

# Humanitarian Non-Profit Organizations Marketing s Effects on Donor Behavior in Social Media

Marketing Master's thesis Hannareeta Lassila 2010

Department of Marketing and Management Aalto University School of Economics



# Humanitarian Non-Profit Organizations' Marketing's Effects on Donor Behavior in Social Media

Master's Thesis Hannareeta Lassila Fall 2010 Department of Marketing and Management

Approved by the head of department of \_\_\_\_\_

\_\_\_\_/ 2\_\_\_ and awarded the grade \_\_\_\_\_

ABSTRACT

AALTO UNIVERSITY SCHOOL OF ECONOMICS Department of Marketing and Management Master's thesis August 2010 Hannareeta Lassila

# HUMANITARIAN NON-PROFIT ORGANIZATIONS' MARKETINGS' EFFECTS ON DONOR BEHAVIOR

This study aims to find out how humanitarian non-profit organizations can best use social media, more precisely Facebook and Twitter, for fundraising. Additionally, this study focuses on finding out donors' motivations for donating to emergency relief campaigns in social media. Theoretical framework has been conducted after approaching theories in four areas: social media, viral marketing, donor behavior and NPOs' marketing.

Case study research has been chosen as a research method for this study in order to provide comprehensive results from this quite new phenomenon. Data was collected through semi-structured qualitative interviews and quantitative questionnaire, which gathered 384 answers. Also observation was done for Facebook and Twitter profiles of interviewed NPOs. Thematic data analysis was used for analyzing the interviews.

Results suggest that Finnish humanitarian non-profit organizations already are well aware how to utilize social media for fundraising purposes. No significant differences among social media use of organizations were found. However, there is still lack in knowing how to measure platforms' effectiveness and in interactivity with organizations' fans. No clear evidence of peer-pressure's impact on donor behavior was found, even though it was assumed to affect.

KEYWORDS: social media, viral marketing, donor behavior, non-profit organizations, social networking site

TIIVISTELMÄ

AALTO-YLIOPISTON KAUPPAKORKEAKOULU Markkinoinnin ja johtamisen laitos Pro Gradu -tutkielma Elokuu 2010 Hannareeta Lassila

# VOITTOATAVOITTELEMATTOMIEN HUMANITAARISTEN ORGANISAATIOIDEN MARKKINOINNIN VAIKUTUKSET LAHJOITTAJAKÄYTTÄYTYMISEEN

Tämän tutkimuksen tarkoituksena on selvittää, kuinka voittoatavoittelemattomat humanitaariset organisaatiot voivat hyödyntää sosiaalista mediaa, erityisesti Facebookia ja Twitteriä, varainkeruuseen. Lisäksi tämän tutkimuksen tarkoituksena on ottaa selvää lahjoittajien motivaatiosta lahjoittaa sosiaalisessa mediassa hätäapukampanjoihin. Teoreettinen viitekehys on koottu neljän teoreettisen alueen, sosiaalisen median, viraalimarkkinoinnin, lahjoittajakäyttäytymisen sekä voittoatavoittelemattomien organisaatioden markkinoinnin pohjalta.

Tapaustutkimusmenetelmä valittiin tutkimusmetodiksi tähän tutkielmaan, jotta suhteellisen uudesta ilmiöstä voitaisiin saada monipuolista tietoa. Tietoa kerättiin laadullisten, puolistrukturoitujen haastattelujen avulla sekä kvantitatiivisella kysymyslomakkeella, joka tuotti 384 vastausta. Lisäksi havainnoitiin haastateltujen organisaatioiden Facebook- ja Twitter-sivuja. Temaattista data-analyysia käytettiin haastattelujen analysoimiseksi.

Tulokset osoittavat, että suomalaiset voittoatavoittelemattomat humanitaariset organisaatiot käyttävät jo sosiaalista mediaa ammattimaisesti varainkeruuseen. Suuria eroavaisuuksia ei organisaatioiden sosiaalisen median käyttötavoissa löytynyt. Kuitenkin organisaatioilla on vielä oppimista siitä, kuinka mitata sosiaalisen median alustojen tehokkuutta, ja kuinka hyödyntää sosiaalisen median interaktiivisuutta kannattajien kanssa. Selvää yhteyttä muiden henkilöiden aiheuttamasta paineesta sosiaalisessa mediassa ei löydetty lahjoittamiskäyttäytymisen kanssa, vaikka ennakko-oletuksen mukaan sitä esiintyy.

AVAINSANAT: sosiaalinen media, viraalimarkkinointi, lahjoittajakäyttäytyminen, voittoatavoittelemattomat organisaatiot, sosiaaliset yhteisöt

Humanitarian Non-Profit Organizations' Marketing's

# Effects on Donor Behavior in Social Media

# Contents

1. Introduction	5
1.1. Research Methods of the Study	9
1.2. Boundaries of the Study	
1.3. Terminology and Abbreviations	
1.4. Structure of the Study	11
2. Social Media	12
2.1.Social Networking Sites	
2.1.1. Virtual Communities' Characters	
2.1.2. Facebook	
2.1.3 Benefits and Disadvantages of Facebook for Marketers	
2.1.4 Twitter	
2.1.5 Benefits and Disadvantages of Twitter for Marketer	
2.2 The Birth of Viral Marketing	
2.2.1. Viral Marketing	
2.2.2. Benefits of Viral Marketing	
2.2.3. Motivations for Participating in Viral Marketing	
2.3. Donating to Charity and Self-Presentation in SNSs	
2.3.1. Self-Presentation in Social Media	
2.3.2. Donor Behavior	
2.3.3. Donor Behavior in Social Media	
3. Marketization of Non-Profit Sector	37
3.1. Market-Orientation of NPOs	
3.2. NPOs' Marketing	41
3.3. NPOs' Social Networking	
3.3.1. Usage of SNSs During Crisis	
3.3.2. NPOs' Use of SNSs for Fundraising	
3.3.3. Fundraising Frauds in Social Media	54
4. Theoretical Framework - Social Media's Effect on Donor Behavior	55
5. Methodology	
5.1. Research Methods	
5.1.1. Qualitative Research	
5.1.2. Case Study Research	
5.2. Data Collection	
5.2.1. Interviews and Questionnaire	
5.2.2. Thematic Data Analysis	
5.2.3. Reliability and Validity	
6.Findings	
6.1. Non-profit Organizations	
6.1.1. Unicef Finland	
6.1.2. World Vision Finland	
6.2. Themes of Interviews	71

6.2.1. Strategic Use of Social Media	71
6.2.2. Operational Use of Facebook	73
6.2.3. Perceptions about Donors	
6.3. Observation of Facebook and Twitter Pages	
6.4. Results of Questionnaire	
6.5. Empirically Reviewed Framework	
7. Conclusions	
7.1. Empirical Contributions	
7.2. Managerial Contributions	
7.3. Limitations	
7.4. Suggestions for Future Research	
References	97
Internet References	
Appendixes	
Interview questions Questionnaire	
Questionnaire	

# Humanitarian Non-Profit Organizations' Marketing's Effects on Donor Behavior in Social Media

# 1. Introduction

This introductory section will present the topic of this thesis, summarize the general objectives, boundaries and structure of this study. It will also introduce the main and sub research questions, explain the terminology and abbreviations used throughout the study.

Social media is nowadays the thing connecting people all around the world. The World Wide Web and especially the existence of numerous social networking sites (SNSs) have provided people a possibility to globally reach each other and connect in real time. SNSs are platforms in Internet which use is based on interactivity and where communication flows from and to every direction (Hummel & Lechner, 2002). SNSs are based on the same principles as virtual communities, but they are more developed and include more use of multimedia applications. In time of a catastrophe, messages and tweets travel faster and reach more people than any paid media can do. Social media played a big role in 2010 when people tried to communicate news from Haiti for the rest of the world about the earthquake that took place there. This is not the first and surely not the last time when social media shows its power as an effective tool to inform and raise awareness among great amount of people. This gives a reason for humanitarian organizations, which usually are involved in such catastrophes, to utilize social media for achieving their informative and fundraising goals.

As companies explore the ways of utilizing the social media in order to build brand awareness and increase sales, so have the humanitarian non-profit organizations (NPOs) found this channel for building awareness of what is happening in the world. Social media offers a fast way for finding and reaching people and big networks. (Salmenkivi & Nyman 2007, 111–112) What may sometimes be a disadvantage for profit seeking organizations in social media, may be a great way of raising funds for other organizations. People are cautious of advertisement and resistant of forwarding marketing messages unless they are really appealing or somewhat innovative (Solomon et al. 2002, 320). Many people are becoming more aware of social matters thanks to their networks that take care of publicizing interesting news in social media. The viral nature of SNSs makes them good platforms also for NPOs to use them as tools for informing and making people react (Waters et al., 2009). There is not yet much academic research about NPOs' social media use and it is essential to gain more knowledge about it since the fundraising of NPOs is nowadays growingly moving there. NPOs who know how to effectively use SNSs for marketing may gain the advantage of forerunner when competing of funds.

Viral marketing and eWOM are the big *buzzes* of marketing field in today's social media (Cruz et al., 2008). According to a survey conducted by Inc. Magazine, 82 % of fastest growing private companies use WOM-techniques nowadays (Ferguson, 2008). WOM-techniques are more and more used is social media, which is an interactive place where people as private persons and consumers may reach each other and companies (Salmenkivi & Nyman 2007, 36). Social media enables people to share their thoughts with different sizes of networks with minimum effort. Since usually catastrophic incidents gather people together to grieve and show compassion for humans in crisis, also in social media, humanitarian NPOs have a chance to take advantage of these kinds of situations. Marketing messages travel fast among big networks and enable NPOs to reach possible donors. For NPOs it is a challenge to reach the right audience out of big networks and to create effective viral campaigns for fundraising.

There has been a lot of investigation about social media and SNSs in general. Only the definition and terminology of SNSs have changed together with the platforms over the last years. Porter (2004) has concentrated on characteristics of social media users. Also how consumers take different kinds of marketing messages has been investigated by for example Torres and Briggs (2007). Humanitarian NPOs represent different kind of marketers. Also the receivers of their marketing messages can be seen different from a usual consumer since their "purchases" are donations, not products or services. Marketing techniques of NPOs have also been under a research. Dolnicar and Lazarevski (2009) investigate how customer-oriented are NPOs in their marketing activities. Still there is a research gap in SNSs' use as a marketing and fundraising tool of NPOs. The intention of this research is to fill this gap.

The goal of this thesis is to find out how humanitarian NPOs have utilized the opportunity to collect funds by using social media for the parties in need of help and how effective their campaigns have been. The other major purpose for this study is to find out if the virality of SNSs and the peer-pressure will bring down the boundaries of donating money for organizations that help people in crisis. In order to achieve these goals, this study goes through the published literature of this topic and interview representatives of World Vision Finland and Unicef Finland, which are humanitarian NPOs that have used social media as a marketing tool for communicating their messages to possible donors and for raising money. Also a questionnaire was made in Facebook, which gathered 384 answers about emotions towards World Vision Finland's campaign *Hope for Haiti's Children* (Finnish name: Toivoa Haitin Lapsille) and about people's donor behavior.

There will also be a need for future research around this theme. For example deep investigations about peer-pressure affecting in social media are relevant in the future. In addition, how cross-media fundraising campaigns affect on possible donors' donating intentions could be an interesting topic for future research.

The main objective of this study was to find out how humanitarian NPOs may increase fundraising by using the social media. This goal was reached by reviewing the existing literature about marketing techniques of NPOs, the social media, concentrating in SNSs, such as Facebook and Twitter, and through theoretical and empirical research which helped in answering to the main research question of this study *How will marketing techniques in social media increase fundraising of NPOs?* This study also reviews the donor behavior and viral marketing theories. This study concentrates in Facebook and Twitter, since among most NPOs they are the favorite SNSs for building relationships with their supporters (2010 Nonprofit Social Media

Benchmarks Study). They are both internationally spread SNSs used by private persons and advertisers.

The theoretical part of this study, therefore, explains how the recent years' explosion in use of social media has brought a new channel for organizations to raise funds for their target groups in a moment of catastrophe and for others needing help. The theories of donor behavior are also gone through hoping to understand if the use of the social media will increase the willingness to help due to increased awareness and peer-pressure in the networks of social media. In a theoretical part of the study are also be presented real life cases where NPOs have used social media to aid their target groups by using different marketing techniques.

This study aims at finding out about the efficiency of social media for increasing the fundraising of NPOs. The empirical results combined with the literature review findings will aid NPOs' management to create efficient marketing and communication plans in social media for emergency relief campaigns.

Ergo, the research questions of this study aim at answering for the followings:

Main question of the study

• How will marketing techniques in Facebook and Twitter increase fundraising of NPOs?

Sub questions

- What different marketing actions should NPOs take in Facebook and Twitter?
- How can the users of Facebook and Twitter be motivated for spreading the word and donating?

# **1.1. Research Methods of the Study**

Due to the nature of the research questions, which aim at answering *how* results can be achieved and *what* should be done and the research itself, which includes both qualitative and quantitative methods, a case study approach was chosen for the empirical research of this study. Qualitative case study research method pursues to explore the phenomena where quantitative method seeks to confirm certain hypothesis about the phenomena. Qualitative method gives researcher flexibility to interview people with open-ended questions and possibility to adjust research questions based on what is learned during the interview. (Mack et al. 2005) That is why quantitative research method is not enough; the research questions of this study cannot be answered properly with only quantitative methods.

This study will also be exploratory in nature, since the existing knowledge base is limited in a case of social media, which has not been studied much in marketing perspective of NPOs. Exploratory research method is used when there is no earlier model for the basis of the study or when one aims at documenting the object as completely as possible without being restricted by the earlier models and theories (Models in the Research Process, 2007). The data was collected by semi-structured interviews from Finnish representatives of humanitarian NPOs (World Vision Finland and Unicef Finland), by a questionnaire from World Vision Finland's Facebook fans, which gathered 384 responses, and by observing these NPOs' Facebook and Twitter Pages. Throughout this study will be used the term NPO when also talking about humanitarian NPOs. Since academic literature usually uses term non-profit organization when referring to humanitarian organizations, even though there exists other NPOs than just humanitarian ones, NPO will be generally used in this study when talking about humanitarian organization.

# **1.2. Boundaries of the Study**

This study concentrates solely on marketing in social media, more precisely in Facebook and Twitter. Also only Facebook and Twitter are selected as two SNSs, because at the moment they are globally one of the most popular SNSs and the added value of including other similar services cannot be seen very high (Twitter versus Facebook, 2009). This study will examine only b-to-c marketing, because social media networks are mainly used for it, b-to-b marketing is a different field of its own. This study will not go deep in explaining the history of donor behavior theories; instead it presents the most important conclusions of the studies of this field. NPOs' branding in social medias will be left out, because the purpose of this study is to find out how these kind of organizations may raise more funds with help of social media, not in how to build awareness to the organization itself and to its brand.

# **1.3. Terminology and Abbreviations**

#### Altruism

A desire within one organism to increase the welfare of another organism as an endstate goal (Batson, 1983).

#### Social Networking Site (SNS)

Virtual communities are platforms in Internet, which use is based on interactivity and where communication flows from and to every direction. (Hummel & Lechner, 2002) SNSs are based on the same principles as virtual communities, but they are more developed and include more use of multimedia applications. People usually do not know everyone in the SNS, but form various networks with people of common interest or friendship.

#### Viral Marketing

Viral marketing term will be used in this study when talking about marketing messages that spread from a person-to-person or consumer-to-consumer in an electronic platform. Viral marketing techniques utilize electronic characters in emails, videos and photos, which increase the visibility of a brand when the message spreads from peer-to-peer by people's own will. (Buttle, 1998)

## Slacktivism

Online activism with no political or social impact (Morozov, 2009). An action that is done by achieving good feeling for the person passing on a message, but who is not willing to cause anything else but buzz.

#### **Non-Profit Organization (NPO)**

Organization, with missions to aid its target groups. NPOs financial objective is to transfer its funds for targets that are in line with organization's missions and which cannot gain enough monetary help from government or other institutions (Hall 1987, 3). Unlike for-profit organizations, NPOs cannot divide its excess funds for organization owners (Courtney, 2002).

# 1.4. Structure of the Study

The second part of this study will present what are SNSs, also sometimes referred to as virtual communities. It will also introduce and go through the recent theories of marketing in Facebook and Twitter, and viral marketing which are closely related. In that part will also be presented shortly the findings of users' self-presentation in social media and theories of donor behavior. The third part of this study will present characteristics of non-profit sector compared to for-profit sector. In addition the literature of NPOs' need for market-orientation mindset and competing for the resources will be introduced. There will also be presented case examples of the use of social media as a communication tool in catastrophes. Also researches of NPOs' use of social media in recent years will be gone through. Some fundraising frauds in the social media will be introduced also, since they can be seen diminishing the credibility of NPOs utilizing the social media. The fourth part will present the theoretical framework of this study. In the fifth part will be introduced the chosen research methodology and how results have been analysed. In the sixth part will gather the conclusions of this study and will also present the theoretical and managerial contributions and limitations of this study together with suggestions for future research.

# 2. Social Media

Internet has globally already over 1.7 billion users. Its usage rate has increased more than 380 % in last 9 years. (Internet World Stats) This means over 1.7 billion people that can be reached via net in any part of the world. After the Web 1.0. era people have shifted from searching information to also use Web as means for communicating and sharing information. Various SNSs have provided tools for people to get together virtually and share contents both in offline and online platforms. O'Reilly (2005) defines Web 2.0. era as an era in which the Internet involves its users as developers of rich software and new business models. Web 2.0. is also called as social media. This term is used throughout this study when talking about new social platforms of Internet. Some might even argue that we are now witnessing the Web 3.0. era when the Internet continues evolving and expanding with added multimedia.

