

Giving and social groups

(Do you have to have a lot of friends to be a successful fundraiser?)

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CAGE/CMPO Workshop on Generosity and Wellbeing

Individual (online) fundraising

- Since 1991, 2m+ individual fundraisers have raised £1bn+ through the biggest fundraising website in the UK (Justgiving.com).
- Individual fundraising activities (marathons, head-shaving, memorials)
- Donations solicited from friends, family and colleagues
 - Personal approach, existing social groups
- Donors give online (sequentially). They can see donations made previously and know that other donors will see their donation.



Page owner
[Kimberley Scharf](#)

I am supporting Cancer Research UK by participating in the Bupa Great Birmingham Run 2012

Event: Bupa 2012 Great Birmingham Run on 21/10/2012



£50.00
raised of £20.00 target

4
donations

[Donate](#)

My story

Help to beat cancer.

Thank you for visiting my Sports fundraising page in support of Cancer Research UK. Please dig deep and sponsor me – it's quick, easy and totally secure.

Cancer Research UK is funded entirely by amazing supporters like you. By sponsoring me you can help more people survive cancer.

Every pound you donate really does make a difference to Cancer Research UK's life-saving work into preventing, diagnosing and treating cancer – so please sponsor me now!

Gift Aid it!

If you see a UK taxover, please remember to tick the Gift Aid box

[Read more of my story](#)

My gallery



My charity



Cancer Research UK

Charity Registration No. in England and Wales 1089464, Scotland SCD41666

Cancer Research UK is the world's leading charity dedicated to beating cancer through research. We are fighting cancer on all fronts, finding new ways to prevent,

[Read more about my charity](#)

Donations



Go girl.

Donation by Anil Mistry on 17/10/12

£10.00
+ £2.50 Gift Aid



Sadly below the mean donation - but anonymity might(!) prevent crowd out?

Donation by Anonymous on 15/10/12

£10.00
+ £2.50 Gift Aid



Way to go Kim - have a good run. xxxxx

Donation by Evelyn Scharf on 15/10/12

£10.00



Go Kim - I know you can do it. Lots of love. Kim

Donation by Kimberley Scharf on 15/10/12

£20.00
+ £5.00 Gift Aid

Individual (online) fundraising

- Data previously used to look at peer effects (Smith et al, 2012) and anonymity (Sanders and Peacey, 2012)
- Here, focus on the size of fundraisers' social groups (# Facebook friends)
- Does the size of the individual's social group matter?
 - (Do you need a lot of friends to be a successful fundraiser?)
- Related literatures
 - Group size and voluntary contributions
 - “Sociality of giving”
- Part of a broader research agenda aimed at learning about relationship between structure and characteristics of social networks and giving

Individual (online) fundraising

- Main findings
- Interesting correlation
 - Negative relationship between the size of the social group and the amount that each donor gives
- Possible explanations
 - Other characteristics of fundraiser/ donor?
 - Free-riding?
 - Characteristics of social groups?

Data

- c.19,000 JG fundraising pages (463,000 donations)
- Information from the pages – the number of donations, the total amount donated, individual amounts, target, charity, event
- Information on number of FB friends that the fundraiser had when they signed up to JG-FB (prior to fundraising event).
- Additional information on fundraiser's gender, age (banded) and household income (banded)
- Donor's gender (assigned based on donor's name)

