

America's Giving Challenge

Assessment and Reflection Report

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June 2009

Dear reader,

In December 2007, our team launched our first online Giving Challenge. I'll be the first to admit we didn't know what to expect with our online "experiment." It was late in the year. The holiday season was in full swing. We didn't have much lead time for traditional marketing. And at the time, an online philanthropic competition of this nature was relatively unprecedented.

As the 50 days of the Challenge went by, we would periodically gather around the computer in my office to watch the leaderboard. Would we see the large national nonprofits trump the little guys -- or would the smaller, more nimble organizations do a better job mobilizing their online networks? How were people using social media tools such as blogs and videos to spread the word and reach new audiences? Were the prize levels right, and would they provide enough incentive to drive people to action?

In the end, we couldn't have predicted a more fulfilling outcome. Together with our core partners -- Causes on Facebook, PARADE Magazine, Network for Good, and Global Giving -- we brought together hundreds of thousands of people and encouraged more than 71,000 individuals to donate. All told, we raised nearly \$1.8 million for nonprofits at home and abroad. The participation level and results reflected a diverse set of causes, charities, and champions, with smaller and lesser-known groups actually having the greatest support and success.

Plus, the Challenge introduced emerging technologies to millions of people, and showed how these tools could be leveraged to democratize philanthropy and give new significance to small donors. Indeed, the Challenge was an opportunity to unite people around causes they cared about, and deepen their civic engagement while increasing opportunities to give.

The research presented in this report reflects the attitudes and experiences of Giving Challenge participants, from cause champions to individual donors to nonprofit leaders. We think it helps paint a picture of what worked particularly well and what could be improved in future challenges -- both here at the Case Foundation and at other organizations experimenting with similar online competitions.

As we consider the possibility of launching another Giving Challenge later this year, we recognize how our world has changed. For one, our economy is in a much different place, and we know this will greatly impact individual giving.

But we're also in a much different place in terms of technology. Social networking adoption has grown exponentially, tools have matured, and we see greater usage across all generations, not just tech-savvy Millennials. All these changes will impact the next Giving Challenge, and give us a fresh chance to educate and expose more people to online philanthropy.

I hope you will find a way to join us as we continue to experiment and take new risks that will empower more people to find their voice, connect with others, and take action on causes they care about.

Sincerely,



Jean Case
CEO, The Case Foundation

The Giving Challenge

Assessment and Reflection Report

Executive Summary

For 50 days—from December 13, 2007 to January 31, 2008—thousands of individuals competed for donors, donations, and matching awards from the Case Foundation for their favorite charitable causes as part of the Foundation's first-ever Giving Challenge.

Conceived as a way to test the awesome potential of online fundraising, to move people from saying they care about a cause to demonstrating they care about it, and to help people from all backgrounds realize their potential to be philanthropists, the experimental Giving Challenge comprised two events. America's Giving Challenge in PARADE Magazine and on PARADE.com raised \$1,193,024 from 46,044 donors for 2,482 causes. The Causes Giving Challenge on Facebook raised a total of \$571,686 from 25,795 unique donors for 3,936 causes. And in both challenges, causes with the highest numbers of unique donors received awards from the Case Foundation.

But the financial figures alone don't capture the full impact of the Challenge. The competition increased participating causes' visibility among a larger network of supporters and in the mainstream press. What's more, the open design of the Challenge enabled any individual supporting any organization to enter the contest, leveling the playing field between large, established institutions and smaller or all-volunteer efforts.

And lastly, the partnerships with PARADE Magazine, Causes on Facebook, Global Giving, and Network for Good encouraged people with no technical skills to become cause champions, and helped donors who had never given online find a new way to support issues they cared about.

How did this relatively unprecedented Challenge achieve such remarkable results? Four key elements contributed to its success:

- Its **competitive structure** – seen as energizing for both donors and volunteers.
- The **limited timeframe** of the Challenge.
- The **leaderboard** that enabled participants to see how they were doing against their competitors in real time.
- The **incentive** to receive award funds from the Case Foundation in addition to the amount raised from donors.

By combining these factors, the Challenge created an immediate, urgent way for a large number of causes to turn lightly connected people interested in their cause into donors. Further, it rewarded donors who used a wide array of tools and channels online and in person to broaden their networks of friends to raise more money.

Of course, every project has its lessons learned, and the Challenge is no exception. The following are the key changes recommended for future Challenges:

- **Restrict participation** to organizations with budgets under \$1 million annually.
- **Give more lead time** for individuals and causes to prepare for the Challenge and shorten the length of the Challenge to avoid fatigue (ex. thirty days).
- **Streamline the event** with one name and one platform.
- **Improve the donation software** by offering easier access for nonprofits to donor information, payment options in addition to credit cards, and customizable widgets to aid individual fundraisers.
- **Provide additional technical online assistance** perhaps in the form of a wiki or Twitter account.

With these recommendations in mind, this assessment and reflection report hopes to inform not only future iterations of the Case Foundation's Giving Challenge (such as the one slated for 2009), but also serve as a guide for other funders seeking to replicate the Challenge or to create similar initiatives.