The new phase of interactivity where people as private persons and consumers may reach each other and companies has numerous names. The most well known of these is the Web 2.0. (Salmenkivi & Nyman 2007, 36) Various SNSs have established their

place in people's everyday life and are already in some part substituting the use of more traditional email services. The global SNSs this study focuses are Facebook and Twitter. Facebook with its wide cover of 500 million active users (Facebook, 2010) and microblogging site Twitter with its effective information spreading tools provide two relevant platforms for the conduct of this study. Facebook and Twitter have also emerged as the favorites among most nonprofits for building relationships with supporters (2010 Nonprofit Social Media Benchmarks Study).

This chapter focuses on social networks by presenting two of the most important SNSs for this study, Facebook and Twitter. This chapter also introduces the concept of viral marketing and how marketers can benefit from using it in SNSs and what motivates users to pass on viral messages. In the end of this chapter are presented theories of donor behavior and possibilities for self-enhancement in social networks through donating.

# 2.1. Social Networking Sites

Social networking sites (SNS) popular today have developed from virtual communities to platforms with significant loose and tight networks among friends and known people. One of the most important definers of the concept virtual community was Rheingold, who in 1993 defined these communities as *social contacts' coalitions in network, which born when enough big amount of people discuss publicly and emotionally enough in order to form nets of personal relationships in cyberspace.* 

Even though this definition is very basic in nature, it can be seen as an overall definition about virtual communities (Salmenkivi & Nyman 2007, 107). Porter (2004) on the other hand defines them as collections of persons or business partners, where exist interaction round shared interests and the interaction is at least partly supported and/or transmitted with technology and protected with certain practices and norms.

Hummel and Lechner (2002; Mäenpää 2008, 16) state that in pure virtual community the information flows in every direction between its members and administers.

#### 2.1.1. Virtual Communities' Characters

Virtual communities have many characters that differentiate them from traditional communities, which were based on face-to-face communication. Virtual communities' existence started in the early phase of Internet's use and much earlier than usually thought. The first known virtual community called Usenet was published already in 1979 and was followed by The Well in 1985 (Hagel & Armstrong, 1996).

Porter (2004) names five characters, which can be found from any virtual community. These are the meaning, place, platform, interaction and earning pattern. Virtual community can anyhow be born simultaneously round many different meanings and interests. As SNSs today, communities cannot be seen tight where everyone knows each other or share the same interests. SNSs can be characterized as platforms, which make possible to create networks among friends and people who share the same interest and interact with each other in the network.

The concept of place is hard to determine due to the nature of Internet. Still characteristics such as socio-cultural and physical characteristics can be connected to a place. Platform is seen as a place for interactivity and simultaneous. Communities vary in their nature whether talking in real time is possible or if the communication is through emails for example. (Porter, 2004) Facebook shares both characteristics, because it enables chatting in real time and sending emails (inbox messages). Twitter on the other hand only enables sending messages and tweeting but not chatting in real time. The interactivity characteristic can be divided into three parts which are: 1) small groups with strong bonds, 2) networks with loose bonds, and 3) public networks where bonds can be either week and/or strong. Earning pattern explains if the community creates economic value by advertising revenues. (Porter, 2004) In the

recent years Facebook has grew into a marketplace, which utilizes its possibilities for creating advertising revenues by paid ads and has significantly developed its potential among other advertising sites.

*Social networking sites* (SNS) are based on the same idea than virtual communities. The main difference between these two is the development of SNSs. Virtual communities can refer also to chat rooms or bulletin boards, but today's SNSs can be seen as more interactive platforms where the information flows more freely and to bigger amount of persons. Salmenkivi and Nyman (2007, 111–112) divide the meaning of SNSs to six different parts, which are: finding people, communication, cooperation, sharing and filtering content and time management. By Threatt (2009) online communities, where users convene for personal, casual or professional interaction, are called as social networks. The term social networking site (SNS) is used throughout this study when talking about online communities in general. Buffardi and Campbell (2008) claim that SNSs make possible information sharing from one to another but in much greater extent than other forms of personal websites.

SNSs' popularity among marketers has increased enormously in last few years. Many people are decreasing their use of emails and blogs, and centralizing their communication mainly to SNSs, which today provide that much applications that many other services are running out of business. These platforms naturally tempt marketers who need to be where the public is. Big networks enable organizations to reach people easily and gain visibility. Also big advantages of SNSs are possibilities for viral marketing they provide. Virality helps marketers to reach more people than they could without the help of their fans and platforms of social media.

#### 2.1.2. Facebook

Facebook was born in 2004 when Mark Zuckenberg created a SNS where college friends were able to communicate with each other. In two years Facebook gathered

students from around USA raising its market value to billion US dollars and opening it to non-students all around the world. Today 70 % of its users are from outside of United States. Facebook facilitates sharing of information through the social graph and digital mapping of people's real-world social connections in a trusted environment. Anyone can sign up for Facebook and interact with the people they know. (Facebook, 2010)

In Facebook a person has to create a profile, where all users have to display their personal information. A typical profile consists of user's name, picture, "wall", photos, videos, other posted items or notes, chosen applications and the option to display educational and contact information, profession and personal interests or views. This is the space where a user represents one's self, posts new content and connects with others. When one user is connected to another by a request, the person is a Facebook friend of the other and each has customizable privacy options that will allow determining how much of his/her profile is visible to different groups of people. Organizations may use profile pages for representing company by using the same tools as private persons. Other common options for an organization to create its profile are by creating a fan Page or a Group of organization and post chargeable ads.

Facebook Pages are usually visible to registered and non-registered users, which is a marketing tactic to reach multiple audiences across the Internet. It serves as a way for users and organizations to interact. Consumers can connect with the organization's Page without a request that must be accepted, and are titled as fans. Two-way communication in Pages is possible but the Page can also serve as a community within the larger Facebook community by allowing fans to post their own content or opinions to the Page while interacting with each other. An interactive organization will get in to the conversation as well.

Other most used applications of Facebook by Threatt (2009) are 1) *wall posts*, which are short, unedited messages or multimedia content added to a Facebook profile or Page by the owner of the profile or another user. Users may comment on each other's wall posts. A wall is often the most prominent part of a user's profile or Page. 2)

*News feed* is the homepage's main feature that displays real-time updates of friends' activities within the site. A user may choose filters of what they would like to see displayed at a given time. 3) Groups are a collection of users connected by a common theme or interest. A group forms a smaller community within the Facebook community by allowing users to share information and pictures. Though typically created by individual Facebook users, an organization may also create a group for users to join to support a product, cause or the company itself. 4) Events, which invitations can be created and sent to as many registered users as the creator desires. Three privacy settings are available to set how visible an event will be to others in Facebook. One can also control how much content is shown on the invitation and the ability for guests to invite others to the event. This is often used by organizations to announce a launch, product sale or special event. It can be publicized to all Facebook fans or friends, a specified group of friends or one regional network. 5) Discussion boards are features that can be enabled on many types of websites, allowing users to post ideas, comments or questions with the purpose of getting responses and prompting a discussion. This is a useful application to get feedback on a topic and create an interactive environment. 6) Pictures are visual elements that can be added to Facebook profiles, Pages, Groups and event invitations, or shared among users. If an organization uses one of these applications, visual representation is always an advantage. 7) A/V material is an abbreviation for audio/visual. This material is namely made up of videos and music. These features can be added to any of the larger applications described above. It is not necessary for all groups and organizations, but it is helpful to those that may need it to enhance a point of interest.

# 2.1.3 Benefits and Disadvantages of Facebook for Marketers

Facebook has reached its popularity partially because it is an Internet portal; it serves as a space that connects its users with other areas of the Web than just Facebook itself and in general connects people effectively. Content outside Facebook can be posted to Facebook only by one click of Facebook icon below the desired content using "share" option. (Threatt, 2009) Smith (2009) claims that the beauty of Facebook lays

also in its synchronization possibilities. Users can synchronize Facebook events with Google calendar and Twitter tweets with Facebook status updates. Facebook can also be addicting to its users, many people rely nowadays almost entirely on Facebook for email, chat, image and video sharing, not having to log in to various different platforms in order to connect with people (Thornton, 2009).

Thornton (2009) has listed the benefits of Facebook. Application smashup helps finding people, making connections, email, instant messaging and image/video sharing. In Facebook most people can also quickly grasp the value of connecting with friends, family and established contacts; some people report they use Facebook instead of email and instant messaging. In Facebook there is more emphasis on deep connections with others versus who has the most connections. "True Friends" feature increases the transparency to selected connections; almost like having private and public profiles. It also has a huge, rapidly growing installed user base. In addition inherit stickiness, third party applications, "gift giving" and personal data collection make Facebook a powerful advertising platform

Some disadvantages of Facebook can also be found. Thornton (2009) states that it is more difficult to navigate and update than Twitter and requires investment of time to realize sustained benefit. Also opt in model requires a user to allow others to connect. Facebook gives less immediate responses; unless one stays logged on continually. In addition overhead of mashup and thick applications could limit scalability and bloat the cost structure.

Even though Facebook is now full of ads and organizations trying to make themselves visible, it was not a long ago when only few marketers had hit this social community. The difficulty in marketing in social media is that many users feel that marketers are not welcomed there. For many SNSs serve as personal environment, not as an advertising place. (Threatt, 2009) However, many marketers have already found Facebook and lots of efficiently run marketing campaigns have been conducted there.

## 2.1.4 Twitter

Twitter is a social networking and microblogging service, a real-time information network, which was based in San Francisco in 2006 by Jack Dorsey. Compared to regular blogging, microblogging fills a need for a fast mode of communication. By encouraging shorter posts, it lowers users' requirement of time and thought investments for content generation. Another important differentiation from traditional blogs is that a microblogger may post several updates in a single day, contrast to traditional bloggers. (Java et al., 2007)

In Twitter people can share and discover what is happening all around the world just by posting and following 140-characters' messages. Twitter is still increasing in its popularity, but has become worldwide known in its simplicity and especially due to its usefulness in mobile networking. The 140-character limit was originated so tweets could be sent as mobile text messages, which have a limit of 160 characters. Twitter does not offer much more applications than just tweeting, passing on others' tweets (*re-tweeting*) and following people and organizations one might be interested of. It also enables sending private messages. By Java et al. (2007) users interact in Twitter by either using a Web interface, IM agent or sending SMS updates. Members can choose to make their updates public or available only to friends. If user's profile is made public, his/her updates appear in a "public timeline" of recent updates.

According to investigations of Java et al. (2007), the main types of user intentions for Twitter are: daily chatter, conversations, sharing information and reporting news. The most posts in Twitter talk about daily routines or what people are currently doing and use it as a daily chatter. This category is the largest and most common type of user intentions of Twitter. Since there is no direct way for people to comment or reply to their friend's posts, early adopters started using the @-symbol followed by a username for replies. About one eighth of all posts in the survey of Java et al. (2007) contained a conversation and this form of communication was used by almost 21% of users. Sharing information means that many people's posts contain some URL in them. A lot of users also report latest news or comments about current events in

Twitter. Some automated users or agents post updates like weather forecasts and new stories from RSS feeds.

The main user types of Twitter can be characterized as information sources, friends and information seekers. An information source is also a hub and has a large number of followers. This user may post updates on regular intervals or infrequently. Many people are not very frequent users of Twitter, but they still have a lot of followers due to the valuable nature of their updates. Still most relationships in Twitter fall into friends-category. There are also many sub-categories of friendships in Twitter. For example a user may have friends, family and co-workers in their friend or follower lists. Sometimes unfamiliar users may also add someone as a friend. An information seeker is a person who might post rarely, but follows other users regularly. (Java et al., 2007) Just as in many other social media platforms, most of the people fall into this category in addition being a friend to many.

## 2.1.5 Benefits and Disadvantages of Twitter for Marketer

The usefulness of Twitter is not as obvious to many as that of Facebook. It may be more addictive when one gains the understanding of Tweeting; one receives more immediate responses and it seems to live somewhere between the worlds of email, instant messaging and blogging. Thornton (2009) states that Twitter encourages constant "linking out" to anywhere in the Internet and therefore, it is more analogous to a search engine; another way to find people and content all over the Internet. Thornton (2009) mentions the easiness to navigate and update, link to and promote anything as benefits of Twitter. Twitter also reaches far beyond one's inner circle of friends and a person can feed pools all users; anyone can follow anyone else unless blocked. Twitter can be seen as a pure communication tool with rapid responsiveness, where one does not have to be logged in to get updates; one can just use an RSS reader. It is also very interactive, extensible messaging platform with open APIs and many other applications have been developed (Twitterific, Summize and Twhirl) around it. It provides potential SMS text messaging revenue from wireless networks

and future advertising and/or enterprise subscription-based revenue streams. With its "thin" overhead, Twitter is probably more scalable than Facebook, giving it a cost advantage.

Some disadvantages of Twitter by Thornton (2009) are its limited functionality to find people, send brief messages, and direct replies. It is also limited to 140 characters per update and not all people find it immediately useful. In addition over-emphasis is put on follower counts and it can be easily abused for spam and increasing the noise level. Twitter still has a relatively small installed user base compared to Facebook. This can be a big disadvantage in small countries where the mass is always relatively small. Neither has it any as readily apparent monetization strategy as Facebook.

Even though many benefits of Facebook are more obvious than those of Twitter, it is still steadily increasing its popularity both among private persons ans with organizations. The future will show if it will grow to the size of Facebook. At the moment it still provides cost-effective chances for organizations to reach their supporters and people interested. Facebook and Twitter are both platforms with viral nature and provide marketers a chance for viral campaigns, no matter what their size is. Next will be gone through the theories of viral marketing starting from its development from word-of-mouth marketing.

# 2.2 The Birth of Viral Marketing

Social medias have increased in popularity among businesses, one reason being their viral nature. Along decades consumers have become more aware of companies' marketing efforts and less impacted on advertising. Since friends' recommendations have become increasingly important and trustworthy in a world with ever-increasing supply of products and services, marketers have started to adapt more word-of-mouth techniques in marketing.

Word-of-mouth (WOM) marketing is described as personal and face-to-face information trade about products and services. Silverman (2001) argues that the opinions of people we know are considered more reliable than information from official channels and WOM is thousands of times more effective than traditional marketing. He bases his argument to a three-step model, according to which the easiest way for organizations to increase profit making is to fasten the decision-making of consumers. The decision-making is easiest when the information comes from reliable sources instead from sellers or advertising campaigns. His theory is supported by already in 1967 made model of Arndt, which explains the effects of WOM (Kulp 2007, 11). Firstly WOM is believed to offer reliable information, and that is why it eases people to make better purchase decisions. In addition personal contacts provide social support and mass media does not. Also the social pressure and supervision support the shared knowledge. Today's viral marketing relies on same principles and social media is a place where social pressure might exist. It can be also called as peer-pressure.

Buttle (1998) differentiates electronic word-of-mouth (eWOM) from traditional WOM saying that WOM in the Internet is not face-to-face, neither is it oral or direct communication. He expands the idea of WOM to also touch organizations, not just brands, products or services. eWOM can actually be seen more effective than traditional WOM, since when spreading the word in Internet, it stays written and does not disappear after saying it out loud as in face-to-face situation.

#### 2.2.1. Viral Marketing

Viral marketing is based on the idea of traditional WOM. Wilson (2005) states that viral marketing can describe any strategy that encourages individuals to pass on a marketing message to other people, creating the potential for exponential growth in the message's exposure and influence. Such strategies take advantage of fast multiplication to explode the message to thousands and to millions exactly like viruses. Porter & Golan (2006) add that "viral advertising relies on provocative

content to motivate unpaid peer-to-peer communication of persuasive messages from identified sponsors."

Viral marketing is also called for example as *buzz marketing* (Cruz et al., 2008), *stealth marketing* (Porter & Golan, 2006), *word-of-mouse* (Weber, 2007; Threatt, 2009), *networking marketing* and *leveraging the media* (Wilson, 2005). The word-of-mouse concept shows how word-of-mouth is translated on the Web: high-speed information download spreads among millions with only a few clicks of a computer mouse (Threatt, 2009). One friend sending a link or posting news in status updates reaches friends, whose posting it forward spreads the message in hours or minutes up to millions of people.

One of viral marketing's advantages is its speed, since viral messages travel from person to person very fast and they have the ability to reach a great amount of people quite quickly. This creates also its biggest disadvantage, the loss of control (Cruz et al. 2008). Viral messages can also work in a negative way. If a product or service is not liked, the news will travel at least as fast as the ones with positive comments. Loss of control also refers to a fact that the one starting a viral message cannot stop it or control its ways to spread. As accurate segmentation is always difficult in marketing, in viral marketing it can be seen even trickier, because one never knows whom the message might reach in the end.

When practicing viral marketing, marketers should be aware of some fundamental characters of SNSs' users. Kozinets (1999) claims that the basic rule of consumer marketing, Pareto-rule, is applicable to SNSs also. According to Pareto rule about 80 % of the content in communities is created by 20% of the members, who can be seen as insiders and devotees of the group. Also the rule 90-9-1 is commonly connected to networks. According to this theory 1% of users/members produce content to the network, 9% participate and the rest are passive users. Even though these percentages vary between networks, the common idea can be transmitted from network to another: *most of the members are passive who follow the conversations and contents uploaded by other users*. (Salmenkivi & Nyman 2007, 115) These rules clarify the

need for marketers to reach first their most important target markets, and preferably those who are willing to pass on the message. If the message first reaches persons who can be categorized as passive in networks, the messages will not travel far from their initial place.

#### 2.2.2. Benefits of Viral Marketing

Plenty of benefits can be achieved by viral marketing in SNSs, visibility being one of the most important. Visibility itself is a valuable advantage among competitors, but usually leads to other advantages. Urubail (2004) has listed other benefits that organizations can achieve in SNSs. Successful segmentation and strengthened product support (Armstrong & Hagel, 1997), positive WOM (Bickart & Schindler, 2001) and strengthened brand and higher marketing revenues (Rothaermela & Sugiyamab, 2001) are benefits that can be clearly seen to support marketing's objectives. Through social media is easy to measure if viral marketing increases the number of visitors in organization's website, which is one of the advantages of viral marketing by Bughin & Hagel (2000). Strengthened relationships between customer and organization (Armstrong & Hagel, 1997; Brown et al. 2002) can also seen as a benefit, because organizations may use their customers for spreading the word of new products and services and at the same time learn about their customers. Increased sales (Brown et al. 2002) may be the end result that many organizations seek when doing viral campaigns.