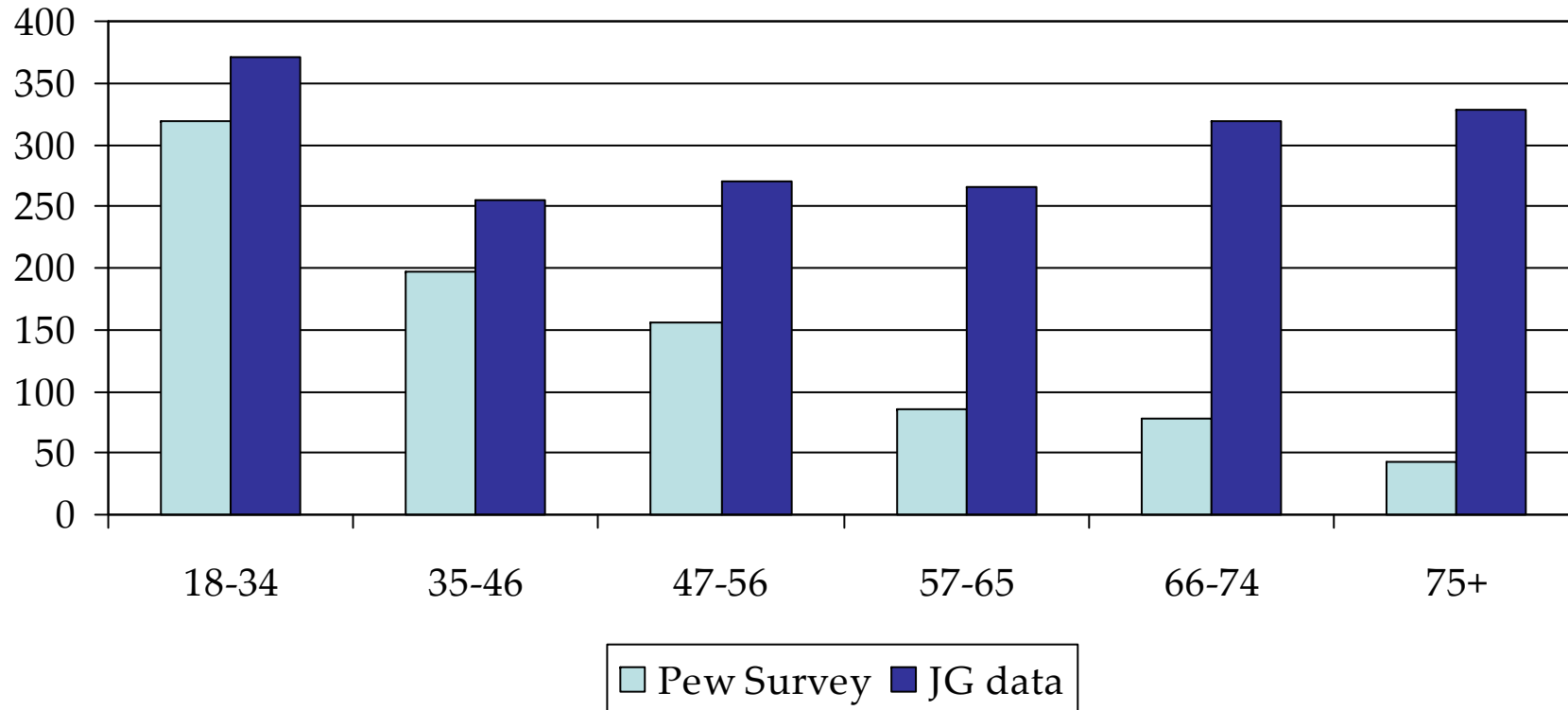
Sample summary stats

	Mean	Min.	1 st pctl	Med.	99 th pctl	Max.
<u>Data from JG (40,291 pages; 618,161 donations)</u>						
Number of friends	330.3	0	24	251	1450	5702
Number of donations per page	15.5	1	1	9	95	1501
Total raised online per page	£344	£0	£2	£135	£3,209	£39,816
Amounts given	£22.3	£1	£2	£10	£170	£9,000
<u>Analysis sample (18,884 pages; 462,666 donations)</u>						
Number of friends	321.2	24	35	258	1116	1464
Number of donations per page	24.7	10	10	19	85	100
Total raised online per page	£518	£0	£50	£320	£2,832	£72,097
Amount given	£20.9	£1	£2	£10	£150	£1,000

Trimming: Top/bottom 1% of friends; Pages with fewer than 10 donations and more than 100 donations; Pages with donations > £1,000

JG users tend to have more friends than average FB users –
particularly older fundraisers
(robustness analysis focusing on <35s)