“The Challenge inspired us to jumpstart our Facebook presence. The intensity of the Challenge, and because it was a high profile activity, powered our first successful foray into social networking and fundraising.” – Heather Box, The League of Young Voters Education Fund

Introduction

Heather Box is going crazy. She’s jumping and shouting, her hands are shaking, her inbox is exploding. There are only a few minutes left, then just a minute,

and finally, it’s over, with Heather whooping and shouting for joy. Her organization—The League of Young Voters Education Fund—had just won the \$1,000 daily prize as part of **Causes Giving Challenge**.

Launched December 13, 2007, and ending on January 31, 2008, the 50-day Giving Challenge was actually two events: America’s Giving Challenge (AGC) in conjunction with PARADE Magazine; and Causes Giving Challenge (CGC) which occurred on Facebook, the online social networking website. The Case Foundation matched both Challenges with a total contribution of \$750,000.

NOTE: For the purposes of this report, the overall effort is referred to as the **Challenge**, individuals who spearheaded fundraising efforts are **cause champions**, and **causes** that received awards from the Case Foundation for their successful efforts are **award recipients**. (Please see the glossary for additional definitions. Defined words are noted in **bold** on first mention.)

Here's how each event worked:

- America’s Giving Challenge on PARADE.com raised \$1,193,024 from 46,044 donors for 2,482 causes. Four national and four global charities were awarded \$50,000 each by the Case Foundation for recruiting the largest number of donors throughout the Challenge. An additional one hundred charities received \$1,000 for attracting the most overall **unique donations** for their cause over the course of the event.
- Causes Giving Challenge on Facebook raised a total of \$571,686 from 25,795 **unique donors** for 3,936 causes. The Case Foundation awarded \$50,000 to the organization associated to the cause with the most unique donors; \$25,000 to the

second- and third- place causes; and \$10,000 to the next ten causes. In addition, throughout the Challenge, the cause with the largest number of donors recruited each day received \$1,000 from the Case Foundation.

- The minimum donation for both Challenges was \$10.

The purpose of this assessment is to describe the key elements of the Challenge and recommend improvements for any future Giving Challenges. This paper is based on a review of all relevant documentation and data, as well as 27 interviews with a mix of cause champions (successful and not) during the Challenge.

Additional interviews were conducted with the staff of the Case Foundation and its partner organizations, which include: PARADE Magazine; Global Giving and Network for Good (who processed donations and certified the tax-exempt status of the individual causes); and Causes on Facebook (which also hosted causes and processed donations).

Two separate surveys were implemented—one for all cause champions, and another for the donors to IDEA League, Students Helping Honduras, and Love Without Boundaries. Each are included as case studies online with the HTML version of this report. The complete list of award recipients, interview protocol, names of the interviewees, survey instruments, and complete survey results are also available online. Go to www.casefoundation.org/case-studies/giving-challenge to access the report online.

Also, in the interest of full disclosure, it should be noted that report co-author Beth Kanter participated in America's Giving

Challenge as a volunteer for The Sharing Foundation, which was an award recipient.

Overview of Cause Champions and Their Causes

Each cause had at least one champion responsible for starting and overseeing fundraising efforts. These champions were not, of course, the only people to work on their causes' efforts, but understanding their characteristics, their base level of technological knowledge, and the issue areas their causes represent provides a context for understanding the Challenge.

The following tables describe the issue areas represented in the Challenge. Key characteristics of champions are based on data from the survey conducted with the cause champions.

Types of Causes

The Challenge represented a broad array of issue areas. Note that at 20 percent, the International/Human Rights/Relief/AID area represents the largest issue area—a percentage that doesn't correspond to data from the National Center for Charitable Statistics, in which these issues rank less than two percent of the total number of nonprofits.

One likely reason for these causes' dominance in the Challenge is the global nature of their work; by necessity, these groups are largely already working online, and thus more inclined to participate in an online challenge.

| Type | Overall | CGC | AGC |
|--|---------|-----|-----|
| International/ Human Rights/ Relief/ AID | 20% | 26% | 10% |
| Eradication/ Cure of Disease | 13% | 12% | 14% |
| Community/ Civic Engagement | 11% | 11% | 9% |
| Education/ Literacy | 11% | 10% | 11% |
| Animal Rights | 6% | 5% | 7% |
| Environmental | 6% | 6% | 7% |
| Religious | 4% | 4% | 3% |
| The Arts/ Cultural Institutions | 3% | 2% | 4% |
| Fighting Crime, Abuse, and Neglect | 3% | 2% | 3% |
| Other | 24% | 19% | 33% |

Table 1: Types of Causes

A scan of the “other” categories included the following types of organizations:

- Local and Regional Economic Development
- Hyper Local or Neighborhood Services
- Healthcare
- Education
- Capacity Building, Leadership, and Professional Development for Nonprofit Staff
- Human Services
- Hunger Relief
- Youth Issues
- Peace