Dobele et al. (2005) mention of the benefits of viral marketing that when private persons pass on the viral message, the possible expenses fall for these people and an organization behind the message may save in expenses. Receiving a message from a person one knows is more pleasant than from marketers when the users on Internet pass on news about products or brands. Also because viral message is usually sent to a person with similar taste, the segmentation becomes much easier for the organization. However this may not be supported in social media such as Facebook and Twitter, because usually viral marketing there is showed for everyone in people's network.

Viral marketing was earlier seen as a cost-efficient way of getting attention in the Internet. Still it cannot be anymore always seen as low-cost method as it was earlier. While many social media's platforms are cheap or free to use and pass on viral messages, it may demand a remarkable use of time to come up with an idea that will be enough interesting to be passed on. Many times advertising agencies are contracted to run viral campaigns and in the end that is not free for companies or organizations. However social media's platforms are relatively cheap to use compared to traditional advertising channels such as TV or newspapers.

Trusov et al. (2009) claim that the benefits of viral marketing are in its longevity. According to their investigations the long-run elasticity of online WOM is about 20 times higher than that of marketing events and even 30 times higher than media appearances. They found out that the monetary value of a viral referral in SNS (anonymous in the study) is about \$0,75 per year and thus if every person would send out 10 referrals, it would bring \$7,50 to the organization. This can then be seen as a managerial guideline as a maximum reward for WOM referral incentives. Still these numerical values cannot be generalized, since the cost is different in each case, and it cannot be assumed that every person would send out 10 referrals. However, due to the nature of messages' virality, they stay alive and circulate among people for longer time periods than traditional advertisements.

#### 2.2.3. Motivations for Participating in Viral Marketing

People may pass on viral messages for many reasons. Passing on viral messages may support organizations' goals, but they might also be beneficial for the person spreading the message. People tend to desire to look good and cool. They are also greed and eager to be popular, loved, and understood. (Wilson, 2005) That is not a

surprising notice, but still fundamentally important for marketers. Degraffenreid (2006) puts it in other words: if passing on a viral message does not make you look good in eyes of others, you will not forward it. Self-enhancement can also be connected to donor behavior theories, which will be introduced later in this thesis. Sargeant and Woodliffe (2007) describe in their model of giving behavior for example prestige and self esteem being motives for donating to charities. These are closely connected to motives for passing on viral marketing messages in any industry, not leaving out the non-profit sector either in which this study is focused.

Degraffenreid (2006) introduces four basic characteristics that are almost always considered when evaluating whether referring something will enhance person's standing with the referral party. 1) Novelty plays an important role when considering if something is worth of recommending, well-known items are not usually referred. 2) If recommending satisfies a need of the party being referred, the recommendation can be seen utile from the recommender's point of view. 3) If a product or service is dependable and have extremely high confidence of performance or low risk of failure, the recommendation will be given. 4) If it is economical for the recommender and recommendation provides a reduction in time, cost or complexity, the product or service might be recommended.

Also Salmenkivi and Nyman (2007, 237) have listed things that contribute to a creation of a successful viral message. According to them a successful viral campaign requires either an interesting brand or a product or fun or different style of marketing. Messages about current themes such as Christmas or climate change are also usually spread by people. Possible celebrities used in advertising are also seen appealing by people. Opinion leaders or people with large networks enable successful seeding and help in spreading the message.

For example American Red Cross has utilized the technique of using celebrities in Twitter for succeeding in viral marketing campaign. Campaign was very successful and brought in millions of dollars for victims of Haiti's earthquake. (Twitter and Facebook users respond to Haiti Crisis, 2010) Celebrities can also be seen as opinion leaders among their fan base. Even though many are convinced of the great influence of opinion leaders and importance of precise target marketing when practicing viral marketing, it is not as easy as it sounds. Muñoz (2003; 90, 117–118, 156–170) questions the opinion leaders' influence on credibility of marketing messages. He investigated the existence of possible opinion leaders and their credibility and influence on other's opinions by creating two look-real networks in Internet. Investigations were designed to find out if the work experience of a person expressing an opinion influences on readers' attitudes and purchase intentions and if the profile information has an impact on it. Surprisingly no clear connection was found between the work experience or profile information with attitude change or purchase intentions. Neither was any evidence found that the times a person visits the community would influence somehow to his/her attitudes or buying intentions.

In the light of Muñoz's (2003, 162) research, can finding a real opinion leader be somewhat challenging. Organizations' should know well their target groups in order to find potential influencers, if there are such. It is worth of noticing that finding correct people to spread the word about organization or its services has to do with persons' characters, interests and hobbies. Demographic characters such as gender, age or economic situation cannot be seen contributing much to the credibility of a person. Still targeting people with possible similar interests for example for the industry in which organization works in can be beneficial and make possible to reach people who share similar interests with their networks and might pass on viral messages. Being a person that has information about the newest things of shared interests can enhance person's self image and motivate sharing information.

# 2.3. Donating to Charity and Self-Presentation in SNSs

Social networking sites have encouraged also humanitarian and other non-profit organizations to utilize social media in addition to for-profit organizations. Due to virality and many economic possibilities for organizations to take part on SNSs have also increased attempts to raise funds in social media. While SNSs give people a chance to communicate with each other and share various types of contents, they also allow people to enhance their self-presentation in ways many want people to see themselves, not truly what someone might actually be. Some might even donate for charity just to look good, which in the end does not harm non-profit organizations even thought the donations were not made for "right" reasons.

## 2.3.1. Self-Presentation in Social Media

Social media offers people a chance to present themselves the way they want people to see them. This occurs in profile information shared, status updates, contents passed on, videos and photos uploaded and messages sent. This study concentrates on NPOs' social media use, which will be presented in latter chapters. NPOs may benefit from self-presentation since usually their causes are somewhat social and humanitarian that many cannot deny being positive in nature for everyone to support.

Buffardi and Campbell (2008) see social networking sites as platforms for selfpresentation and social interaction. Nowadays when SNSs are all the time growing in popularity, they also provide space for growing narcissism. Buffardi and Campbell (2008) claim that social networking online is arguably attractive to narcissists, because it allows controlled self-presentation. SNSs also provide satisfaction for people searching for attention and they promote shallow relationships. All of the mentioned things are associated with narcissism. One can hope that even narcissists and others less addicted on caring how they are seen by others, are interested to look conscious of society's wellbeing. This might lead for people, even for non-altruistic reasons, to donate and pass on viral messages of NPOs' causes and help for those less fortunate.

Also a relatively new concept of *slacktivism* has occurred in the social media era.

Morozov (2009) defined slacktivism as "feel-good online activism that has zero political or social impact." He incriminates the media as a partner-in-crime for slacktivists: "Given the media's fixation on all things digital – from blogging to social networking to Twitter – every click of your mouse is almost guaranteed to receive immediate media attention, as long as it's pointed towards the noble causes." Facebook and Twitter are full of posts that share content of humanitarian causes. Still it can be argued that most of them do not lead to any meaningful action. People may feel compassion for certain causes even without motivation to do anything about it. Good side of this is that the information circulates in the social media and might end up reaching people who are actually willing to contribute in monetary ways.

During the Iranian presidential elections in June 2009 millions of Facebook and Twitter users amended their profiles into green in order to show solidarity. Many Twitter users also changed their profile location to Tehran and their time zone to GMT +3:30 in an attempt to shield actual protesters on the site from Iranian authorities. Skeptics of foreign support for the Iranian opposition viewed those who tinted their Twitter and Facebook profiles green as a good example of slacktivists. (Morozov, 2009) Slacktivism may be a problem that also NPOs will face increasingly in the future. Many might show support for NPOs by passing on viral messages about their causes, but the problem occurs if the awareness will not turn into donations. NPOs face the challenge of how to utilize the presence of followers and fans if in the end they are not willing to donate or contribute in other ways.

#### 2.3.2. Donor Behavior

People donating to charity can be motivated for various reasons. While many feel compassion and empathy for others, some might just participate and donate for non-altruistic reasons. Batson (1983) has defined a*ltruism* in the field of psychology "*as a desire within one organism to increase the welfare of another organism as an end-state goal*". This term is used a lot in the literature of donor behavior, since many times motives for donating can be defined as being either altruistic or *non-altruistic* in

nature. Non-altruistic motives for donating refer to the opposite, egoistic motives. In the end of this chapter will be introduced Sargeant and Woodliffe's (2007) model of donor behavior, which wraps up many of the theories of donor behavior. It still lacks the use of social media as a channel for fundraising. Social media offer chances for people to speak out, pass on viral messages and even increasingly point possible donation objects to others. NPOs' challenge is to utilize these motivations and turn them into cash flow.

While many people donate to charities in order to help the people or animals in need of aid, some individuals' donor behavior may be based more on modern compassion, which, according to West (2004, 1) is all about feeling good, not doing good. The view of modern compassion illustrates, not how altruistic people are, but how selfish they are when analyzing the motivations for donating. Such behavior resides under the umbrella term 'conspicuous compassion'. Someone engaging in non-conspicuous monetary donation behavior would be showing their support to charitable causes through means that are not explicitly obvious for others, for example mailing donations, purchasing raffle tickets or empathy ribbon for breast cancer but not wearing it (Grace & Griffin, 2006). The theory of conspicuous compassion includes celebrities as one donor group, which is left out from this study. Many celebrities might donate in order to get their names published and their brand value increased. When considering the average non-celebrity people, gaining visibility and enhancing one's brand by donating is not usually the motive for donating. Thus, theories of conspicuous compassion are relevant in the field of donor behavior, but they do not fully explain private persons' donor behavior motives.

The trustworthiness of the organization raising funds can be seen as one of the factors effecting on the donor behavior. Hsu et al. (2005) investigated concerns and willingness to donate for charities. *Recommendations* from friends and fundraisers were seen as important sources for getting information about the organization. They also found out that *reputation* of the charities and the groups that receive help from them were seen to be relatively important information to the donors. According to their findings, the information and reputation of the organization played the major

role when considering donating, and not so much how efficiently donations are managed financially.

Sargeant et al. (2006) have presented a theory of donor behavior, where significant linkages between perceptual dimensions and emotional utility (giving to feel better about oneself), familial utility (giving because a family member is affected by a cause associated with the charity) and commitment were found. They were proven to drive donor behavior. They argue that people who are committed to a charitable organization are more like to become donors. One might also donate for receiving demonstrable utility by gaining a direct economic benefit from donating; chance to attend a dinner, event or performance. However this study does not concentrate on finding out the economic benefits and their impact on donating, but instead finding out emotional and attitudinal motives.

Merchant (2008) has listed other altruistic and non-altruistic reasons for donating. Donating may also result from direct or indirect gains to a donor. Merchant (2008; Radley and Kennedy, 1995; Andreoni, 1990; Feldman, 1985; Webber, 2004) lists examples of pure altruistic motives for donating to charity. Such are for example: *a desire to cause social change, a warm glow, empathy, sympathy, pity, fear, a belief in the cause and guilt*. In the context of charitable donating, the desire to reduce feelings of guilt can also be linked to the egoistic motives for helping. Studies reveal that knowledge of advertising and the advertiser mediate the arousal of guilt by charity advertisements, and that guilt impacts on donation intentions. (Hibbert et al. 2007)

Empathy has a strong impact on donor behavior and is most effective when not so powerful as to personally distress the donor. For instance, an empathetic response to someone's misfortune may result in sadness that does not lead to proactive coping (donation) as much as an empathetic response such as caring would. Sympathy is a value-expressive function of an attitude, which allows the donor to conform to salient values. Heightened sympathy is also associated with intent to donate. (Sargeant & Woodliffe, 2007)

People also tend to donate for non-altruistic reasons. Merchant (2008; Mathur, 1996; Kottasz, 2004; Webber, 2004; Cialdini, 1987; Sargeant et al. 2006) divides nonaltruistic reasons to those with emotional or economic motive. Emotional benefits may include *self-esteem, recognition, prestige* and *respect in the community, peerpressure* and *alleviation of negative feelings*. Hsu et al. (2005) and Merchant (2008) also refer to the economic benefits such as *tax reductions*, which may motivate people for donating. In addition *invitations* to different events can be seen as motivators. Hsu et al. (2005) claim that some people might believe, that having the ability donate to charities is a mark of good citizenship and might lead to donations.

Sargeant and Woodliffe (2007) also add fear, guilt and pity as motivations for donating. In addition they mention social justice and prestige being motivators behind the donor behavior. The feeling of social justice occurs when one is witnessing undue pain and suffering that violates one's belief in a just world. Flashy donations may be the avenues by which to impress others with whom they do not have regular social contact. This may enhance one's prestige and be seen as one reason for donating. Many times the prestige is more associated with celebrities donating, but in the context of this study, the prestige of "normal" people may also be increased by spreading the word of donations made by the person. Also information about donation possibilities, which many times may indirectly be read by others that the person has participated on fundraising campaign by donating can enhance one's prestige.

Also motivations and donor behavior vary across different groups of donors. Radley and Kennedy (1995) have found that donors with low-income rate are motivated to donate by empathy when wealthier donors are concerned with bringing social change. Micklewright and Schnepf (2009) have found out in their investigations that high levels of education and occupation are associated with giving to charities and especially to overseas causes (donating to development countries). People donate mainly to domestic causes in lower income level but add-on donating to overseas causes when their incomes rise. A half of overseas donors give also to two or more other causes. Donors tend to divide their pool of resources for many causes. This is proven also by Martin and Randall (2007). Kottasz (2004) claims that the younger generation is less motivated to donate than the older one due to breakdown of traditional family units and increasing pace of life along with want to fulfill higher materialistic needs. Grace and Griffin (2006) also argue, that the donor behavior depends on the age of the individual. Still according to them the reason for donating differs in different age. Younger individuals will be more likely to make their monetary donations in a conspicuous manner, rather than an inconspicuous manner. Given that individuals appear to become more involved with charities through increased donor behavior as they age, it may well be that they also seek less conspicuous avenues to make their donations.

Some differences among the genders can be found also. Le and Chang (2007) state that women are more likely to donate to charities than men. Micklewright and Schnepf (2009) also confirm that the frequency of donating is higher on women. However the amount per donation is higher for men than for women. According to these findings, target groups of NPOs chasing donations are relatively large and should not exclude any segments.

# 2.3.3. Donor Behavior in Social Media

Social media is becoming increasingly popular among older people, but it still attracts mostly younger generation who is open to new platforms, applications and learning. This can be a challenge for NPOs. According to Lee and Chang's (2007) study, older people and people with children are more likely to donate to charities than their younger counterparts. Still in last years, due to economic downturns, many soft values have become more important to young people than they have been before. Young people surfing at social media are every day impacted by peer-pressure and are conscious of what is happening globally. The news are spreading fast in social media, even for those who are not that interested. Respect in the community may be born or enhanced when one shows obedience to a society by spreading word or donating to charity and talking about it out loud. An average Facebook user has 130

friends (Facebook, 2010), and this number doubles by every message passed on by new people. Possibilities are enormous for NPOs to turn marketing activities into viral donation intentions among people when peer-pressure hits the others and people feel guilty about not doing what could be done.

People's donor behavior has been studied by many researches (Kottasz 2004, Sargeant et al. 2006, Merchant 2008). Still how donor behavior of people affects on other people is still quite unknown field of studies. Martin and Randall (2007) have investigated on how visible donations for public good in transparent boxes have affected on the people walking by the boxes. The fundamental finding of their study was, as presumed, non-empty boxes generate higher average donations by people walking by the boxes. Even though fundraising in social media differs a lot from that happening in the streets or by using donation boxes somewhere, it can still be generalized that other people's donations affect on other people.

Martin and Randall (2007) came to the conclusion by their investigation that the social norms drive more people's donor behavior than altruism or motive to reciprocate. In many cases of their investigation, people tended to donate more or less the amount of money that other people had donated before and nothing at all if it seemed that other's have not done that either. They found out that manipulations that increase the participation rate for donating will help augment the charity's pool of active donors. Also those who have donated before are more likely to donate in the future. Keeping this in mind, NPOs should try to activate new and old donors to tell about their donations to their networks and possibly also the amount they have donated. According to Martin and Randall's (2007) research, this should activate their friends to do the same.

Sargeant and Woodliffe (2007) provide a model of donor behavior, which is presented below in Figure 1.

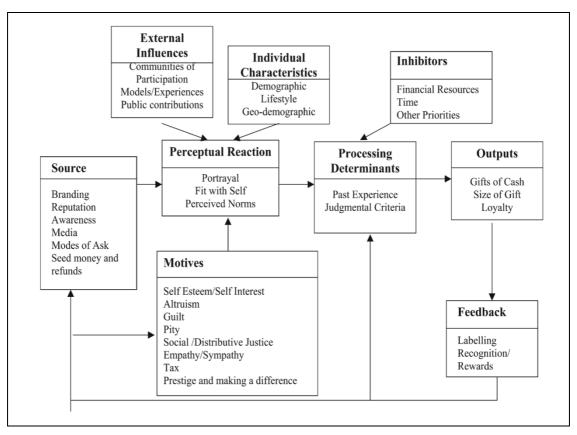


Figure 1. (Giving behavior model, Sargeant and Woodliffe, 2007)

This model provides a good overview of donor behavior theories and motivations discussed earlier in this chapter. Different motives for donations can be both altruistic or non-altruistic such as self esteem, self interest, altruism, guilt, pity, social or distributive justice, empathy, sympathy, tax reductions, prestige or/and feeling of making a difference. The motives of donating can be influenced by the source of fundraiser and vice versa. People evaluate the brand, reputation and the impact of awareness of the organization. Also the media where funds are raised and modes of asking donations can make a difference. Nowadays social media is one of the important medias for fundraising. Still social media is not taken into account for this model, because it was not that popular in 2007 when this model was created. Seed money refers to the order of contributions, and when it is set exogenously by a fundraiser announcing initial contributions (seed money), it helps to maximize the

level of contributions. When offering refunds for a donor, for example tax reductions, the amount of money donated can be seen to be larger than without this possibility.

