✓   | ---  | ---        | ---    | ---  |
| Social<br>Pressure | ✓   | ✓    | ✓          | ✓      | ---  |

# **KEY INSIGHTS ON NONPROFITS**

## STRATEGIES USED TO SPEND THE MONEY



### HIRE MORE STAFF AFTER

- ALS has more than double pre-challenge staff
- MFF attempting to increase staff from 1.5 to 6.5
- RAICES – new hires, especially on advocacy



### EXPAND THE MISSION OR SCOPE

- RAICES – created advocacy fund and created national support for migrants (national hotlines)
- MFF – Increased cap on bail from 1K to 20K, then increased it again to as high as 350K
- BLM – Get out the vote, \$6M grants for non-BLM chapters



# KEY INSIGHTS ON NONPROFITS

## OTHER OBSERVED EFFECTS



### INCREASED FOCUS ON DIGITAL STRATEGY

- ALS - **redesigned website** and other communication tools post-challenge
  - 'Pre-challenge, **social media** was viewed as a necessary evil but now it **is much more central** – former CEO
- RAICES – reframe website, more information, news/articles section, Instagram and Facebook regular update



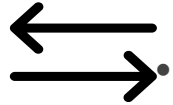
### INCREASE IN FUNDRAISING

- ALS increased funding by average of 49.9% 2015-2018
- RAICES – in 2019, 31m contribution

### Regranting Money as a Strategy

MFF – 4.5M  
RAICES - none  
Aus – none  
ALS – none  
BLM - none

# INSIGHTS PLATFORMS



- Played a major role in creation of fundraising platform for Facebook
- Until 2015 donate pop-up redirected the page to the Website
- Currently direct donate button



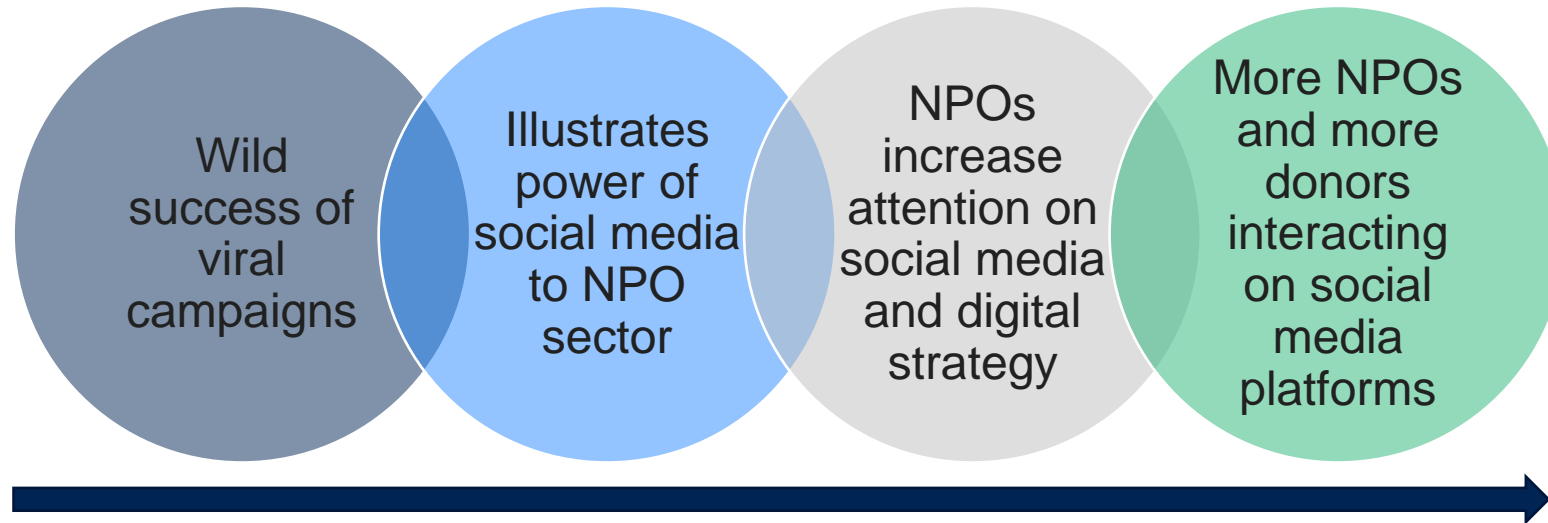
- Technology Improvement** to encourage donations
- Facebook donate button > One button donation > Options for recurring donation
  - Share on your timeline: Facebook and PayPal
  - API framework/Courses for setting a fundraising page
  - No transaction fees (2017) for Donate button on Fb Payment Platform and fundraiser on Facebook.