Champion Demographics

Although the majority of champions were female, white, and highly educated, there were significant differences in the ages and technology comfort levels of champions who signed up for America’s Giving Challenge versus those who signed up for Causes Giving Challenge.

| Gender | Overall | CGC | AGC |
|----------------------|---------|-----|-----|
| Female | 70% | 66% | 77% |
| Male | 27% | 31% | 22% |
| Prefer not to answer | 3% | 3% | 1% |

Table 2: Gender Breakdown

| Race/Ethnicity | Overall | CGC | AGC |
|---------------------------|---------|-----|-----|
| White | 78% | 76% | 81% |
| Asian | 7% | 8% | 3% |
| Black or African-American | 3% | 2% | 4% |
| Hispanic | 2% | 3% | 2% |
| Other | 2% | 2% | 2% |
| Prefer not to answer | 8% | 9% | 7% |

Table 3: The Racial and Ethnic Breakdown of Champions

| Level | Overall | CGC | AGC |
|---|---------|------|-----|
| Haven't yet earned a high school degree | > 1% | 1% | 0% |
| High school diploma | 1% | > 1% | 2% |
| Some college | 13% | 12% | 14% |
| Associates degree | 3% | 2% | 3% |
| Bachelors degree | 41% | 43% | 39% |
| Post graduate degree | 38% | 38% | 38% |
| Prefer not to answer | 3% | 3% | 3% |

Table 4: Education Achievement of Champions

Twelve percent of America’s Giving Challenge survey respondents reported having difficulty with the technology, compared to three percent of Causes on Facebook champions. Also, participants using the Causes application on Facebook were younger than their America’s Giving Challenge counterparts—most likely a reflection of the overall demographic differences between users of Causes on Facebook and users of Global Giving/ Network For Good, the donation engines for America’s Giving Challenge.

| Age Range | Overall | CGC | AGC |
|----------------------|---------|------|------|
| 16-17 | 1% | 2% | 0% |
| 18-21 | 2% | 3% | 1% |
| 22-24 | 11% | 16% | 2% |
| 25-29 | 19% | 25% | 10% |
| 30-34 | 14% | 14% | 14% |
| 35-39 | 13% | 12% | 14% |
| 40-44 | 13% | 14% | 12% |
| 45-49 | 8% | 4% | 14% |
| 50-54 | 9% | 6% | 14% |
| 55-59 | 6% | 3% | 12% |
| 60-64 | 1% | 0% | 3% |
| 65 or older | 2% | 1% | 4% |
| Prefer not to answer | 1% | > 1% | > 1% |

Table 5: Age of Champions

A third of the champions reported being full or part-time staff, while the remaining two-thirds were a type of volunteer (member, donor, board member, etc.). There were no significant differences in cause affiliation across platforms.

In addition, America’s Giving Challenge donors gave more on average—\$24.80 via the Network for Good/Global Giving—than their Causes on Facebook counterparts (\$17).

| Affiliation | Overall | CGC | AGC |
|--------------------|---------|-----|-----|
| Donate to cause | 47% | 47% | 47% |
| Full-time employee | 32% | 29% | 36% |
| Volunteer | 32% | 30% | 29% |
| Founder | 21% | 19% | 23% |
| Member | 21% | 24% | 15% |
| Board member | 18% | 14% | 26% |
| Part-time employee | 5% | 3% | 9% |
| Not affiliated | 1% | 2% | 0% |

Table 6: Cause Affiliation

Characteristics of Successful Efforts

Award recipients fell into two categories: causes that generated the largest number of unique donors over the course of the entire contest; or, like Heather Box and the League of Young Voters, those that generated the most unique donors in a single day and won a daily **prize**.

That said, many more causes that did not receive Challenge awards were still able to raise significant amounts of money from individual donors throughout the Challenge. Many went **virial** as well, which for this report we are defining as campaigns that had 150 or more unique donors (“Dunbar’s number” 2009).

Overall, the following traits characterized successful efforts and their champions:

They were immersed in the Challenge.
Some of the most successful champions were

the few that spent almost every waking hour, especially in the final week of the challenge, encouraging donors to give to their cause or managing scores of volunteers who were canvassing friends, family, and neighbors for donations. These champions were not solitary cheerleaders for their causes. Their passion and dedication to winning the Challenge inspired others to step forward and work many hours on behalf of their cause.

“We entered 12 days before the end of the contest and my life in those 12 days was spent on this contest. I was online 24/7.” – Heidi Dormody, Engineers without Borders, USA

The survey results highlight the average number of hours that champions spent working on the Challenge and the increased number of hours for those champions who generated more donors.

| Length of Time | All Champions | causes w / 50 or less donors | causes w / 51-100 donors | causes w / 101-150 donors | causes w / more than 150 donors |
|--------------------|---------------|------------------------------|--------------------------|---------------------------|---------------------------------|
| Fewer than 5 hours | 68% | 80% | 40% | 33% | 37% |
| 5-9 hours | 20% | 15% | 45% | 53% | 20% |
| 10-19 hours | 7% | 3% | 12% | 13% | 22% |
| 20-34 hours | 4% | 1% | 3% | 0% | 18% |
| 35 plus hours | 1% | 1% | 0% | 2% | 0% |

Table 7: Hours Spent on the Challenge by Champions

Efforts went “viral.” As previously mentioned, for this assessment we defined efforts that were successful or “viral” as those with more than 150 donors. These causes had volunteers who solicited donors independently of the cause champion, and all award recipients experienced this viral effect. To put it another way, the most successful efforts were social networks with individual activists self-organizing activities online and off to support their causes, without necessarily the knowledge or direct control of the champion or cause organization.