Number of FB friends, by age

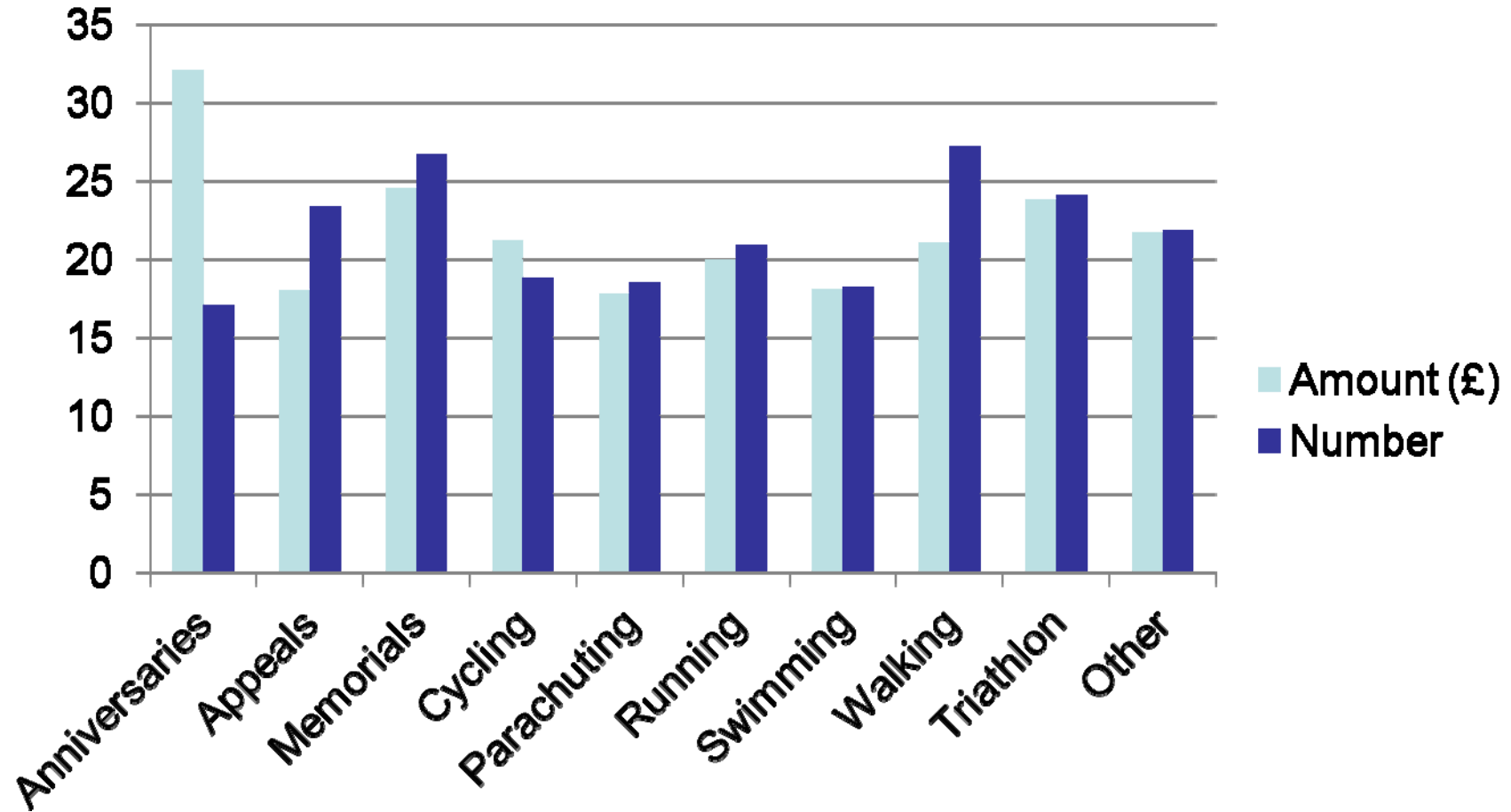


NB: Pew Survey data applies to US, May 2012

Interesting relationships

- Target increases total amount raised; more donations and higher average amounts
- Male fundraisers – more donations per page and higher donation amounts.
- This is conditional on the donors' gender. Compared to male donors, females give £6 less, and anonymous donors, £7 less.
- Older fundraisers raise more; amounts increase with age of the fundraiser (at least up to age 65). Younger fundraisers (aged 18-25) attract fewer donations.
- Amounts given and number of donors are increasing in the fundraiser's income.
- Fundraising is highest for small charities. The amounts given to small charities (<£1m income) are significantly bigger than the amounts given to medium sized charities (£1m - £50m income). Fundraising for small charities also attracts more donations than either medium or large charities (£50m+ income). Overseas charities are able to attract larger amounts.

