

## **The Determinants of Success in an Online Giving: A Case Study of Omaha Gives**

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### **Abstract**

This paper explores the factors affecting the success of nonprofit organizations participating in an online giving day using the case of Omaha Gives, a 24-hour fundraising event that has raised over \$18 million over the past three years. Examining 2014 data, we found that total charitable donations and number of donors are associated with organizational social media presence before the event, organization budget size, number of full time employee, and previous year participation in the same event. We also found evidence that program area of work of organizations is associated with total donations raised in Omaha Gives. The study adds to the nascent literature available on giving days as well as on online fundraising and the importance of social media.

**Keywords:** Fundraising, Giving Day, Online Giving, Social Media

### **Introduction**

Online giving has been growing substantially in the U.S. in recent years. Over \$22 billion was donated online in 2010 (approximately 8% of total giving), growing considerably from \$7 billion in 2006 (Castillo, Petrie, & Wardell, 2014, p. 29). According to a report by the consulting organization M+R, online giving increased 19% between 2010 and 2011, 21% between 2011 and 2012, and 14% between 2012 and 2014 (M+R, 2014). One of the reasons for the success of online fundraising is increased use of the internet and social media among diverse populations in the U.S. According to a recent research study conducted by the Pew Research Center, 84% of

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American adults now use the internet, including 96% of young adults (18-29 years old) and 58% of seniors (Perrin & Duggan, 2015). It is also estimated that two-thirds of Americans use social media (Bennett, 2014) and spend 28% of online time on social networking (Bennett, 2015). One study found that around 71% of internet-using adults of diverse demographics and household incomes in the U.S. use Facebook. As opposed to simply reading or viewing content, 65% of Facebook users frequently or sometimes share, post, or comment (Duggan, Ellison, Lampe, Lenhart, & Madden, 2015).

Nonprofit organizations have benefited from this trend. The M+R (2014) benchmark report notes:

Social media audiences continue to grow at a much faster rate than email or website traffic. Nonprofits in our study grew their number of Facebook fans by 37%, and Twitter followers by 46%. While email continues to dwarf social media both in audience numbers and as driver of revenue – more and more nonprofit supporters are connecting with the causes they care about on Facebook, Twitter, and the rest. (p. 1)

Several studies indicate nonprofits use social media to spread information and in case of advocacy groups, it can be a powerful mobilizing tool (Guo & Saxton, 2013). In addition, some news articles and consulting reports suggest nonprofits are successfully utilizing online tools such as social media to effectively raise donations (Daniels & Narayanswamy, 2014; Lindsay & O’Neil, 2015). Although nonprofits have begun to adopt social media to enhance their communication, organization and fundraising, many studies also indicate that nonprofits fail to utilize the full potential of social media (Sargeant & Jay, 2004; Saxton & Game, 2002). Sargeant, West and Jay (2007) argue that “despite the scale of the opportunity, the nonprofit sector has been slow to capitalize on the potential, with only a tiny proportion of organizations raising funds successfully online” (p. 141). This gap has led to a growing interest in practitioners and scholars regarding online giving and the role of social media in engaging donors. However, the

current literature on fundraising is mostly focused on “offline” (non-internet based) fundraising activities (e.g., Bekkers & Wiepking, 2011; Beldad, Snip, & van Hoof, 2012; Handy, 2000; Sargeant & Shang, 2010; Wang & Graddy, 2008; Yörük, 2012), so it is limited for predicting online donating behavior (Shier & Handy, 2012). There are few academic studies on the determinants affecting online fundraising and the role of social media in driving organizational success in fundraising (Saxton & Wang, 2013).

