- Meet charities online -

How can charities utilize social media as a promotional tool?

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PREFACE

This thesis is written as a final product of European Business Administration Studies at Metropolia Business School and International Business and Management Studies at Hogeschool INholland.

Its purpose is to give charities an understanding of the advantages social media offers when utilizing it as a promotional tool. Moreover, it indicates various recommendations which can help a charity to successfully promote its good cause.

I would like to take the opportunity to thank those people who were there to help and support me during the process of preparing and writing my thesis. First of all, I want to express my gratitude to Michael Keaney and Margriet Heesters for their support and guidance. Also, many thanks to Katja Eskola, for sharing good ideas and encouraging me in difficult times. I very much appreciate their inspiration and sharing of knowledge as it helped me to achieve the best possible results.

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ABSTRACT

Background:	Internet has changed the society as it provides new and faster ways of interacting. Along with the Internet social media has emerged. This new tool has spread rapidly into the everyday lives of millions of people and enables to connect with old classmates or other friends in social network sites, sharing photos and videos and exchange information.
Purpose:	The purpose with this thesis is to examine how the growth of the Internet and the emerging of social media have affected the promotion strategies of charities.
Method:	Secondary research is been used to research this topic. This includes data collected from different academics and practitioners and research reports of individual companies and marketing bloggers online.
Conclusion:	The way charities promote their good cause is changing due to the increasing use of the Internet. Moreover, people require more transparency and want to know where they are donating for. Social media is a great channel for this and this research has shown already various charities make use of this new phenomenon. Currently the main ways for charities to utilize social media are: Twitter Pages, Facebook Pages, Facebook Causes Application and different online platforms.

TABLE OF CONTENTS

PREFA	CE	III
ABSTR	ACT	IV
LIST O	OF FIGURES AND TABLES	VII
EXECU	UTIVE SUMMARY	VIII
EXPLA	NATION OF TERMS	X
1. INTR	RODUCTION	1
1.1	Background	1
1.2	Charities in the Netherlands	3
1.3	Purpose and Research Question	4
1.4	Limitations of Research	5
1.5	Thesis Outline	6
2. THE(ORECTICAL FRAMEWORK	7
2.1	The Marketing Mix	9
2.1.	.1 The 4Ps of marketing	9
2.2	The Promotion Mix	10
2.2.	Advertising	10
2.2.	Personal selling	11
2.2.	Sales promotion	11
2.2.	2.4 Direct marketing	11
2.2.	2.5 Public relations	11
3. MET	HODOLOGY	12
	Research methods	

- MEET CHARITIES ONLINE-

How can charities utilize social media as a promotional tool?

4. CHA	NGING FACE OF FUNDRAISING	14			
4.1	Traditional way of fundraising				
4.2	4.2 New promotion opportunities online				
5. OVE	RVIEW ON SOCIAL MEDIA TODAY	20			
5.1	Social networking sites				
5.2	Microblogging				
5.3	Users of social networks and microblogging sites				
5.4	Advantages and disadvantages of social media for charities	29			
6. SOC	IAL MEDIA AS A NEW PROMOTION TOOL	37			
6.1	Unicef in Twitter				
6.2 F	acebook Pages and Warchild				
6.3	Facebook Causes	40			
6.4	Online platforms a new trend in fundraising	43			
6.4	.1 The 1% Club	43			
6.4	.2 PIFworld (Play It Forward)	45			
6.5	Keys to successful promotion in social media	47			
7. CON	CLUSION AND RECOMMENDATIONS	49			
7.1	Conclusion	49			
7.2	Recommendations	52			
Referen	ces and Bibliography	54			
Append	ix 1: The race to the mass market, Facebook	61			
Append	ix 2: List of Dutch charities	62			
Append	ix 3: Internet Users in the World, Growth 1995 – 2010	72			
Append	ix 4: Facebook no.1 in 11/17 European countries				
Append	ix 5: Social Media Demographics, Who's using which sites?	74			
Append	ix 6: Literature Review				
Append	ix 7: Research Proposal	83			

LIST OF FIGURES AND TABLES

List of Figures

Figure 2.1 The Marketing Mix

Figure 2.2: Five components of promotion mix

Figure 5.1 Key social platforms

Figure 5.2 Content posted on social network

Figure 5.3 People who belong to a social network

Figure 5.4 Social Media Demographics: Who's Using Which Sites?

Figure 6.1 Unicef at Twitter

Figure 6.2 Warchild at Facebook

Figure 6.3 World Wildlife Fund Causes at Facebook

Figure 6.4 Social networks and microblogs linking to webpage of charity

Figure 6.5 Project Tamale Youth Recreation Center

Figure 6.6 Homepage of PIFworld

List of Tables

Table 5.1 Advantages and disadvantages of social media

EXECUTIVE SUMMARY

The aim of this thesis was to examine how charities can utilize social media as a promotion tool. Moreover it investigates the methods of promotion that are currently being used by charities. Methods of analysis include marketing mix, and especially the promotion mix where social media is becoming an important part of. Besides this, secondary research is used which was gained via research reports of individual companies and various marketing bloggers online as well as other relevant case studies and articles on the Internet.

The research draws attention that the number of internet users is increasing and research has shown that in the end of 2010 an amount of 1650 million users is expected. Along with the Internet social media has emerged. Social media is a new tool that enables people to communicate via the Internet. Nowadays an increasing number of people are engaging with different forms of social media. Especially social networks and microblogging sites are gaining popularity and people can use these channels for socializing, connecting with friends, relatives, and colleagues. Examples include Facebook, Twitter and MySpace and it is estimated that the number of social media users will exceed 1 billion by 2012.

The way that charities differ from commercial organizations is that instead of generating sales, they often strive to generate donations. The way of fundraising is changing and more charities are promoting their good cause online. Promotion is essential for charities to increase awareness and raise funds, and social media is an excellent channel for doing this. It was found that currently many charities already utilize social media through Twitter Pages, Facebook Pages, Facebook Causes Application and different online platforms. Moreover, it was found that these different ways of promoting are often combined in order to reach a larger audience. The results in the various case studies presented in this thesis indicate that promotion through social media can be very successful, once it is done in the right way.

Although charities already successfully promoted their good cause online and generated many donations, there are still various factors to take into consideration. This is mostly due to the fact that not much research has been done on the effectiveness of promoting a charity through social media before. Therefore, the following is recommended for charities when utilizing social media as a promotion tool.

- Identifying target group
- Deciding on which form of social media fits best with the message they want to spread
- Interactive communication with donators
- Make a good first expression by posting enough relevant content.
- Regularly updating content
- Transparency
- Know-how of social media
- Devoting staff time

EXPLANATION OF TERMS

Charities	Non-profit organizations with a purpose of generating donations
Social media	Online platform where people can have a conversation and/or interaction with others. Examples include Facebook, MySpace, Linked In, and Twitter
Social networks	Groups of individual people who share something they have in common. This can be friendship, common interest, relationships or beliefs
Facebook	One of the biggest social networks worldwide. Currently number 1 in 11 European countries.
Marketing	Process of how companies can link their products to the wants and needs of customers
Microblogs	Form of blogging where people can connect with others and which is created to keep friends, colleagues and customers up-to-date
Twitter	The biggest microblogging site at the moment

1. INTRODUCTION

In this chapter the background to the topic is discussed. The research question is explained together with the limitations. Moreover, a brief outline of this thesis is presented.

1.1 Background

Internet has changed our society providing new and faster ways of interacting. Along with the Internet social media has emerged. In social media people can easily connect with one another and therefore it is already used by various companies. Charity's fundraising has changed through the years and social media is becoming an important promotion tool for charities. Especially during the economic crisis, charities face difficulties in increasing awareness and donations.

Therefore, it is important to think about new, cheaper promotion tools to stay competitive. Social media is more popular than ever. According to McCann, social media can be defined as "online applications, platforms and media which aim to facilitate interaction, collaboration and the sharing of content"¹.

Social media can be divided into seven different forms: *Social networks, Blogs, Wikis, Pod casts, Forums, Content communities and microblogging.*² This research will mainly focus on social networks and microblogging. Both social networks and microblogging sites are used for socializing, connecting with friends, relatives, and collegues and is becoming extremely popular.

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¹ Universal Mc Cann (2010) page 10. Available at:

http://www.slideshare.net/mickstravellin/universal-mccann-international-social-media-research-wave-3 (Accessed 15 April 2010)

² Mayfield, ICrossing e-book (2008) page 6. Available at:

http://www.icrossing.co.uk/fileadmin/uploads/eBooks/What is Social Media iCrossing ebook.pdf (Accessed 16 April 2010)

It is amazing to see, how fast social network sites are growing. Sites, such as Facebook, Twitter and MySpace, are very interactive and dynamic. They are the entry for the digital world where you can find almost everyone and everything. Research have shown that Facebook only needed five years to reach the massive number of 150 million users, where as other communication tools needed much more time to reach the same amount (Appendix 1). The number of Facebook users keeps increasing (currently already more than 400 million active users)³. According to Strategy Analytics report (2007), social media users will exceed 1 billion by 2012.⁴

Currently, people from all ages are spending hours online. Not only friends are connecting with each other, but also companies are trying to take advantage of this new promotion opportunity. Companies are trying to come up with new strategies to reach people and using social media sites enables them to reach a large target group. Various companies are already advertising on social network sites such as Facebook. Due to this successful way of promoting businesses, charities are getting more involved as well. For charities it is also very important to promote and increase awareness online in order to raise funds. For charities it is extremely important to reach their target groups cost effectively, but still aiming for a high donation. Social media is becoming extremely popular and charities are increasingly making use of this new phenomenon.

³ Facebook Statistics 2010. Available at:

http://www.facebook.com/press/info.php?statistics (Accessed 23 May 2010) ⁴ Strategy Analytics 2007. Available at:

http://www.strategyanalytics.com/default.aspx?mod=PressReleaseViewer&a0=3702 (Accessed 15 April 2010)

1.2 Charities in the Netherlands

Charities are non-profit organizations without the purpose of generating profit. Instead charities use their money to help different good causes such as helping disabled children and protecting animals or trying to find a cure for cancer. Charities do not distribute any of the organizations' income to its owners or shareholders.⁵ "Charities are organizations that are set up for a charitable purpose, are not profit-making and are independent".⁶

There are numerous different types of charities in the Netherlands. The exact number of charities in Holland is difficult to estimate. However there are currently 117 Dutch charities that have been registered by the branch organization "<u>Vereniging van Fondsenwervende Instellingen</u> (VFI), an organization of Dutch charities. All these 117 organizations have the trade mark of the Central Desk Fondsenwerving. According to the VFI, there are approximately 18.000 charities registered by the Dutch tax authority with a total income to charities of €4.3 billion.⁷/⁸

There are various types of charities ranging from very large international institutions such as; Amnesty International, Red Cross, WNF and NOVIB to small projects and government institutions. (*The complete list of Dutch charities could be found in Appendix 2*).

⁵ Cornell University Law School. Available at:

http://topics.law.cornell.edu/wex/Non-profit_organizations (Accessed 18 May 2010) ⁶ Charity Facts. Available at:

http://www.charityfacts.org/charity_facts/index.html (Accessed 18 May 2010) ⁷ Wikipedia. Available at:

http://nl.wikipedia.org/wiki/Goed_doel (Accessed 16 may 2010)

⁸ European Fundraising Association, 2007. Available at:

http://www.efa-net.eu/resources/fundraising-in-europe/netherlands/ (Accessed 20 May 2010)

1.3 Purpose and Research Question

The most important goal for charities is to increase awareness of their cause and raise funds. Especially in an ongoing recession, it is important to think how to increase awareness of people and raise funds without high costs. Therefore, the purpose with this thesis is to examine how the growth of the Internet and the emerging of social media have affected the promotion strategies of charities. The research question this thesis aims to answer is as follows:

- How can charities make use of social media as a promotion tool?

The research objectives that need to be achieved are the following:

- To determine what social media is
- To determine the different promotion tools that exist
- To define the Do's and Don'ts of using social media as a promotion tool

The focus is on social networks and microblogs, especially Facebook and Twitter because these sites are very popular nowadays and are already being used by charities.

The interest in the topic was derived from a strong desire to work for the third sector and the wish to be more involved in charities as well as personal engagement with social media platforms.

1.4 Limitations of Research

Social media is a current topic and many organizations are in the initial phase of using it. Various companies are already utilizing social media for advertising. For charities, however, this is more complex as a two way communication is essential. As some charities only recently decided to engage with social media, not much research has been done on the effectiveness of social media as a promotion tool for charities. There are no recent studies that compare results of received donations trough traditional promotion and social media as a new promotion tool.

Due to the fact that there was not much academic literature to find, valuable information was gained via other channels. The secondary information was obtained through the community of marketing bloggers, research reports and other relevant articles from the Internet. This information might not be completely accurate as these are mostly written from one specific point of view and many writers have their own opinion.

In this thesis, social media is introduced as a new promotion tool and only three charities are being presented, which were successful in increasing awareness and raising fund. This does not give accurate results as it is only limited to these three examples.

5

1.5 Thesis Outline

In Chapter 2 the theoretical framework is introduced. The chapter presents theories of how an organization should market itself to be successful. These theories include the Marketing Mix and the Promotion Mix.

Chapter 3 presents the research methods which is being used to research this topic. Moreover it explains the choice of theory.

The changing face of fundraising and how media have changed through the years is presented in Chapter 4. Also, it will examine new promotion opportunities online.

Chapter 5 presents definitions, characteristics and users of social media, social network sites and microblogs. Additionally, the advantages and disadvantages of using social media as a marketing tool are analyzed.