The source of fundraising messages and donor motives affect on perceptual reaction. Donors receiving positively framed messages, which are designed to make them feel good, are statistically more likely to respond to fundraising marketing than those donors offered primarily negative messages. The key variables impacting on perceptual reaction would appear, however, to be the portrayal of the individuals in need, the fit of the NPO with donor's self-image, and the existence of perceived norms of behavior. External influences also have an impact on perceived reaction. External influences include communities of participation. If for example one has been doing a voluntary work for a NPO, the person is more likely to donate for charity. Also the models learned from home affect on donor behavior. Those growing up in a family with a strong tradition of charitable support will be significantly more likely to exhibit such behaviors themselves. In addition public contributions seem to affect on donors. Some might feel the reduced need for donating when the government is also making contributions for the same cause. Some might see this effect also as a fault of the fundraiser who might be less motivated for fundraising activities when big contributions are already gained. In addition many individual characteristics such as demographics, geo-demographics and lifestyle show to be significant influencers on donor behavior.

A lack of money and time, risk to an individual's ego and doubts over the worthiness of a cause can all serve to inhibit donor behavior. These in turn influence the behavior together with past experiences on donating and the criteria by which one judges the organization. All mentioned before turn into donations if the person judges the cause worth of donating. The inhibitors affect on the amount of money donated. Organization's reputation and other matters have an impact on loyalty, which might born as a consequence of donating. Having decided to offer a donation to NPO, donors will typically be thanked by the respective organization in the hope that this will be the first stage in building a relationship. In thanking donors for their gift, organizations often append labels to the donor, such as kind, generous, and/or helpful. This elicits a greater motivation to help and fosters favorable attitudes on the part of the donor. Also donor perceptions of the adequacy of the recognition they receive after donating are positively related to loyalty and subsequent giving behavior.

Sargeant and Woodliffe's (2007) model of donor behavior wraps up many theories of this theme. However, it was made before the big bang of social media and does not take it into account when talking about different medias for example. It also leaves out the possibility of peer-pressure, which is an interesting part of this study. All in all, it still gives a good insight to many factors that influence and might lead to donating for charities.

### 3. Marketization of Non-Profit Sector

Non-profit sector usually refers to humanitarian sector that contributes to a social wellbeing and whose organizations' target is not to bring profits for its owners as in for-profit sector. Non-profit sector is also known as the *voluntary sector*, the *third sector* and the *independent sector* (Padanyi, 2001). This chapter introduces theories of non-profits' mindsets turning from organization-centered to market-oriented organizations facing competition. In the end of this chapter non-profit organizations' marketing techniques concentrating in social media, are introduced and some frauds in SNSs are presented.

Traditionally it has been seen that the NPOs should be oriented toward the realization of its own mission, which usually is spreading social benefits for its target groups. Historically some have argued that NPOs should not put its resources for competitive actions. Non-profit sector have been wanted to differentiate from profit sector, which usually provides benefits for its owners. For example Eikenberry and Kluver (2004) warn that even though marketization of non-profit sector might be beneficial in shortterm for the survival of some NPOs, it may also have negative impacts and long-term consequences. They claim that marketization may harm citizenship and democracy, because of its impact on NPOs' ability to create and maintain a strong civil society. Still many, for example Pavičić et al. (2001) claim that a competition in non-profit sector might enhance the performance of all organizations in the sector and result in delivering better services and assistance for its end users. Just as in for-profit sector.

Kotler and Andreasen (1996, 85) have noted that the competitiveness was increasing its importance among the non-profit sector during the '90s. This proposition was contradicted earlier by various authors, such as Connors (1993) and McLeish (1995). Even some might argue that taking part in competition in non-profit sector might seem unethical due to the nature of the humanitarian sector. Today's reality is that even NPOs must be aware of the sectors competitors in order to better meet the needs of its end users and beneficiaries. Since NPOs are trying to obtain funds from a common pool of limited resources, it can be naturally seen that the environment is competitive even if not recognized the competition. In the study of Dolnicar and Lazarevski (2009) two thirds of NPOs claim to face competition. The main kind of competition comes from other organizations with similar missions and two main objects of competition are funding and volunteers.

Pavičić et al. (2001) came to the conclusion in their study that especially during the fundraising the competitiveness is expressed among the NPOs. Still it has to be taken into account that the resources of non-profit activities are always scarce. By implementing marketing to the non-profit sector can be seen favorable to the whole sector. When the competitiveness enhances the performance of the entire sector, better services can be provided to the end users. Even though NPOs' performance cannot be measured with the same measures as of those from the profit sector, such as ROI (return on investment) or customer satisfaction, marketing actions can be claimed to enhance organizations' achievements to fulfill its missions and objectives. Chan and Chau (1998) suggest that NPOs' performance can be measured by the services they can provide to their users (beneficiaries) and by ability to attract resources from their other target group, the fund providers.

Applying marketing concept to non-profit sector has been supported by various theorists. Padanyi (2001) summarizes this view arguing that NPOs are just as profit-

oriented as other enterprises, because they need an excess of revenues in order to cover expenses. The difference to for-profits is not that profits cannot be made, but rather that profits cannot be distributed to the same stakeholders as in for-profit sector. Also NPOs operate in the same environment and face same kinds of demands of efficiency and effectiveness as for-profits. In addition the rivalry among NPOs and between NPOs and for-profits is the reality today, thus they must deal with rivalry for labor, capital, customers and revenues, just as the for-profits. Padanyi (2001) claims that even though the marketing concept of for-profit sector is also applicable to non-profit sector, it requires modification in recognition of the unique aspects of the non-profit sector.

### **3.1. Market-Orientation of NPOs**

There has been interest and considerable discussions about the possible positive correlation between competitiveness and marketing orientation of both for-profit and non-profit sectors. Kohli and Jaworski (1990) have shown the existence of such a relationship. If an organization puts emphasis to understanding its customers' needs and getting information about the markets in which it competes against organizations providing same services, it has better chances to success and overcome its competitors' actions. They define the concept market orientation as the organization wide generation of market intelligence, dissemination of it across organization departments and organization-wide responsiveness to it. It is a set of marketing activities that management can plan and implement depending upon environmental circumstances.

Chan and Chau (1998) surveyed the market orientation's effects on attracting resource allocation market and resources attraction market. They investigated if somewhat market oriented children and youth centers in Hong Kong seem to attract both of these resources thanks to putting emphasis on marketing and customer orientation. The study showed that there is a strong relationship between market orientation and attracting members' satisfaction. Also the relationship between market orientation and attracting financial resources was seen significantly strong.

The same assumption of market-oriented organizations' acts towards customers that seem to be true in for-profit markets can be therefore transmitted to non-profit markets also. Even though children and youth centers are not exactly same kind of NPOs in which this study focuses, they pursue the same goals and have same differences with for-profit organizations, and can therefore be seen comparable to NPOs, which contribute to natural catastrophes.

Gainer and Padanyi (2002) share the view that by being market-oriented, NPO can positively enhance its reputation. Also indirectly this might lead to increased amount of donations. When the NPO satisfies its beneficiaries, the organization's reputation will improve thanks to media and news about the organization's actions. Consequently this has an impact on the amount of resources the donors are willing to supply. The increased amount of resources then again contributes to the lives of the beneficiaries and increases the customer satisfaction.

Dolnicar and Lazarevski (2009) state that market-orientation is not a relevant concept for NPOs. They claim that this is due to the fact that NPOs' mission is defined in advance and cannot be changed in dependence of market needs. When products of for-profit companies are changed for better meeting the consumers' needs, the mission of NPOs still remains the same. The beneficiaries of certain campaigns stay the same. However, the need for help in cases of emergency relief campaigns, and the need of products in markets remain the same no matter what people think, and that is why Dolnicar and Lazarevski's (2009) statement can be criticized. Still they recommend using marketing strategies that can be implemented in non-profit sector without sacrificing the organizations' true missions. Such strategies include identification of customers most interested in supporting organization's mission (market segmentation), building an attractive image to those people (product positioning), the development of attractive communication messages for those people (advertising) and communicating with them using channel that these people regularly use (place).

NPOs' mission is usually to provide support for their beneficiaries. Still they cannot be seen as the only stakeholder groups that must be served. Brannen (1996) sees NPOs' orientation toward donors as primary role of the organizations' management, since resource donors are essentials for NPOs' activities fulfillment. That is why donors can be seen as main stakeholders of NPOs together with beneficiaries. Focusing on the donor must be seen as a mean to fulfill organization's mission, but not as an end itself. In order to show commitment and orientation towards donors, NPOs should provide information to old donors. Also they to be able to provide as good assistance for beneficiaries as possible, so the amount of funds raised should be high. This is where marketing is needed.

Young and Salamon (2002) point out that NPOs are frequently trying to overcome problems associated with funding revenues, increased demands for accountability, competition with other NPOs and for-profit organizations and accommodations to new technology. Social media is quite new technology that still provides some problems to overcome among NPOs. Competition is already now rough in social media. For this reason this study aims at solving how NPOs can respond to the growing competition of fundraising among other NPOs in social media, and how to best use the tools social media has to offer. Next will be introduced the marketing of NPOs in more general level and afterwards this study will concentrate in more detail on social media marketing of NPOs.

## 3.2. NPOs' Marketing

NPOs are using Internet for marketing as for-profit organizations are also. Still many studies show that marketing techniques are not well internalized in most of the NPOs. It seems that even though NPOs are present in Internet, because they just have to be,

many have not really allocated resources in it or realized its enormous possibilities for gaining visibility and raising funds.

Kenix (2007) investigated the Internet use of NPOs in USA. 70 randomly selected organizations were surveyed. Even thought the start of the Internet age had promised a lot for NPOs about the benefits of Internet, the study showed that it was poorly utilized by NPOs. Even though in 2003 already 48% of total funds raised by NPOs came through Internet, only 38% provided possibilities for volunteerism in their webpage and only 23% had a hit counter in their webpage. This shows that the organizations were not interested in who is visiting their pages. More than 90% of the surveyed did not have any kind of chat rooms or discussion forums in their websites, and Internet's possibilities of interactivity were not utilized. This was the era before the social media's big rise. Still the survey found out that only fundraising was effectively done through NPOs' websites, but otherwise they were seen quite badly managed.

Hankinson (2000) stresses the importance of brand value for both NPOs and forprofit organizations. He claims that the charitable brand helps in communicating both the cause and the values the NPO represents. The recognizable brand attracts more voluntary donations and helps donors to identify and select the NPOs whose values most closely match with their own values. Sargeant and Woodliffe (2007) also share this opinion claiming that the brand of an organization and its reputation play a role when a possible donor is considering whether to donate or not.

Generally speaking NPOs seem to have adapted marketing orientation for attracting resources, but surprisingly Dolnicar and Lazarevski (2009) found in their study that only 49% of NPOs seem to use marketing techniques a fair bit and only 13% use them very much. Only 26% see marketing as a crucial element for success, where 70% sees it contributing to the success of the organization. The conclusion of their investigation was that in the end of the day, marketing strategies and operations are dominated by organization-centered mindset and not yet have the NPOs really implemented market-orientation mindset throughout organizations. This may be,

because their study also showed that only 18% of the practitioners of marketing in NPOs had a university level education for marketing, the rest not being formally trained for doing marketing and maybe therefore lacking the customer-oriented mindset. They believe that the lack of fully utilizing marketing techniques is due to the limited number of marketing tools and dependence on promotions. This might be because many marketing mix elements are not under control of NPOs; product cannot be changed, distribution channel decisions can be rarely made and price is usually voluntary. Some might even still see marketing as a manipulation strategy toward people and is not seen as honorable work.

Hibbert et al. (2007) claim that NPOs are already marketing oriented and use certain tactics to appeal feelings of a consumer. Emotional appeals are widely used and socalled guilt appeals are popular, particularly in contexts such as charity fundraising. Existential guilt, being one of the feelings of guilt, is experienced when one feels better off, or more fortunate than others, resulting in feelings of empathy, for example when seeing a homeless person. Not surprisingly, organizations that use guilt appeals are not happy with the term used, many insisting that they do not consciously attempt to provoke feelings of guilt. However, the study of Hibbert et al. (2007) proves that if the emotion of guilt is created by means that does not seem manipulative to the consumer, the donation intentions grow. Also a solid reputation of the charitable organization and the empathy developed with the cause represented should increase the number of donations.

The psychological distance of the possible donor and help receiver differs in many cases. Dedeaux (2009) suggests according to his study, that different marketing methods should be used depending of the situation. It was theorized that people experience social situations, like a request for charity, in a manner that is different for a stranger than it is for a neighbor. The theory that helps explaining this is *psychological distance*. It suggests that the path for cognitive processing of a situation, like a charitable one, differs when the social distance between the donor and receiver is near (friend) or far (stranger); and the timeliness of the request is urgent (starvation appeal) or not (education endowment). The prediction is that a situation socially near and temporally urgent is construed in the mind of the donor in concrete

language (statistics, nouns); whereas a situation that is socially distant, such as an appeal for a stranger, and/or a long-term cause, is construed in abstract language (feelings, sentiments, values). The assumption is that language used in the message should match the donor's construal of the situation. According to Dedecaux (2009) findings, an ad message that uses concrete language will generate more donations for situations that are psychologically near rather than far; and conversely. If the message uses abstract language, it will generate more donations for situations that are psychologically distant rather than near.

### 3.3. NPOs' Social Networking

In last few years when SNSs have established their place in many people's every day use, SNSs have also provided people a platform for more than just fun. It has replaced traditional media in times when journalists have not been able to arrive to locations where crisis have taken place. Normal individuals have become journalists in sense that they have been the ones getting news updates out of the country struggling against natural forces. Also many NPOs have realized that SNSs are the platforms were people actually communicate and have added their services near the people.

#### 3.3.1. Usage of SNSs During Crisis

In a crisis news travel fast and receive immediate attention. People involved with crisis or otherwise interested use social media for providing information to others. Before social media was largely used, many other medias provided information. Nowadays social media is increasingly used to spread word. Thelwall and Stuart (2007) list the need for various types of rapid communication during crisis in different medias:

- 1. **General information need**: the need to find out about the crisis event. This need could be satisfied, for example by newspapers and television news.
- 2. **Personal information need**: the need to ensure that certain individuals (friends, co-workers, relatives) are safe. Phone calls and emails could be used to discover this kind of information.
- 3. **Information usage**: people may wish to communicate about the crisis itself, rather than to find out about it. This includes discussing about the event as a conversation topic, informing or warning others via phone calls or talking or on a larger scale. Organizations may use public service announcements, posters, or television advertising campaigns. People may also advocate efficient solutions to the crisis, such as emergency service actions and prevention of similar future problems. There are also various other small-scale uses, such as using the event as part of a political argument.

Perez-Lugo (2004) investigated the media use during the hurricane Georges, which was a devastating natural disaster in Puerto Rico in 1998. At the time radio played the most crucial part of people's media use since other sources of information were not available due to lack of electricity. Her study showed that before, during and after the crisis the media not only provides information but also offers a significant amount of emotional support. It serves the community as a bridge between the isolated members in the natural disaster. She also argues that natural crisis such as hurricanes influence the social behavior of people. Her findings support the perception that media cannot be seen anymore only as information transmitter but it also actually creates a media-audience relationship, which provides social connection and emotional support.

Thelwall and Stuart (2007) have investigated communication during crisis and surveyed the use of new media tools, especially blogs, as communication tools. They define crisis as a sudden and uncontrollable event that threatens the lives of great number of people. They emphasize that communication is critical during a crisis, and more knowledge may help future planning for example in arranging emergency bandwidth allocation. They also stress that crisis may precipitate the adoption of a new technology. Their study includes three case studies from 2005: the London bomb attacks, the New Orleans hurricane, and the Pakistan-Kashmir earthquake.

Three new technologies emerged as important to the bloggers of the crisis: Flickr (created in 2004), Wikipedia (2001), and Wikinews (2004). In addition, other relatively new technologies in the moment were also used: SMS (1992), cellphone (1980s), webcam (1991), and blogs (1999), including both blog sites and individual blogs. Interestingly, the three new technologies and blogs could all be characterized as Web 2.0 tools, in the sense of being online resources benefiting from (Flickr) or made possible by (Wikinews). It is likely that the new technologies were fulfilling a general rather than a personal information need: helping people to find out about the crisis rather than checking the safety of individual people.

Ten years after the hurricane Georges and five years after New Orleans hurricane, London bomb attack and Pakistan-Kashmir earthquake the use on Internet has become more common even in developing countries. Anyone who has access to Internet can reach a wide audience and share experiences and receive information through social media. Blogs were the most common platforms of Web 2.0. before the quick rise of popularity of SNSs. In 2010 Twitter played an important role as a communication platform during the earthquake in Haiti. Journalist did not have access to Port-au-Prince, the capital of Haiti, due to roadblocks and collapsed buildings and destroyed streets. News were distributed to all around the world via Internet by short 140-characters' Twitter tweeds.

Also the families living in other countries of people in Haiti were kept informed thanks to social media. A great amount of people used social media for searching their family members in order to know if they are still alive. The messages spread virally mainly through Twitter and Facebook. Social media provided information also to humanitarian organizations, which were then able to fast prepare fundraising campaigns there where the information came from - the social media.

#### 3.3.2. NPOs' Use of SNSs for Fundraising

Many of NPOs have already realized SNSs' possibilities for fundraising. Still it seems that many of NPOs are using social media without really knowing how to best manage their marketing there. One of the grassroot errors of NPOs in SNSs is the lack of marketing knowledge inside the organization, which leads to half-managed campaigns and presence in Facebook and Twitter. Convincing people to react and donate is not an easy task, because the great majority of people do not give donations to overseas causes. Even though they still see charitable giving as an effective method by which they can alleviate poverty in development countries – more so than any other method available. (Micklewright & Schnepf, 2009) This should encourage NPOs to create ever more effective fundraising campaigns. Marketing actions and successful campaigns in social media are presented in this chapter.