By large margins (between 61-74%), cause champions reported reaching out for

donations and outreach assistance to known supporters, friends, family, colleagues, and co-workers first. In other words, they activated the viral effect by connecting to the people they knew personally—whether those people were familiar with their cause or not.

Several highly connected individuals leveraged a large number of donations by themselves. For example, one volunteer for IDEA League singlehandedly brought in more than 600 donors. This example represents how a viral effect can be achieved by connecting primarily through existing relationships.

| Causes Giving Challenge | Donation Solicitation | Spread the Word |
|---------------------------|-----------------------|-----------------|
| Known supporters of cause | 55% | 57% |
| Friends and family | 68% | 65% |
| Coworkers, classmates | 53% | 60% |
| Online media | 27% | 40% |
| Offline media | 4% | 11% |

| America’s Giving Challenge | Donation Solicitation | Spread the Word |
|----------------------------|-----------------------|-----------------|
| Known supporters of cause | 78% | 70% |
| Friends and family | 84% | 72% |
| Coworkers, classmates | 73% | 65% |
| Online media | 40% | 46% |
| Offline media | 8% | 15% |

Table 8 & 9: Viral Effect

“We had 40 volunteers who did the work of 4,000 volunteers. They emailed their address book of friends. They asked their friends to ask their friends to donate. It is fascinating. The last day of the contest you’ve never seen 40 people more on edge. We were shocked by the numbers. By the end of the day, we got 700 donations in one day. Took years off our lives!” – Linda Shiller and Mary Parente, 11th Hour Rescue

Smaller organizations and all-volunteer efforts tended to be successful. Eleven of the sixteen champions were for causes with annual organizational budgets less than \$1 million. Seventy percent of participating organizations had ten or fewer employees, and 50% had annual operating budgets of less than \$500,000, according to the survey responses.

Many of the smaller organizations confessed to initially feeling they wouldn’t be successful against larger organizations, and were surprised and delighted to find that they could be—and often were—more successful than many larger competitors.

Indeed, larger organizations with slower-moving hierarchies and professional development staffs were less successful in this fast-paced effort. One cause champion who was interviewed said, “I work for a large nonprofit. When I first heard about the Challenge, I suggested to my boss that we get involved. However, there was too much inertia between development and marketing

departments.”

| Budget | Overall | CGC | AGC |
|------------------|---------|-----|-----|
| Less than \$100K | 25% | 23% | 27% |
| \$100K - \$500K | 28% | 25% | 29% |
| \$501K - \$1M | 11% | 9% | 14% |
| \$1.01M - \$10M | 23% | 25% | 20% |
| Over \$10M | 6% | 5% | 6% |
| Don’t know | 8% | 13% | 4% |

Table 10: Annual Operating Budgets of Cause Organizations

| No. of Staff | Overall | CGC | AGC |
|--------------|---------|-----|-----|
| 0 | 24% | 20% | 29% |
| 1-5 | 35% | 37% | 33% |
| 6-10 | 10% | 9% | 10% |
| 11-20 | 11% | 13% | 8% |
| 21-50 | 2% | 2% | 2% |
| More than 50 | 16% | 16% | 18% |
| Don’t know | 3% | 4% | 2% |

Table 11: Full-time Staff at Cause Organizations

“Other people put it on Facebook, on blogs, my father started calling people. My secretary asked anyone walking in to the building. That 6-degree of separation part was right on. I would hear from someone who knew someone who knew someone who had emailed everyone they know. it spread like wildfire.” – Peggy Padden, Fanconi Anemia Foundation

Differences Among Cause Champions

Just as important as the common characteristics of successful efforts were the issues and structures that turned out not to affect whether causes and their champions were successful. These included:

Previous social media and social networking experience. As noted previously, the survey results indicated that all of the cause champions were comfortable using e-mail and online forums, but the Causes on Facebook users were more savvy when it came to using microblogging tools such as Twitter and online social networks such as, well, Facebook.

Novice users turned to more experienced social networking and social media users in their networks for advice and technical support. Some found tech-savvy friends within their networks who blogged about the contest, or could send a text message for their cause. Others learned through immersion,

quickly picking up new tools and techniques out of necessity, and were able to turn around and assist others.

Reverend Margaret Klapperich, the cause champion for the Order of Christ Sophia, said, “My tech savvyness stayed the same, but my tech strategy changed. I got smarter about what we were doing and [learned] how to do it better, smarter and faster.”