In this paper, we seek to understand the factors affecting online fundraising and the role of social media through an examination of a case study of an annual ‘giving day’-- Omaha Gives--organized by the Omaha Community Foundation (OCF). Giving days are typically one-day, often annual, online fundraising events growing in number across the U.S. #GivingTuesday is an example of a national giving day, while many local communities such as Omaha also hold their own giving days. The goal of a giving day is often to create a time-limited, online fundraising event using social media, to build awareness, bolster community pride, and raise money for local nonprofit organizations (West, 2011). They are noted for attracting broad attention, and, as a result new supporters and ‘new pots’ of funding (IUPUI, 2014). Except for a recent assessment of #GivingTuesday (IUPUI, 2014), little scholarly research has been done to evaluate the impact of giving days. The #GivingTuesday report analyzed online donations made through Network for Good throughout the years 2010 to 2014, including on #GivingTuesday 2012-2014 and found that #GivingTuesday is having a positive impact on the charitable landscape through the number of donations given, the amounts raised, and the number of nonprofits participating. Otherwise, there are only a few case study evaluations of local community giving days, including a report on the Giving to the Max Day in Washington DC, which found that giving days bolster local charities in both short-term and long term online

fundraising skills and increase awareness about different nonprofits' work in the community (Livingston, 2012, p.4).<sup>1</sup> None have examined the determinants affecting online fundraising and the role of social media in a giving day, even though these are primary areas of focus for giving days. Thus, the research reported in this article contributes to better understanding the effect of giving days as well as determinants affecting online fundraising, including social media. It addresses the question: What are the determinants affecting the amount raised and number of donors giving to nonprofit organizations that participated in the online giving day Omaha Gives?

The rest of the paper is organized as follows: First, we provide a brief overview of Omaha Gives. Next, we describe the theoretical framework focused on factors affecting online giving. Second, we provide an overview of the methodology, which relies on a survey sample of 169 nonprofit organizations that participated in Omaha Gives 2014. Third, we present the results of the findings. We find that total charitable donations and number of donors are positively associated with organizational social media presence of organizations before the event, organization budget size, number of full-time employees, and previous year participation in the same event. We also find evidence that program service area is positively associated with total donations raised. We conclude with a discussion of the findings, implications, and future research.

### **Context of the Study: Omaha Gives**

There are now nearly 75 giving days taking place across the U.S., many as part of #GivingTuesday, but many also taking place independently (Bhati, Brown-Humphries, &

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<sup>1</sup> Interestingly, this report was written after the first year of Giving to the Max Day; this particular giving day appears to have not been held since.

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Eikenberry, 2015). One of the latter is Omaha Gives, which has taken place for the past three years on a Wednesday in May, organized by the Omaha Community Foundation (OCF). Over the last three years, Omaha Gives has raised over \$18 million and has surpassed Silicon Valley Gives to become the fifth-largest giving day in the nation and second largest metro-area giving day after giveBIG – the giving day in Seattle (Simon, 2015) – in the U.S. Omaha Gives 2014 raised a little more than \$6.36 million, including \$852,000 in matching and prize funds. A total of 569 nonprofit organizations participated in Omaha Gives 2014. Out of these nonprofits, 289 organizations did not participate in the previous year; that is, they were new organization participants. A total of 18,112 unique donors, making 35,634 gifts, gave to participating organizations.

There were no limitations put on the types of organizations that could participate in Omaha Gives except that they must be a 501c3 organization working in one of the three counties in the Omaha Metro Area. Organizations participating in Omaha Gives 2014 worked in diverse programmatic area of service per the National Taxonomy of Exempt Entities (NTEE). The largest portion of organizations were in human services (34.4%), followed by education (14.2%), arts, culture and humanities (13.9%), health (11.4%), public and societal benefit (10%), religious (9.8%), and environment and animals (5.8%). One-third (33.7%) of participating organizations had budget sizes of less than \$100,000, followed by \$1-\$5 million (17.8%), \$250,000-\$499,999 (14.8%), \$100,000-\$249,000 (13.2%), 500,000-\$999,999 (10.0%), \$5-\$10 million (5.1%), \$10-\$100 million (4.6%), and over \$100 million (0.9%). Further, almost 42% of nonprofit survey respondent indicated in the survey that they had a “very established” or “somewhat regular” social media presence before Omaha Gives.