American Red Cross was able to collect more than 35 million U.S. dollars for Haiti's earthquake's victims in less than 48 hours, including 8 million dollars from text messages. Twitter played an extremely significant part of this donation campaign that surpassed even the donations given to hurricane Katrina or Asian tsunami, states American Red Cross' spokeswoman Huang. Even though before Haiti's crisis American Red Cross had had only modest number of followers in Twitter, they found a fast way to spread the word and make people donate. They activated their pool of 30 celebrities, which in turn had a huge fan base in Twitter. Celebrities started tweeting and their followers re-tweeting the message on. Red Cross was still worried if people were only re-tweeting or actually donating also. It turned out that people were actually donating by sending a text messages and calling to a number that provided the chance to donate. (Twitter and Facebook users respond to Haiti Crisis, 2010) By tweeting "Text "HAITI" to 90999 to donate \$10 to @RedCross efforts in Haiti" the message was able to spread around Twitter. This seems like an effective and suitable way to help in the situation instead of pronouncing, "I just donated \$10 for Haiti", which might lead people to roll their eyes for these kinds of comments.

Fundraising can be arranged other ways than just sending messages in Twitter and Facebook. Facebook offers a variety of applications that can be utilized for this. Most known and specifically for fundraising purposes designed application is called Causes. Causes enables organizations to directly raise funds with the help of the application. Still only a small fraction of the 180,000 organizations in Facebook have succeeded in raising more than 1,000 US dollars using it. However, in the first five days after Haiti's earthquake the top Cause for Haiti's earthquake's relief – benefiting Oxfam America – had raised over 100,000 US dollars. There are also other winners in using Causes, but it can be argued that it cannot be seen as the only and the most influencing tool in Facebook. Other methods should be preferred over using Causes as a main tool for fundraising. (2010 Nonprofit Social Media Benchmarks Study, 2010)

Soder (2009) states that according to an investigation made in April 2009 by Nonprofit Technology Network, already about 86% of 929 non-profit professionals and their organizations in USA use social media in some form. Still 60% allow no extra dollars spent on social media use. The use of social media can therefore be seen pretty economic choice for marketing. By Rick Cohen, the director of administration and operations for the National Council on Nonprofits in Washington D.C., Facebook is good for finding people who already have a strong interest in a certain cause. Still he claims that Twitter is better for raising awareness, since Twitter networks are usually larger but less tight as in Facebook. This however is usually not the case in Finland where Twitter's use is quite modest compared to Facebook. While many NPOs may not see social media as a marketing tool worth of spending money, it seems natural that any marketing place requires resources in order to make marketing campaigns work. Those who understand that fact might have an advantage when competing of donors in social media. More time and effort put to social media marketing can lead to successful campaigns when competing of donations.

Waters et al. (2009) examined NPOs' use of Facebook by investigating 275 NPOs' profile pages in Facebook. Their intention was to find out if NPOs are using the potential of Facebook in order to enhance their organizations performance. The study showed that most of the NPOs studied understood the importance of disclosure in

their profiles. Nearly all listed the names of the administrations of the profiles and provided description of the organization. Surprisingly only 81% had a link to their websites and only 71% used organization logo in Facebook. Clearly less than half had organization's mission statement or history of organization written out in the profile page. Very few utilized multimedia applications and only a bit over half posted photographs or links to external news. Given the assumption that interactivity is one of the most important characters of social media (Jo & Kim, 2003), only 64% had used the discussion board during the last month before the survey. Most importantly considering the main purpose of this study, only 13% provided a direct chance to making charitable donations. According to Threatt's (2009) study only 27% Facebook users have bought any product or gotten involved with a cause based on an organization's involvement and presence at Facebook. NPOs' big challenge will be to increase this number.

Hill and White (2000) had earlier found out that even though practitioners of marketing noticed the value of Internet, they were skeptical about its possibilities to enhance organization's performance. Waters et al.'s (2009) study seems to reflect on this belief even though their study was conducted in Facebook, which was not even created by the time of Hill and White's study in 2000. Waters et al.'s (2009) study reveals that Facebook was used mainly for just being present in social media, but NPOs lacked the use of applications available, interactivity with their stakeholders and sharing information that the audience might be interested in. Understandably most NPOs lack resources on being active in Facebook and paying enough attention to their profile pages. Still this might lead to turning off potential donors or volunteers that might lose interest due to inactivity on Web.

Organizations should therefore use various other types of content to become efficient marketers in Facebook. By Digitalikko (2009) online advertising is primarily displayed through banner ads bordering the sides of each page of Facebook. Many of them are based on an individual user's preferences gathered from other sites visited or links clicked within Facebook. In early 2009 most Pages in Facebook were administrated by NPOs. Some guidelines given for Pages by Finnish representative of Facebook is to create a simple Page and fulfill it continually and to get a critical mass

for the Page before really using it to marketing activities. Also organization should get a critical mass for the Page before creating applications and they should provide only relevant information in the Page. It is also advised not to have too many Pages in order to control them well.

According to Threatt's (2009) study, creating events, posting videos and starting groups in Facebook are highly effective or effective features and applications for organizations to use in order to reach their goals set for marketing. Study does not however explain in detail how the effectiveness was measured. Figure 2. below shows the effectiveness of the most used applications. The top four elements emphasize inclusiveness (users must join a group or respond to an event invitation) or audio/visual elements (videos and pictures). Not surprisingly users like relationships and feelings connected to companies and peers online. Being part of a group or an event's guest list is one way of doing this. Marketers can send updates and communicate with participants in both platforms through posting items, messages, or writing on the wall or discussion board.

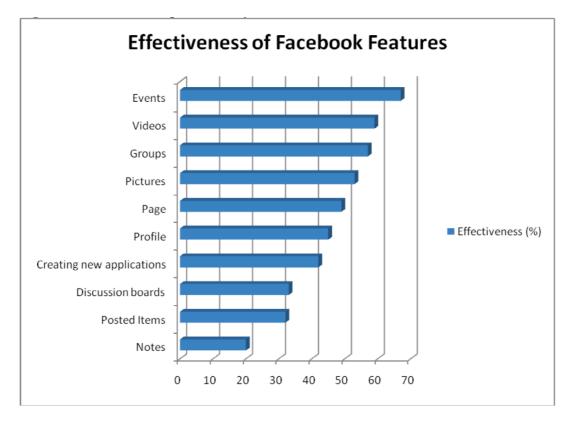


Figure 2. (Effectiveness of Facebook, Threatt, 2009)

Also Curtis et al. (2009) surveyed the NPOs' use of social media. In their study 404 organizations out of 409 used some social media tools. Still only 51.1% of them utilized social networks, which are the focus of this study. They found out that organizations with defined public relations departments are more likely to adopt social media technologies and use them in order to fulfill organizational goals. According to the survey, the credibility of the social media tools plays an important role when the PR practitioners are choosing which social media to use. Driscoll (2009) mentions American Red Cross' Greater Rochester Chapter as one on the NPOs who has started to learn the use of social media. Their director of PR states that it is certainly Facebook out of social media platforms, which brings the most donations and publicity for the organization. They cooperate with young interns and co-op students, who make most of their marketing in social media.

Also the director of George Eastman House International Museum of Photography and Film, Kozlowski, says they use the same strategy. They search for volunteers with marketing communication's background and involve them to teach and make the marketing in the social media. They rely on cross-purposing all the content both in Twitter and Facebook. And it seems to pay off, at least by number of young professionals engaged to the organization. In two years the number has grown from 100 to 600. Kozlowski states that NPOs should not get into the social media just because everyone is doing it. All should start from audience analysis; the marketing should happen where the current audience already is. She also stresses the importance of monitoring what people say about the organization. Still everything cannot be controlled in social media. (Driscoll, 2009)

Hsu et al. (2005) found out in their investigation that *reputation of the organization and shared information about it are major influencers in the motives* of possible donors. In their study 60% of respondents were willing to donate if sufficient information was provided. Providing useful and valuable information for the donors can be therefore seen as one of the fundamental guidelines for NPO's seeking donations. Berman et al. (2007) advice practitioners about some key elements that have to be taken cared of when being present on social media. According to them, it is beneficial for organizations to provide detailed description of the organization and

its history and to use hyperlinks to connect to organization's website. *Some other important guidelines for NPOs to use in social media is to provide logo and visual cues to establish connection and to list individuals maintaining SNS profile.* By listing the administrators' names in profiles and pages of social media gives faces to the organization and might make it more easily approachable.

Carrera et al. (2008) stress the *importance of posting links to external news items about the organization or its causes*. They also include to the effective social media use *the usage of message board or discussion wall to answer questions and post- announcements*. Also including press releases and campaign summaries should be encouraged in order to enhance NPOs presence in SNS. Jo and Kim (2003) stress the interactivity in SNSs as an important element of social media platforms for developing relationships with stakeholders. They point out that asking for email addresses or donations could increase interactivity but also providing event calendars or volunteer opportunities can provide stakeholder involvement also offline.

Viral marketing is an essential part of marketing in SNSs. By viral marketing techniques NPOs can reach large audiences as in the case of American Red Cross, which used their celebrity followers in Twitter for spreading the viral message. Smith, editor of InsideFacebook.com, gives advice to marketers: "*Be as authentic in your marketing as possible. Inside social networks, trusted referrals are the most powerful marketing message.*.. *This is the main value add of marketing in social networks – the social graph is available to you.*" (Holzner, 2009) Viral marketing gives organizations also possibilities to segment their target groups based on persons' interest. By viral messages, users of social media can also tell about donation possibilities and enhance their personal presentation, which in turn might lead to peer-pressure and increase the donations among the network.

According to M+R Strategic Services' study (2010 Nonprofit Social Media Benchmarks Study, 2010) of non-profits' social media use, NPOs post to their Facebook Pages an average of 6 times per week and tweet 4-5 times per day in Twitter. In the study, every week 2.5% of each NPOs' Facebook fans took action contributing wall posts, likes or comments. NPOs in the study saw both faster growth and higher churn of their social media audiences than is typical with email lists. Twitter followers grew by 9% per month and Facebook fan bases grew by an average of 3.75% each month. The study also shows that more organizations tweeted, the more their followers re-tweeted them. Those re-tweets then led into more new followers in Twitter. NPOs studied had a wide range of fan base sizes, ranging from 2,000 to nearly 210,000 in their Facebook Pages.

The data suggests that there is a correlation between a higher number of posts and higher fan churn. The findings of the M+R Strategic Services' study also suggested that more posts allowed more fan growth. NPOs should still establish some kind of a baseline metrics and work to find equilibrium between too many and too few posts. The study found an average of 67 fan actions per organization post. Fans do not only interact with an organization; they also engage with each other on a Page. Fans can respond with a "like" or comment on fan posts. An average of four fan responses, either likes or comments per fan post were found. (2010 Nonprofit Social Media Benchmarks Study, 2010) One must still bear in mind that the study was done for benchmarking and NPOs studied can be seen as advanced in using social media for their purposes.

According to the findings of M+R Strategic Services' study, some guidelines are given for NPOs using Facebook and Twitter. Organization should focus on tracking their own activity in order to be able to compare it to the benchmark NPOs of the study. Organization should also make sure that the content posted is engaging and see if the fans are not responding at the same rates as other groups. One should pay attention to the posting styles and topics that yield the biggest fan response. Also a Page report would be good to run on a monthly basis, and look at the trends after periods of heavy posting to see the impact on the fan growth and churn rates. Also the study shows that NPOs use nowadays Facebook Pages as their main engagement tools. Especially importantly Pages enable more application use that Groups, which were the main applications used earlier. (2010 Nonprofit Social Media Benchmarks Study, 2010)

#### 3.3.3. Fundraising Frauds in Social Media

As with any other charity, people's goodwill may be exploited and utilized for wrong purposes in social media. Tweets, Facebook news and emails might conduct a person to a fake site that supposedly should contribute to some cause. There have been encounters with frauds that lead people to sites that represent a NPO. In Facebook administrators' names should provide more reliable feeling of the organization. For this reason also the link to the organization's homepage should always be provided so that people could verify that the information and especially for example account number in Facebook or Twitter is the same as in the original website.

When NPOs step into the world of social media, it is recommendable to use it if not in daily bases, at least weekly. When looking at the history of the Facebook Page or Twitter tweets, one should immediately notice if there has been a lot of recent activity or not. If a Page is created, but significant actions cannot be found, this might lead the fans to suspect the originality of the Page and possibility of a fraud. In Facebook a Group was founded with a promise to donate to Haiti 1 dollar by every person who joins. This group has already gathered 500,000 members, but since there are no administrators, it is not clear whom if anyone will donate the promised money. Also an email scam soliciting donations for Haiti victims has been alerted. It was signed under British Red Cross and the postal address was correct. Still British Red Cross does not use Western Union for donations as was said in the email. Neither was the contact email belonging to someone in the organization. The FBI has advised people to donate directly to known organization rather than relying on some other to make the donation on your behalf. Still considering the fraud that used British Red Cross' name, it may seem almost impossible for a donor to recognize a real from fraud. (Twitter and Facebook users respond to Haiti crisis, 2010)

# 4. Theoretical Framework - Social Media's Effect on Donor Behavior

Theoretical framework gathers together the theoretical background of this study. Framework summarizes the fundamental characteristics for NPOs to have in order to success in social media marketing. It also shows how social media is placed among other medias for fundraising and what donor motives are seen essential to be invoked in order to attract donations.

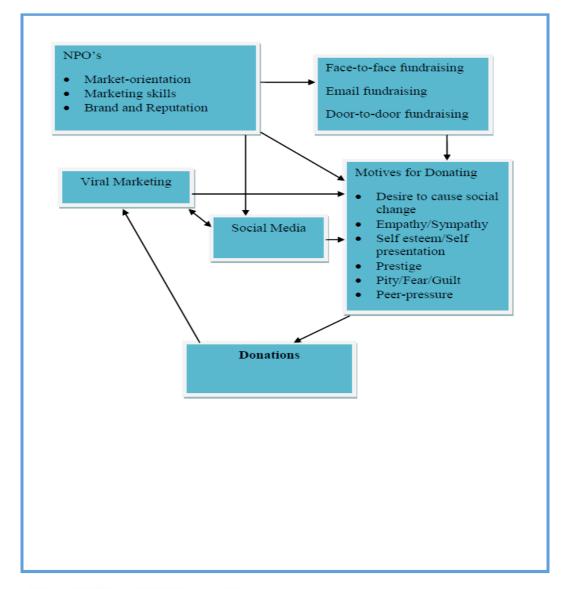


Figure 3. Theoretical framework

According to the academic literature this study is based on, the fundamental requirements of successful NPOs are to have a market-oriented mindset throughout the organization and understand marketing as a tool for keeping up a strong brand and a solid reputation. Market-orientation also enables organizations to understand what their possible donors keep in value, and this may lead to bigger donor base than those have, who are organization-centered and do not try to understand what their audience wants. There exists rivalry among NPOs, and therefore an organization wanting to collect the biggest funds, would have to reach the audience in the most appealing way. When organization has understood the value of marketing, it will acquire skilled people to handle the marketing.

Overall understanding of marketing's impact most probably makes the organization to act in a way that it will end up allocating resources for the creation of a recognizable brand and a solid reputation, which also have an impact on organization's success. By possessing all these qualities, a NPO can directly affect on people's motives for donating. Good marketer most likely sees social media nowadays as one of the possibly effective marketing tools and uses its different platforms for marketing and fundraising. Being present in social media also shows that the NPO is following current trends and is willing to come there where its audience might be. However, the traditional methods for collecting money are in use and a market-oriented organization also allocates its resources for making face-toface and door-to-door marketing campaigns and most likely for using email for collecting funds at least from its old donor base. All these marketing efforts affect on people's motives for donating.

One of the big advantages of social media is its viral nature which enables marketing messages to travel fast and to every direction. By creating interesting viral campaigns, NPOs can reach a much bigger audience at once than they would be able just by using the traditional fundraising methods and channels. Viral marketing can end up affecting on motives for donating to charity, because a person might see the same messages many times when they circulate in the networks of social media. Viral

marketing might also create peer-pressure, which can be one of the motives for donating, since a person might feel that in order to look good in social media's networks, one has to be aware of social issues, possess social responsibility or at least do what other people do. Marketing messages many times originate their virality in social media, and that is the place where they keep circulating.

NPOs' market-oriented mindsets together with their skilled staff and valuable brand and good reputation have direct and indirect impacts through traditional fundraising methods and through social media on people's motives for donating. According to the academic literature, the strongest motives for donating may be a person's desire to cause social change, empathy and sympathy or pity, fear or guilt felt for the beneficiaries of emergency relief campaigns. Some motives for donating might also be egoistic in nature. One might feel prestige of donating to charity or making the donation might enhance a person's self esteem. One might also believe that his or her standing with the referral party might be better when donating, and for positive selfpresentation a donation is made. These varied motives might lead to donations, which are the main goals of NPOs' fundraising campaigns. After donating a person might write or talk about it to his or her friends in networks of social media, and this again starts the circulation of a viral message. Some NPOs might also use applications that show person's donation activity in his or her social media networks with or without wanting and it ends up starting again the viral marketing in social media and affect on other people's motives for donating.

### 5. Methodology

This section of the thesis will concentrate on explaining the research methods and data collection procedures employed in the making of the study. Furthermore, in this chapter the case study method is detailed and explained why it was chosen for is study. After these sections, a thematic analysis, and how to do it is introduced and issues regarding validity and reliability of the study will be discussed.