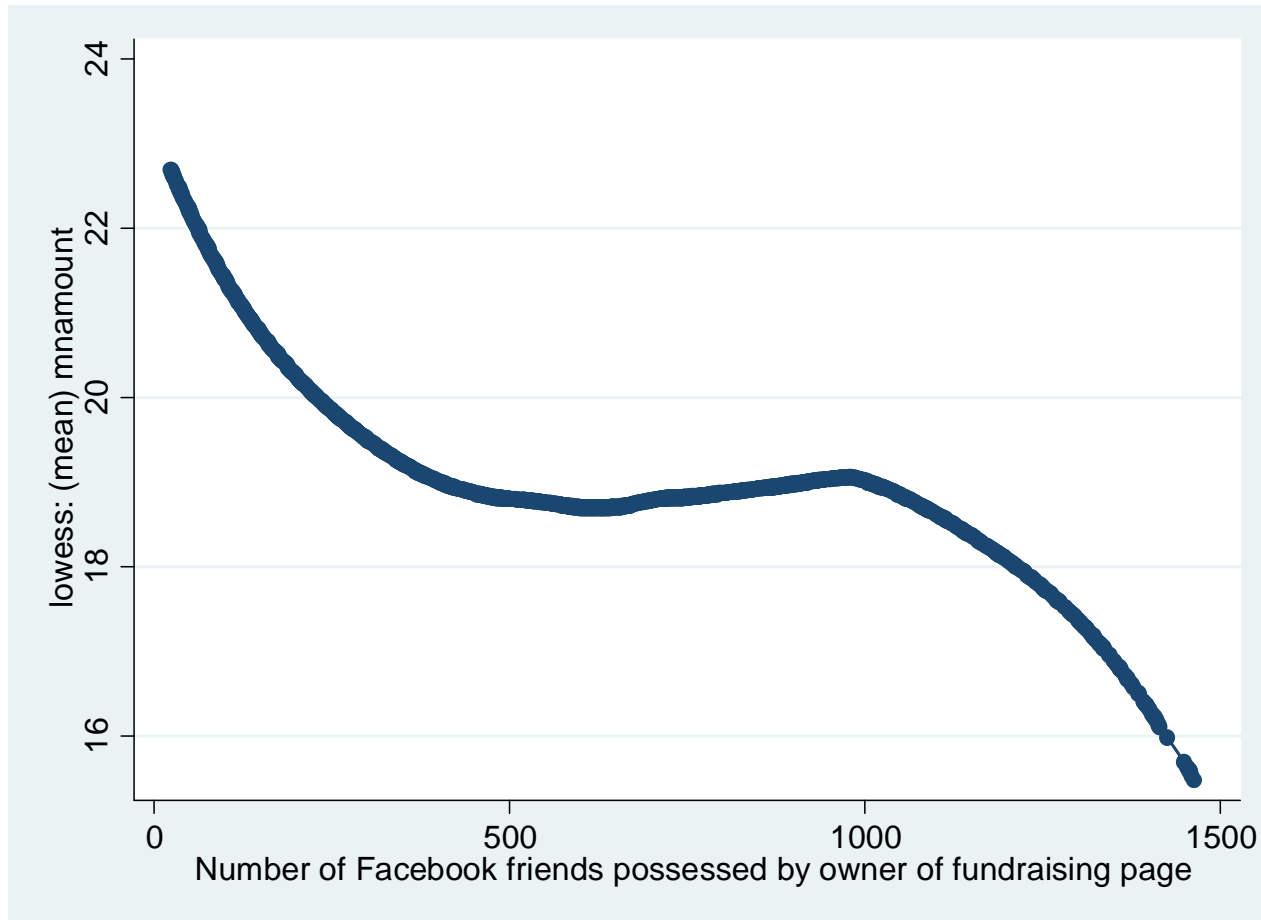
Donations and event type



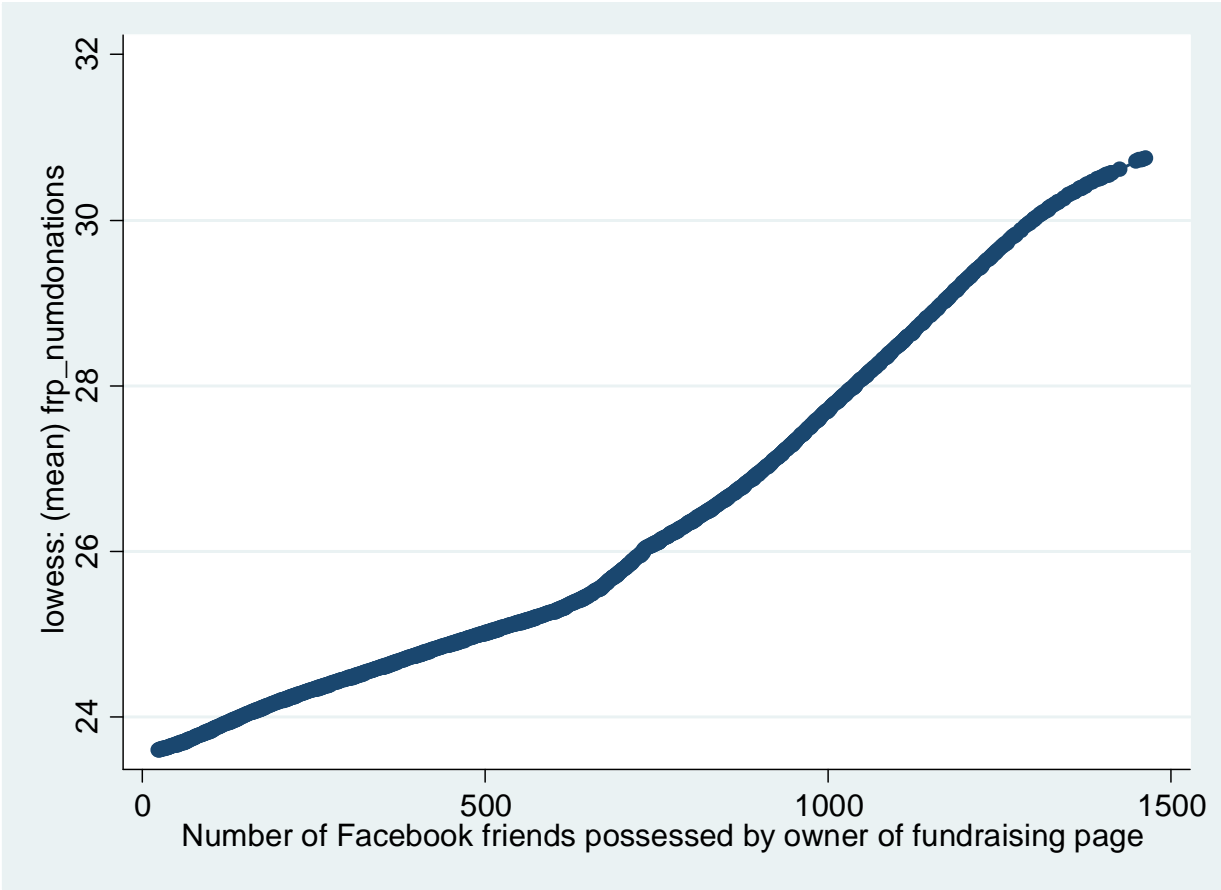
Basic analysis

- Focus of this paper is the relationship between the size of the social group (FB friends) and donations
- Are donors drawn from fundraiser's social group?
 - Most people giving to fundraising pages are friends, family and colleagues
- Is FB network the same as the individual's social group?
 - Size of real/ FB networks known to be positively correlated

