



## Facebook Fundraisers: Friend or Foe?

May 15, 2018 —

Further is your resource for fundraising growth and, also, critical thinking. We know that it's harder than ever to grow revenue and yet the needs of your organization's beneficiaries continue to grow.

Balancing short-term revenue needs/goals with long-term sustainability is never an easy proposition. But it is a mission-critical one.

### **Facebook Fundraisers**

In June 2016, Facebook began allowing users to create pages to collect donations for charities they choose and to set goals for their 'campaigns'. From a very simple perspective, Facebook simply enabled Do It Yourself Fundraising on their vast platform. Nearly simultaneously, Facebook announced policy changes to its NewsFeed, where users will see more updates from their Facebook friends and less articles and updates from brands and publishers.

What could be better?! The largest social network in the world had enabled its users to establish fundraisers to benefit your charity AND they were going to make that type of sharing more frequent and wide-reaching!

**But, there is one little catch—while non-profits can be the beneficiaries of large sums of grassroots money, they have no idea who actually gave that money to them.**

These sums can indeed be substantial. For one of Further's clients, they received more than half a million dollars in a single year. But it also calls attention to the inherent tension between the gratitude for immediate cashflow and the real implications of long-term sustainability.



The fact is that without the name and contact information of those who supported a person's cause, there is no way to continue a dialogue with those individuals. Facebook is collecting a vast reservoir of donation behavior data and the 'beneficiary' charity is essentially left in the role of panhandler on Facebook's street. Is this a sustainable approach for charities? Is it scalable?

To be sure, this conundrum is not limited to Facebook Fundraisers. The same issues exist with all aggregators ranging from Network for Good to donor-advised funds. Fairly recently, Change.org even changed its primary business model to take advantage of this trend in giving.

### Example of a Facebook Fundraiser



**Donate to our Monkey Medical Fund in memory of Samantha.**  
Fundraiser for Jungle Friends Primate Sanctuary Inc by Kari...

**\$3,684 raised of \$5,000**      163 days left

**Donate**

51 people donated.

**Donate** [Close]

**Donate to our Monkey Medical Fund in memory of Samantha.**  
Fundraiser for Jungle Friends Primate Sanctuary Inc by Kari Bagnall

Network for Good will distribute donations to Jungle Friends Primate Sanctuary Inc within 60-75 days. [Learn more.](#)

Amount (US Dollars)

\$20     \$50     \$100     \$250     \$ Other

Donation Frequency

**One-Time Donation**     Monthly Donation

Post in Fundraiser (Optional)

Who can see that you donated?

Public

Only Kari Bagnall can see your amount.

[Add Credit or Debit Card](#)    [Connect to PayPal](#)

### **Our Perspective**

Our concern at Further is not that the revenue from Facebook Fundraisers is inconsequential or in any way 'tainted'. Our concern is that charities may become hooked



on the large amounts that can be obtained from this short-term and will focus too much internal staff time trying to maximize a revenue stream that cannot be reliably controlled. With limited time and resources, it is important not to neglect the channels and efforts that expand your donor base while capturing the data so vital to maintaining ongoing support and cultivation.

Many charities we speak with are highly interested in how to maximize Facebook Fundraisers, and under-emphasize the importance of establishing other, more sustainable, channels.

The best policy we've seen non-profits employ in the face of the opportunity presented by Facebook Fundraisers and other aggregators is a finance department that excludes all revenue from those sources in the budgeting process. Development staff are not measured against uncontrollable revenue streams and the revenue is treated as a windfall—not an expectation to be bested next year.

Most knowledgeable finance teams and development staff understand this challenge and are taking appropriate steps to manage expectations. [Where does your team fall?](#)