### 5.1. Research Methods

This study aims at solving how social media has been used by humanitarian nonprofit organizations for their fundraising. The main research question of this study is: *how will marketing techniques in Facebook and Twitter increase fundraising of NPOs*? This study also pursues at solving how users of Facebook see fundraising campaigns and thus, what opportunities these platforms offer for NPOs. The sub questions pursue at creating best practices for marketing campaigns in order to use efficient marketing techniques that create buzz in SNSs, such as Facebook, and motivate users of these SNSs to donate and spread the word. Therefore the sub questions are: *what different marketing actions should NPOs take in Facebook and Twitter*? and *how can the users of Facebook and Twitter be motivated for spreading the word and donating*?

In an academic research, it is important to decide whether to do a qualitative or quantitative research. Many times choosing the right method depends on the research questions. The verbal data dimension (Gillham 2007, 3) in Figure 3 shows different options for research methods from unstructured (being the most qualitative method) to structured (being the most quantitative data collection method). Many research methods can be organized according to the extent of being qualitative or quantitative as seen in Figure 4. As the line shows, semi-structured interviews are a mix of open and closed questions, not being either qualitative or quantitative in their very nature. Semi-structured interviews were used as other primary research method in this study in order to find out thoughts and opinions of interviewees. Most of the questions were though the interviews were very open in nature. Some questions aroused during the interview, and some questions were modified during it. The other main primary research method was a quantitative questionnaire. A secondary research method used was observation of Facebook and Twitter Pages of interviewed organizations.

Unstructered						Structured
Listening to other people's conversation; a kind of verbal observation	Using "natural" conversation to ask research questions	"Open ended" interviews; just a few key open questions, e.g. "elite interviewing"	Semi- structured interviews, i.e. open and closed questions	Recording schedules: in effect, verbally administered questionnaires	Semi- structured questionnaires: multiple choice and open questions	Structured questionnaires : simple, specific, closed questions

Figure 4. Gillham (2007, 3)

#### 5.1.1. Qualitative Research

Due to the nature of the research questions of this study, which mainly start with word how, qualitative case study method was chosen for the empirical research. Qualitative method implies an emphasis on the qualities of entireties and on meanings and processes that are not experimentally measured or examined in terms of quantity, amount, frequency or intensity (Denzin & Lincoln, 2003). Most qualitative data collection method is unstructured method in which the researcher observes people in some context (Gillham 2007, 3). Other methods to collect qualitative data are open conversations, open-ended interviews and semi-structured interviews being something between qualitative and quantitative method. Qualitative researches stress the socially constructed nature of reality, the situational constraints that shape the inquiry and the intimate relationships between the researchers and what is being studied. Quantitative studies in contrast aim at emphasizing the measurement and analysis of causal relationships between variables, not processes. (Denzin & Lincoln, 2003) Due to the nature of questionnaire sent for fans of World Vision Finland's Facebook Page, its results were expressed in quantitative terms. However, the analysis of the questionnaire was made in a qualitative way from quantitative data.

Qualitative approach was quite clear choice for examining the phenomena of this study. Since this study requires deeper understanding of what is going on inside the

NPOs' marketing and communication departments and how do they see social media as a marketing tool, semi-structured interviews were conducted in order to find out answers to the research questions of this study. There were some clear questions in which the researcher needed to get answers. This is why the empirical part of this study was thus formed around semi-structured qualitative interviews with marketing personnel of two NPOs and a questionnaire directed to old or possible donors. The researcher also observed Facebook and Twitter Pages of these two organizations in order to see if the interviews went hand in hand with the reality and to get a clearer picture of the operational use of these platforms.

#### 5.1.2. Case Study Research

Case study may include both quantitative and qualitative approaches. In this thesis will be concentrated on both of these. Case study in a nutshell is described as "an empirical inquiry that investigates a contemporary phenomenon in depth and within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident". (Yin 2009, 18) Doing a case study may take a long time if clear boundaries to the study have not been made. This is why the boundaries of this study were set in an early phase so that the study only included private donors (excluding companies) in Facebook and Twitter in order to not spread the research for too wide area where the setting the boundaries would be difficult afterwards. Every researcher has to make the decision what will be studied, since it is never possible to investigate everything that has something to do with the phenomenon of the case.

Case study method can be seen as the most relevant choice for a research when *how* and *why* questions are being posed, when the researcher has very little control over events, and when the focus is on contemporary phenomenon within a real-life context (Yin 2009, 2). Since this study aims at explaining the phenomenon of NPOs' fundraising and donor behavior in social media, a big amount of numerical data were not seen relevant for this study. The natural choice was the case study method, which

allows choosing only one case that can be investigated deeply. The case chosen for this study is fundraising techniques of NPOs.

The basic forms of a case study designs are variations of single and multiple case studies and with different amount of units of analysis (Yin 2009, 46). This study is designed as an embedded single-case study with two units of analysis. These two units are the marketing actions of NPOs and donor motivations for fundraising campaigns. In order to find results that can be clearly generalized, case study research may not always be the best option. Still when wanting to gain deep understanding on the certain phenomenon, case study can be seen as the most accurate choice. When wanting to generalize the results, the researcher may choose many similar cases and compare them to each other. The single-case study is still the most relevant when explaining an event that has not been researched much earlier. Yin (2009, 15) claims that a single-case study is usually based on multiple sets of experiments that have replicated the phenomenon under different circumstances, and thus also offers information that can be generalized if wanted. Usually case studies are generalizable to theoretical propositions but not to populations or universes.

### 5.2. Data Collection

The data for this study was collected from two different units of analysis by three methods: interviews and observations of two organizations' Facebook and Twitter profiles, and actions in them, and by questionnaire from the fans and possible donors of the other organization interviewed. The two units of analysis are the marketing actions of NPOs and donor motivations. The data collection units were Unicef Finland and World Vision Finland and Facebook fans of a theme Page of World Vision Finland. Neither of the interviewed organizations was able to provide more than one interview, which is why there are no more interviewed units.

#### 5.2.1. Interviews and Questionnaire

This section will explain why the interview and questionnaire methods were chosen, the process of choosing the right participants, the design of the questions and the average duration and locations of the interviews.

Interviews are together with the questionnaire the primary data source for this thesis. Reason for choosing interviews as a data collection method is due to the fact that interviewing is a very useful research method for accessing individuals' attitudes and values – things that cannot be necessarily accommodated and observed in a formal questionnaire (Byrne 2004, 182). Interviewing situations happen face-to-face and that is why they also provide the interviewer a possibility to gain new insights to the topic when doing a semi-structured interview. The interviewer may come up with new questions when some topics and opinions arise. In addition, clarifying and deepening the information is made possible when doing semi-structured interviews.

Interviews can be conducted on individuals, pairs or groups. In a situation where there are only one interviewer and one interviewee present, the discussion is usually more natural and relaxed. (Hirsjärvi et al. 2009, 210) This is why doing only personal interviews with one interviewee at the time were chosen. This kind of a setting should also provide more open atmosphere and possibly create trust between the two parties. Trust might lead to gaining excess information which otherwise would not be provided. Two organizations were chosen for interviews in order to find out if there exist significant differences among different organizations in their use of Facebook and Twitter for fundraising.

A questionnaire was chosen as a method of getting information about donor behavior. The object was to find out emotions that might affect on donor behavior and viral marketing's and peer-pressure's impact on it. Questionnaire was designed in order to reach bigger mass and to see motivations more generally than interviewing few persons would have provided. Questions were designed together with representatives of World Vision Finland and were posted to the fans of *Toivoa Haitin Lapsille* -Page

(Hope for Haiti's children). 384 answers were received and the questionnaire was decided to shut down after receiving enough responses. All respondents did not however answer to all 13 questions which are presented in the appendixes.

For the data collection process, two NPOs were chosen in order to see if there exists some variation between different organizations. Both of these organizations contribute to the wellbeing of humans, also in other counties than Finland. They also run fundraising campaigns when something unexpected happens, such as natural catastrophes or losses in wellbeing due to political actions of third parties. The assumption was that not many organizations know how to well utilize the possibilities of Facebook and Twitter for fundraising. That is why it was necessary to see if this assumption is correct. Another assumption was that there does not exist dramatic differences in fundraising techniques in social media among NPOs in Finland. Two persons were interviewed for the purposes of this thesis. Both of these interviews were conducted at the office premises of the organizations in Helsinki, Finland. Below are described the details of the interviews. For confidentiality the names of the persons interviewed were changed. Original interview questions were the same for both Unicef Finland and World Vision Finland, but some new and different questions aroused during the interviews, which were not planned in advance.

Organization	Name (changed)	Date of the interview	Place of the interview	Duration of the interview
Unicef Finland	Jack	10 <sup>th</sup> June 2010	Lautatarhankatu 9, Helsinki	1 hour 19 minutes
World Vision Finland	Paul	10 <sup>th</sup> June 2010	Lönnrotinkatu 20, Helsinki	1 hour 11 minutes

#### 5.2.2. Thematic Data Analysis

The data analysis of this study was made by thematic analysis method. A challenge when doing an analysis from qualitative data is to find a systematic method for analysis, which provides a solid base for making interpretations. It is important that the analysis is credible and trustworthy. (Miles & Huberman 1994, 4-7) Thematic analysis is one possibility when analyzing and encoding qualitative data. Encoding requires a certain code, which may be a list of themes for example. (Boyatzis 1998, 4) Most likely after having rich data some specific themes will come up frequently and set up the frame for encoding. A theme is a pattern found in the data that interprets aspects of the phenomenon or at least organizes possible observations. The themes may be initially generated deductively from theory and prior research or inductively from the raw information. A theme may be also identified at the manifest level (directly observable in the information) or at the latent level (underlying the phenomenon). (Boyatzis 1998, 4) Thematic analysis was used for analyzing the interviews of this study.

When doing a thematic analysis, the first step is the collection of the data, after which conversations have to be transcribed. In the transcribing phase the first themes should already emerge and be written down. The second stage is to identify all the data that relates to earlier classified patterns. All themes arose in the interviews and talks that fit under a specific pattern have to be identified and placed with the corresponding pattern. The third step is then to combine and catalogue related patterns into sub-themes. The next step is to build a valid argument for choosing the themes. (Aronson, 1994) This is done by connecting the empirical research into the theoretical part of the study. The theory and empirical research have to be in close interaction with each other.

In this study the interviews were tape-recorded so that the interviewer can in the interviewing situation concentrate on discussing with the interviewee and return to the details of responses and interpretations later on. After that the interviews were transcribed word by word. Still attention was not paid to pauses or mumbling,

because in this study interaction between persons or the behavior of the interviewees was not essential. After transcribing the interviews, the analysis was started with going through some interesting points of view. After this, the answers were grouped under chosen themes. These were the strategic use of social media and operational use of Facebook and how NPOs see their donors. The purpose was to find repeated mentions about these topics.

#### 5.2.3. Reliability and Validity

Both reliability and validity are important issues when doing an academic research. Reliability refers to the replicability of the findings of the study. Reliability also refers to the operations of the study, and if/when repeating them, the findings will remain the same. (Yin 2009, 40) If the same or another researcher would repeat the research project, the reliability can be seen high if the results, claims and interpretations would stay the same after the repetition (Silverman 2006, 282). That is why it is important to write down the detailed operational steps of the process. The validity of the research refers also to the findings of the study and if the findings make sense. Validity also indicates if the findings are credible for people interviewed and to the readers and if the findings can be transferred into larger content. (Miles & Huberman 1994, 278-288).

Documenting the data collection process in detail can enhance reliability of a study. This should diminish the probability of errors and partiality. Tape-recording all interviews and transcribing the tapes by the researcher strengthened the reliability of this study. The tapes were listened many times before making any interpretations. Due to the nature of semi-structured interviewing method, many of the interview questions were made beforehand, so that accurate answers to the study questions of this research would be received. Still re-designing the questions and deepening the questions in the interviewing moment ensured enough wide set of data.

A good reliability can be obtained when the data is collected across a full range of appropriate settings, respondents and times suggested by the research questions (Miles & Huberman 1994, 278). Private persons donating for campaigns of NPOs were reached by a questionnaire in order to find out variation in their motivations for donating and joining Facebook Pages. Also the persons selected from NPOs are the ones who engage in fundraising activities in Facebook and Twitter, so these persons are in the center of marketing in selected organizations. That is why interviewing them can be seen as reliable choice for interviews. Some limitations to the reliability will still occur still since only one person per organization was interviewed for the empirical research, and comprehensive comparison will not be possible among different organizations since only two organizations were chosen for interviews.

The interviews and a questionnaire were conducted in Finnish since all the interviewees were Finnish-speaking persons and World Vision's Facebook fans were fans of a Finnish speaking Page. By doing so, mistakes in understanding the questions well were eliminated and accurate answers were obtained. Anyhow, the researcher made the translations and this may cause a tiny lack in the reliability. Chosen organizations' marketing activities were compared to the best practices introduced in the theory section of this study and this will give a good insight how well Finnish NPOs are using social media for fundraising. Most definitions of reliability incorporate the concept of repeatability, which in this type of case study may be difficult to obtain. However, using the same underlying principles and methods with a similar case study confirming results can be found.

The validity of this research was strengthened by a feedback from my thesis instructor and scholarly peers who evaluate different phases of this study: the research plan and the theoretical part. Feedback was helping throughout the study to keep in mind the research questions and balance both the theoretical and managerial goals of the study. Also some ideas and opinions, which occurred in earlier interviews, were gone through in order to see if the other person felt the same or if there were some contradictions.

External validity measures if the findings can be generalized in to a larger context. Due to the nature of a single-case study, the purpose of the research is not usually to be able to fully generalize the findings. In analytical generalization, the investigator is pursuing to generalize a particular set of results to a broader theory of the theme. (Yin 2009, 43) It is up to researcher how much he/she wants to open up generalizations made on basis of the case study. One option is not to generalize the findings, instead let the reader make one's own generalizations based on what has been done in the research. In intrinsic case studies generalizations cannot be avoided. The results can be generalized to times still to come and to same kind of situations as the original case study. As in this study also, the purpose is not to generalize the findings, but to compare them to some best practices introduced in the theory section and create managerial contributions that can be seen as guidelines for many organizations in the same industry.

### 6. Findings

In this chapter will be introduced what are NPOs and how they differ from for-profit organizations. Also information and background of the two organizations interviewed for this thesis is presented. This chapter will also provide the analysis of the interviews and the observations of Unicef Finland's and World Vision Finland's Facebook Pages and Twitter profiles. In the end of this chapter will be analyzed the answers of questionnaire from fans of Page *Toivoa Haitin Lapsille*.

### **6.1.** Non-profit Organizations

Non-profit organizations differ from organizations of for-profit sector in few significant things even though they many times work as profit-seeking organizations. Gonzalez et al. (2002) define non-profit organization (NPO) as any organization without a financial objective, under private control, which aims at generating social

benefit for a specific society or sector. Much of the social benefit is brought through funds donated for organizations, which pass them on to their targets pursuing better conditions for a certain society or sometimes for helping of a research of a social cause, such as cancer. Usually the activities of NPOs are mainly based on voluntarily and in addition to attracting funds, NPOs must attract volunteers, the workforce.

Non-profit sector has a lot of similarities with a profit sector, but some clear distinctions can be found. According to Chan and Chau (1998) the two most significant differences are the relation to financial rewards and the public it serves. NPOs pursue in achieving social profits, which are usually intangible results that cannot be readily seen in the environment. These can for example enhance the quality of children's life or provide aid in a natural crisis' area. Also the multiple publics that for-profit and non-profit sector serve are similar, but still the investment communities are different in nature.

The definitions of non-profit organizations clearly show differences from the profitseeking organizations. By Hall (1987, 3) *NPOs can be seen as bodies of individuals who associate for either perform tasks that have been delegated to them by the state or to perform public tasks for which there is a demand that neither the state nor the for-profit organizations are willing to fulfill.* They might also influence on the direction of policy in the state, the for-profit sector, or the other NPOs.

Courtney (2002) differentiates the non-profit sector from for-profit sector by its profit sharing. When private sector shares its profits to the company shareholders, the non-profit sector distributes its profits to anyone with a beneficial interest in the organization, such as members, staff and trustees. In addition to NPOs' end-users (beneficiaries), Chan and Chau (1998) point out the *'dual constituencies'* of NPOs. This means that not only do NPOs have to serve the beneficiaries but also they have to attract the market where they receive funds.

Non-profit organizations are by Eikenberry and Kluver (2004) more than just tools for achieving the most effective and efficient mode of service delivery. They can be also seen as important vehicles for creating and maintaining a strong civil society. They quote Walzer who has defined civil society as "the space for uncoerced human association and also the set of relational networks – formed for the sake of family, interest and ideology – that fills the space".

During the last decades, the non-profit sector has been growing fast both in scale and scope, and increased its importance in society (Macedo & Pinho 2006; Salamon & Anheier, 1999). Macedo and Pinho (2006) state, that the development and the expansion in organizational forms and industries that NPOs nowadays hold have had implications to the management on NPOs. These have been engaged to marketing activities and therefore developed a market mindset.

NPOs have various sources of funding. Depending of the organization, not all of these sources are utilized by every organization. Three common sources of funding have been introduced by Macedo and Pinho (2006): the state funding (government grants and contracts), self-generated resources (income from charges and fees, fundraising from general public, individual contributions, commercial activity and investment income) and private funding (individual and corporate donations). This study will focus on the latter one and specifically on individual donations. More precisely this study aims at exploring the marketing of humanitarian organizations, whose communication with the public is primarily concerned with raising funds for disaster aid and whose practices are usually impartial.