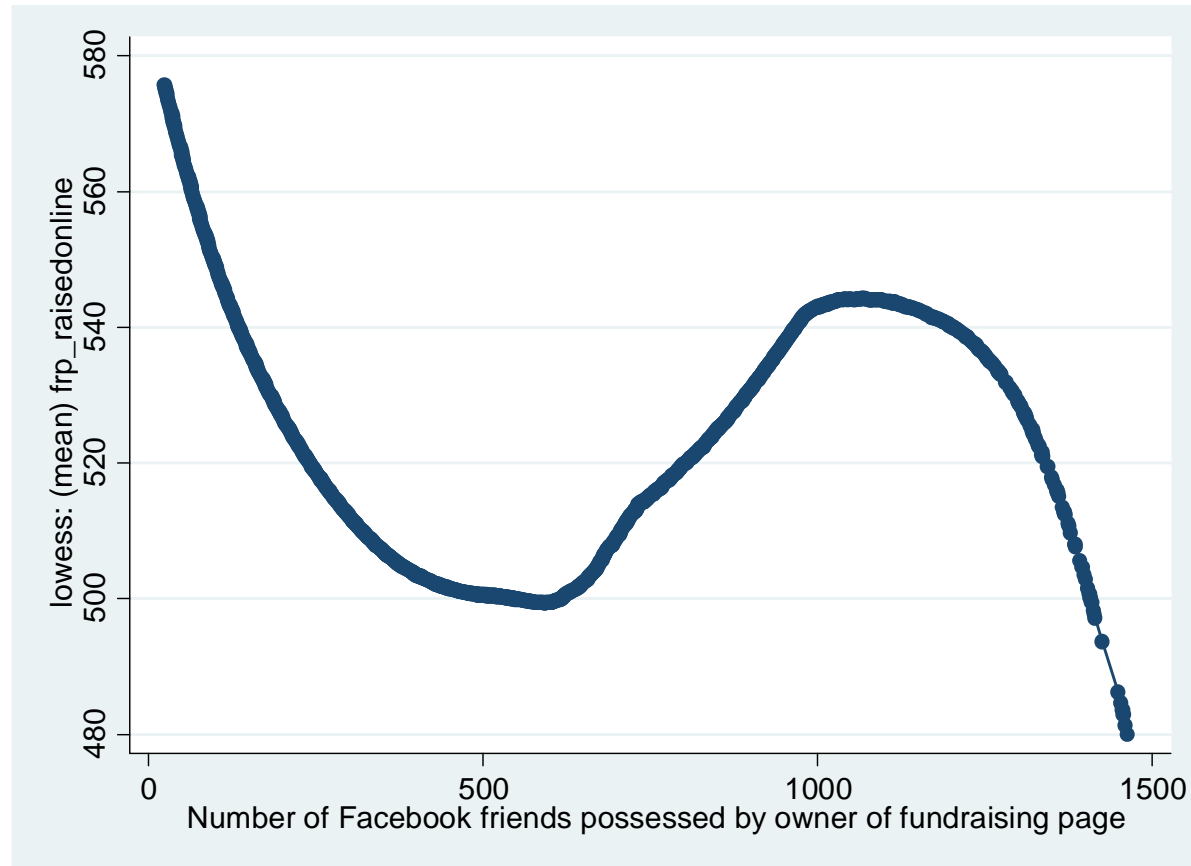
In larger social groups, each donor gives less



So, although the number of donors increases.....



....The total amount raised is highest when the fundraiser has a smaller number of friends



- Possible explanations
 - Other characteristics of fundraiser/ donors
 - Free-riding
 - Characteristics of social groups

Other characteristics?

- Size of social group may be correlated with other characteristics that determine donations (young people have more friends... and give less)
- Use FR characteristics as a proxy for donors' characteristics. Network homophily makes this assumption reasonable.
- Results are robust to controlling for...
 - Fundraiser characteristics – age of fundraiser, household income of fundraiser, gender of fundraiser, whether there is a target, charity size, overseas charity, event type
 - Donor characteristics – gender, whether donation is made anonymously
- Other characteristics that we can't control for
 - Popularity/ charisma, narcissism, brain size
- No clear direction of bias

The negative relationship with amount given is robust to including these controls