No fundraising expertise needed. Most of the cause champions were not professional fundraisers, although most champions who worked for the nonprofit or were on the board of their organization were development professionals or had experience with grassroots fundraising. Some award recipients were experts or were very experienced using Web 2.0 tools for activism before the competition, but had not used these tools for online fundraising.

The personal connection of volunteer champions to their causes (e.g. I have a family member who is afflicted with a disease, I live in a community affected by this issue, etc.) came through in their appeals and attracted donors. These champions knew intuitively that their appeals had to be personal, authentic, and without the patina of professionalism.

“I don’t use any of those social media tools. No Facebook, no social networking, no widgets. I use e-mail. But I learned as we went along.” – Stephen Hollister, IDEA League

Often the cause champions who were inexperienced fundraisers were surprised that asking people to give was easier than they thought. Interviewees often mentioned the low \$10 dollar donation amount as a particularly helpful component in garnering their courage to ask their friends to donate (Andresen 2007). Conversely, cause champions found that impersonal group emails were completely ineffective.

| Task/Tool | Overall | CGC | AGC |
|-------------------------|---------|-----|-----|
| Sending e-mail | 4.9 | 4.9 | 4.9 |
| Instant messaging | 4.4 | 4.5 | 4.1 |
| Sending text messages | 4.3 | 4.4 | 4.1 |
| Social networks | 4.1 | 4.3 | 3.6 |
| Commenting on blogs | 4.0 | 4.2 | 3.8 |
| Posting to listservs | 4.0 | 4.2 | 3.7 |
| Discussion boards | 4.0 | 4.1 | 3.7 |
| Maintaining a blog | 3.8 | 3.9 | 3.4 |
| Using widgets | 3.3 | 3.4 | 2.9 |
| Microblogging (Twitter) | 3.0 | 3.2 | 2.3 |
| Virtual reality spaces | 2.6 | 2.6 | 2.3 |

Table 12: Comfort Using Communication Tools Before the Challenge (ranked from 0-5 with 5 being most comfortable)

No size fits all. There was no one right way to be successful in the Challenge. Some very successful efforts, such as Education for 900 Rural Girls in Burkina Faso, were conducted almost entirely by e-mail. However, most campaigns had a mixture of technology tools coupled with off-line activities for outreach.

Some of the college-student led efforts used conventional techniques with a millennial twist. Several held “collectathons” where students brought their laptops and cell

phones and sent text messages to everyone in their mobile address books, Instant Message Buddy Lists and Facebook friends. Others used their laptops to solicit donations from students waiting in line for basketball tickets.

And just as there was no one right formula for outreach, there was also no one right answer for when to begin the Challenge. Some cause champions started early to great effect, while others started early and sputtered. Some champions started later and had rousing finishes, and others

focused most of their energy on winning a single, daily prize of \$1,000.

And some cause champions found that even with a significant web presence and many friends on Facebook, they couldn't just push a button in the waning moments of the Challenge and succeed. As a champion from a large organization said, "We can't just win because we're big. You really have to engage people to get them to want to be a part of it, particularly when it needs another degree of separation to be successful."

Action-reflection-revision-action model. Because the Challenges were announced on the day they opened, there was no significant planning done by any of the champions who were interviewed. But this wasn't necessarily a barrier to their success. The nature of the fast-paced Challenge combined with the fluid nature of online networking and fundraising was a better match for an ongoing learning process than a static planning process.

In addition, the competitive nature of the Challenge encouraged cause champions to watch and learn from one another. This represents best practices in deploying social networking and social media strategies for online fundraising and activism that have been well-documented recently (Schultze 2008).

"The more I worked with [Causes on Facebook], the more I realized that 90% of the people who gave were personally asked by me or one of our volunteers. E-mail blasts and canned messaging does not work. What works is short quick messages asking for the \$10. It has to be personalized to the person you are asking based on your past connection." — Heather Box, League of Young Voters Education Fund

| Tactic | Overall | CGC | AGC |
|---|---------|-----|-----|
| Hosting parties | 3.8 | 3.8 | 3.9 |
| Asking face-to-face | 3.8 | 3.9 | 3.6 |
| Sending e-mail | 3.6 | 3.5 | 3.7 |
| Messaging through Facebook or other social networks | 3.4 | 3.5 | 3.1 |
| Phone calls | 3.3 | 3.5 | 3.1 |
| Instant messaging | 3.3 | 3.5 | 3.0 |
| Posting to listservs | 3.1 | 3.2 | 3.0 |
| Sending text messages | 3.0 | 3.0 | 2.8 |
| Commenting on blogs | 2.9 | 3.1 | 2.6 |
| Door to door | 2.8 | 3.0 | 2.2 |
| Posting flyers | 2.6 | 2.7 | 2.4 |
| Messaging through Twitter | 2.5 | 2.5 | 2.6 |

Table 13: The Effectiveness of Various Fundraising Tactics (on a scale of 1-4 with 4 being very effective)