Chapter 6 examines examples of how charities are currently utilizing social media as a promotion tool. Moreover, it introduces online platforms as a new trend in fundraising.

The conclusion sums up the research by emphasizing the factors that charities should take into consideration when using social media for promotion. Moreover, recommendations are given by showing various Do's for charities.

6

2. THEORECTICAL FRAMEWORK

This chapter presents the theories that have been used to conduct the analysis. Marketing Mix and promotion mix are two theories that will be brought up. These theories are used to analyze how charities can utilize social media as a promotion tool. Before explaining these theories, it is important to first define marketing.

Marketing is defined by Kotler as;

"...satisfying needs and wants through an exchange process⁹ Moreover, Kotler states that Marketing is " the social process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others".¹⁰

Marketing is an extremely important process for both for-profit organizations and non-profit organizations. Each business, either offering a product or service, will need to identify its customer, create value and build a strong customer relationship in order to satisfy them¹¹. Before analyzing which considerations charities should make when using social media as a promotion tool, it is important to take a closer look at the difference between social marketing and commercial sector marketing.

⁹ What is Marketing?

http://www.learnmarketing.net/marketing.htm (Assessed 19 May 2010)¹⁰ Kotler, Philip. What is marketing. Available at:

http://www.marketingteacher.com/Lessons/lesson what is marketing.htm (Assessed 19 May 2010)

¹¹ Kotler, Philip; Armstrong, Gary (2008). "Marketing defined". Principles of marketing (5th ed.). p. 7.

According to Philip Kotler, Ned Roberto and Nancy Lee social marketing is;

"...the use of marketing principles and techniques to influence a target audience to voluntarily accept, reject, modify, or abandon a behavior for the benefit of individuals, groups, or society as a whole".¹²

What can be seen from both definitions is that social marketing differs from commercial sector marketing. The purpose of social marketing is to encourage a specific audience to change their behavior in relation to improving health, preventing injuries, protecting the environment or contributing to the community (ibid).

The main difference is that charities, instead of trying to sell products, promote a good cause. Where commercial companies generate sales by selling as many products as possible, charities strive to generate donations.

¹² Kotler Philip, Roberto Ned, Lee Nancy. (2002) Social marketing: Improving the quality of life 2nd edition, Saga Publications, Inc

2.1 The Marketing Mix

When studying how charities can make use of social media as a promotion tool, it is relevant to define how charities market their good cause. Charities should establish their overall strategies, where the current state, vision and mission are defined. The goals can be achieved by developing a marketing plan by utilizing the marketing mix tool. (Figure 2.1)



Figure 2.1 The Marketing Mix¹³

2.1.1 The 4Ps of marketing

The 4Ps stands for *Product, Place, Price* and *Promotion,* which are the characteristics connected to the product that is being marketed. In order to be successful, it is essential that each element is mixed in the correct way and that these components communicate the value and message, also in the case of the charity.¹⁴

¹³ Trump University 2010, Figure Marketing Mix. Available at:

http://www.trumpuniversity.com/business-briefings/lib/resources/images/graphs/marketing_mix.gif (Accessed 18 May 2010)

2.2 The Promotion Mix

Now when the marketing mix has been explained, it is important to see which elements can be best used to answer the research question of this thesis. Increasing awareness and fundraising is done through promotional activities and therefore, the promotional mix will be further explained as this is where social media can be best utilized. The theory of the promotion mix will be discussed using the definitions of Kotler.¹⁵ The promotion mix consists of five different promotional components, all having unique characteristics, which will be defined below (Figure 2.2).



Figure 2.2: Five components of promotion mix ¹⁶

2.2.1 Advertising

Advertising is defined as "*any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor*"¹⁷ Advertising has a purpose of informing the targeted audience to purchase a product. This can be done by using various channels including printed ads, broadcast (both TV and radio) and outdoor campaigns (ibid).

¹⁴ Jazz, Marketing for Charity (2009). Available at:

http://www.marketingforcharity.co.uk/2009/10/15/the-charity-marketing-mix-the-7ps/ (Accessed 20 May 2010)¹⁵ Kotler, Philip. Developing the marketing mix, Chapter 13. Pearsoned pg5. Available at:

http://www.pearsoned.ca/highered/divisions/virtual_tours/kotler/kotler_ch13.pdf (Accessed 20 may 2010)

¹⁶ Ibid

¹⁷ Ibid

2.2.2 Personal selling

In personal selling, there is a direct contact between the salesperson and customers. This can be done with sales presentations, tradeshows, and incentive programs. This way of promoting is very effective for building customer relationships, but still very expensive.¹⁸

2.2.3 Sales promotion

The purpose of sales promotion is to increase sales of a certain product or service for a limited time period. Tools for sales promotion include point-of-purchase displays, premiums, discounts, coupons, specialty advertising and demonstrations (ibid).

2.2.4 Direct marketing

Direct marketing, as the name already indicates, is a form of promotion where messages are directly communicated to its consumers. Tools include the use of (e) mail, telephone, fax, catalogues and the Internet which enables companies to obtain an immediate response (ibid).

2.2.5 Public relations

Public relations are the process of maintaining the company's image by building positive relations with its public. An important aspect is the communicating between company and its public. This can be done through various tools such as press releases, newsletters and media kits. Nowadays companies are also utilizing interactive social media because of its possibility to engage the company and the consumer in a two-way communication (ibid).

¹⁸ Kotler, Philip. Developing the marketing mix, Chapter 13. Pearsoned Page5. Available at: <u>http://www.pearsoned.ca/highered/divisions/virtual_tours/kotler/kotler_ch13.pdf</u> (Accessed 20 may 2010)

3. METHODOLOGY

In this chapter the research methods used to collect the data are described as well as the choice of the theoretical framework.

There has already some research been done about how companies make use of social media and how companies can increase sales by promoting their products online. However there is still a gap in the available literature about how charities can utilize social media as a promotion tool. Therefore, it was necessary to find other methods of collecting data.

3.1 Research methods

This research is written based on secondary research which is collected from different academics and practitioners in order to gain a clear view about the traditional face of fundraising, what social media is and the changes brought by this new phenomenon. Because of the scarcity of data in academic literature, valuable information was gained via other channels, such as research reports of individual companies and marketing bloggers online as well as other relevant case studies and articles on the Internet. Moreover, this study was made based on my own observation of fundraising that takes place in social media, especially in social network sites and microblogs.

3.2 Choice of theory

Promotion is a crucial part of the marketing mix, which is necessary to structure a marketing plan. This theory is being used to market a product, and the primary purpose of the promotion mix is to get the desired result, which is to sell the product. However, in this thesis the promotion mix will be used to examine the way charities promote their good cause. Promotion is also the most important tool for charities. By spreading the word of their good cause, they are increasing

awareness and thus, raising funds. The traditional way of fundraising will be examined and social media will be introduced as a new way of promotion by presenting various examples of charities who are already engaged with it. This analysis will be done by using the different characteristics of the promotional mix.

4. CHANGING FACE OF FUNDRAISING

The way charities raise fund has changed through the years and traditional fundraising made place for modern fundraising. This chapter presents the traditional way of fundraising and how the way of fundraising is changing through the years.

4.1 Traditional way of fundraising

All charities need donations in order to exist and are constantly working to raise funds to support their causes. They rely very much on fundraising income since without these funds, charities could not survive. Some charities are very large and well known all around the world, but other smaller charities have to work twice as hard to raise money. There are some charities which receive some statutory income, and money is also brought in from grants, charitable trusts and companies, but individual contributors are by far the most important source of voluntary income for most charities.

All the money received by charities is used for the cause each charity is committed to. These range from helping disabled children and protecting animals to trying to find a cure for cancer. From the money they receive, a small amount is spent also directly on future fundraising activity. It is important for charities to invest in fundraising in order to attract new supporters, keep them updated about new events and information and to reach them with appeals for further help.

Next some examples of traditional ways of promotional tools are presented by using the definitions of the promotional mix mentioned in Chapter 2.

Advertising

Many charities launch television advertising campaigns in order to create awareness and raise funds. In these campaigns, people are asked to either donate money once or to become a donator for a longer time. Charities also promote their good cause on the radio, in newspapers, in magazines and on the Internet. Advertising is one of the most expensive ways of promotion.

Personal selling

Personal selling is another way to increase awareness and raise funds for a good cause. An example of this is 'Face- to- face fundraising, which includes both on street and door- to- door fundraising. This is a visible form of promoting a good cause and therefore it often generates public awareness. Besides this, it is cost effective and many of the donators who commit thought these ways of promotion tend to be dedicated. However, this form of personal selling is very time consuming and it is likely that many no-responses will be achieved as people find this way of promoting intrusive and sometimes even annoying.¹⁹

Sales promotion

Sales promotions are great ways to increase awareness and raise funds and are therefore frequently used. An example of sales promotion include, for example, point-of-purchase displays where people can buy specific products from which a small amount of the price directly goes to

¹⁹ The global network of child helplines. Available at:

http://www.childhelplineinternational.org/assets/cms/File/PDF/Manuals/Fundraising%20Manual%20-%20final.pdf (Accessed 20 May 2010)

the charity. Another example is for instance the pink bracelets that people can buy to support Pink Ribbon, a breast cancer foundation.²⁰

Public relations

There are many forms of public relations that charities make use of. PR creates the opportunity to involve local community and with these forms of promotion, charities aim to build a positive relation with their (potential) donators. Charities use for instance press releases, various events such as sports events, festivals or auctions to increase awareness and raise money. This enables charities to attract new supporters as a large number of people are involved.²¹

Direct marketing

Direct marketing is a common way to recruit new donators. This form of marketing is directly communicated to people by for example direct mail appeals and phonathons. People can forward direct mail to interested family members of friends easily and enables charities to obtain an immediate response of potential donators. However, this way of promotion is time-consuming and very expensive.²²

Internet creates an opportunity for charities to promote their fundraising campaigns online as the time spend on Internet is increasing. This increase goes at the costs of other traditional ways of promotion. Therefore charities should start utilizing social media as a new promotion tool.

http://www.childhelplineinternational.org/assets/cms/File/PDF/Manuals/Fundraising%20Manual%20-%20final.pdf (Accessed 20 May 2010)

- ²¹ Ibid
- ²² Ibid

²⁰ The global network of child helplines. Available at:

4.2 New promotion opportunities online

The traditional way of fundraising includes many different means of promotion. Nowadays, there is a need for new ways of fundraising, which is mainly due to the fact that the promotion tools presented before are not only expensive, but also very time-consuming. Charities are becoming more active online, therefore charities have realized they need to come up with new ideas for increasing awareness and donations.

Many nonprofit organizations are struggling in the current economy and are unable to cover their expenses.²³ Research has shown that in 2008 Dutch charities received less support from industries and legacies than before. Moreover, there is also evidence that the total giving in 2008 to charities in America decreased with 5.7 percent.²⁴ It appears that the traditional fundraising techniques are not enough anymore. Charities understand that they have to change their ways of fundraising and need to find out how to do this in a creative way.

Through the years the world of the mass media has rapidly changed. New technologies such as telephones, television and radios enable fast communication and nowadays many people cannot imagine life without these tools. Online media has even more developed and the new innovative technology has changed the lives of many people. Nowadays, people use Internet for getting news, watching TV programs and keeping in touch. Research has shown that in 2008 people in Europe spend approximately twelve hours a week on the Internet; at work, at home or in both.

²³ European Fundraising Association, 2008. Available at:

http://www.efa-net.eu/resources/fundraising-in-europe/netherlands/ (Accessed 20 May 2010)²⁴ National Park Service, 2008. Available at:

http://www.nps.gov/partnerships/fundraising individuals statistics.htm (Accessed 20 May 2010)

This amount of time spent online will increase in the future since more and more people will have access to the Internet.^{25/26}

According to the Internet World Stats report of 2009, 25.6% (1,733,993,741) of the world's population are internet users. Most of the internet users live in developed regions as North America. Australia with an internet penetration of 60, 4% and Europe where 52, 0% of the population use Internet.²⁷ Research has shown that in fifteen years the amount of internet users in the world will enormously. In 1995 there were 16 million users and for the end of 2010 it is expected that this number will grow to 1650 million users (Appendix 3). If this growth rate stays the same, it means that in 15 years time, there will be an increase of 1634 million of people using the Internet!

It can be said that the Internet has become a feature that is now taken for granted for many people in their daily life and it shadows all other media tools people used to rely on years ago. For example, Microsoft predicts that in 2010 people in Europe on average will spend more time online (14.2 hours per week) than watching traditional television (11.5 hours a week)²⁸.

²⁵ Change in time spent online per week in Europe 2006-2008. Available at:

http://www.sfnblog.com/industry_trends/change%20in%20time%20online%20eu.jpg (Accessed 16 April 2010)²⁶ All Business. Publication: New media Age 2008. Available at:

http://www.allbusiness.com/marketing-advertising/marketing-advertising/12117119-1.html (Accessed 15 April 2010)

²⁷ Internet World Stats, 2009. Available at:

http://www.internetworldstats.com/stats.htm (Accessed 12 February 2010)

²⁸ Live Side.net, 2009. Available at:

http://www.liveside.net/main/archive/2009/04/09/the-internet-where-do-we-spend-our-time-internet-to-overtake-tvin-june-2010.aspx (Accessed 15 January 2010)

This increasing use of Internet has made it easier also for companies to reach millions of people. As already mentioned before, it took Facebook only five years to reach the amount of 150 million users. Compared to the telephone, which needed 89 years to reach the same amount, and the televisions, which needed 38 years, it is quite a development. The birth of the Internet created a changing face of fundraising as more opportunities arise to increase awareness of possible donators. As there are nowadays so many people using Internet, why not promoting your good cause online? Charities need effective fundraising that will keep them stable through this economic time and more and more charities think social media will help them out. Social media enables charities to promote their work for a small amount of money and allows them to reach a big group of people at the same time.