	Donation amount			Total number of donations			Total amount raised		
	All pages	All pages	Pages with no target	All pages	All pages	Pages with no target	All pages	All pages	Pages with no target
(# FB friends)/100	-1.01**	-0.61**	-0.42**	0.42**	0.76**	0.48**	-17.28**	0.75	0.08
	(0.10)	(0.11)	(0.22)	(0.11)	(0.10)	(0.20)	(3.76)	(3.82)	(6.83)
Fundraiser controls	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes
Donor controls	No	Yes	Yes	No	No	No	No	No	No

Standard errors in parentheses. Standard errors are clustered at the page level in analysis of donation amount

* $p < 0.05$, ** $p < 0.01$,

Regressions also include year and month dummies.

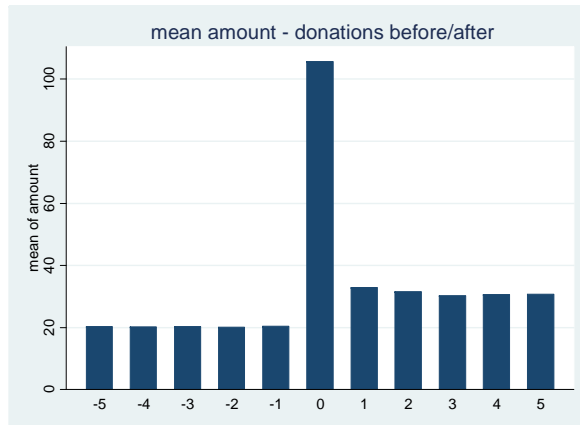
Magnitude: Moving from the 25th to 75th percentile (143 to 424 friends):
 One more donor (two with no target)
 Each donor gives £1.50 less

Free-riding?

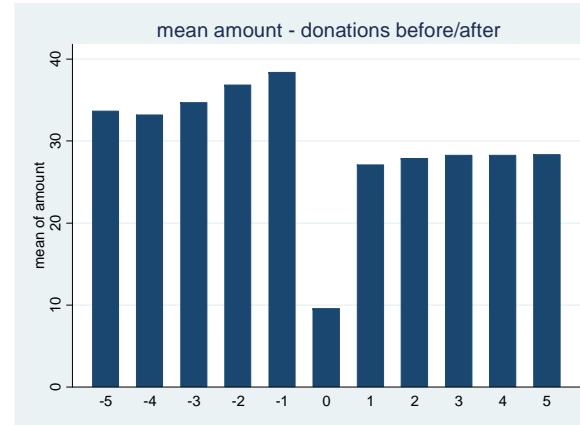
- Free-riding on **total donations to the cause?**
- Number of FB friends is small relative to total pool of donors.

- Free-riding on **total donations to the page?**
- Other evidence is not consistent with this behaviour
 - Smith et al (2012) – donors respond positively to how much other people have given (i.e. donations to the page are crowded in not crowded out by earlier donations)