“We bombarded family and friends with e-mail. We got more organized as time went on. We have a lot of the same Facebook friends, a lot overlapped, five or six e-mails went to the same person initially. We jumped into the deep end and tried to learn how to swim.” – Josh Lee, Fighting Poverty With Nourish International

Key Success Elements of the Challenge

The following elements were critically important to the success of the overall effort and should be included in any future Challenge efforts:

- The Competition.** The competitive nature of the Challenge invoked a fundamental human desire to win and succeed. Many of the interviewees mentioned the competitive aspect of the Challenge as catalytic and energizing, both for their volunteers and donors. As Erin Kelly of Students Helping Honduras said, “At first,

I thought competitions were a horrible idea because you had to beat another nonprofit. But, we got \$30K in flat donations that we wouldn't have gotten otherwise. Without the incentive of the competition, we wouldn't have raised the money.” Julie Katz, the cause champion for EVERYBODY WINS! South Florida, said, “Some people who have the best intentions don't have the motivation to give, but the Challenge gave an extra push.”

- **The Time Limit.** The deadline of the Challenge made it immediate and urgent for cause champions. Most of the interviewees felt that the time was adequate for this effort. Some, in fact, said it was more than adequate and that the entire challenge could be shortened to 30 days because the effort is so intensive and exhausting. The impending deadline was an important factor in converting friends to contributors.
- **The Leveling Effect.** The Giving Challenge, perhaps more than any other philanthropic effort we've seen, had a terrific leveling effect enabling the smallest organizations, often without any staff at all, to be more successful than larger, staffed organizations. There were no out-of-pocket expenses for participating in the Challenge, allowing a greater number of smaller organizations to participate. In addition, the simplicity of the effort—the cause with the most donors wins—plus the network effect and the lack of technical skills needed in fundraising or social media to successfully compete made this a wide-open contest for unusual suspects. Friends asking friends for donations was critically important to successful efforts, which meant that the cause did not have to be well-known at the beginning of the effort to be successful, although it was important that the cause was easily understandable when it was introduced to new supporters.
- **The Leaderboard.** Perhaps the only thing better than winning is watching your cause

win in real-time. Clicking on the refresh button became a reflexive habit of many of the award recipients and their volunteers. They noted that the leaderboards were instrumental in spurring them on and giving them a context for how well, or how poorly, they were doing.

“At first they thought it was just another one of my crazy ideas and that we couldn't win, and then when we were number five we were so excited and kept checking the website to see where we were in comparison to the other charities. I was like, ‘Wow, this really could happen!’” – Peggy Padden, Fanconi Anemia Foundation

- **The Match.** The awards given by the Case Foundation, coupled with the simplicity of the contest, were attractive to the cause champions. One thousand dollars for daily winners and \$50,000 for the overall winners—plus what they raised from their own individual donors—were significant amounts for the contestants, particularly the smaller organizations. The Challenge even opened up other avenues for matching initiatives. For instance, Greenpeace reported that as a result of the Challenge, a donor offered to match individual donations made during the Challenge.
- **Online, On Land, and on Many Channels.** A mix of activities was evident in all of the successful efforts that included Internet, mobile phone-based activities, and in-person solicitations. Online activities began with e-mail (the most popular form of outreach, but only successful when they

were personalized), instant messaging, Web-based social networks such as Facebook and Twitter, and viral videos like Heather Box's. Off-line activities included telephone calls, parties to encourage people to give on a laptop, taking a laptop to popular gathering spots on campuses, and soliciting colleagues in offices.

"About 50% of the people who made donations were chapter members. They were not new to the organization, but they had never donated before. The contest was a real motivator." – Heidi Dormody, Engineers Without Borders, USA

Key Results

The Challenge drew a very large number of participating organizations and donors, with Causes on Facebook, Network for Good, and Global Giving processing large numbers of donations (81,597 in total). These numbers will undoubtedly increase in future Challenges given the attention the first Challenge received as well as the difficult fundraising economy.

Beyond the funds, other key results included:

- **Donor attraction and conversion.** Almost all of the cause champions who were interviewed reported that the majority of donors to their causes were new, sometimes in overwhelming numbers of 80-90 percent of the total number of donors. Plus, the Challenge was a great mechanism for converting interested friends to donors. As

one cause champion of a youth-oriented cause said, "A lot of our supporters who didn't consider themselves donors could get in with the minimum donation."

- **Higher visibility.** Many cause champions also reported that participating in the Challenge raised their public image considerably by expanding their circle of friends beyond their usual supporters. Fifty-three percent of the survey respondents reported an increase in visibility for their cause—particularly the opportunity to appear in the mainstream media—as a result of participating in the Challenge.

In addition, many champions reported learning to use new technological tools as a result of participating in the Challenge. Seventy-five percent of the survey respondents said they would participate in a future Challenge if given the opportunity.

"Yes, we're thankful we won the money. But the exposure for our organization was priceless. The Challenge encouraged us to reach out beyond our known group supporters—and that's a good thing because it brought us new donors. We raised a lot of awareness about our organization. That provided a lot of value." – Linda Shiller and Mary Parente, 11th Hour Rescue. Raised \$54,000 from 2,448 donors.