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All participants were eligible for matching funds and prize money, which served to encourage competition and excitement on the day of the event. The matching funds received were based on each organization's overall percentage of funds raised the day of the event; however, donations only qualified for the match up to a \$10,000 limit to prevent large donations from skewing the allocation of matching funds. Participation prizes were given in three categories: small (annual operating budget under \$250,000), medium (annual operating budget of \$25,000 to \$999,999) and large (annual operating budget \$1 million or more) to organizations receiving the highest number of unique donors. In addition, \$1,000 prizes to an organization were given throughout the day by randomly selecting a donation made each hour. Once an organization received an hourly prize, they were not eligible to receive another one that day.

OCF and participating organizations promoted Omaha Gives using social media as well as more traditional means of communication such as emails, mailers, etc. On the day of the event, the Kimbia online giving platform was open for 24 hours for donors to make online donations, with a minimum gift of \$10. OCF fund holders were also able to schedule donations in advance. Approximately 10% of participating organizations also held special events in association with the giving day, such potlucks, a half-marathon, recreational or arts/culture events and performances, open houses, and wine and dine-type gatherings. Once the event was over, funds were disbursed to the participating organizations after the deduction of a transaction fee (5.5%) charged by the online platform provider and after adding matching gifts and prizes.

The results suggested that a little less than half of nonprofit participants raised \$2,500 or more. The average gift size was \$155 (a 17% increase from 2013) and most donors (82%) supported either one or two organizations during the fundraising event. According to the post-event survey, the most-cited reason organizations participated was because they wanted to "reach

new donors” (83.9%) and “to raise awareness about their organization” (82.9%). Human service organizations received the highest percentage of total funding and gifts. In addition, more than 60% of total donations were raised by organizations with budget sizes of over \$1 million and all top ten earning nonprofits had budgets of over \$500,000. Conversely, the lowest average amount per organization was raised by those with budget sizes of less than \$100,000.

### **Theoretical Framework**

In this section, we present literature that describes the factors that may affect online giving, including *social media presence* before the event, measured by self-reports from organizations, and number of ‘likes’ on Facebook and followers on Twitter; *organizational capacity* measured by budget size, number of full-time employees, and total amount spent on Omaha Gives; *organizational experience* measured by age of organization and past year participation in the same event; and *program service area*, which includes major NTEE categories such as human services, health, arts, religion, etc.

#### *Social Media Presence*

Many nonprofit fundraisers argue that fundraising is mostly about relationship building that can then lead to raising money (O’Neil, 2007). Castillo et al. (2014), found in their experiments that “asking friends in one’s network to donate generates new donations” (p. 35). Numerous studies have also found that receiving a higher number of solicitations for charitable contributions is associated with increased philanthropic activity (Lee & Farrell, 2003; Schlegelmilch, Diamantopoulos, & Love, 1997; Wiepking & Maas, 2009). Eng, Liu, and Sekhon (2011) also found a strong link between nonprofit organizations utilizing their ‘relationally embedded’ network ties to acquire financial and human capital to fulfill their goals.

Several studies have shown that Information Communication Technology (ICT) such as social media is an effective medium in dispersing knowledge about nonprofits and engaging donors (Burt & Taylor, 2000; Kent, Taylor, & White, 2003; Saxton, Guo, & Brown, 2008). A study by Blackbaud on the online fundraising of 24 major national nonprofit organizations revealed that online giving has become a significant source of new donor acquisition and online donors tend to be younger and give larger gifts than traditional donors (Flannery, Harris, & Rhine, 2009). Data suggest as well that nonprofits or individuals who use online tools for fundraising raise six times more than those who only use offline tools (Castillo et al., 2014, p. 29).

ICT such as social media can act as an effective tool for engaging stakeholders and forming long term relationships (Guo & Saxton, 2013; Waters, Burnett, Lamm, & Lucas, 2009; Waters, 2011). Wang and Graddy (2008), using a sample survey, found that social networking in particular has a strong effect on the amount of giving to both religious and secular causes because it creates peer pressure for the recipient of a solicitation to support a cause that a family member, friend, or colleague supports. A similar study by Meer (2011) founds alumni from a particular university are more likely to give because of peer pressure. Building from these studies, a study done by Saxton and Wang (2013), analyzing data from 66 organizations through Facebook *Causes*, found a strong relationship between the size of the organization's social network and the charitable contributions received by them. Similarly, the fundraising platform Fundly estimates that friends asking friends to donate increases the likelihood of a gift by 10 times more than other solicitation methods, and the average gift size by 52% (Castillo *et al.*, 2014, p. 29). In sum, social networking applications such as Facebook or Twitter have offered

new opportunities for nonprofits to expand their donor base, spread awareness of their causes and needs, and rally financial support (Saxton & Wang, 2013).