#### 6.1.1. Unicef Finland

Unicef works in 191 countries through country programs and National Committees. The acronym Unicef comes from the United Nations Children's Fund. Unicef is mandated by the United Nations General Assembly to advocate for the protection of children's rights, to expand their opportunities to reach their full potential and to help meet their basic needs. Unicef is guided by the Convention on the Rights of the Child and strives to establish children's rights as enduring ethical principles and international standards of behavior towards children. Unicef believes that the survival, protection and development of children are universal development imperatives that are integral to human progress. (Unicef, 2010)

Finnish National Committee for Unicef was established in 1967 to raise funds for Unicef programs around the world for Unicef's longer-term work and for the protection of children in emergencies. Unicef Finland raises funds through donations from individuals, organizations and companies. The basic operations of the Committee include a variety of information, advocacy and fundraising campaigns and other nation-wide activities. Unicef Finland employees about 30 persons assisted by about 40 voluntary groups functioning all over the country. The committee also enjoys the support of national goodwill ambassadors who advocate for the world's children and speak on behalf of Unicef. Unicef Finland also runs programs in Finnish schools promoting awareness of children's rights. They also run national advocacy campaigns to raise public awareness of issues facing children around the world. (Unicef Finland, 2010)

#### 6.1.2. World Vision Finland

World Vision is a Christian relief, development and advocacy organization based in 1950 and dedicated to working with children, families and communities to overcome poverty and injustice. It is a world's largest godchild organization and it also provides humanitarian aid. World Vision is an independent private organization and is not formally affiliated with any government, denomination, foundation or corporation. World Vision projects provide short-term emergency relief, such as providing food, shelter and medical care to victims of natural or man-made disasters. It also contributes to long-term sustainable community development focusing on helping communities to meet the needs its members identify, like clean water, education, health care, agricultural improvements and sanitation; and working with policymakers and the public at the national, regional and global level to build awareness around poverty and to address the unjust systems that help perpetuate it. (World Vision International, 2010) World Vision Finland was founded in 1983 and is a part of the international World Vision network. The main partner and biggest sole funder of World Vision Finland is the Finnish Ministry of Foreign Affairs. World Vision Finland is a NPO, which funds are directed to relief destinations or are invested to increase budgets for next years' targets. (World Vision Finland, 2010)

# **6.2.** Themes of Interviews

After interviewing representatives of Unicef Finland (Jack) and World Vision Finland (Paul), it became quite clear that the early assumption about the similarity of Finnish NPOs' fundraising use of Facebook and Twitter were correct. Another assumption concerning the professionalism of Facebook's and Twitter's use in these organizations can be seen quite wrong. Both of them seemed to use them in a professional manner even though some lacks exist for example in measurement. Both of the interviewed organizations use Facebook and Twitter for communication, marketing and fundraising. The three main themes under which the interviews were based on were the strategic use of social media, the operational use of Facebook and how donors are seen be the organizations. First the strategic part of the interviews and sub-themes aroused in the interviews will be discussed. After this will be introduced the operational use of Facebook with its sub-themes and donors with its sub-themes.

#### 6.2.1. Strategic Use of Social Media

One of the sub-themes of the strategic use of social media in the interviews was the objects of using social media. Both of the interviewees mentioned that fundraising is only one of the objects why these platforms are used. Mostly it is used for general communication, which goes hand in hand with fundraising. Paul stated that "the goal of World Vision is to gain contacts and afterwards utilize them when necessary." He says that Facebook is used to direct people to their webpage. Also Jack noted that "even though Facebook is mostly used for communications, money is asked directly in

case of emergency relief – and then it is asked hard." Unicef Finland's campaigns have certain fundraising goals and KPI's (key performance indicators) are set for every campaign. The explicit reasons why Unicef Finland and World Vision Finland use social media varied according to interviewees. Jack said, that Unicef in general wants to be there where its audience is. If it is Internet and Facebook, that is where Unicef needs to be. For World Vision Finland the reason is to become more well-known. Paul mentioned that "compared to big organizations, World Vision Finland is not that well-known. We want our name to come up in social media when looking for organizations or certain themes. We also want to arouse interest after which we can get to know our potential donors and create trust. Only after all this we can ask for donations. Recognizability can be decisive. "

Interesting still, both of these organizations have used Twitter, but have come to a conclusion that the critical masses cannot be reached via Twitter, especially in Finland, and much attention is not paid to Twitter after its trial periods. For World Vision Finland Twitter was an experiment where they had done one fundraising campaign, but saw it failing. Paul stated that "for the organization like World Vision it is not a platform where we can obtain funds, at least for now, so no strategy has been done for Twitter. The size of Facebook is totally different and with the same effort we get much more out of it. Also Jack from Unicef Finland said, that "Twitter has been frozen for last months, because it did not break through. Sometimes you have to make decisions because of limited resources." Most of the interview topics handled after all Facebook, since there was not much to say about Twitter, at least nothing worth of money. It was not seen as affective fundraising tool.

Another sub-theme that aroused was the measurement of effectiveness. Both of the interviewees said that the measurement in Facebook is not that easy, even though it is very important. It seems that both organizations are using some tools to measure its effectiveness, but more could be done. Still Paul saw Facebook as an effective tool. He stated that "measuring Facebook is not so easy, even though there are some analytics for that. We should have better ways to measure it, but we have enough knowledge that it works. Indirectly one can conclude something about the effectiveness of Facebook during a campaign." Jack also saw measuring of Facebook

a bit challenging. He said "at the moment we are trying to define how to measure it. But meters have to be complemented with non-monetary meters. Everything that matters cannot be measured. Still we have strict goals and we have to be effective. We have fairly limited resources for what we can do that does not provide monetary benefits." The marketing resources of Unicef Finland directed to different campaigns are much lower for social media than for traditional methods (for example face-toface campaigns) since no direct profits cannot be shown.

Some easy ways of measuring Facebook still are in use. Unicef Finland measures the effectiveness of links from Facebook and Twitter to other pages and interpret different writing styles and titles that seem to work. They also use Google Analytics and some other systems for measuring the whole traffic. Based on that, they make decisions in which to invest. Jack knows to claim that "the volume of donations in Internet is smaller, but the amounts are bigger." He also says that the follow-up program in Facebook recognizes people and they can be followed all the way till the donation. Paul has similar experiences of measuring Facebook. He said, that "if someone does a donation through Facebook, for example through banners, the donations can be followed. You can also link your Pages so that through follow-up programs you can see if someone has affiliated with the organization as a godparent."

#### **6.2.2. Operational Use of Facebook**

The second main theme that aroused from the interviews was the operational use of Facebook in general. To name some applications that these organizations use, World Vision Finland puts their emphasis on their official Facebook Page and to other thematic Pages, which they keep up, gather fans and tell them what they are doing and how people can participate. They also use paid banner ads, quizzes and Landing Pages. World Vision godparents can also receive a widget to their profile. Paul states that godparent box in their Pages has shown to be effective and gets lots of cliks. *"The future will show how effective Landing Pages will be"*, he speculates. Jack tells

they used to have Facebook Groups, but nowadays the Pages are better and allow more actions, and they have switched to using Pages. Still moving people from Groups to Pages can be challenging. Unicef Finland has not created applications by themselves. Both of the organizations mention Causes as one usable application, but which cannot be used by organizations in Finland.

The level of systematicality can be seen as one of the sub-themes, since the balance between systematicality and liberty was quite similar in both organizations. Both of the interviewees said that there are certain defined styles or persons who create content in Facebook, but there is also much liberty in both organizations on when and what to publish. Jack from Unicef Finland explained them having some loose rules for Facebook. "If there are some questions, we answer. And of course there are certain style issues. If we want the user to do something, we use activating language. But no strict limits are set for social media. In general we have a clear guidance for communication and this is part of it. We behave well." When asking about who takes care of communications in Facebook he answered all depending on the campaign. "Communication is constructed by the campaign and usually the campaign coordinators do the Facebook marketing. In a small organization everyone knows each other, and some people are the kind of persons for whom fast and close to people kind of communication suits. Communication is done by a person who likes it and sometimes knows the audience", clears Jack.

Paul from World Vision Finland clarified their technique to be as systematic as Unicef's but the other way around when talking about who does and what. He stated "We have no clear strategies or rules for Facebook, the strategy changes as Facebook constantly changes. But we do have persons in charge. We have one person who takes care of the content in Facebook Pages and works as a contact person and knows who does what." He clarifies that Facebook is followed daily and to conversations have to be reacted. "How we create content depends of the Page, we have more important and less important Pages. But in almost all Pages all the posts of fans are showed, because it increases the interest", he states.

What comes to another sub-theme, perceptions of fundraising in social media, Paul wraps us that "These are long-term channels and we need to have patience and get down to the same level with our fans and be present." Jack opens up a same kind of view by saying "You have to be credible, so that people trust you. Money has to be asked, and you need to have a good reason to ask. Still most of our Facebook fans are our old donors, so we try more to tell what is done and what can be done with the money than just make direct money requests. But then there are emergency reliefs and for example times such as Christmas, when people might be more sensitive for donating and doing things with us. Then we ask directly for donations." Paul also sees that direct money requests have to be made in social media, but not constantly. He points out that virality is better and well-functioning tool. "Competitions and raffles are good, because they can be seen in the home-pages of others when one participates." It seems that both organizations think about different viral marketing techniques. Jack states "You just cannot know what will work. Some campaigns have everything in order and they happen in the right day. Of course we think about it, but the basic rule is that if something is good, it will spread. Better just to make a good video and something cool."

One learning point for both of these organizations was an earthquake in Haiti in January 2010. It was also the inspiration for doing a thesis about this subject. Haiti's earthquake campaign is also one on the sub-theme for the operational use of Facebook. Jack comments on Haiti campaign "In future we should be more prepared. Facebook and Twitter did not bring in much money, but telling people what we are up to worked really well. This was the first big emergency relief campaign in Facebook in Finland and you had to learn fast what to do. It was a good course. Spreading the word and "clear donate now" or "forward a message to your friend" worked well for this. Few weeks after the earthquake it decreased in effectiveness." Paul admits that their campaign was successful. He claims "Haiti-fundraising was an example that worked well for us. We were very visible during the crisis. So much new information comes rapidly during a crisis that keeping a website updated is almost impossible. We reserved a good username from Facebook and the kind of a profile picture we believe we can use for long time. We did not use much of our brand, and

this technique worked, because people do not care so much about brands than things. Helping Haiti and children was the thing people wanted to support."

Jack also states that big emergency reliefs create that kind of feelings to people that they want to participate in some way. He says that phone number for making donations is a big thing in emergency reliefs. "In mass phenomenon people want to show their participation and their own anxiety. People are more sensitive for doing something. Still we did not get Facebook to work right away. We had a resourcing problem, because we had to put emphasis on where the biggest money traditionally comes. Mass in Facebook is not sufficient." This seems understandable since the biggest revenue source for Unicef Finland is face-to-face fundraising. The big difference between interviewed organizations is that World Vision Finland does not do face-to-face campaigns, so they can allocate more resources to the Web. Paul tells more detailed about their techniques during the crisis "First days we produced a lot of content, always when we knew something. Sometimes we posted twice in one hour. It seemed to work, since people do not have anything against of getting good news in the environment where they function. It was not just showing a need, it makes a difference if people participate and give and show what they get. We showed results. People liked that (pressed like-buttons) and these results were fun to share. It was positivity that worked. We provided a chance to help, and did not ask donate immediately through us."

#### 6.2.3. Perceptions about Donors

The third main theme aroused from the interviews was the donors. It includes both how these organizations believe their donors think and how do they see their donors. In general both of the organizations have active and one-time donors. Existing donors can be seen one of the sub-themes, since their importance emerged in both interviews. Unicef Finland has monthly donors, who donate automatically every month. World Vision Finland also has their godparent-program and godparents donate monthly to the program. Existing donors, and especially monthly donors are widely respected in

both of these organizations and communication efforts are put on keeping them active. Both of the organizations have some idea about their Facebook fans. Jack from Unicef Finland states that probably most of their fans are monthly donors. "We have looked at the channels from where the people have come to our Page. There are some peaks after advertisement, in which we have recommended people to join us on Facebook. And most probably they are donors, since they are the ones to whom we post", he claims. Also Paul says that they have made questionnaires to their fans and based on that they know something. "We also get some information using Facebook tools", he states. Jack also adds, that "We can see the donation history from our CRM. Getting the first donation is hardest after which it gets easier. It is easier to hold on to old donors." Both of the organizations naturally try to reach both old and new potential donors with their communications. Paul says that both groups are tried to reach. Still different messages are sent to godparents and old members are tried to keep active by communications. "We have a lot of information about out gift shop and godparent's donations and emergency relief donations in relation to godparenthood. But there are lots of other donations which come from elsewhere." Jack tells Unicef Finland having the same strategy. "Both groups are tried to reach, but especially keeping old donors satisfied is important. From emergency reliefs we get a lot of new donors, but holding on to them is harder. It is hard to make them commit."

Another sub-theme aroused from the interviews was donor motivations. As assumed, none of the interviewees had precise information about how people can be motivated to donate. Still good speculations can be expressed by the experience. Jack claimed that "Relevant and good things and doing things right can motivate people to donate. In Finnish culture talking about money and donations might not be correct and you do not do it with pleasure. Maybe for the new generation talking about donations online is easier." Paul has a bit different view, something that World Vision Finland sees very relevant for them. "Recognizability is important in the long run, organization needs to be well-known. Getting feedback of your donation, what have been done with the money, what will be achieved with it and where it has gone is important. Showing results is a competitive advantage today. Also demonstrating that one's donation improves children's rights is important. Usually organizations

provide quite fixed way of taking part. People are conscious and creative and they know what and how they want to help. It is important that we sit down and are willing to customize some helping possibilities. It requires flexibility to listen how people really want to help and offer possibilities for them."

Peer-pressure in social media occurs when someone is telling about donation made or donation possibilities. It can also exist if in someone's newsfeed is shown organizational reference that a person is taking part on for example money collection for Haiti's earthquake's victims. When asking about possible peer-pressure in Facebook, both of the interviewees admit that it might really have effect on donor behavior. Still they saw organization's role quite differently. Jack states, that "most probably the peer-pressure affects, but it depends of how good friend the other is and if persons' values meet. Knowing that a friend is donating makes it easier for the other person. But there has to be a clear request. It is important to provide tools (phone number, account number) for the donor so that one can donate fast. Message has to be right planned so that it will spread." Paul from World Vision Finland sees peer-pressure affecting positively. He claims "Those things most certainly work if someone tells what he/she is doing or where he/she is participating. Usually these are quite given and organization cannot make it happen. It is the frankness and subjectivity that creates the willingness to help. I cannot come up with better way at the moment than that people tell themselves. Peer-requests are more effective than requests of the organization. Just like in online stores. Still the pressure affects only for short time, if a person donates for the wrong reasons. There are also people who donate privately without telling to anyone. Smart organization takes into account both things."

The third sub-theme arose from the interviews is positivity in marketing. This has to do with emotions that organizations try to achieve with their marketing and communications. The academic literature has named a number of different feelings that might arise from emergency relief campaigns and affect on donor behavior. Jack says, that Unicef Finland builds marketing messages by campaigns and feelings are taken into consideration by campaigns. "In general we do not want to intimidate, instead to bring out good things through positivity." Paul claims World Vision

Finland using the same strategy. He says "Consciously we do not try to make people feel guilty and raise money with misery. From all our messages can be seen hope and joy in some way. And what money can do. We show the results, so that people would still feel need to help." Jack continues about Unicef Finland's strategy and perceptions by saying "In the grey area we talk about empathy and guilt, but we cannot make people feel guilty, because the world is a bad place. There are also other things than just feelings that make people donate. Feelings are the most important part, but it is not enough. We can tell people about new things and teach something that people have not known before. People want to be part of something bigger. The imagination about how great things we could do and change the world are important. People do not give if you do not ask for money, it affects on behavior. There are the moral things and doing right. People might also donate for their conviction. Then there are senses and the good feeling, what people get from helping, it addicts."

These three main-themes with their sub-themes presented show well the similarities and differences between World Vision Finland and Unicef Finland in their use of Facebook and Twitter. It can be summarized that it seems that both of them have quite similar ideas and techniques using social media, especially Facebook for fundraising, and as they specify more general, in communications. In conclusion, no other Finnish non-profit humanitarian organization has to be interviewed for this study in order to get clearer picture about the differences between organizations and their use of social media for fundraising.

# **6.3. Observation of Facebook and Twitter Pages**

Observation of Unicef Finland's and World Vision Finland's Facebook and Twitter Pages were made during this study. Next will be introduced shortly the findings of this part.



Figure 5. Facebook Page of World Vision Finland



Figure 6. Twitter profile of Unicef Finland

Unicef Finland has quite active Facebook Page. When clicking to their Page, first opens up a Landing Page, which encourages a person to click *like*, after which it will be shown in one's homepage for the person's friends. Landing Page has a petition to donate for Haiti's earthquake's victims (24.6.2010). One can continue to the Page without liking it also. In the Page Unicef uses their well-known logo, which helps in identification of this worldwide known organization. There is also under the logo a

request to donate and different channels for doing it. When scrolling down in the Page, there are other colorful requests to donate and help in other ways. In information section can be found the basic information about the organization and its missions. There is also an indirect request to help telling what can be done with people's donations. The Wall includes lots of postings. The frequencies of postings vary from once a week to every day. The subjects of postings can be categorized for general information about what is happening in the world and what have been achieved in their campaigns, requests of helping and links to pages outside of Facebook, which provide some relevant information, for example to events or television programs. In addition photos and videos are used as extra visual elements. Those are not posted very often though. In general all postings of Unicef Finland have been commented or at least *liked* by fans and comments are being answered by Unicef. There are also postings of fans in the Wall, but those in general are not commented by anyone. What can be seen as downsides of the Page is the lack of named administrators, which would bring the face to the Page.

World Vision Finland's Facebook Page is similar to that of Unicef Finland's. Assuming that their logo is not that well-known as Unicef's, the profile picture is a photo of young boy with World Vision's logo below the picture. Under the logo is a phrase "*World Vision gives face to your help*" and a link to their website. They do not have a direct request to donate but a big banner, which encourages signing up as a godparent. Information provided about the organization is quite little, only the mission and founding year are provided. What can be seen as one advantage of their Page is linking it to Youtube and Twitter. World Vision posts very actively information, many times a week, for their Wall. Messages include general information about their campaigns and results, events and some petitions to help. Postings include lots of photos and videos. Positivity is well seen in the messages. In general all posts are commented or at least *liked* by fans. In addition Wall includes a lot of posts of fans, generally talking about their godchildren. Not many posts offer links to external sites, which have nothing to do with World Vision. No administrators' names are mentioned in this Page either.