“The prize money was enticing, but even though we didn’t win we got many benefits. We expanded our donor base, reached out to people who didn’t already know about us or who we didn’t ask to donate in the past, and learned a lot about online fundraising.” – Seva Mandir, Non Formal Education for Tribal Children in India. Raised \$41,412 from 1,488 donors.

- **Multi-generational teamwork.** The Challenge wasn’t uni-generational but, rather, multi-generational, as Millennials found themselves in the position of coaching their elders in online giving. We estimate that about half of the cause champions for award recipients were Millennials (between the ages of 15-29) and many had their epicenters on college campuses. These young people were comfortable using Facebook and Causes on Facebook, and already had large numbers of friends on their social network sites. “We were calling our grandparents and others who were not familiar with widgets,” said one cause champion. “We had to learn how to explain so they understood and could get past their fears of security.” Another said, “It was great to see grandparents, parents, young adults, and teens all working together to support orphaned children.”
- **Network effect.** Another unforeseen benefit of the Challenge was the network effect between participating causes and their supporters. Cause champions were watching each other’s efforts closely and adopting each other’s successful strategies. Donors learned about causes other than the one they may have known initially, and

some organizations found ways to work together to share donors and create one widget for their efforts.

- **National-local coordination.** And lastly, some organizations, like Engineers without Borders, discovered that the Challenge was a great way to coordinate a fundraising effort between the national organization and local chapters. As part of their strategy, the national organization issued a challenge to their chapters. The three chapters that brought in the most donors would receive a matching grants of \$3-5,000. According to the staff at Engineers Without Borders, most chapters had previously raised modest amounts, so the additional matching incentive was a strong motivation.

Areas for Improvement in the Challenge

The data and survey revealed several areas that could use further refinement and resources in future challenges. To start, the effort's fragmented nature confused many cause champions. Between the different names for the Challenge on PARADE and Causes on Facebook and the multiple donation software entities, the leadership was unclear for participating organizations and champions.

In addition, although nearly 60 percent of the survey respondents believed the rules were clear, the interviewees believed they need to be clarified further for future efforts. For instance, some reported not knowing there were both daily and overall prizes. Others were fuzzy on whether people overseas could participate. And still more didn’t know whether a staff person at an organization could sign up as a champion or if it had to be an outside person.

There was also confusion between international and domestic causes. Those on Global Giving were described as “Global Causes” and those on Network for Good were referred to as “Domestic Causes,” when in reality both platforms supported both kinds of organizations.

Some donors had technical difficulties and concerns about donating online. We felt it was important to note this difficulty since it arose so often in the implementation and subsequent reporting about the Challenge by the cause champions; however, we are not recommending changing the Challenge to address this issue.

Instead, we suggest providing assistance to people who may not have given online before and want to try, with the understanding that there will always be a slice of the population who are not ready for or comfortable with donating online. They should be considered outside of the scope of the target audience for this effort.

Only 38 percent of survey respondents believed there was adequate technical support available during the Challenge. Champions on America’s Giving Challenge reported spending a significant amount of time providing technical assistance to donors with varying degrees of success.

Materials provided by the partners – Network for Good and Global Giving - were cited as 'somewhat adequate,' and interviewees mentioned that it would have been beneficial to have a live person to help concerned or confused donors. It will be important to address the need for scaling assistance efforts as future Challenges grow in size and scope.

Causes Giving Challenge had a few issues as well. The need to create a new, **unique cause** on Facebook just for the Challenge confused champions and donors. While technically this helped start all cause champions on the same level playing field, it then proved difficult for groups to point their existing “friends” to the new cause.

As one survey respondent noted, “Even my potential cause supporters already on Facebook had to overcome the barrier of installing a new Facebook app, with the usual warnings about sharing info with that app. This was a huge deterrent.” Another wrote, “Convincing people who were already part of a Facebook group or cause to join another Facebook cause just for this Challenge [was a problem]. Now we've got four different groups and causes on Facebook - not very efficient.”

Similarly, some misunderstandings also occurred, because of lack of access to technology or credit cards. A survey respondent illustrated this issue: “Many of our donors signed up with new accounts on Facebook specifically to participate, and many were new refugees and not computer-literate. Our volunteers assisted them in creating accounts and often took their donations in cash, reusing volunteers' credit cards to process the donations.”

According to the Challenge rules, a unique donation is defined as one single donation per individual, and duplicate donations from the same individual to a single charity only counts once. The mechanism for recording an individual donation was via credit card number. Thus, according to the Challenge rules, all of the donations collected by volunteers in this example, but made on the same credit card,

were considered as only one unique donation.

Beyond the initial donation, post-contest follow-up with donors was challenging because of structural barriers, including the lag time it took Global Giving to provide contact information for donors, and the fact that the Causes on Facebook software does not provide donor contact information to the cause organizations.

And with only a few exceptions, almost no fundraising momentum was created beyond the Challenge (although 28% of survey respondents reported that the Challenge will have an impact on how they raise funds in the future). As Rick Gentry of Greenpeace noted, “The donations came to a grinding halt at the end of the challenge.”