### *Organizational Capacity*

Several studies have indicated that the organizational capacity of an organization is known to be associated with level of fundraising and better access to and use of technology such as the Internet (Hackler & Saxton, 2007; Hager, Pollak, & Rooney, 2001). For instance, larger organizations get more attention from the media, which increases the likelihood of people being aware of the cause, which in-turn increases the possibility of cycling back donations to larger organizations (Simon, 1997; Wiepking & van Leeuwen, 2013). Additionally, larger organizations can take advantage of economies of scale in fundraising by sending out large numbers of offline and online solicitations (Saxton & Wang, 2013; Tinkelman & Neely, 2011). Using Weisbrod and Dominguez' (1986) concept of 'price' cost of contribution and the marginal dollar of output, larger organizations are in better position to spend more on advertisement costs that would lead to more awareness about the organizations' work by soliciting more requests for donations. Conversely, social media, especially Facebook and Twitter, have also enabled two-way communication among donors and nonprofits, lowering institutional barriers such as lack of staff and time, providing a somewhat similar playing ground between bigger and comparatively smaller nonprofit organizations operating in different geographies (Briones, Kuch, Liu, & Jin, 2011).

### *Organizational Experience*

Previous studies (Khanna, Posnett, & Sandler, 1995; Posnett & Sandler, 1989) used age of organization as a proxy for reputation and perceived quality of the charity. In a study of Spanish charities, it was found that older charities received more donations because of a larger

pool of volunteers (Marcuello & Salas, 2001). A study from Norway found a positive relationship between organizational age and total donations raised (Olsen & Eidem, 2003). Wong, Chua, and Vasoo (1998) found similar results in their study of nonprofits in Singapore. Along similar lines, nonprofit organization participation in previous fundraising events may increase their reputation amongst donors by showcasing their work over a year and thereby reinforcing their positive image and trust among donors (Bekkers, 2003).

### *Program Service Area*

The literature suggests the program service area of an organization's work may have an impact on giving amounts and number of donors as well. A study in Norway showed that health charities fighting more common illnesses and that have a higher numbers of members received higher amounts of private contributions (Olsen & Eidem, 2003). Also, people who have relatives suffering from illnesses are more likely to give to charities fighting those illnesses (Bekkers, 2008; Burgoyne, Young, & Walker, 2005). Donors also have a liking towards 'innocent victims' thereby contributing to those organizations which work with children or "blameless victims" (e.g., Bennett & Kottasz, 2000; Miller, 1977; Zagefka, Noor, Brown, de Moura, & Hopthrow, 2011). According to study by Bennett (2003), people who have had 'a deep loved pet animal' are more likely to prefer giving to animal welfare rather than other charitable causes. Wiepking (2010), using a giving panel study from Netherlands, found that based on demographics, education and socio-economic status, donors have a preference for organizations working in different areas. For example, people with high socio-economic status donate more to cultural organizations, left-leaning people donate more to organizations with an international focus, and so on. According to the most recent Giving USA (2014) report, religion (31%) received the most

contributions in 2013, followed by education (16%) and human services (12%). The lowest amount of donations were received by environmental/animal organizations (3%).

In sum, the literature suggests predictor variables from the above discussions, summarized in Table 1.