Looking at the chapter presented before, it can be concluded that charities need to put an extra effort to meet new challenges to reach people and satisfy their needs. When looking at the different characteristics of the promotion mix, some of the channels are not very effective anymore. Not only are many of the traditional promotion forms expensive and time consuming, but also the Internet statistics bring a need for a new promotion tool. The hours of people watching traditional television decreases while the number of Internet users is increasing rapidly. Moreover, social media enables charities to reach those people who are interested in supporting charities. This is mainly due to the fact that people online choose themselves to connect or follow a charity. Social media is not a tool that will randomly attract online people. Instead of this, it creates possibilities where people have the choice to either receive information about good causes or not.

5. OVERVIEW ON SOCIAL MEDIA TODAY

After clarified how the media has changed through the years, it is relevant to discuss the definition of social media and see what it comprises of. This chapter will focus on examining social media, the key social platforms and the users of social networks and microblogs.

According to Safko and Brake (2009)²⁹ social media refers to:

"... Activities, practices, and behaviors among communities of people who gather online to share information, knowledge and opinions using Web - based applications. "(pg. 6)

According to Mayfield (2008) "social media is best understood as a group of new kinds of online media, which share most or all of the following characteristics:

• **Participation:** Social media encourages contributions and feedback from everyone who is interested. It blurs the line between media and audience.

• **Openness:** Most social media services are open to feedback and participation. They encourage voting, comments and the sharing of information. There are rarely any barriers to accessing and making use of content – password-protected content is frowned on.

• *Conversation:* Whereas traditional media is about "broadcast" (content transmitted or distributed to an audience) social media is better seen as a two-way conversation.

http://books.google.nl/books?id=YzLo5x6QX7IC&printsec=frontcover&dq=social+media&hl=nl&ei= hD9S8SVL 4rQ-QazkITFCw&sa=X&oi=book_result&ct=result&resnum=3&ved=0CDsQ6AEwAg#v=onepage&q&f=false (Accessed 24 May 2010)

²⁹ Safko, Lon and Brake, David (2009) *Social Media Bible: Tactics, Tools and Strategies for Business Success. John* Wiley & Sons, Available at:

How can charities utilize social media as a promotional tool?

• **Community:** Social media allows communities to form quickly and communicate effectively. Communities share common interests, such as a love of photography, a political issue or a favorite TV show.

• Connectedness: Most kinds of social media thrive on their connectedness, making use of links to other sites, resources and people "³⁰

Mayfield also states that, in 2008, there were seven basic forms of social media (Note that innovation can lead to a change of these forms).

"1. Social networks: These sites allow people to build personal web pages and then connect with friends to share content and communication. The biggest social networks are MySpace, Facebook and Bebo.

2. Blogs: Perhaps the best known form of social media, blogs are online journals, with entries appearing with the most recent first.

3. Wikis: These websites allow people to add content to or edit the information on them, acting as a communal document or database. The best-known wiki is Wikipedia4, the online encyclopedia which has over 2 million English language articles.

4. *Pod casts:* Audio and video files that are available by subscription, through services like Apple iTunes.

5. Forums: Areas for online discussion, often around specific topics and interests. Forums came about before the term "social media" and are a powerful and popular element of online communities.

³⁰ Mayfield (2008) ICrossing e-book. Page 5. Available at:

http://www.icrossing.co.uk/fileadmin/uploads/eBooks/What is Social Media iCrossing ebook.pdf (Accessed 16 April 2010)

6. Content communities: Communities which organize and share particular kinds of content. The most popular content communities tend to form around photos (Flickr), bookmarked links (del.icio.us) and videos (You Tube).

7. *Microblogging:* Social networking combined with bite-sized blogging, where small amounts of content ('updates') are distributed online and through the mobile phone network. Twitter is the clear leader in this field. "³¹

Basically, social media is a collection of online platforms that enables people to communicate through various online features. These connective features can be networking, online discussion, sharing of knowledge, ideas and other content of communicating.



Figure 5.1: Key social platforms³²

³¹ Mayfield (2008) ICrossing e-book. Page 6. Available at:

http://www.icrossing.co.uk/fileadmin/uploads/eBooks/What is Social Media iCrossing ebook.pdf (Accessed 16 April 2010) ³² Word press 2009 Source: Embracing social media, margashamua files wordpress, Assilable etc.

³² Word press, 2009. Source: Embracing social media, mgreshamuo.files.wordpress. Available at: <u>http://mgreshamuo.files.wordpress.com/2009/11/social-media-platforms1.jpg</u>

As social media continues to grow, the ability to reach more consumers globally has also increased. Especially with social networking and microblogging sites which are most commonly used for socialization and connecting with friends, relatives, and employees. The biggest microblogging site, Twitter, has expanded its global reach to Japan, Indonesia, and Mexico, among others. This means great opportunities for charities who could use this to their advantage and advertise in multiple languages in social media and therefore reach a broader range of supporters. ³³

As social media is very broad and consists of seven different forms, this research will mainly focus on social networks and microblogging sites as these are already being used as a marketing tool for charities. Especially Facebook and Twitter are very common since these forms of social media are easy to use and many people are already connected with one of these internet sites. In order to get a better insight of social networks and microblogging, the following chapter will give definitions of these forms of social media and will clearly explain how people make use of these internet sites.

5.1 Social networking sites

Social networking is evolving extremely fast and is becoming a platform where users post an enormous variety of content such as blogging, photo and video sharing (Figure 3). According to a McCann report already 57% of internet users have joined a Social network, which makes it the number one platform for creating and sharing content. This report also states that there are an

³³ Wikipedia, Social Media. Available at:

http://en.wikipedia.org/wiki/Social_media (Accessed 16 April 2010)

estimated 272 million users' world-wide. Social networks are connecting people globally and according to this report it has been "a key driver for the growth of social media."³⁴ So what are social networking sites? In order to continue with this research, it is relevant to first clearly give an explanation:

About.com – "Social networks are groups of individuals who share a commonality. Their common bond of social networks may be the community in which members live, their religion, subdivision, career interest, social interests, common friends or shared beliefs. In short, social networks can arise from nearly any commonality or even a desire to make friends among their individual members. Therefore, to define social networks requires a broad view".³⁵

There are approximately 180 different social networking websites where Facebook, MySpace, Hyves, and Bebo are the biggest. ³⁶

http://homebusiness.about.com/od/homebusinessglossar1/g/social-networks.htm (Accessed 14 March 2010) ³⁶ Wikipedia. List of social networking websites. Available at:

³⁴ Universal Mccann International Social Media Research Wave 3 (2008). Available at: <u>http://www.slideshare.net/mickstravellin/universal-mccann-international-social-media-research-wave-3</u> (Accessed 13 April 2010)

³⁵ About.com. Available at:

http://en.wikipedia.org/wiki/List of social networking websites (Accessed 14 March 2010)

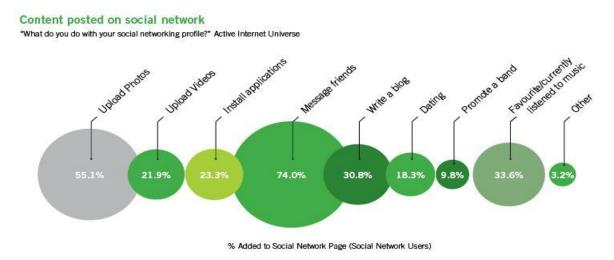


Figure 5.2: Content posted on social network ³⁷

5.2 Microblogging

1. PC Mag.com – "A blog that contains brief entries about the daily activities of an individual or company. Created to keep friends, colleagues and customers up-to-date, small images may be included as well as brief audio and video clips. The most popular microblog is Twitter". ³⁸

2. Twitter – "A free social networking and micro-blogging service that enables its users to send and read each others' updates, which are known as tweets. Tweets are text-based posts with a maximum of 140 characters, displayed on the author's profile page and delivered to other users — known as followers — who are connected to them".³⁹

http://www.pcmag.com/encyclopedia_term/0,2542,t=microblog&i=58092,00.asp (Accessed 14 March 2010) ³⁹ Twitter. Available at:

³⁷ Universal Mc Cann (2008) Figure Content posted on social network. Available at:

http://www.slideshare.net/mickstravellin/universal-mccann-international-social-media-research-wave-3 (Accessed 20 February 2010)

³⁸ Pc Mag. Available at:

http://twitter.com/about (Accessed 14 March 2010)

Microblogging sites are evolving extremely fast, with Twitter as the biggest one. Twitter is created in 2006 and since then this microblogging internet site has gained notability and popularity worldwide. According to comScore, Twitter's website attracted a total of 44.5 million unique visitors worldwide in June in 2009.⁴⁰

People all around the world can connect with each other, can post messages and retweet messages from others. This way people share and discover what is happening with their friends and these messages are immediately being spread across the globe to millions of people.

5.3 Users of social networks and microblogging sites

According to the results of comScore about the social networking site usage in Europe, there are 282.7 million European Internet users age 15 and older who used Internet via a home or work computer in December 2008. From this number there are 211 million people who visited a social networking site representing a penetration of 74.6 percent⁴¹.

Looking at for example Facebook, one of the biggest social network sites today and number 1 in 11/17 European countries (Appendix 4), research has shown that it has grown tremendously. Today, Facebook has more than 400 million active users. ⁴²

⁴⁰ TechCrunch, ComScore, 2009. Available at:

http://techcrunch.com/2009/08/03/twitter-reaches-445-million-people-worldwide-in-june-comscore/ (Accessed 14 March 2010)

⁴¹ ComScore (2009) Available at:

http://www.comscore.com/Press_Events/Press_Releases/2009/2/Social_Networking_France (Accessed 15 February 2010)

⁴² Facebook Statistics. Available at:

http://www.facebook.com/press/info.php?statistics (Accessed 20 May 2010)

As you can see from the graph below, there are many people who belong to a social network worldwide. The percentages in above figure are people who have created a profile on a new social network, ranging The Netherlands number 14 in the list.

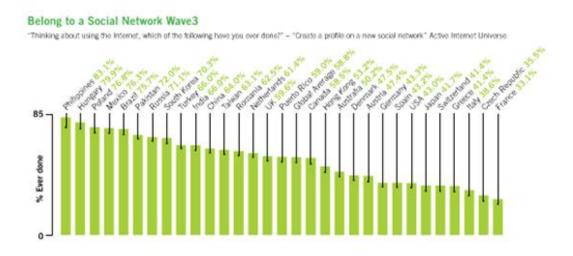


Figure 5.3: People who belong to a social network ⁴³

Twitter, the biggest microblogging site has 105 million users worldwide and is adding 300,000 new users per day.⁴⁴ People of all ages are using Twitter daily, weekly or monthly and this number of users will probably increase even more in the future.

There are great tools which can give statistics about the users of social networks and microblogs,

http://economictimes.indiatimes.com/infotech/internet/Twitter-snags-over-100-million-users-eyes-moneymaking/articleshow/5808927.cms (Accessed 15 May 2010)

⁴³ Universal Mc Cann (2008) People who belong to a social network. P36. Available at: http://www.slideshare.net/mickstravellin/universal-mccann-international-social-media-research-wave-3 (Accessed

¹⁵ February 2010)

⁴⁴ Economic Times (2010) Available at:

defined by age, gender, income level, and education level (Appendix 6). This enables charities to exactly see who is using which form and by knowing this, they can easily see which one fits best with their message they want to spread.

Below a clear overview of the users eight social networks and microblogs defined by age.

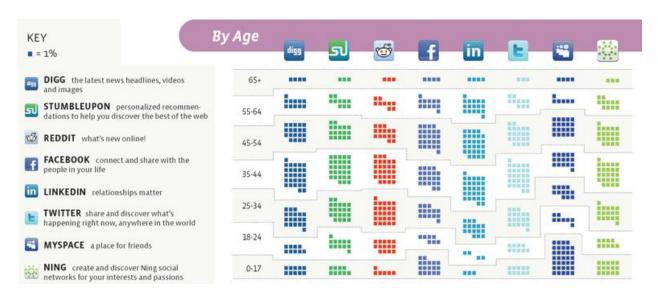


Figure 5.4 Social Media Demographics: Who's Using Which Sites?⁴⁵

Both Twitter and Facebook are great promotion opportunities for charities. Millions of people are already online, using different forms of social media and especially social networks and microblogs are extremely popular among people. As the Internet usage is increasing, it can be

⁴⁵ Bloch, Ethan (2010) Flowtown. *Social Media Demographics: Who's Using Which Sites*? Available at: <u>http://www.flowtown.com/blog/social-media-demographics-whos-using-which-sites?display=wide</u> (Accessed 25 May 2010)

assumed that also the usage of social networks and microblogs will increase. Charities can use this as an advantage and promote its good cause online.

5.4 Advantages and disadvantages of social media for charities

As all other new technologies, social media comes with both advantages and disadvantages, which will be presented and discussed below.

Cost-effectiveness

Especially with the ongoing recession, the interest in using social media as a promotion tool has increased due to its low costs. Most social network and microblogging sites, such as Facebook, MySpace and Twitter are free to sign up and use. Due to the fact that there are no costs involved even small charities can make use of social media and compete with the bigger charities that have more income to spend on fundraising. All in all, social media is a platform where there is a lot of interaction between people and it creates an opportunity to build a community cost-effectively. Social media is also a great way to promote the good cause to the outside world as it can reach thousands of people. As what is written before in this report, each year the users of Internet increases and more and more people are nowadays connected to any form of social media.