## Guides for Nonprofits

Learn how nonprofits can setup and manage Facebook's tools and products. Find instructions and tool tips below to help you use Facebook's Social Impact tools to drive global impact for the causes you care about.

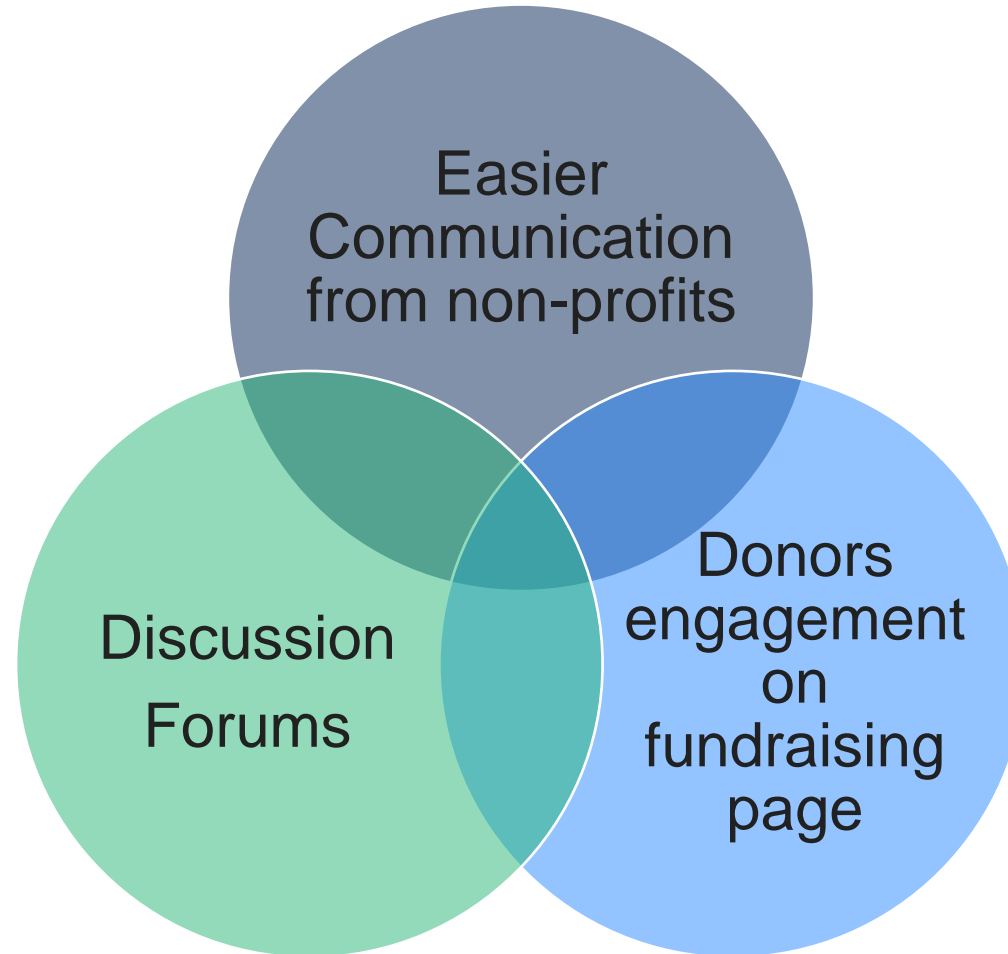
Facebook: Social Impact

# ENGAGEMENT: NON-PROFIT AND SOCIAL MEDIA PLATFORMS



- Social media and experimentation: We can observe increasing number of successful fundraising campaign led on social media. For example:
  - #movember (Teamed with Tiktok: 826m views),
  - Virtual Race for Nature: Trace out shape of animal using app like Strava, Map my run share on social media and prompt more donation)

# **ENGAGEMENT - DONORS AND NON-PROFITS**



# UNINTENDED IMPACTS ON NON-PROFITS

## Unpredictability

- Donation amount was more than anticipated.
- Campaign were not led by the non-profits themselves
- Difficulty to plan long term strategy if engagement with donors are different.