**Table 1:** Predictor Variables and Hypothesized Relations with Impact on Total Donated and Total Number of Donors

<b>Predictor Variables (Independent Variables)</b>	<b>Impact on Total Donation and Total Number of Donors (Dependent Variables)</b>
Perception of Organization’s social media usage before the event (scale)	+
Number of ‘likes’ on Facebook and followers on Twitter	+
Budget size of organization (scale)	+
Full-time employees	+
Total amount spent on Omaha Gives	+
Age of organization	+
Previous year participation in Omaha Gives	+
<i>Program service area (control)</i>	
Arts, culture & humanities, education, environment & animals, health, public & societal benefit, and religion - related	

## Data and Method

Data were collected from a post-event survey sent to all the 569 organizations that participated in Omaha Gives 2014 during the period from June to July 2014. A total of 205 organizations replied (a response rate of 36%). The sample is representative of the entire nonprofit participants of Omaha Gives for total budget, total expenditure incurred in Omaha Gives, age of organization. However, the sample over-represents health (31.2% in sample versus 11.8% in entire population). Under representation human services organizations (5.9% in sample versus 34.6% in entire population) as compared to the population of nonprofits in Omaha Gives.

See Table 2.

After an assessment of missing values, a total of 169 organizations were included in the analysis. The dependent variables included: total donations and total donors. The independent variables included: social media presence of organizations before the event, number of 'likes' on Facebook and followers on Twitter, organization budget size range in dollars, number of full-time employees, amount spent on Omaha Gives 2014 in dollars, age of organization in years, previous year participation in Omaha Gives, and program service area of organization. The independent variables were categorized into the following based on the theoretical framework:

- *Social media presence* was operationalized as two variables: social media presence and combined number of 'likes' on Facebook and followers of Twitter. In the survey instrument, organizations were asked to self-report their social media presence before the event on a Likert scale of 1 (none at all) to 5 (very established). Another variable measuring the number of 'likes' on the organization's Facebook page added to the number of followers on the official Twitter account, both variables were measured after the event.
- *Organizational capacity* was operationalized as ordinal variables of budget size ranging from 1 (less than \$100,000) to 8 (over \$100 million), number of full-time employees as a continuous variable, total amount spent on Omaha Gives was operationalized as total staff time devoted to Omaha Gives multiplied by \$17.10 (the value of volunteer hours of Nebraska, 2011<sup>i</sup>), plus other marketing expenses to promote Omaha Gives.
- *Organizational experience* was operationalized as age of organization in years and dichotomous variable proxy for if organization participated in the previous year Omaha Gives.

- *Program service area* was operationalized as 7 control variables with human service as the base value.

We ran two regression models: first, with the dependent variable total amount raised and second, with the dependent variable total unique donors. As the dependent variables, total donations and total unique donors are continuous. We used ordinary least squares regression for the multivariate analysis. Variance inflation factors were calculated and found to be less than ten for all models indicating no issues with multicollinearity. To adjust for the skewed distribution in total donations and total number of donors, we applied a log transformation to these variables.

## **Results**

In our sample, the mean of total donations raised by nonprofit organizations was \$12,310 ranging from \$47 to \$127,946 (SD = \$19,996). The number of total unique donors ranged from 3 to 634 with a mean of 78.6 (SD = 634). The budget size of the sample organizations ranged from less than \$100,000 (29.6%) to over \$100 million (1.2%). The mean of total number of full time employees of organizations in the sample was 40.4 ranging from 1 to 2,000 (SD = 182). The mean of total amount spent in Omaha Gives (including the estimated salary of the staff members and other marketing expenses) was \$2,442 ranging from \$0 to \$41,140 (SD=5,203).

Organizations' perception of their social media ranged from none at all (6.5%) to very established (24.2%). The mean sum total of 'likes' on Facebook and followers on Twitter was 1,399 (SD= 2,843). The mean age of organizations was 35 years ranging from 1 to 161 years (SD=25.8). About 56% of organizations participated in the previous year's Omaha Gives and organizations with diverse program service areas were included in the sample, most in health (31%) and environment and animal related (26%). See Table 2.