Measurable and track able results

Results of social media campaigns are not easy to measure; especially the ROI (return on investment) is not completely measurable due to the quality of conversation and interaction.

- MEET CHARITIES ONLINE-How can charities utilize social media as a promotional tool?

However, there is a lot that can be measured and take track of in social media. Starting of with the traffic to a site, this can be measured easily by different programs and internet sites such as Google analytics. Also, the amount of conversations and comments that are received by the charity could be measured. When having a Twitter profile you can track down the number of followers of the retweets which shows how many people are interested in the charity's messages. Moreover, the overall brand image of the charity could be measured as well as the amount of times something is shared with other people. Besides this, there are a few other things that can be measured such as the number of donations or increase in annual revenue as charities can track this by using analytics programs. ⁴⁶

Very fast and flexible

Social media is very fast and flexible in the usage and it enables charities to engage with large numbers of existing and potential supporters. The usage of social media provides charities with greater opportunities to share more information about the important work that they do and to seek and receive feedback.

Managing relationships

One of the most important aspects of social media is the way of managing relationships.

This new phenomenon provides the opportunity to build deeper, more loyal relationships with people and allows individuals to engage with charities in such a way that it is convenient to them. This is extremely important for charities as they need as many people as possible in their communities to share their opinions, thoughts and ideas with each other and who connect with

⁴⁶ Morgan, Jacob (2008) Why Social Media is More Measurable Than Traditional Media. Available at: <u>http://www.jmorganmarketing.com/social-media-more-measurable-than-traditional-media/</u> (Accessed 10 May 2010)

other people interested in similar fields. Social media is a place for relationships and conversations.

People can use their creativity and embrace passion to a particular area. Moreover, with the rising number of people making use of social media, charities can reach enormous number of people on the same time. As there are millions of people using social media already, a message online about the purpose of a specific charity can reach large amounts of people and bring people closer to charities. They can do this by for example creating videos about their work on YouTube or putting photos on Flickr. This way charities are reaching out to people in their own space.⁴⁷

Sharing opinion and spreading a message

Another advantage of using social media is that it is possible for people to share their opinion on certain charities and this can make other people donate money as well. "According to recent studies, consumers value the personal advice of friends, family and acquaintances 1.5 more times today than in the 1970s and twice as much as traditional media (1). A staggering 61 percent of people surveyed report giving to a charity because a personal connection has asked them to make a contribution (2)."

- (1) Source: The Influentials
- (2) Source: Harris Interactive⁴⁸

⁴⁷ Times Online (2009). Available at:

http://business.timesonline.co.uk/tol/business/related_reports/social_entrepreneurs/article6267010.ece (Accessed 10 May 2010)

⁴⁸ Read Write Web (2006). Available at:

http://www.readwriteweb.com/archives/charity_badge.php (Accessed 10 March 2010)

Reach those supporters who are interested

Charities using social media will face the advantage that their good cause will be seen by people who are truly interested. Due to the fact that with most of the forms of social media, the person can decide to connect with or to follow the specific charity. With many other forms of traditional promotion, people got pushed by the charity while not being being sincere interested. Social media is a pull strategy where people who are really interested ask for more information about the charity.

Although these advantages are all beneficial for charities, there are also characteristics in social media that needs to be taken into consideration.

A tool more for raising awareness and engagement in vision rather than fundraising

Having your charity online will most likely increase the awareness of possible donators, due to factors such as the increasing number of people using Internet and the increasing number of people engaged with any form of social media. It is argued that social media cannot be used as the only method of fundraising as there are too little charities that successfully raised (enough) funds through social media.

Direct donation platforms still in its early life

Direct donation via social media is still new and not yet used very often. Various social networking sites offer ways of direct fundraising to the good cause, such as Facebook Causes Application and various Twitter tweets which ask people to donate money. This kind of post

usually starts with the Twitter abbreviation RT for "Please Pass this On" (re-tweet), asking *people to give just \$5".* There is already evidence that charities have been able to raise money this way, but this number is still very little.⁴⁹

Sustainability

Some people argue that social media is not sustainable as many donators will only donate money once since they are impulse buyers. Many of these impulse buyers accidentally come across the social media or microblogging sites where they read messages as in: "In honor of my birthday, please give to this cause" or "Please donate your money and retweet this message to all your followers". Most of these impulse donors will not come back and donate again, and are especially unlikely to give larger gifts. 50

Content gets overlooked

Another improvement point is the fact that there is a still lot of great content that gets overlooked as the current lack of tools (for example good filters) creates problems finding the best content. Once a charity is using social media it should be careful with the way they post and how they communicate their message. Due to the fact that millions of people are using social media, there is no direct contact between the charity and potential donators. This makes it hard to estimate whether the message was communicated to the right target groups.

⁴⁹ Creating the Future (2009). Social Media Fundraising: Unsustainable, Scarcity-Based Begging? Available at: http://hildygottlieb.com/2009/02/08/social-media-fundraising-unsustainable-scarcity-based-begging/ (Accessed 16 May 2010) ⁵⁰ Ibid

Time consuming

Another very important aspect to take into consideration is the time needed to get positive results. Charities should take into consideration that it is not enough to only sign up for either a Twitter account of a Facebook Page and then watch till people donate money. However, in order to achieve good results, charities need to be active, responsive, and personal, create conversations among people and encourage followers and friends to share the information about the good causes of the charity.

This will have a greater potential to spread virtually and reach new audience. Using social media as a marketing tool is very time consuming, but once it is done in the right way, it can lead to very positive and successful results. Making effective use of social media brings charities bigger chances of being successful when the charities have someone who has knowledge and already some experience promoting in social media.⁵¹

Donor fatigue

Donor fatigue is another very important aspect that should not be forgotten. This happens when people do not longer give to charities caused by "pressure to donate, overstretched budgets, and frustration with miss-managed charities and donation campaigns".⁵²

⁵¹ Catone, Josh. 5 essential tips for promoting your charity using social media. Available at:
 <u>http://kaskcreativity.com/blog/5-essential-tips-for-promoting-your-charity-using-social-media/</u>
 ⁵² Smith, S.E. What is donor fatigue. Available at:

http://www.wisegeek.com/what-is-donor-fatigue.htm (Accessed 20 April 2010)

- MEET CHARITIES ONLINE-How can charities utilize social media as a promotional tool?

In some cases people get frustrated by the constant mailings, hold phone drivers and other tactics to ask for donations. By doing this, there is a risk that potential donors lose patience and start to feel irritated. Charities should watch out when using social media as the usage of this makes it easier to reach people thus enhancing the risk of spamming potential donators. Donor fatigue has a negative impact on donations and charities do their best to avoid it. This can be done best by "launching limited, concise campaigns and demonstrating the good work they do for only people who are interested".⁵³

Though to predict

Social media is tough to predict as you cannot forecast many of the variables that can be measured and take track of in social media. Whereas with traditional fundraising, a charity has, most of the time, a good idea of how many people will see the ad, will answer the phone, and open the door before starting the campaign. Once a charity is involved with social media it can understand its impact, can measure it and can make it grow⁵⁴.

Although social media offers many advantages there are still many disadvantages that charities should take into consideration, when utilizing social media as a promotion tool.

⁵³ Smith, S.E. What is donor fatigue. Available at:

http://www.wisegeek.com/what-is-donor-fatigue.htm (Accessed 20 April 2010) ⁵⁴ Morgan, Jacob (2008) Available at:

http://www.jmorganmarketing.com/social-media-more-measurable-than-traditional-media/ (Accessed 10 May 2010)

The main advantages and disadvantages are summed up in the table below.

Advantages	Disadvantages
Cost-effectiveness	A tool more for raising awareness and
	engagement in vision rather than fundraising
Measurable and track able results	Direct donation platforms still in its infancy
Very fast and flexible	Sustainability
Managing relationships	Content gets overlooked
Sharing opinion and spreading a message	Time consuming
People can share their opinion	Donor fatigue
Reach supporters who are interested	Though to predict

Table 5.1 - Table of advantages and disadvantages of social media $^{\rm 55}$

⁵⁵ Slideshare (2010) p 4-14. Available at:

http://www.slideshare.net/rebekahhah/are-social-media-channels-effective-fundraising-tools-for-emergency-appeals

6. SOCIAL MEDIA AS A NEW PROMOTION TOOL

Social media is getting popular among charities and different forms of social media are being used as promotion channels. Currently the main ways for charities to utilize social media are: Twitter Pages, Facebook Pages, Facebook Causes Application and different online platforms. Often these different ways of promoting are combined in order to reach a wider network. In the following chapter various examples are presented which show the effectiveness of social media as a new promotion tool.

6.1 Unicef in Twitter

Unicef is currently utilizing Twitter as a new promotion channel. Unicef is a charity that is worldwide known and therefore they have already created different Twitter accounts for each country they are representing. On these pages, they post everything related to their good cause, ranging from important news issues, the amount of donations, job vacancies and are even linking their messages to Twitvid, which is online television. Everyone interested in Unicef, has the possibility to connect and communicate with the charity. Having a Twitter account enables charities to engage people in a conversation directly and will reach a huge audience. Unicef in the United Nations, for instance, has already more than 100,000 followers⁵⁶. Unicef is trying to increase their awareness by also linking Twitter to their own webpage.

⁵⁶ Twitter. Unicef account (2010) Available at: http://twitter.com/UNICEF (accessed 22 May 2010)

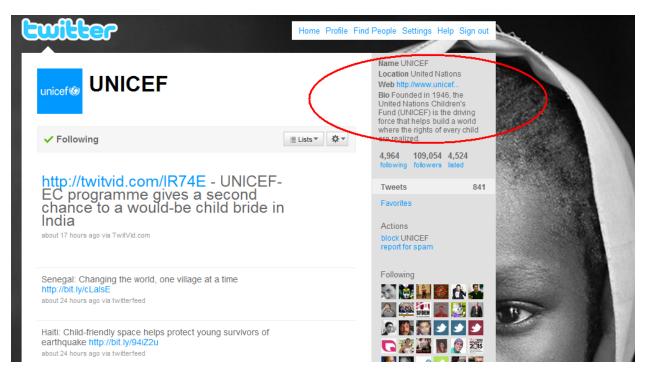


Figure 6.1- Unicef in Twitter⁵⁷

6.2 Facebook Pages and Warchild

Charities can set up pages in Facebook and can use these pages to inform their fans about their new projects, promotions and other news. These pages are visible for everyone and the people can "like" them or send comments. On these pages, the charity can post everything it wants to share with the outside world. The people who "like" these pages are all interested in helping the poor, by donating, volunteering or creating awareness. If there is a new campaign, the charity can simply post it on the page where it will soon be read by its fans. Warchild UK has already

⁵⁷ Twitter. Unicef account (2010) Available at:

http://twitter.com/UNICEF (accessed 22 May 2010)

more than 14,000 people who are fans, meaning that important messages are received by a huge audience. This creates a two way communication between the charity and potential donators. ⁵⁸ Warchild UK promotes its new project in Goma on their Facebook Page, hoping to increase awareness on this project.



Figure 6.2- Page Warchild at Facebook⁵⁹

⁵⁸ Facebook. Page of Warchild. Available at:

http://www.facebook.com/warchilduk?ref=ts#!/warchilduk?ref=ts (Accessed 20 May 2010)

⁵⁹ Ibid

6.3 Facebook Causes

Causes is a Facebook application which is online since 2008. This application connects thousands of people who are interested in donating time and money to different charities and nonprofits. Every Facebook user can create a cause where they can recruit their friends into that cause and update everybody on issues and media related to the cause. Moreover, money can be raised directly through the cause for "**any** U.S. registered 501(c) (3) nonprofit or Canadian registered charity²⁶⁰.

With the application, people can browse thought all sorts of good causes which include relief efforts, environmental causes, political causes, educational efforts, and more. There are causes pages for various charities.⁶¹

In the first year, there were 12 million registered users who were supporting and donating money to more than 80,000 charities worldwide. This application is already very successful as there are 60,000 daily users and \$2.5 million has been raised for 19,445 different charities.⁶²

⁶⁰ Facebook Causes. Available at:

http://apps.facebook.com/causes/about (Accessed 25 May 2010)

⁶¹ Perez, Sarah (2008) Read Write Web. Available at:

http://www.readwriteweb.com/archives/how to use social media for social change.php (Accessed 12 march 2010)

⁶² Arrington, Michael (2998) Tech Crunch. Available at:

http://techcrunch.com/2008/05/28/causes-reports-on-its-first-year/ (Accessed 15 may 2010)

Below an example of World Wildlife Fund who has already 494,226 people who are joining this cause and \$31,303 has been donated.



Figure 6.3 – World Wildlife Fund at Facebook⁶³

Charities which are promoting via social networks and microblogs aim to inform interested donators about their current and already finished projects, their newest campaigns and updating them about general news.

⁶³ Facebook. World Wildlife Fund "Causes" at Facebook (2010) Available at: http://www.causes.com/causes/435 (Accessed 25 may 2010)

Examples presented before show that social media is a great tool for promotion. Many donators are already following their favorite good cause and by doing this, they influence most likely their friends, family and colleagues as well. Although not all social networks or microblogs ask for direct donation, charities (e.g. Unicef) do try to attract people to visit their official webpage by placing a link on these forms of social media where there are currently engaging with. This link goes to their official webpage which offers the possibility to donate money directly to the charity.