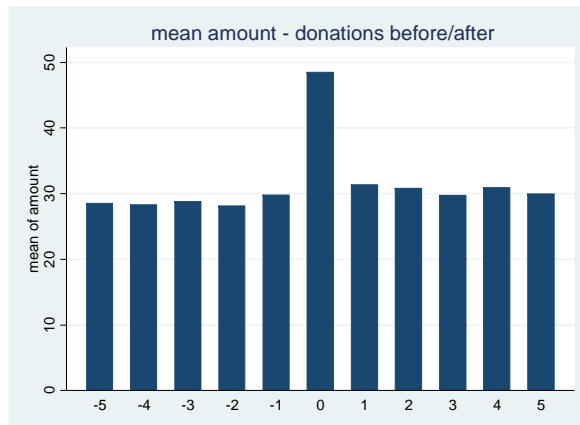
Before/after large donation



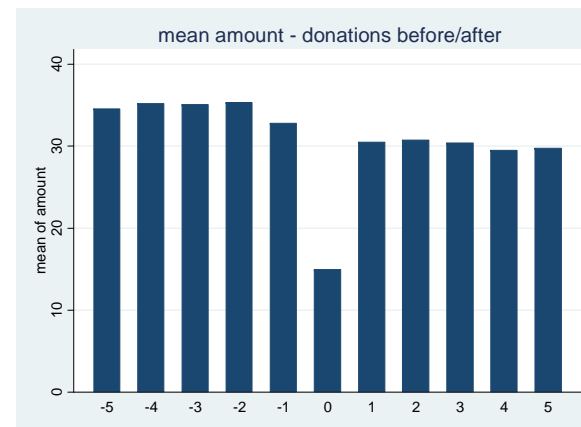
Before/after small donation



Before/after increase in mode



Before/after decrease in mode



£10 increase in past mean of donations increases the amount given by £2
These crowd-in effects do not depend on group size

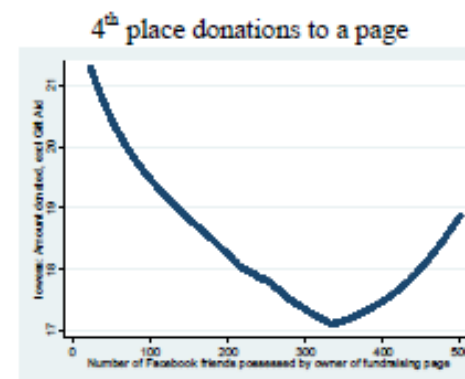
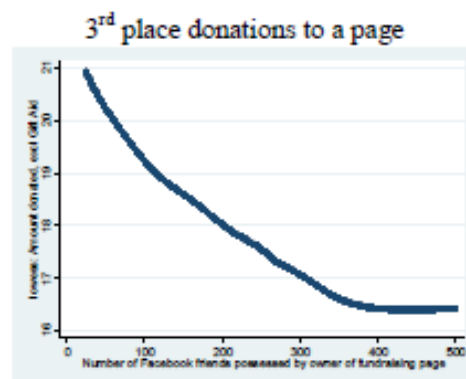
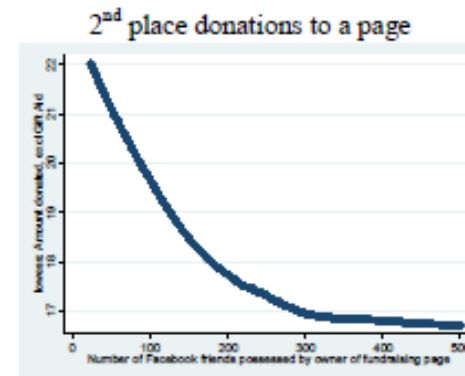
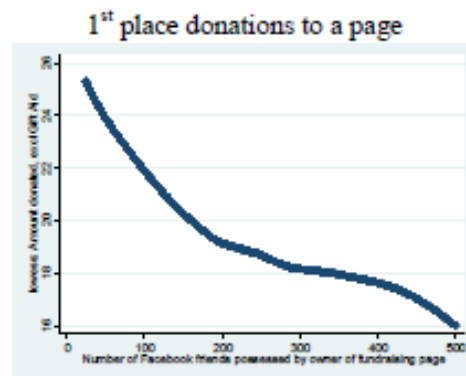
Characteristics of social groups?

- Signalling
- Donors want to signal (status, generosity) to fundraiser/other donors
- Relevant because page activity can be seen by everybody
- Signalling would be harder in large groups (voice gets lost in the crowd), suggesting a “race to the top” in donations

- Value of donation (individual warm glow) is lower in a large group?
- Why do individuals care about donating in this context?
- Rationalise as a combination of "warm-glow in fundraising" on part of fundraiser and altruism towards fundraiser on part of fundraiser's JG donors

Characteristics of social groups?

- Nature of ties in larger groups
- Doesn't appear to be a core/periphery



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- Also, people who are part of a larger group of friends typically have more friends themselves.
 - They will face more demands from fundraisers... and give less to each
 - (Using marathon data, we see multiple donors giving less)

Implications

- Successful fundraising does not rely on having a large social group
- Insights into why people sponsor their friends (what is the warm glow)
- Suggests that we need to think about ties within the group and the ties of the group members to other groups
- And, to think about how individuals respond to multiple (competing) fundraising campaigns