**Table 2:** Descriptive Statistics (Sample N=169)

<b>Variable (code value)</b>	<b>Mean</b>	<b>SD</b>	<b>Minimum</b>	<b>Maximum</b>
<b><i>Independent Variables</i></b>				
Total donation (Model I)	\$12,310.4	\$19,996.2	\$47	\$127,946
Total number of donors (Model II)	49.7	81	3	634
<b><i>Dependent Variables</i></b>				
Social media presence (self-reporting)	(1) None at all (6.5%); (2) Very little (21.9%); (3) Somewhat regularly (22.4%); (4) Average (24.9%), (5) Very established (24.2%)			
Social media following	1,399.9	2,843.5	0	16,058
Budget size	(1) Less than \$100,000 (29.6%); (2) \$100,000-\$249,000 (18.9%); (3) \$250,000-\$499,999 (19.5%); (4) \$500,000-\$999,999 (7.1%); (5) \$1-5million (16.6%); (6) \$5-10 million (3.5%); (7) \$10-100 million (3.5%); (8) over \$100 million (1.2%)			
# of employees	40.4	182	0	2,000
Total expenditure (dollars)	\$2,442.9	\$5,203.8	0	\$41,140
Age of organization (years)	35.1	25.8	1	161
Past year participation in Omaha Gives 2013	(0) No (43.2%); (1) Yes (56.8%)			
Program service area	Arts, culture & humanities (17.8%); Education (7.7%); Environmental & animal (26.6%); Health (31.2%); Human services (5.9%); Public & societal benefit/Community improvement (5.3%); Religious (4.7%)			

The research question was to address the determinants affecting the amount raised and number of donors for nonprofit organizations participating in Omaha Gives 2014. We ran two regression models looking at total donations and total number of unique donors as dependent variables.

In model I, social media presence of the participating organizations is significantly associated with the total donations raised in Omaha Gives. This means organizations self-reporting higher social media presence before the event raised significantly more donations in

Omaha Gives compared to other organizations. Also, we found that organizational budget size of the participating organizations is significantly associated with total donations raised in Omaha Gives. That is, larger organizations raised significantly more donations in Omaha Gives when controlling for other factors. In addition, total number of full-time employees is positively associated with total donations, although the effect of this factor is quite small. We also found that participation in the previous year Omaha Gives 2013 was significantly associated with total donations raised in Omaha Gives 2014, indicating that past year participation is possibly one of the reasons for obtaining more donations, keeping other factors constant. Finally, in comparing program service area, education-related organizations raised significantly more donations than human services organizations.

We get similar results in Model II. The social media presence of the organization is significantly associated with total unique donors attracted by a nonprofit. The organizational budget size is also significantly associated with total number of unique donors attracted by the organization. Finally, past year participation in Omaha Gives is significantly associated with total number of unique donors that gave to a nonprofit. See Table 3.

**Table 3:** Multiple Regression Analysis of total donation and donors in Omaha Gives

<b>Independent Variables</b>	<b>Model I Total Donations Coefficients</b>	<b>Model II Total Donors Coefficients</b>
Social media presence	1.36*** (0.12)	1.25*** (0.07)
Social media following	1.00 (0.00)	1.00 (0.00)
Total budget	1.62*** (0.12)	1.22*** (0.069)
# of full time employees	1.00* (0.00)	1.00* (0.00)
Total expenditure	1.00 (0.00)	1.00 (0.00)

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Age	1.00 (0.00)	1.00 (0.00)
Past year participation in Omaha Gives!	1.50* (0.34)	1.53*** (0.22)
<i>Program service area</i>		
(a) Arts, culture & humanities	1.47 (0.45)	1.22 (0.25)
(b) Education	1.87** (0.53)	1.32 (0.24)
(c) Environment & animals	1.82 (0.82)	1.51 (0.45)
(d) Health	0.50 (0.23)	0.79 (0.29)
(e) Public & societal benefit	1.62 (0.77)	1.37 (0.33)
(f) Religion - related	2.01 (1.07)	1.312 (0.36)
Constant	168.7*** (67.14)	6.325*** (1.57)
Observations	166	165
Adjusted R-Square	0.45	0.39

Table shows regression coefficients, with standard error in parentheses.

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

## Discussion and Conclusion

Even though there has been a substantial increase in the number of giving days in the United States, there is almost no research regarding the factors affecting the amount raised and attraction of donors in an online giving day. This study attempts to shed light on the factors affecting donations and number of donors by looking at the case of Omaha Gives. The paper is helpful for nonprofit scholars and practitioners to focus on factors that affect the success of nonprofit's ability to garner funds and attract donors during these events and online giving more broadly. It also sheds light on what factors affect online giving more broadly.