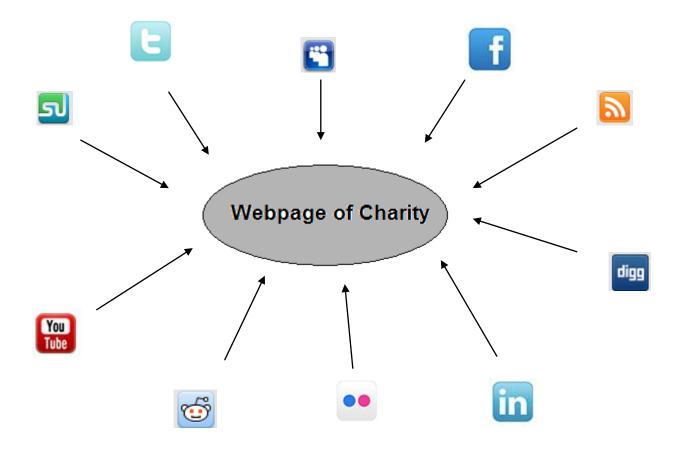


Figure 6. 4 – Social networks and microblogs linking to webpage of charity

6.4 Online platforms a new trend in fundraising

These days there is an ongoing trend of individuals who want to raise funds for their project. Social media provides these people a platform for their own fundraising initiatives. Especially the online platforms such as the 1% Club and PIFworld make it possible for those who want to start their own little project where people are asked to donate money. It can be said that there is an increasing trend going on and more and more people are part of this "new way of giving".

These online platforms enable private individuals to start their own project with the goal of raising money for the good cause. There are already some success stories of completed projects that raised enough fund to help the cause which shows that people are willing to donate their money to unknown individuals who give transparent information about their project. Various examples on charities that are currently raising fund on the online platforms are presented in the next paragraph.

6.4.1 The 1% Club

"The 1% Club is an online marketplace that connects smart development projects with people, money and knowledge around the world." ⁶⁴ Each individual who wants to do something for a good cause can become a fundraiser by becoming a member and starting a project. Having a personal project enables the member to raise funds by giving information about the project. This information has to be given by updating the project profile with blogs, videos or photos on regular basis, minimum once a month. Sharing of this information can result in donations being

⁶⁴ 1 procent club (2010) Available at:

http://www.1procentclub.nl (Accessed 20 May 2010)

made for the project. Every project shows the total amount of money needed, and the amount of donations received. This is also visualized by a green bar which represents the amount of money which is already donated. Immediately after a donation is made, the green bar and the amount needed will be adjusted online.

The main idea behind this is that individuals and business people can directly offer 1% of their time, knowledge or income to a project of their own choice. The 1% Club is currently using already various social media and microblogging sites such as Facebook, Twitter, Flickr, LinkedIn and Youtube. It has currently 4.355 1% members, 94 1%PROJECTS, 84 Realized 1%PROJECTS in 41 countries. This online platform exists since 2008 and there is \in 226.328 donated to various projects to date.⁶⁵ All people can start their project on the 1% club, explaining who they are, their location, for where they are raising the money for and how much they need.



Figure 6.5 – Project Tamale Youth Recreation Center⁶⁶

⁶⁵ 1 procent club (2010). Available at:

http://www.1procentclub.nl/about (Accessed 20 May 2010)

⁶⁶ 1 procent club (2010) Project Tamale Youth Recreation Center. Available at: <u>http://www.1procentclub.nl/projects/partnershipdiscoverycenter</u>

6.4.2 **PIFworld (Play It Forward)**

The Play it Forward Organization (PIF) is the creator of Pifworld, which is an online charity platform for the new giving. The Play it Forward Organization (PIF) maintains PIFworld and enables people to find projects they want to play forward. With this organization, the creator wants to make a positive change worldwide.

In order to start a project at PIFworld, it is necessary that one is a foundation who is registered under the Dutch law. Once one is a member their favorite project can be linked to their personal profile. Being a fundraiser is the first step to create a better world, and with a PIFprofile one can take the lead and raise fund with many (personal) fundraising actions.

These personal fundraising actions can be shared with others and, in order to attract new donators, a member can post photos and videos updates on their "My Pif" where they can activate others to support their favorite project. It has currently 3661 members, 14 running project and 20 realized projects worldwide. This online platform exists since 2007 and there is \in 125.480, 00 donated to various projects to date. PIFworld is currently already using various social networks and microblogs such as Facebook, Twitter and Hyves.⁶⁷

⁶⁷ Pifworld (2010) Available at:

http://www.pifworld.com/#/home (Accessed 20 May 2010)

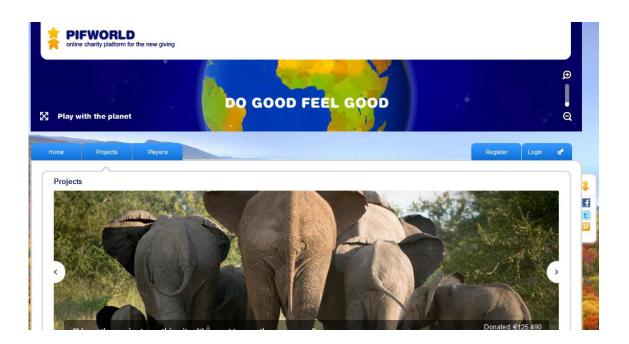


Figure 6.6 – Homepage of Pifworld ⁶⁸

What can be seen from these online platforms is the fact that they are very effective in means of reaching its audience. These online platforms can reach millions of people since they are participating in either three or four different social network and microblogging sites. As what is stated before, each of these social media forms have their own reach and this way individuals and charities who are raising fund on these online platforms can reach both the general public (Hyves, Facebook, Twitter) and professionals (LinkedIn).

⁶⁸ Pifworld (2010) Available at:

http://www.pifworld.com/#/home (Accessed 20 May 2010)

6.5 Keys to successful promotion in social media

There are various important things to consider for charities when utilizing social media as a promotion tool. What already has been discussed in chapter 2 is that the marketing mix is getting more and more important in today's society. Nowadays it is important that charities study the wants and needs of its donators as people require more information Research has shown that being transparent over the use of the donations is for 46% of the Dutch people the most important factor when considering supporting a charity.⁶⁹

What is meant by transparency is that charities will need to share everything with their audience. They can't simply raise funds and leave it there without mentioning what they are going to do with it. It is important that they show where the money is going and to which project. This is quite reasonable; however, not many charities are able to do this with traditional way of promoting their good cause. Social media enables people to have more information about where the money is going to and creates a two way communication between the charity and the possible donator. Charities should advertise their good cause in an interactive way and need to acknowledge the importance of listening to (possible) donators.

Once a charity decides to pursue new social media strategies it should consider the following principles. The first step is to identify their target audience. This is extremely important as it will help the charity to decide which form of social media is not suitable to promote its cause. All social network and microblogging sites target different audiences and therefore a charity should

⁶⁹ Kroon, Petra (2010) Available at:

http://www.molblog.nl/bericht/nederlander-wil-weten-wat-er-met-zijn-donatie-gebeurt/ (Accessed 25 May 2010)

carefully consider which form of social media fits best with its preferred audience. As what is presented before, charities can decide on targeting people by using various demographics including age, gender, level of education and income.

The next step is to determine its goals, meaning what kind of response it wants to achieve. Charities often set clear goals and benchmarks on the amount of donations it wants to reach and should identify how they are going to achieve this. When the charity has a clear structure the next step is to choose a message it wants to spread. Generally, charities want to increase awareness for their good cause and they try to do this by various projects, campaigns and other messages. After this, a charity should choose the media through which to send the message. As what is written before, there are various promotion tools, each having their own advantages. Therefore, it is important that the charity first gets familiar with the various tools and benefits that social media can offer. It is important that the right tool for the right task will get selected as this will reduce wasting of time and resources.

When charities decide to utilize social media as a promotion tool, it is important that enough time to this new media is dedicated. Once the methods of promoting in social media have been decided and the charity is online, the next step is to attract the audience by sending out messages, online campaigns and other relevant ways of increasing awareness. This way those people interested in charities and who want to help a good cause can connect with charities.^{70/71}

http://www.thehatchergroup.com/doc/Social_Media_091009.pdf page 17 (Last Accessed 24 May 2010) ⁷¹ Fritz, Joanne, 12 Tips for Nonprofits On Getting Started With Social Media. Available at:

⁷⁰ Nelson, Josh, The Hatcher Group 2009. Available at:

http://nonprofit.about.com/od/socialmedia/tp/Tipsstartsocialnetworking.htm (Last Accessed 23 May 2010)

7. CONCLUSION AND RECOMMENDATIONS

This chapter sums it all up by stressing the factors that a charity should take into consideration when using social media as a promotion tool. As this is still a very new tool of promotion, there are plenty of things a charity should take into consideration when utilizing social media as a new promotion tool. Therefore, various recommendations are presented by showing the Do's for charities.

7.1 Conclusion

The most important result from the research is that different environments call for different actions. There are thousands of different charities worldwide and even though they have a similar goal; to increase awareness and raise funds to help their good cause, they all differ from each other. Charities need promotion to achieve this goal and in order to survive charities need to compete with the others. It is important that they are creative and think of effective ways of promoting their good cause and therefore charities should consider engaging in social media.

Social media enables charities to reach a massive amount of people and this number will only increase as more people will start making use of social media in the future. Looking at the Internet and social media statistics presented in this thesis, it could be very much possible that in a few years, traditional fundraising will totally disappear. Already now, people are spending much of their time online and this number will only increase in the future. Therefore, it is important that charities start utilizing social media as a promotion tool as this will bring them advantages, not only now, but especially in the future.

Although many disadvantages of using social media as a promotion tool can be found, they cannot weigh up to the advantages. This way of promotion is a very effective way of communicating the message about the good cause as thousands of people can read it. Moreover, social media will also be cost effective as many social network and microblogging sites are free to set up and maintain. Besides this, social media enables charities to be more transparent. This is very important as wants and needs of people change and nowadays more interaction between charities and donators is required. For charities, it is extremely important to reach those wants and needs in order to attract new and maintain their current donators.

The different forms of how charities are currently utilizing social media presented in this thesis already show how successful social media can be when using it in the right way. Using promotion through Twitter enables charities to post tweets on their newest campaigns and projects. This way the people who are truly interested can connect and read all content the charity posts. Moreover, these people can retweet messages they consider important which will be read by their connections. Through this a huge audience will be reached which will increase their awareness. Also, creating a link to their official webpage is possible creating the opportunity of people donating money directly.

Facebook Pages is another way of promoting the good cause. A charity can create and maintain a page without costs and can promote their latest campaigns. People decide themselves if they want to follow this charity by clicking "I like". This way the message will again be

communicated to a huge audience. Moreover, Facebook Causes Application shows evidence that money is being donated online. This application gives people the chance to help and support charities and many project have already received donations for their good cause. What can be concluded is that online platforms, such as the 1% Club and PIFworld are already successfully been used as a promotion tool. Both of these platforms are founded recently and already now a huge amount of donations is received for different projects. This shows that having more transparency is very important as it creates more willingness to donate. However, not every charity knows how to use social media in the best possible way.

Therefore, when a charity decides to use social media as a promotion channel, it should do research before on how they can best utilize this new technology in order to achieve successful results. It is important that charities should identify first which form of social media will match best and should then identify the steps they will need to take in order to receive successful results.

For now, social media should not be expected to be very effective if it is used alone as a single promotion tool. Since social media is a very new way of promoting, charities should also use some other elements of the traditional forms. It is not yet very likely to be successful when using only one single method of promotion. Instead, charities should carefully consider who they want to attract and how to best attract this target group in an effective way. However, in the future social media might be enough to use as a single form of promotion but unfortunately this cannot be proofed yet.

7.2 Recommendations

It is obvious that there are plenty recommendations for a new technology such as social media. This can be best explained by presenting the various do's that charities should consider when they want to utilize social media as a marketing tool for fundraising.

Do's for charities when using social media as a marketing tool

When using social media as a marketing tool for fundraising charities should take the following into consideration in order to be successful:

- The first step is to identify the target group; this can be done by gender, age, level of income or level of education.
- After identifying the target group, a charity should check which form of social media fits best with the message they want to spread. Finding the right social network of microblogging site is extremely important as this is crucial to make the promotion successful. As what could be seen in this thesis, social networks and microblogs offer different ways of promoting. Therefore, it is important that a charity is familiar with these various tools and benefits that social media can offer.
- When connected with the chosen form of social media, a charity should determine the response they are seeking for and choose the right way to achieve this.
- Once a charity is online it should make a good first expression by posting enough relevant content. Charities should understand the importance of changing and updating this content on a regular basis.

- MEET CHARITIES ONLINE-How can charities utilize social media as a promotional tool?

- Make your charity transparent! This can be done by involving followers, fans and donators in everything you do. Make sure to maintain personal relationships between the charity and the followers and communicate with social media friends on a regular basis. When these followers feel more involved, the trust increases and this will most likely result in more dedicated donators.
- It is important that a charity allocates the promotion through social media to someone who has enough knowledge about this new technology. As there is not much research been done it is essential that people know what they are doing. Some might find it necessary to get involved with an expert, other may choose to train their current employees to work with this new promotion tool.
- Time is another important component that should not be forgotten. As social media can be quite time consuming, it is crucial that charities dedicate enough time to this new promotion tool. Devoting staff time is essential to keep on working to make social media effort a success.

These are various recommendations are charity should take into consideration when utilizing social media as a promotion tool. Further research should be aimed at testing the effectiveness of social media. This can be done by for example comparing donations before and after utilizing social media.