Several factors might play a role in this donor drop-off. One, the intensive campaign itself was likely the compelling draw for many new donors, so once it ended, few donors found reason to return. Two, many award recipients were often not professional fundraisers and unaccustomed to cultivating donors beyond the initial event. And three (and perhaps most importantly), some donors may have had a stronger attachment to the person who asked them to give than to the cause itself.

Recommended Challenge Practices and Conclusion

Based on lessons learned from the first Challenge, we recommend the following changes for future Challenges:

Only small organizations need apply. We encourage the Foundation to restrict participation in the next Challenge to

organizations with budgets in the previous fiscal year of less than \$1 million. It would be possible to have categories for cause champions delineated by organizational budget; however, we believe that the impact of the Challenge grants will be far greater on smaller organizations than on larger ones.

In addition, the excitement and creativity generated by volunteers for smaller organizations was palpable and infectious during and after the Challenge. Larger organizations will benefit from watching future Challenges and learning new ways to connect to existing and potential donors using online social networking sites and techniques.

More lead time, less Challenge time. Given the fast pace of development and implementation during this first effort, it is not surprising that many groups wish they had more planning time prior to the Challenge. With more advance notice about the Challenge through traditional media and the blogosphere, cause champions will have more time to prepare their strategy. Fewer than half of the survey respondents believed the length of time was right. This was echoed by those who said that a month would have been sufficient for such an intense effort.

Champions who were interviewed and surveyed were split on whether the end of the year was a good time for the Challenge. Larger organizations were more likely to feel it could interfere with their planned fundraising activities at that time of year.

Streamline the contest. The Challenge structure needs to be simplified and streamlined in the future, at least publicly for the cause champions, to one contest with one name. In addition, future donation software should ideally:

- **Provide access to donation data** to see who has donated to a campaign and how they can adjust their efforts in real-time. Specifically, the data should include contact information and allow the champion to send a personal thank you e-mail shortly after a gift is made. The latter is especially important for the Challenge, because this first effort revealed that donors were also fundraisers for causes. Recognizing and rewarding the efforts of donors will increase the potential viral effect of the Challenge.
- **Allow for a variety of payment methods** beyond credit cards, including online check donations and PayPal-type services.
- **Enable the customization of widgets and pitches.** For efforts to go viral, it is critically important that fundraising requests come from known people. Therefore, the widgets need to allow for requests to be personalized by each individual who passes it along to their network, instead of information coming from the champion.
- **Support multi-channel campaigns** that are independent of social networks for donations. The Challenge should encourage champions and volunteer fundraisers to paint on a broad canvas by encouraging the use of a large number of fundraising and social networking tools, not any one particular tool or site.

Provide additional help. The technical assistance needed by some potential champions and donors was significant and required enormous amounts of time by cause champions. It may be helpful to develop a wiki to house various resources and “how-tos” and for participants to share questions and answers. It might also be worth exploring setting up a Twitter account to answer technical support questions in real-time.

With these recommendations in mind, this assessment and reflection report hopes to inform not only future iterations of the Case Foundation's Giving Challenge (such as the one slated for 2009), but also serve as a guide for other funders seeking to replicate the Challenge.

As such, the report doesn't end here. Rather, it's the starting point for continued innovation and experimentation across the board, as the nonprofit sector seeks to empower more people to hone their tech skills, connect with others, and take action on causes they care about.

Glossary

Award recipient: Nonprofit organizations that received prizes (both from daily and overall Challenges).

Causes: Causes (with a capital C) refers to the Facebook application and company – Causes on Facebook.

cause: cause (with a lower case c) generally refers to: a) a cause on Causes on Facebook that is created in order to fundraise, or b) a general term synonymous with a nonprofit organization's issue area.

Cause champion (champion): Individuals who spearheaded fundraising efforts on behalf of an organization.

Challenge: The experimental Giving Challenge was two events. America's Giving Challenge in PARADE magazine and on PARADE.com and the Causes Giving Challenge on Facebook. The causes with the highest numbers of unique donors received awards from the Case Foundation. For the purpose of this report, the overall effort is referred to as the Challenge.

Prize: The combined \$750,000 of award money given by the Case Foundation to nonprofit award recipients are referred to as prizes.

Unique cause: Each champion had to create a new, standalone cause for the Causes Giving Challenge. For reporting purposes, they could not use an existing cause.

Unique donor: Each individual that donates to one cause is considered a unique donor for

that cause. An individual may donate to multiple causes, and is considered as one unique donor per each cause.

Unique donation: A unique donation is defined as one single donation per individual. This means that duplicate donations from the same individual to a single charity badge/widget will only count once towards helping a fundraiser get a prize.

Viral: This paper defines viral campaigns as those that had 150 or more unique donors. This follows the method known as the "Dunbar Number," which asserts that 150 is the number of relationships that one human can successfully maintain. See: <http://en.wikipedia.org/wiki/Dunbar_number>

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