## Vulnerability

- Donor's excitement and movements can be exploited. (BLGN)
- There can be period of confusions (Australian Wildfire RFS)

## Donor Trust

- Donors impatient about spending while non-profits may lack the resources and technical support to utilize the available funds.

## Capacity Test

- Non-profits may not be equipped to handle the donation fund

# KEY OPPORTUNITIES TO INCREASE GIVING



START  
CENTER

STRATEGIC ANALYSIS,  
RESEARCH & TRAINING CENTER

Department of Global Health | University of Washington

# OPPORTUNITIES

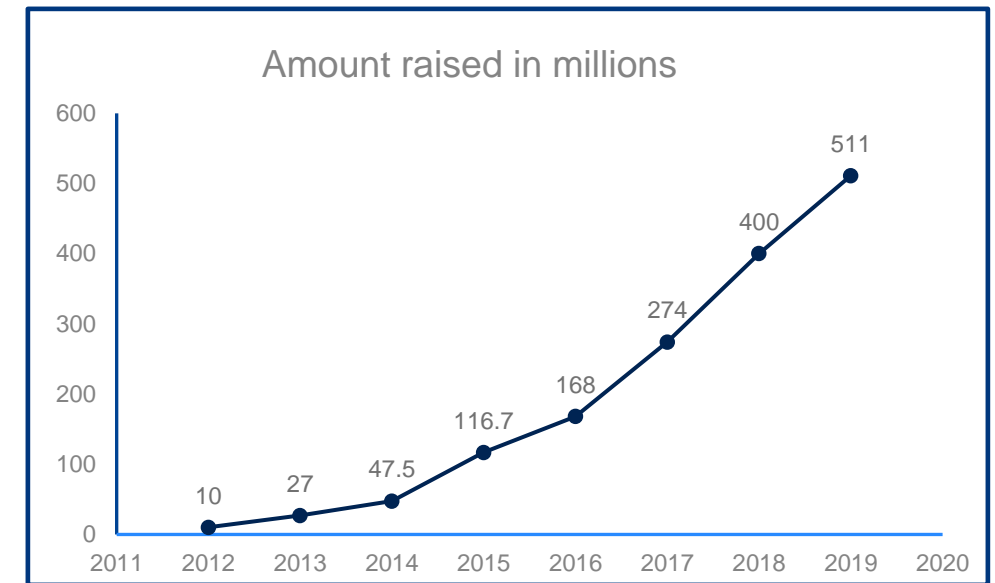
## KEY LEARNING

- Rate of giving for online donating days is increasing every year.
- The use of social media for donation is increasing as well.

More than \$2B was raised for nonprofits and personal cause on Facebook with 45+ million people donating or starting Facebook fundraiser.

## CASE EXAMPLE: Giving Tuesday

- The total offline +online amount collected for 2020 was 2.47B, compared to 1.97B in 2019
- Notification/chatbot on Twitch, Facebook, Instagram
- More new countries are participating and setting their own hashtags: 60 countries have a movement of their own. #givingtuesdayke #UnDiaParaDarAR (Argentina)



Trend of online donations on Giving Tuesday

# OPPORTUNITIES

If the intention is to reach to more people:  
bring more people to donate:

## OPPORTUNITIES

- Finding opportunities to **create occasions** to encourage giving and mobilize these givers to become engaged. Acting as a catalyst for giving.
- **Consistent reminder/examples:** so, days are etched along with reminders, notifications, sharing on timelines
- **Familiarity helps:** For example, Giving Tuesday conducted #GivingTuesdayNow for COVID where they raised \$503 million





# OPPORTUNITIES

New Generations are mobile givers

---

Making donation/giving process easier  
Live Donate button

New Platforms for giving

---

Twitch  
Instagram

Peer-Peer Network

---

Shareability  
Encourage ways to target invitation among peers

Celebrity/Influencer pulls attentions

---

Work with leading celebrity/influencer where possible to leverage their following



# THANK YOU