53

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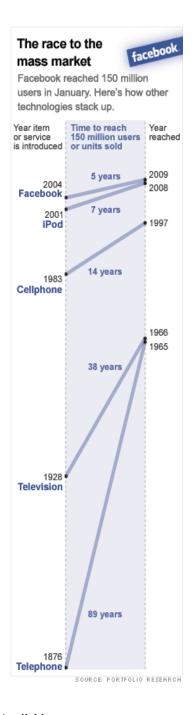
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Appendices

- 1. The race to the mass market (Facebook)
- 2. List of Dutch Charities
- 3. Internet Users in the World 1995 -2010
- 4. Facebook no.1 in 11/17 European countries
- 5. Social Media Demographics, Who's using which sites?
- 6. Literature Review
- 7. Research Plan

Appendix 1: The race to the mass market, Facebook



Source: The Trend Watch (2009) Available at: <u>http://www.thetrendwatch.com/blog/wpcontent/uploads/2009/02/race_to_mass_market.gif</u> (Accessed 15 November 2009)

Appendix 2: List of Dutch charities

A

A.S.A.P. Algemene Stichting voor Afrikaanse Projecten AAP, St. ACNS Projecthulp, St. Actie Calcutta (SAC), St. Adesa, St. Vrienden van ADRA-Nederland, St. Aflatoun - Child Savings International, St. Agriterra, St. Aids Fonds, St. AIDS Foundation East-West, St. Aim for human rights, St. Albert Schweitzer Fonds, St. Ned. Alliance for UPEACE, St. ALS Nederland, St. Alzheimer Nederland, St. AMCHA in Nederland, St. Vrienden van Amnesty International, Ver. AMREF Flying Doctors ANGO, Ver. Angst, Dwang en Fobie Stichting Artsen voor Kinderen, St. Artsen zonder Grenzen, Ver. Astma Fonds Atay, St. ATD Vierde Wereld Nederland, st. Autisme, Nederlandse Ver. voor Autismefonds

B

Bake for Life, St. Balemans voor het Missie- en Ontwikkelingswerk, St. Bartiméus Sonneheerdt, Ver. Bas van de Goor Foundation, St. Before7, St. Befriend, St. Benjamin Foundation for Disabled Children, St. Bible League, The, St. Voor Wereldwijde Bijbelverspreiding Biblionef, St.

Bijbelgenootschap (NBG), Ver. Het Nederlands Bio Kinderrevalidatie Biologica, St. Bisschop Bluyssen Fonds, St. Bisschoppelijke Vastenaktie, St. Bont voor Dieren, St. Brabants Landschap, St. Het Brabantse Milieufederatie, St. Brandwonden Stichting Brooke Hospital for Animals Nederland, St. Burns Turiani, St. Business in Development (BiD) Network, St.

С

CAS International (Comité Anti Stierenvechten), St. Child Future Africa, St. ChildsLife International, St. Christenen voor Israel, St. CliniClowns Nederland, St. Cobra Museum voor Moderne Kunst Amstelveen, St. Collectieve Israël Actie, St. Compassion Nederland, St. Concertgebouw Fonds, St. Het Concertgebouworkest, St. Donateurs Koninklijk Connect International, St. Cordaid, St. Cystic Fibrosis Stichting, Nederlandse

D

Dark & Light Blind Care, St.Day for Change, St.DE BRUG, Ver. OntwikkelingshulpDe Kleine Aarde, Centrum voor een Duurzame Leefstijl, St.Diabetes FondsDierenambulance Amersfoort e.o., St.Dierenambulance Gooi en Vechtstreek, St.Dierenambulance Hilversum e.o., St.Dierentehuis 's-Hertogenbosch e.o., St.Diergeneeskunde in Ontwikkelingssamenwerking (DIO), St.Doe Een Wens Stichting NederlandDokters van de Wereld, Ver.

Dorcas Hulp Nederland, St. Drentse Landschap, St. Het Duurzame Samenleving Papua Barat (SDSP), St.

Е

E-Learning for Kids, St. Eardrop Stichting Ecomare (Merknaam van Texels Museum, St.) Edukans, St. El Fuego, St. Emma Kinderziekenhuis AMC, St. Steun Energy4All, St. Epilepsiefonds ERFO-centrum, St. Estella Fonds, St. Ethiopië-Eritrea, Interkerkelijke St. Europa Kinderhulp, St. Eva Demaya, St. Eye Care Foundation, St.

F

Fairfood International, St. Familiehuis Daniel den Hoed, St. Family Help Programme Holland/Sri Lanka, St. Federatie Paardrijden Gehandicapten, Ver. Fietsersbond, Ver. Fietsersbond, Ver. Flevo-landschap, St. Het Fonds Gehandicaptensport Fonds verstandelijk gehandicapten Free Voice, St. Fryske Gea, Ver. It FSHD, St. FunCare4kids, St.

G

<u>Gaandeweg, St.</u> <u>Gastenverblijf VU Ziekenhuis, St.</u> <u>Geldersch Landschap, St. Het</u> <u>Gereformeerde Zendingsbond, Ver. De</u> <u>Global Initiative on Psychiatry, St.</u>

God's Golden Acre Nederland, St. Vrienden van Goois Natuurreservaat, St. Steun Greenpeace Groninger Landschap, St. Het

Η

Habitat for Humanity Nederland, St. Handicap.nl (Merknaam van ANGO, Ver.) Hartstichting HealthNet TPO, St. Heifer Nederland, St. Help mij Leven, St. Hendrick de Keyser, Ver. Hersenstichting Nederland Hervormd-Gereformeerde Jeugdbond, Ver. (HGJB) HIVOS, St. Hollandsche Molen, Ver. De Homeopaten zonder Grenzen, St. HomePlan, St. Hondenbescherming, Ver. Hoogvliegers, St. Hoop, St. Vrienden van de Hospice "Bardo", St. Vrienden van Hospice De Patio, St. Vrienden van Huidfonds, St. Nat. Hulp aan Landgenoten in Indonesië (HALIN), St. Hulp aan Papua's in Nood (HAPIN), St. Hulp Oost-Europa, St. Humana, St. Humanistisch Verbond, Ver. Humanitas, Ver. Hunger Project, St. The

I

IKV Pax Christi, St. Samenwerkingsverband International Campaign for Tibet, Ned. St. International Child Support, St. Internationale Bouworde (IBO-Nederland), St. Interplast Holland, St. IZB, Ver. voor zending in Nederland J

Jantje Beton, St. Johan Cruyff Foundation, St. Johanna KinderFonds, St. Johanniter Hulpverlening, St. Joods Historisch Museum, St. Vrienden van het

K

Kalinga, St. KankerFonds voor Dieren, St. Nederlands Kansen voor Kinderen Nederland, St. Kerk in Actie, onderdeel v.d. Dienstenorganisatie v.d. PKN Kerk in Nood/Oostpriesterhulp, St. KICI Kledinginzameling, St. KiKa (Kinderen Kankervrij), St. Kind en Brandwond, St. Kinderen van Bulgarije, St. Kindergeneeskundig Kankeronderzoek, St. Kinderhartenfonds (Merknaam van de Hartstichting) Kinderhulp, St. Nat. Fonds Kinderpostzegels Nederland, St. KNCV Tuberculosefonds, Ver. KNGF Geleidehonden, St. KNRM, Koninklijke Nederlandse Redding Maatschappij Kom over en help, St. KWF Kankerbestrijding, St.

L

Landschap Noord-Holland, St. Landschap Overijssel, St. Leger des Heils Fondsenwerving, St. Leprastichting, De Leprazending Nederland, St. Liliane Fonds, St. Limburgs Landschap, St. Het Luchtballon, St. De Luchtvaart zonder Grenzen, St.

Μ

Maag Lever Darm Stichting MAF Nederland, St. Mama Cash, St. Medical Checks for Children, St. Medisch Comité Nederland-Vietnam, St. Mensen met een Missie, St. Mercy Ships Holland, St. Metakids, St. Milieudefensie, Ver. Milieukontakt International, St. MISSIO (Pauselijke Missiewerken Nederland), St. MIVA, St. MS Fonds, St. Nationaal MS Research, St. Muziekinstrumenten Fonds, St. Nationaal MYBODY (Merknaam van World Population Foundation, St.)

Ν

Natura Artis Magistra, St. Natuur en Milieu, St. Natuurmonumenten in Nederland, Ver. tot Behoud van Nederland-Batam, St. Nederlands Centrum voor Inheemse Volken (NCIV), St. Nederlands Cultuurlandschap, Ver. Nelson Mandela Kinderfonds, St. Nierstichting Nederland NiZA, St. NOC*NSF, Ver. NSGK voor het gehandicapte kind

0

Ondergrondse Kerk (SDOK), St. De OneMen (Merknaam van MIVA, St.) Ontmoeting, St. Oogfonds Nederland, St. Oost Europa Boskoop, St. Open Doors, St. Openluchtmuseum, St. het Nederlands Operatie Mobilisatie, St. Opkikker, St. De

<u>Orange Babies, St.</u> <u>Oranje Fonds, St.</u> <u>Oude Groninger Kerken, St.</u> <u>Ouderenfonds, St. Nat.</u> <u>Ouders, Kinderen en Kanker, Ver. (VOKK)</u> <u>Oxfam Novib, St.</u>

Р

PAPPA, St. Pater Peeters, St. Vrienden van Pax Christi Nederland, Ver. Vredesbeweging Pax kinderhulp, St. Peerke Donders Stichting Philadelphia Namibië, St. voor weeskinderen in nood Pietersberg, St. De Piloten zonder Grenzen, St. Pink Ribbon, St. Plan Nederland Prader-Willi Fonds, St. Press Now, St. Prins Bernhard Cultuurfonds Prins Claus Fonds **Prinses Beatrix Fonds** Proefdiervrij, Ver. AVS Projecten Zuid-Afrika, St. Psychische Gezondheid, St. Fonds

Q

Quality of Life Gala, St. The

R

RE/MAX for Kids, St. Red een Kind, St. Regenboog, St. De Regenboogboom, St. De Rembrandt, Ver. Reumafonds Revalidatiefonds Richard Krajicek Foundation, St. Right To Play, St.

<u>Rijksmuseum Fonds</u> <u>Rode Kruis, Ver. Het Nederlandse</u> <u>Ronald McDonald Kinderfonds, St.</u> <u>Roparun Palliatieve Zorg, St.</u> <u>Rudolphstichting, Ver. De</u>

S

Salvatoriaanse Hulpactie, St. Sam's Kledingactie voor Mensen in Nood, St. Samenwerkende Dierenhulp Organisaties, St. Samenwerkende Oncologie Haaglanden, St. Save Ethiopian Children, St. Save the Children Nederland, St. Scholenproject Cambodja "Rotterdam", St. Sensoor Nederland, Ver. Service Médical, St. Seva Network Foundation, St. Simavi, St. Sjaak Pach Stichting Slachtofferhulp, St. Fonds Solidaridad, St. Solyluna, St. Oog voor Kinderen Sophia-Vereeniging tot Bescherming van Dieren Sophia, St. Vrienden van het SOS-Kinderdorpen, St. Ned. Vrienden der Spaanse Evangelische Zending, St. SPARK, St. Spieren voor Spieren, St. Stichting Vluchteling Stop Aids Now!, St. Style Foundation, St. The

Т

<u>TALENT Peter van Tilburg, St.</u> <u>Tania Ruth Leon Studiefonds, St.</u> <u>Tear, St.</u> <u>Terre des Hommes, St.</u> <u>Tesselhuus, St.</u> <u>Trombosestichting Nederland</u>

U

<u>UAF, St. voor Vluchteling-Studenten</u> <u>Unicef, St. Ned. Comité</u> <u>Utrechts Landschap, St. Het</u>

V

Veilig Verkeer Nederland, Ver. Ver. ter Bescherming van het Ongeboren Kind (VBOK) Verre Naasten, St. De Villa Pardoes, St. Fondswerving VluchtelingenWerk Nederland, Ver. Vogelbescherming, Ned. Ver. tot Bescherming van Vogels Vrienden v.h. Kinderoncologisch Centrum Nijmegen, St. Vriendenkring Nederland, St. Vrolijkheid, Nationale St. ter Bevordering van VSOP, Alliantie voor erfelijkheidsvraagstukken

W

Waddenvereniging Wakker Dier, St. War Child, St. War Trauma Foundation, St. Weeshuis Sri Lanka, St. Weeskinderen Kenia, St. Welzijn Kinderen van Bal Anand, St. Wemos, St. Wereld Kanker Onderzoek Fonds (WCRF NL), St. Wereld Natuur Fonds - Nederland, St. Het Wereldkinderen, Ver. voor Kinderwelzijn WereldOuders, St. Wiegedood, St. Wiesje, St. Wilde Ganzen/IKON, St. Wings of Hope, St. Wings of Support, St. Woord en Daad, St. Reformatorische Hulpaktie World Population Foundation, St. World Press Photo, St. World Servants Nederland, St. World Vision Nederland, St. WorldGranny, St. Wycliffe Bijbelvertalers Nederland, Ver.

Y

Young in Prison, St.