The findings also suggest that social media presence is positively associated with both dependent variables total donations and total donors. In this case, higher self-reports on the use of social media presence before the event has a positive association with money raised and

number of donors in Omaha Gives. However, our other variables measuring *social media presence* through the proxy variables number of ‘likes’ on Facebook and number of followers on Twitter is not significant. This indicates a mixed finding for the presence of social media effect described by Saxton & Wang (2013). Further, our findings suggest the budget size of the organization is an important factor affecting both total charitable donations and number of donors. This finding contradicts findings by Saxton and Wang (2013) as they suggested that “donors on Facebook actually prefer to contribute to smaller organizations” (p. 14). Rather, we find that donors, while making online donations in a giving day, tend to donate more to larger organizations. One possible explanation is that larger organizations have the advantage of economies of scale by sending more solicitation letters to a larger pool of donors and using multiple channels of solicitations (Tinkelman & Neely, 2011). Also, it may be likely that donors think that larger organizations are better at providing products and services (Bekkers, 2006; Sargeant & Kaehler, 1999; Sargeant & Shang, 2010).

One possible reason for overestimating the social media effect by the study conducted by Saxton and Wang (2013) may be that their “sample comprises the organization in the 2008 *Nonprofit Times 100* list, which represents the 100 largest U.S. nonprofits in terms of revenue” (p. 8). It may be that the sample in their study is biased as the largest U.S. nonprofits in terms of revenue have desposable income to invest in online fundraising strategies and hence their Facebook presence is likely to be high. Secondly, the study suffers from self-selection biases as authors use a sample of 68 of these organizations that had accounts on Facebook *Causes* (p. 8). Thus, their sample includes only those organizations that have large budgets and a relatively large social media presence. Hence, the results of their study cannot be generalized to all nonprofit organizations as their sample does not include small and mid-range sized

organizations. Our study can add to the study by Saxton and Wang (2013) by including a sample that consists of more diverse nonprofits in terms of budget size, ranging from less than \$250,000 to over \$ 10 million as well as program service area.

Our findings also suggest that organizations that participated in Omaha Gives the previous year raised significantly more total donations and engaged significantly more unique donors. There is a possibility that donors are more likely to make a donation to organizations that participate again in Omaha Gives, hence there is an increase in trust for these organizations (add citation). Alternatively, organizations that participated in Omaha Gives again used the previous years' experience to learn and were more focused on attracting more donations by planning ahead of time and being more strategic in their fundraising initiatives.

Finally, the findings show that education-related organizations raised significantly more donations as compared to human services organizations. One possible reason for higher funding to education-related organizations in Omaha Gives may be due to an 'innocent victims' effect, where donors support organizations which work with children or 'blameless victims' (e.g., (Bennett & Kottasz, 2000; Miller, 1977; Zagefka et al., 2011). Also, there is a possibility that education-related organization have more 'social capital' as compared to human services thereby increasing the solicitations both online and offline (Eng et al., 2011; Meer, 2011; Wang & Graddy, 2008). It is important for future studies to include data around social capital and volunteering to understand the relationship between these variables and total charitable contribution raised by organizations in online giving.

Our findings suggest that giving day fundraising is fairly similar to conventional offline fundraising, where larger organizations have more resources to share information about their work and in-turn get more media attention, which attracts more donors. This study, then, raises

broader questions regarding the role of social media in attracting more donations and donors to smaller organizations as has been suggested by Saxton and Wang (2013). However, we note that social media can significantly increase nonprofits' ability to strategically engage large audiences more efficiently than traditional fundraising methods, as it is cheaper to 'market' on social media as compared to more mainstream advertisements (Guo & Saxton, 2013; Saxton & Wang, 2013; Saxton et al., 2008). Future studies might focus on individual case study organizations to understand the effectiveness of social media by qualitatively analyzing the posts made by organizations to understand how donors respond to these posts.

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<sup>i</sup>The value of volunteer time, report by independent sector, available at:  
[http://www.independentsector.org/volunteer\\_time#sthash.D0wrNBkX.dpbs](http://www.independentsector.org/volunteer_time#sthash.D0wrNBkX.dpbs)