### **ERNOP Research Note**

Academic articles on philanthropy through a practitioner lens



## When the winner takes it all: online campaign factors influencing the success of donation-based crowdfunding for charitable causes

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This study explores the factors that influence the success of crowdfunding campaigns in terms of reaching monetary goals, awareness and social engagement. Previous research has identified geographic scope, beneficiary characteristics, timing and promoter behaviour as key influences on offline campaign success. The objective of this study is to identify new success factors for online campaigns and to deepen the understanding of explanatory factors for online crowdfunding.

This was done by seeking to validate hypotheses about the influence of disclosure, images, updates and spreadability. While some hypotheses were confirmed, others were not supported by the evidence collected and in fact contradict findings of earlier studies. This emphasises the need for campaigns to adopt new digital tools, resources and skills in a rapidly evolving digital landscape.

#crowdfunding #digitalfundraising #communityfundraising #onlinefundraising

- This study uses an exploratory quantitative analysis of 360 'all or nothing' nonprofit campaigns over 5 years on the Microdonaciones platform. During this period, the charitable campaigns raised over 9300 online donations through this e-platform, resulting in 262 successful campaigns, 73% of the total promoted.
- Microdonaciones was a platform through which mostly Spanish nonprofits raised small amounts of money for social causes between 2012 and 2017. The research focused on a platform that acted as an intermediary between nonprofit sector promoters and donors, of national ownership, and hosting campaigns of social nature.
- The study explored a number of hypotheses and assumptions that the authors sought to prove or disprove, including:
  - A higher wordcount in the campaign description influences the success of online fundraising campaigns.
  - The use of more than one picture and/or videos on the campaign page influences success.
  - Campaigns that provide regular updates and information on final fund uses will be more likely to succeed.
  - Campaigns that are more widely spread from social media and networks are more likely to be successful, particularly from Facebook (as compared to Twitter).
- Hypotheses and findings are summarized in the conceptual model in Figure 1.



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Context











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Disclosure of information was presumed to be central to transparency and trust, with greater explanation of campaign goals expected to contribute to success. However, the findings contradicted previous correlations with word count of the campaign description, with no significant difference between those above or below 244 words that can be related to success of the campaigns.

# Take aways • & Learnings

Contrary to expectations, the use of images and video was not found to influence campaign success – even though 89% of campaigns used more than one images and 29% used video. As daily overexposure to online multimedia rises, these resources are losing ground in their ability to drive donations.



- However, campaign updating was found to positively impact success. Timely and regular provision of information on campaign advances was provided in 60% of cases. However, just 19% of campaigns provided details on final funding uses. Voluntary follow-up with information on the impact donations made is key, with posts about pre- and post-campaign events allowing demonstration of effective management.
- Spreadability was found to be positively related with success, but only 31% of the campaigns were widely spread through social media and networks. Among those, Facebook was preeminent. Campaigns must be designed to be searchable, shareable and spreadable this is where practitioners can focus and improve.
- The findings emphasize the importance of campaigns being shared and updated with transparent relevant information. Quality trumps quantity when it comes to both copy and multimedia, and campaigns need to focus on communicating the impact that the donations to that campaign have had.

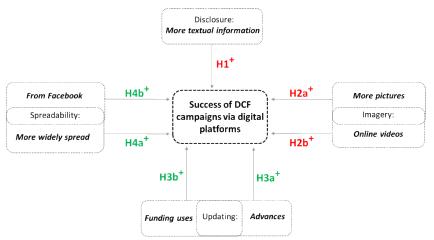


Figure 1. Conceptual model (supported hypotheses in green; unsupported hypotheses in red)

Further qualitative research would be beneficial as well as a deeper dive into online social engagement. Variables related to the nonprofit institutional profile, organizational performance, and degree of professionalization could also be explored.

ERNOP Research Notes provide easy-to-read, practice-oriented summaries of academic articles on philanthropy and are written by practitioner experts. This ERNOP Research Note 2024/32 is published in December 2024 and has been written by Jane Trenaman from The HX Consultancy. More information can be found at <a href="https://www.ernop.eu">www.ernop.eu</a>.