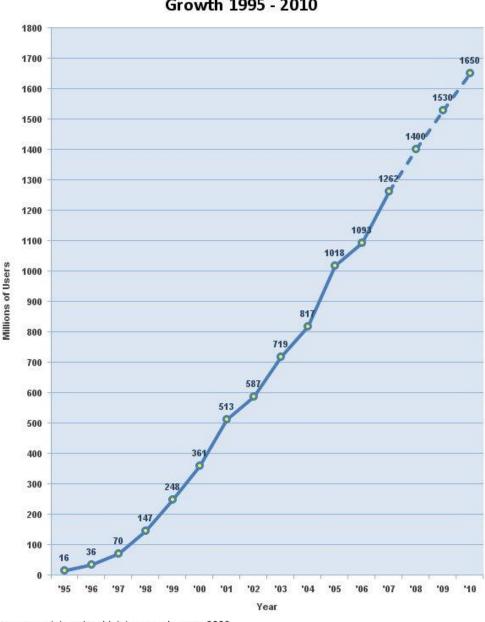
Z

Zeehondencrèche Lenie 't Hart, St. Zeeuwse Landschap, St. Het Zeister Zendingsgenootschap, Ver. Zinloos Geweld, Landelijke St. Tegen ZOA-Vluchtelingenzorg, St. Zonnebloem, Nationale Ver. de Zuid-Hollands Landschap, St. Het⁷²

⁷² Goede doelen. Available at:

http://www.goededoelen.nl/doelen/ (Accessed 10 May 2010)

Appendix 3: Internet Users in the World, Growth 1995 – 2010



Internet Users in the World Growth 1995 - 2010

Source: www.internetworldstats.com - January, 2008 Copyright © 2008, Miniwatts Marketing Group

Internet users growth in the world between 1995 and 2010 Source: Internet World Stats. Blogspot (2007). Available at: <u>http://2.bp.blogspot.com/ BQWXZbxNOvw/Smt-xrdid8I/AAAAAAAAAAAJg/W7hHsWXw3a8/s1600-h/Internet-Users-in-the-World_Growth-1995-2010.bmp</u>

Appendix 4: Facebook no.1 in 11/17 European countries

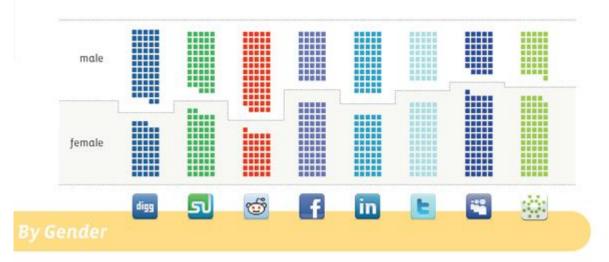
	Unique Visitors (000)						
Facebook.com	Feb-08	Feb-09	Percent Change	Rank in Social Networking Category in Feb-09			
Europe	24,118	99,776	314%	1			
United Kingdom	12,957	22,656	75%	1			
France	2,217	13,698	518%	1			
Turkey*	N/A	12,377	N/A	1			
Italy	382	10,764	2721%	1			
Spain	515	5,662	999%	1			
Germany	680	3,433	405%	4			
Belgium	327	2,308	607%	1			
Sweden	1,211	2,298	90%	1			
Denmark	533	2,022	279%	1			
Switzerland	282	1,690	499%	1			
Norway	819	1,479	81%	1			
Finland	555	1,341	142%	1			
Netherlands	236	1,031	337%	2			
Austria	112	663	491%	2			
Ireland	203	512	153%				
Russia	117	478	309%	7			
Portugal	72	193	169%	3			

Source: Lies, damned lies and statistics (2009). Available at:

http://liesdamnedliesstatistics.com/2009/04/the-twitter-stampede-continues-and-facebook-dominates-in-europe.html

Appendix 5: Social Media Demographics, Who's using which sites?





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			,					\$0-24K
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By	Educa		evel		C ,	2		< H.S. diplor

Flowtown, Social Media Demographics (2010). Available at: <u>http://www.flowtown.com/blog/social-media-demographics-whos-using-which-sites?display=wide</u> (Accessed 25 May 2010)

Appendix 6: Literature Review

Research Methods

Preliminary Literature Review

Name: Sacha Schets Class: EBA06 Lecturer: Michael Keaney Date: 07.11.2009

Introduction

All charities are set up for a charitable purpose and are not profit making and these non-profit organizations need donations in order to exist. They rely on fundraising income to achieve their goals which makes it extremely important to have clear fundraising campaigns.

There are some charities which receive some statutory income, and money is also brought in from grants, charitable trusts and companies. However, individual givers are the most important source of voluntary income for most charities.

All the money received by charities are used to meet its purpose, which range from helping disabled children, protecting animals, pursuing a cure for cancer etc. But from the money they receive, a small amount is spent directly on future fundraising activity. It is important for charities to invest in fundraising in order to attract customers for the first time, keeping them updated about new events and information and to reach them for further help.

The changing face of fundraising

The way charities raise funds has changed though the years. In the past charities mainly used marketing campaigns on television and magazines etc, but now social media is becoming an important tool to increase awareness and donations.

The whole world is changing because of social media. Everyone, both young and old is using social media more than ever. Through social media you can educate people and connect with people all over the world. Social media is a great way to tell your story to hundreds of thousands of people.

Everyone around you is using social media in at least one way. How many of the people you know have at least one account on either Face book, Twitter, MySpace etc.? Nowadays people generally spend much more time on the internet and this amount of time spend online will only increase in the future.

Especially in these times, with the economic recession going on, charities have a hard time to survive. Many nonprofit organizations are struggling in the current economy and are unable to cover the expenses. Here we can say that the standard fundraising techniques are maybe not enough anymore. Charities understand that they have to change its way of fundraising. Marketing campaigns are not enough anymore and might even be too expensive these days.

Donations are decreasing and charities need to think how it can raise fund in a creative way. They need effective fundraising that will keep them stable through this economic time and more and more charities think social media will help them out. Social media enables charities to promote their work for a small amount of money and allows them to reach a big group of people in the same time.

In the end, the goal of charities is to raise money, and I am wondering if the use of social media will lead into more donations. Therefore, I have decided to do research upon the following question.

Research Question

How has the emergence of social media affected charities?

Status of relevant literature:

Books:

The Routledge Companion to Nonprofit Marketing", First published 2008 by Sargeant, A. and Wymer, W.

This book approaches all the different ways of marketing related to the non profit sector. It will be mainly used to create an understanding of the way charities used marketing in the past. The book is divided into different parts which all discuss different marketing strategies. This book is not talking about using social media as a new marketing tool, but it will give me an insight about issues faced by nonprofit organizations in marketing and raising funds.

Social media: Introduction to the tools and processes of participatory economy 1st Edition by Lietsala, K. and Sirkkunen, E.

This book will be used to get information about social media in general. The book is very general and discusses characteristics of social media, definitions for social media and looks also into issues people might face when using social media. This book is very helpful for the first part of the research since it will help me to narrow the term ''social media'' in more specific genres.

Websites:

http://www.thirdsector.co.uk/

- Fundraising <u>http://www.thirdsector.co.uk/Channels/Fundraising/</u>
- Archive (Social media) <u>http://www.thirdsector.co.uk/Archive/index.cfm?fuseaction=TSN.Archive.Results&bAdv</u> <u>ancedSearch=true&bSearchPhraseMandatory=true&sNewsSearchPhrase=social+media&</u> <u>sSearchSubmit=Search</u>
- Big issues <u>http://www.thirdsector.co.uk/BigIssues/</u>

This website is about the third sector in general. It has various relevant articles, issues and case studies which will help me to find the latest relevant information on my topic. They talk about how charities should use social media in order to get the best results.

http://socialmediacharity.wordpress.com/

This websites provide me with the latest articles, blogs and case studies about charity related to social media. This website will be used to create an understanding of what is going on in today's world.

Critical Appraisal

So far I found a lot of relevant articles and blogs of people who write about how social networks are emerging as new charity fundraising platforms. Many websites offer new articles on a regularly basis about how charities use social media. These articles give different point of views about the effectiveness from social media.

Articles

• Twitter, tweets and Twitanthropy, By Helen Barrett, Third Sector, 6 July 2009

There was one article about Twitter where they talk about the fact that charities will probably not raise money when promoting themselves on this social network.

However, charities hoping to raise money as well as awareness are likely to be disappointed: people don't donate much on Twitter. Fundraising expert Howard Lake of UKFundraising.co.uk is sceptical. "Twitter is not a tool for direct asks," he says. "It's better for talking to donors: they can, for example, ask questions, be publicly thanked and receive recognition."⁷³

• Give & Take: A roundup of blogs about the non-profit world By Cassie J. Moore, July 24, 2008

In the article people debate if it is wrong to use social-networking tools to promote a charity. Non profit experts are debating on this since some people show their concern that marketers show a lack of respect for the purpose of social networks by forwarding messages about their causes.⁷⁴

• Charities Turning To Social Media For Donations By Vince Gerasole, Otcober 29, 2009, Chicago

In this article the writer reports on how charities can help the needy people by using social media. This article includes a story about someone who raised clothes for people in need and 60 to 70 percent of the donations was received through using used Face Book and Twitter.⁷⁵

⁷³ http://www.thirdsector.co.uk/BigIssues/Details/69840/the-changing-facefundraising/Article/917973/Twitter-tweets-Twitanthropy/

⁷⁴ http://philanthropy.com/giveandtake/article/661/how-should-charities-use-social-networks

⁷⁵ http://cbs2chicago.com/local/charities.social.media.2.1279853.html

In order to research this question I will continue with reading as many articles possible. This topic is very new so there is a lot of information out there but this makes it difficult to find relevant books.

I will need to continue my research by using other sources such as articles, blogs, case studies on the internet and in a later stage I will also try to get insight information of certain charities. Getting this insight information might be a problem as well. In this stage I don't know yet if charities will allow me to get this information. Moreover, I will also make questionnaires and will do research on the reactions of how social media changes the already interested people to make donations or not.

At this point I'm still considering narrowing the topic down since it might be better to focus on either one specific charity or one specific county.

For me this is a very interesting topic, since I want to know if social media is actually increasing the fund that charities are receiving. If not, it is important to think about another possible strategy since in this world people should continue donating money to charities they believe in.

Citation

Websites:

- "Third Sector", (accessed 20 October 2009), <u>http://www.thirdsector.co.uk/</u>
- "Social media and Charity", (accessed 20 October 2009), <u>http://socialmediacharity.wordpress.com/</u>
- "How Charities Harness Social Media to Raise Awareness, Money", (accessed 20 October 2009), <u>http://www.pbs.org/mediashift/2009/04/how-charities-harness-social-media-to-raise-awareness-money118.html</u>
- "Philantropy.com", (accessed 2 November 2009) <u>http://philanthropy.com/giveandtake/article/661/how-should-charities-use-social-networks</u>
- "CBS 2 Chicago", (accessed 2 November 2009) <u>http://cbs2chicago.com/local/charities.social.media.2.1279853.html</u>

Books

Sargeant, A and Wymer, W (2008) "The Routledge Companion to Nonprofit Marketing", First published 2008, US.

Lietsala, K and Sirkkunen, E (2006-2008) "Social media: Introduction to the tools and processes of participatory economy", Finland

Appendix 7: Research Proposal

Research Plan

How can charities make use of social media?

Name: Sacha Schets Date: 23.02.2010

Introduction and motivation

Internet has changed our society and every year the Internet evolves and creates new ways of interacting with each other. Social media is a term that has emerged in the last years where people can connect with other people and it is already being used by various companies as a new marketing tool. The way charities raise funds has changed through the years and social media is becoming an important tool for charities. We all know the importance of increasing awareness and donations in order to survive and especially now with an economic recession, charities face difficulties. Therefore, it is important to think about other, cheaper marketing tools to stay competitive. As we know already, social media today is more popular than ever. It is amazing to see that social network sites are growing this fast. The goal of these different social network sites (Facebook, Twitter, and MySpace) is to form the standard for digital communication (and marketing).

These sites are very interactive and dynamic and are the entry for the digital world where you can find almost everyone and everything. Research has been shown that Facebook only needed five years to reach the massive number of 150 million users, where as other communication tools needed a lot more years to reach the same amount (See Figure 1, Appendix). The amount of Facebook users will keep on increasing (on April 8, 2009, Facebook already hit the 200 million members)⁷⁶ in the future. According to Strategy Analytics report (2007), social media users will exceed 1 billion by 2012.⁷⁷

These days, people from all ages are spending hours online to connect with their peers. Not only friends are connecting with each other, but companies are also trying to take advantage of this new marketing tool. Companies always try to come up with new strategies to reach people and usage of social media sites enables them to reach a huge audience. Various companies are already advertising a lot on social network sites such as Facebook. Due to this successful way of promoting businesses, charities are getting more involved as well. For them it is also very important to promote and increase awareness on the good work they do to raise fund. For the third sector it is extremely important to reach its target group cost effectively.

After reading various articles and case studies, I realised that a lot of charities are already using social media. But I also came to the conclusion that many of these charities do not yet really know how to make good use of social media. So far there are only a few charities who where able to successfully increase its donations. Many charities know that social media is a great way to increase awareness of people but for many it is not very clear what applications, and how they should be used by the charity in order to make these communications more valuable.

Therefore, as a charity, it is time for experimenting with social networking and to figure out how it can work for its organization. I have always been interested in the third sector and I would like to be involved in children charities in the future. Also, I have been using social media, especially social networks, a lot myself, and therefore I want to research how charities can make use of social media. It is a very recent topic and there has not been done a lot of research yet which motivates me, since I want to know if and how charities can raise fund by using social media.

⁷⁶ http://news.cnet.com/8301-13577_3-10214918-36.html

⁷⁷ http://www.strategyanalytics.com/default.aspx?mod=PressReleaseViewer&a0=3702

Literature review

In order to come up with a well-structured literature review, I decided to divide it into three main themes. This secondary data analysis will be used as background of the research and during the following months I will continue analyzing secondary data.

- **1.** Introduction to changing media (Changing face of fundraising)
- 2. What is social media
- 3. The effectiveness of social media for charities

Introduction to changing media

Through the years the world of the mass media has rapidly changed. New technologies such as telephones, television and radios enabled us to communicate with others and nowadays many people can't imagine life without these tools. Media has even more developed and the new innovative technology, Internet, has changed the lives of many people. Nowadays people spend a lot of time on the internet, at work, at home or both. This amount of time spend online will increase in the future since more and more people will have access to the Internet.

Research has shown that in fifteen years the internet users in the world will grow a lot. In 1995 there were 16 millions of users and for 2010 it is expected that this amount will grow to 1650 millions of users (See Appendix, Figure 4). This means that in 15 years time, there will be an increase of 1634 million of people using the Internet! You can say that the Internet has become a feature that is now taken for granted for many people in their daily life and it shadows all other media tools people used to rely on years ago.

The way of getting information (nowadays you can find all different researches about every single topic online, thus you do not have to go to the library anymore), conducting purchases (when buying a product, people went directly to the shop, where as now people have the possibility to order almost everything online), interacting with others (keeping contact with people was done by using either the telephone or letters, but now the amount of members of social networking sites are every day increasing) has changed compared to the days before the emergence of the new media.

As already mentioned before, it took Facebook only five years to reach the amount of 150 million users. Compared to the telephone, which needed 89 years to reach the same amount, and the televisions, which needed 38 years, it is quite a development. The birth of the Internet created a changing face of fundraising. In the past charities were mainly using marketing campaigns on television and in magazines, but with the growing amount of Internet users, it is wise to change their marketing strategy. Moreover, Microsoft predicts that in 2010 people in Europe on average will spend more time online (14.2 hours per week) than watching traditional television (11.5 hours a week)⁷⁸. Therefore, social media is becoming an important tool to increase awareness and donations.

⁷⁸ http://www.liveside.net/main/archive/2009/04/09/the-internet-where-do-we-spend-our-time-internet-to-overtake-tv-in-june-2010.aspx

What is social media

There is no singe definition for this term; therefore I summarized some available definitions of different writers (organizations) who are doing research in this field:

- Kaplan, A and Haenlein, M define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content".⁷⁹
- Solis, B defines social media is as a shift in how people discover, read, and share news and information and content. It's a fusion of sociology and technology, transforming monologue (one to many) into dialog (many to many).⁸⁰
- Doyle, A defines social media as a tool that includes the various online technology tools that enable people to communicate easily via the internet to share information and resources. Social media can include text, audio, video, images, podcasts, and other multimedia communications.⁸¹
- Social media: "Software tools that allow groups to generate content and engage in peer-to-peer conversations and exchange of content (examples are YouTube, Flickr, Facebook, MySpace etc)"⁸²

According to Mayfield (E-book ICrossing 2008) social media is best understood as a group of new kinds of online media, which share most or all of the following characteristics:

- Participation: Social media encourages contributions and feedback from everyone who is interested. It blurs the line between media and audience.
- **Openness:** Most social media services are open to feedback and participation. They encourage voting, comments and the sharing of information. There are rarely any barriers to accessing and making use of content – password-protected content is frowned on.
- **Conversation:** Whereas traditional media is about "broadcast" (content transmitted or distributed to an audience) social media is better seen as a two-way conversation.
- **Community:** Social media allows communities to form quickly and communicate effectively. Communities share common interests, such as a love of photography, a political issue or a favourite TV show.
- **Connectedness:** Most kinds of social media thrive on their connectedness, making use of links to other sites, resources and people⁸³

Mayfield also states that there, in 2008, were six basic forms of social media (Note that innovation can lead to a change of these forms).

 ⁷⁹ <u>http://en.wikipedia.org/wiki/Social_media</u>
 ⁸⁰ <u>http://www.webpronews.com/blogtalk/2007/06/29/the-definition-of-social-media</u>

⁸¹ http://jobsearch.about.com/od/networking/g/socialmedia.htm

⁸² http://www.bottlepr.co.uk/glossary.html

⁸³ http://www.icrossing.co.uk/fileadmin/uploads/eBooks/What is Social Media iCrossing ebook.pdf p. 5

1. **Social networks:** These sites allow people to build personal web pages and then connect with friends to share content and communication. The biggest social networks are MySpace, Facebook and Bebo).

- 2. **Blogs:** Perhaps the best known form of social media, blogs are online journals, with entries appearing with the most recent first.
- 3. **Wikis:** These websites allow people to add content to or edit the information on them, acting as a communal document or database. The best-known wiki is Wikipedia4, the online encyclopaedia which has over 2 million English language articles.
- 4. **Podcasts:** Audio and video files that are available by subscription, through services like Apple iTunes.
- 5. **Forums:** Areas for online discussion, often around specific topics and interests. Forums came about before the term "social media" and are a powerful and popular element of online communities.
- 6. **Content communities:** Communities which organise and share particular kinds of content. The most popular content communities tend to form around photos (Flickr), bookmarked links (del.icio.us) and videos (YouTube).

Microblogging: Social networking combined with bite-sized blogging, where small amounts of content ('updates') are distributed online and through the mobile phone network. Twitter is the clear leader in this field.⁸⁴

Critical Appraisal

The effectiveness of social media for charities

There has already been done some research about the effectiveness of social media as a marketing tool and how companies can increase the amount of customers buying its products by advertising online. However there is still a gap in the available literature about the effectiveness of social media for charities since this is a very new topic. Therefore, I will analyze and discuss relevant articles, blogs and case studies.

During my research I found out that the opinions of writers about the effectiveness of social media on charities differ. Many writers see social media as a great way to reach a mass audience and to increase its awareness. But they also know that there are some negative aspects. Off course some writers are more pro for using social media to increase awareness and donations than others, and will most likely leave all the negative sides out of their story.

Articles

• **Twitter, tweets and Twitanthropy,** By Helen Barrett, Third Sector, 6 July 2009

According to the writer of this article, social media is not the right tool to use in order to increase funds. This article is about Twitter, and the writer combines opinions from different people that Twitter is not the right place to raise money for charities.

⁸⁴ <u>http://www.icrossing.co.uk/fileadmin/uploads/eBooks/What is Social Media iCrossing ebook.pdf</u> p. 6

However, charities hoping to raise money as well as awareness are likely to be disappointed: people don't donate much on Twitter. Fundraising expert Howard Lake of UKFundraising.co.uk is sceptical. "Twitter is not a tool for direct asks," he says. "It's better for talking to donors: they can, for example, ask questions, be publicly thanked and receive recognition."⁸⁵

Charities Turning To Social Media For Donations By Vince Gerasole, Otcober 29, 2009, Chicago

In this article the writer reports on how charities can help the needy people by using social media. This article includes a story about someone who raised clothes for people in need and 60 to 70 percent of the donations was received through using used Facebook and Twitter.⁸⁶

Is your Facebook 'charity work' doing any good? Not certain social networking will be as effective as traditional fundraising By John Flesher, April 24, 2009⁸⁷

According to Flesher, the usage of social media seems like a great idea to raise fund due to the millions of user's worldwide spending time on social networks but is still concerned if it will actually be more effective than traditional fundraising methods.

Flesher claimed that this is mainly due to the large amount of information send through the Internet. Members of social network sites receive lots of requests every day and people will most likely not pay attention to all of these applications. Therefore, applications that benefit a charity could be easily ignored too.

Moreover, he argues that charities that are using social network are getting a lot of attention but raise little money. Jim Tobin (President of Ignite Social Media, a promotional company in Cary, N.C.) said:" *You often see where 20,000 people have joined a cause and it's raised \$200,"*

Melissa Brown (associate director of research for the Center on Philanthropy at Indiana University) said: "Even if social-networking sites draw relatively little money now, it's imperative for nonprofits to explore them".

Surveys by the center show that direct mail and phone solicitation have become less successful in recent years, while Internet fundraising has risen steadily. As more users gravitate to social networks, it makes sense for non-profit groups to follow ⁸⁸

⁸⁵ <u>http://www.thirdsector.co.uk/BigIssues/Details/69840/the-changing-face-</u> <u>fundraising/Article/917973/Twitter-tweets-Twitanthropy/</u>

⁸⁶ http://cbs2chicago.com/local/charities.social.media.2.1279853.html

⁸⁷ http://www.msnbc.msn.com/id/30389553/

⁸⁸ http://www.msnbc.msn.com/id/30389553/

As you can see from the previous articles, all writers have different views about the effectiveness of social media for charities. Some writers argue that social media will only increase awareness of people for the specific charity, while others experienced an increase of money by using social media. Also, writers claim that the effectiveness of social media depends on which form of social media is been used by charities and how this is used. In the next two pages I will give some examples of social network sites which are currently supporting charities. Moreover, I will present two examples where money was raised by using Twitter.

1. Facebook

Facebook is currently paying a lot of attention to charities and it is used as a vehicle for social change. Facebook shows its concerns by supporting Social Causes on its site.

✤ Facebook for Good

On April 8, 2009, Facebook hit 200 million members and founder and CEO Mark Zuckerberg said the following: "Growing rapidly to 200 million users is a really good start, but we've always known that in order for Facebook to help people represent everything that is happening in their world, everyone needs to have a voice."

To celebrate this occasion, Facebook has launched a page which is called *"Facebook for Good"*. This is a page for members where they can share stories and experiences about how the social site has helped them give back.

Facebook Causes Application

Facebook causes application connects thousands of people with common interests in humanitarian efforts. You can use the application to browse through all sorts of social causes which include relief efforts, environmental causes, political causes, educational efforts, and more.

There are causes pages for various charities. One example of such Cause Page is the Red Cross's Causes Page which helps raise money and awareness for the relief efforts in China.⁸⁹

Section 8 Facebook Virtual Gifts and Charity gifts (Facebook Gift Shop)

Facebook has joined with 16 charities and advocacy groups. Together they created virtual "gifts" that can be bought by members for one another's profiles. Facebook opened up its virtual gift shop to third-party developers and also introduced physical gifts. An example is that Facebook will enable a person to send someone a dozen roses using Facebook credits. Users will now be able to buy real-life items on Facebook, along with virtual gifts. Facebook will handle the transactions, just like PayPal and most of the earnings of the sale will go to the charity.

"It is our goal to give our users a way to support the causes and issues that are important to them on a global scale."⁹⁰

2. MySpace

MySpace, which is another social network site, is also concerned about charities. This

⁸⁹ http://www.readwriteweb.com/archives/how_to_use_social_media_for_social_change.php

⁹⁰ http://mashable.com/2009/08/28/facebook-charity-gifts/

site is using a similar service which is called "Impact". This page is more like a portal for non-profits group activity, featuring news, videos and events.

3. Twitter

The popularity of Twitter is increasing every day. All people, young, old, celebrities and even politicians from all over the world are using Twitter. The amount of people "Twittering" with each other will only increase in the future.

Currently there are some charities who are trying to raise money for their cause by using Twitter.

"When Corvida awoke to a tornado tearing through her neighbourhood on May 11th, she immediately Twittered the news. After hours went by she checked back in and was greeted with tweets of concern and support. Then, when her family couldn't afford the hotel room rates in the area, she hesitantly reached out to Twitter for help. Her Twitter family didn't let her down - donations came pouring in. She received about \$150 total - enough for the hotel room and then some. She used the remaining funds to help the other families on her street with their needs, buying them supplies and food. This showed that even a small community like that of Corvida's Twitter social circle can affect a big change on many lives "91."

• Twitter charity raises more than US\$250,000

A Twitter festival organised by volunteers, called "Twestival" which was launched Feb. 12, has raised US\$250,000. This fund will be used for "Charity Water", which is a non-profit organisation aimed to bring clean drinking water to developing nations. According to Twitter, the fundraising has been extended, and the money will go to 55 water projects in Ethiopia, Uganda and India.⁹²

As you can read from the above articles, people do donate money via Twitter. These articles can be seen as "proof" that as long as you use any application of social media to the right extend, charities can actually raise fund. For charities who want to use social media in order to increase awareness and fund, they need to do research before on how they can best use social media. Charities should identify which form of social media will match best and should then identify the steps they will need to take in order to receive successful results.

⁹¹ <u>http://shegeeks.net/why-you-shouldnt-hesitate-to-ask-twitter-for-help/</u>

http://www.readwriteweb.com/archives/how_to_use_social_media_for_social_change.php

⁹² http://www.sfnblog.com/industry trends/2009/02/twitter charity raises more than us25000.php

Research plan

In order to achieve an effective and efficient research objective, two types of data should be used; Primary data, which is data that you collect yourself by using various methods, and secondary data, which is data that is selected from external sources. In order to answer the research question, I will be using both primary and secondary data. Using secondary data will save time, since this it is already collected and analyzed by others. Secondary data about the topic will not necessarily give an answer to the research question; therefore, primary data will be used too. There is not a lot of data available in the academic literature and therefore information will be gained through research reports, articles, case studies, and blog-type materials.

In order to come up with a clear, well-structured research plan, I will need to start with defining social media. I will need to clearly identify social media (and Web 2.0), providing the reader with a clear definition, the different forms of social media and an explanation of each of them. As you can see from the literature review, there are various definitions for social media.

Primary data will be collected through an interview which will be used to enable me to gather and analyze the necessary information in order to answer the research question.

To continue with my research, I will collect primary data of two charities. I am going to identify two charities from where one is currently using social media and the other who is trying to raise its funds in the traditional way. In order to come up with a clear and well-structured research I will need to focus on two European charities. I will concentrate on European charities, since I have noticed that it is difficult to research this specific topic in general. This is also due since charities have a different way of raising it funds in different countries. Choosing two charities from Europe will make it easier for me to compare and contrast their performance and results. With the interview I will try to get their insight information which is especially needed when researching about their financials results.

As I already mentioned before, there is a shortage of academic literature on this topic. Therefore, analyzing and comparing two charities will give me a better idea on how social media influences charities.

Moreover, I will do research on what charities need to take into consideration in order to successfully perform by using social media. I will also identify the positive and negative aspects that social media will bring for charities. It is important to identify which steps a charity should take when using social media as a communicating tool toward its (potential) donators. How can charities increase the chance of increasing awareness and funds?

5. Citation

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