Unicef Finland's Twitter page includes the same logo as in Facebook Page. There is shortly explained what is the organization all about and link their website. Interestingly there is a gap between March 2010 and June 2010 when nothing has been posted to Twitter. After over 3 months' silence there is one posting (24.6.2010). Before the March 2010 posts have been done very frequently, from few times a week to many posts in one day. Positivity is well present in the posts and mostly they talk about results that have been achieved by Unicef and their supporters. Messages include mostly information about Unicef's campaigns, but some external links to relevant websites also provided.

World Vision Finland's Twitter Page seems very active even though in the interviews the comments about Twitter were quite negative. The profile picture in Twitter is similar to that of a Facebook Page, except there is a little girl in the photo and contact information of the organization is provided. They also have a link to their website and their mission written out. In Twitter the organization posts more general information, which is published in external internet pages that have nothing to do with World Vision. Links are included to the messages. They also tell about their campaigns. Information is posted from once a week to few times a week.

In general both Facebook Pages are conducted by strategies that have come up in the interviews. Facebook Pages are used actively by both organizations. Interestingly their strategy between Facebook and Twitter Pages seem to vary. Unicef Finland posts lot of links to external news in their Facebook Page but not that much in Twitter. World Vision Finland does not link so much to external news in their Facebook Page, but uses Twitter for that. As Jack mentioned in the interview, Twitter was frozen for last months in their communication plan and that can be clearly seen in Twitter. Before that they have been very active posters. World Vision Finland still posts actively in Twitter even though Paul claimed that efforts are not put to Twitter after its trial period. It seems like organizations wants to be there, at least even namely even though it does not bring much results.

### 6.4. Results of Questionnaire

A questionnaire was designed together with representatives of World Vision Finland. It was sent to the fans of the Facebook theme Pages of World Vision called *Toivoa Haitin Lapsille* (Hope for Haiti's children). Questionnaire was sent in June 2010 both to inboxes of the fans and Page's wall. 384 responses were gathered. The questionnaire was in Finnish since the language used it the Page was the same. The questionnaire included 13 questions, one of them being an open question and the rest were multiple choices. Next are presented the most important findings of the questionnaire.

Question number 1. How did you find this Page for the first time? shows clearly the importance of virality in Facebook. 66,8% responded that they have either found the Page for the first time through Facebook news flow or their friend had joined as a fan and they had seen it because of that. As World Vision states using paid Facebook ads, they seem to work since fourth of the people have found their way to the Page because of it. Also even though question number 2. shows that more than half of the respondents have not told about the Page to their friends, in the light of the answers of the first question people find the Page because of their friends, wanted or not. Answers for question number 3. Have you donated for Haiti's earthquake victims? could be seen as a sign of slaktivism or self-presentation. Almost half of the people have not donated to this charity, but still are fans of the Page. A clarifying question why have they joined the Page if they are not willing to donate, could have been accurate if the results of this question would have been known beforehand. Maybe a will to show that they care or that they are socially responsible to make people believe that they are doing something on behalf of the earthquake's victims could be one explanation. Some people may also just want to receive news and information about the theme. This question also shows that around 40% of the fans have donated but through another organization. This could be interpreted so that the ones who are willing to donate are interested to hear news and search for alternative donating options.

Interestingly the biggest group of people (44,7%) answered to a question number 4. not having enough money for donating to Haiti. A third of the people who have not donated have chosen *another reason* for not donating. There is also 15,8% of them who do not believe that the money would reach its target. Maybe highlighting the fact that donating even a coin can help could activate those people to donate who claim that they cannot afford. Not surprisingly the ones who had donated to Haiti's earthquake's victims had done it through donating boxes or in Internet from their bank account as question number 5. clarify. For the NPOs who put emphasis on their fundraising in Internet it sounds good news that people are already making money transfers by Internet for charity. Hopefully this proportion will be increasing in the future.

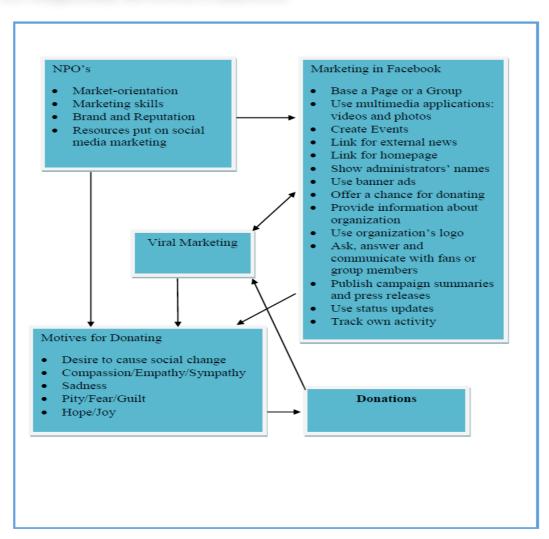
Question number 6. What emotions have this Page invoked? required an open answer. Even thought answers varied a lot, some emotions came up repeatedly, most of them being ones mentioned in the academic literature earlier in this study. This question was designed as an open question since respondents were not wanted to be lead to certain answers. Most respondents of this questions mentioned Page invoking them (43 feelings of sadness respondents), will to help (37), compassion/empathy/sympathy (24), hope (22), pity (21), joy (10), gratitude on how well respondents' things are (8), guilt (7), anxiety (5), pain (4) and unfairness (3). Some other emotions mentioned at least once were bitterness, frustration, relief, faith and irritation towards the Page. 10 persons responded that the Page did not invoke any or no special feelings and 5 persons could not define how they felt. Many of these emotions categorized here are analysis of the writer, since many answers did not express emotions in direct words, but they had to be interpreted from the phrases. It can be quite clearly seen that emotions that were mentioned earlier in the academic literature are the same as the respondents of this questionnaire felt when looking at World Vision's Page. However, many of the people who responded that they felt will to help added that even though the will exists, they will not do it, mostly because of lack of money or because they are already donating to some other charity.

Answers to question number 7. *Did this Page have effect on your decision whether to donate or not*? clarify that one Page does not have enough motivating factors to make people donate. Or it is possible that World Vision's Page was not convincing enough. However, most of the open answers to question 6. revealed that the Page was seen as moving and touching and it invoked a lot of emotions. One explanation may be that a campaign must be seen in many medias and places before it makes people to react. Another explanation could be that as Paul stated in his interview that World Vision is not that well-known yet, and this might lead people to donate through better-known organizations. Still this Page had *some* effect for 34,7% of respondents' donating decisions.

And clear majority (82,2%) had not seen their friends telling about their donations in Facebook as answers to question number 8. shows. This can be interpreted so that most people do not want to or are modest enough to announce their donations out loud. As speculated in the earlier chapters, this might not be appropriate. Also as question number 9. reveals, it would not even have any impact on other's donor behavior. These two questions do not show any clear evidence of a peer-pressure for donating in Facebook. However, as announcing directly about donations is not common but people still find and join for Pages such as World Vision's one because others do, it cannot be left outside of the possibilities that peer-pressure might exist.

Question number 10. asked that if respondents have donated to Haiti's earthquake's victims, have they told it to their friends. A bit over half responded no, and the rest responded either yes or I do not know. Even though the majority does not tell, there are people who do tell or do not remember or know doing that. This shows that some self-presentation might exist or many people discuss about hot topics with friends and word spreads. Still, it seems quite clear that people do not want to bring out these monetary issues, or it might also be that Finnish people have a tendency not to talk things that include money and incomes. Question number 11. reveals that clear majority (91,3%) of the respondents have donated to charity earlier. As seen in question number 3. half of the respondents have donated also to Haiti's emergence relief. It seems quite clear that the ones who have donated to charity once have a tendency to donate to different charities.

The last two questions try to clarify the operational use of Facebook in cases like Haiti's earthquake. Even though the opinions vary between the respondents of question 12. *How often would you like to receive updates of the progress of Haiti's aid delivery?* the clear majority cannot provide any other guidelines for frequency except that they are interested to receive news always where there is something new to tell. Also the answers for question number 13. vary between different options, over 50% prefer receiving information of similar cases as Haiti through Facebook. This might be obvious considering that the respondents are users of Facebook and have also joined the Page there.



### 6.5. Empirically Reviewed Framework

Figure 7. Empirically Reviewed Framework

Empirically reviewed framework concludes the findings of this study. In addition having an organization which fulfills the requirements of being market-oriented, having marketing skilled employees and holding a valuable brand and solid reputation are not enough. In order to success in fundraising in social media, NPO should also understand the benefits that social media has to offer and allocate enough resources in making marketing campaigns there. When organizations understand the value of Facebook, they most probably use it for marketing. However, just by possessing the requirements of market-orientation, good marketing skills, valuable brand and solid reputation and resources put on social media marketing might have a direct effect on people's motives for donating, even though they do not follow NPO's marketing actions in Facebook. They might get the information about donation possibilities elsewhere or seek for organizations by themselves.

The findings of this study confirm that Facebook can be an effective social media platform. Some benchmarking techniques for using Facebook for fundraising have been suggested in various researches and in interviews made for this thesis. The basis of it all is to create a Page or Group for the organizations. NPO has to take care that this Page includes all the basic information necessary to build trust towards the organization. This information consists of basic information about the organization itself and its missions, administrators' names, organization logo, link for NPO's homepage, former campaign summaries and press releases and also links to external news, which provide information about causes that the organization is committed to. For the sake of making the Page or Group interesting enough for the member or fans to return to, use of multimedia applications, such as videos and photos, is recommendable. They also have stronger emotional impact on people than just words, and NPO should reach people's affective side in order to make them feel for example empathy, sympathy, pity or guilt that in turn can be motives for donating.

One of the biggest advantages of social media in general for organizations to use is its interactivity. NPO should utilize this character of Facebook and update its status every once in a while, depending on the stage of the crisis. More when the wideness of destruction is defined and it should remember to inform people about the amount of persons harmed in the catastrophe and seriousness of the crisis. The Page or Group

should also have a "wall" which enables people to write, ask and discuss freely and organization to show presence, answer and contribute to the conversation. If NPO has a chance to organize different events, it is recommendable to use Events application and invite people to join. People feel themselves privileged when being insiders of groups and receiving invitations.

Banner ads are also a way to increase awareness, especially among those who are not part of the Group or Page. Facebook offers a possibility to segment its users according to their demographics and by their networks for example. Still using banners is chargeable function and its effectiveness is somewhat questionable. Many Facebook users claim to dislike advertisement in this platform. Organizational Pages and Groups are advertisement as such, but as they are voluntary to join, they may be seen as something voluntary. Whatever done in Facebook, an organization should track its own activity and follow if their updates and Pages create buzz and turn into viral marketing, which is free advertisement for the NPO and enable reaching larger crowds. Maybe the most important thing for NPOs who wish to increase their fundraising through Facebook, is to offer a direct chance for people to donate. This may be done by status updates, asking group members and fans to spread the word and use banner ads.

When Facebook is used in a right way and marketing messages and actions are attractive enough, it should end up causing buzz and virally spreading messages among networks. By well-made viral marketing, organizations can affect on people's motives for donating. Many times also people, especially fans and group members of a certain Facebook Page or Group get marketing messages in first hand, their motives for donating might be influenced without any viral elements in marketing. Virally spreading messages bring new audience to NPOs' Facebook Pages and Groups and therefore an organization must actively make updates and communicate with their fans and members, all in all keep being active marketers in Facebook.

If a cause is seen interesting and meaningful enough, a person might end up donating in order to cause social change or support the cause, but not necessarily the organization behind it. Other motives for donating can be for example feelings of pity, fear, guilt and empathy or sympathy as proven by the empirical research of this study. As stated in the theoretical framework, one cannot claim according to this study that peer-pressure would influence on donor's motives. The empirical evidences of this study also revealed that sadness is strongly felt by Facebook's emergency relief campaigns. Sadness might end up being the motive for donating, or it may lead to emotions of hope or joy which are felt after helping or after receiving news that thing are getting better where the money was directed. These motives might lead to donations. Donations might create a new viral wave if people talk about their donations or if NPOs use applications that show person's donation activity in his/her friends' news feed. This might end by causing more buzz and lead to larger amount of donations by donors' networks.

### 7. Conclusions

Even though Twitter was included as another SNS together with Facebook in the theoretical part of this study, it was barely analyzed in the empirical part and will be left out of the analysis. This is due to comments that both representatives of Unicef Finland and World Vision Finland gave about its use. It is not seen as one of the main SNSs used by these organizations and therefore not much emphasis is put on it. However, it is worth of mentioning that according to the academic literature, Twitter is an effective platform in USA where most of the academic researches about NPOs' fundraising has been done. Nowadays Twitter does not have enough big crowds of people from Finland, but this might change in the future and Twitter might increase its potential as a marketplace also in Finland.

## 7.1. Empirical Contributions

To answer to the main research question of this study How will marketing techniques in Facebook and Twitter increase fundraising of NPOs? one of the most important benefits is the viral nature of social media. Even though social media may not be the most effective fundraising place, its importance has been and will be increasing in the future. Marketer has to be where its audience is, and nowadays social media's platforms have been increasing in popularity and NPOs must utilize them if wanting to compete with other NPOs. By using different marketing and communication strategies in order to attract more people, NPOs may gain visibility and enhance their brand's recognition. Solid reputation and recognizable brand are one of the most influencing factors when choosing an organization to whom to donate. Even though people may not donate directly because of Facebook's or Twitter's campaigns, NPOs' reputation can be enhanced in social media, people can be directed to NPOs' websites and money can be collected elsewhere if not in social media. Especially Facebook is maybe the most important place for spreading information about campaigns, because many people use it daily. Thanks to its virality, information spreads to networks of the people who are interested of NPOs and get familiar of the existence of different Pages even without wanting.

Answering to a sub question *What different marketing actions should NPOs take in Facebook and Twitter?* may be trickier. No one can define which marketing actions work in all cases, so nothing can be generalized. However, according to a questionnaire and its open answers, providing sufficient information about the situations in the place where donated money is directed can be seen important and it creates trust that money is directed where it should go. Also telling about results achieved brings hope for possible donors and this feeling is one of the most important when trying to appeal on emotions. Different viral campaigns bring new audience to NPOs and they must be convinced to donate. Good reputation and brand are very helpful, so by getting a lot of visibility through different organized events and active campaigns, interest to the organization's acts can be invoked. Also known partners of cooperation can be used as valuable reference and they raise trust towards the organization. Empirical results showed how many people would like to help but they

claim not having enough money. Stating clearly that even the smallest amount will help could be included to the campaigns. This might lead to bigger number of donations and by getting a person to donate once, will make it easier to convince him/her doing it again and even the amount donated might increase over time. Also the information of how to donate must be very well stated so that no one has to search for it.

To answer to the last sub question *How can the users of Facebook and Twitter be motivated for spreading the word and donating?* two things can be seen essential. These are providing much information and appealing to emotions. Clear majority of the respondents of questionnaire answered that new information should be sent always when there is something new to tell. Even though some might get tired of frequent updates, most of the people interested of the subject will not and they are eager to hear about the situation. This means that sufficient resources and professional labor must be allocated to social media marketing. Different fundraising channels support each other and information can be spread in many places. Still social media's importance should not be overlooked, because for many people it is the only channel where information can be provided on daily bases.

The messages and multimedia effects (photos, videos) sent in Facebook should be both informative and emotional. The emotions can be invoked by showing the miserable situation in where the money is raised. Sadness is maybe the most effective emotion that makes people want to help and feel compassion to those in need of aid. Hope on the other hand is gained by showing results. According to the empirical findings, sadness and hope should be tried to invoke in possible donors when trying to gain donations. Making people to spread the word is the hard task. However many people join different Pages and Groups because they find about it thanks to their networks. Empirical findings of this research do not support the theory of peerpressure. Still if possible, when making money transfers in Internet, an application where the donor can choose if his/her donation activity could be shown in the news flow of Facebook might be a good thing to develop and still test the effectiveness of peer-pressure. Both of the examined organizations clearly have market-oriented mindsets and professional people taking care of the social media marketing and communications. Unicef Finland has a solid brand already and World Vision Finland is well aware of its importance and is therefore trying to achieve one knowing that it helps a lot when raising funds, since it can be seen as a fact that the brand and reputation makes a difference when people are selecting the organization to whom to donate. In the empirically reviewed framework was named some activities, which NPOs should take in Facebook in order to achieve the best possible visibility and fundraising results. Both Unicef Finland and World Vision Finland seem to follow quite well these guidelines. They both have Pages in Facebook and they use different multimedia applications such as photos and videos to bring information and emotional material to their Pages. Their Pages are also linked to their websites and to other external information sources. Also some Events are created for different campaigns. One of the most important thing highlighted in the theoretical part is to provide direct possibilities for donating in social media is well taken cared of by these organizations in their Facebook Pages. Contrary to theoretical guidelines neither of examined NPOs show their administrators names in their Pages. This may not be a big mistake, but showing them could bring the organization a bit closer to its user. Both of these organizations also use their logos and provide organizational information in their Pages. However Unicef Finland gives a wider outlook to organization's history and missions. World Vision Finland has utilized lots of paid banner ads in Facebook and according to a questionnaire made for their fans, they show to work well, at least for bringing new people to their Pages.

World Vision Finland and Unicef Finland can be seen very active in updating their status' by providing new information or updates of their campaigns. However even though their fans are also very active in *liking* the updates and sometimes commenting them, neither of these organizations communicate, answer and discuss very actively with their fans. It can also be seen that both these NPOs also communicate their campaign summaries and give updates on how well aid is being delivered to the target and give additional details. Also they both seem to track their Facebook activity, since they are pretty well aware of their fan bases and what Facebook can bring to them. At least it is known that it is worth of putting efforts on

Facebook campaigns, contrary to those in Twitter, which were tracked to not be successful enough to put emphasis on them.

What comes to the donor behavior, in the questionnaire where 384 person answered was tried to find out some motivations how people had joined World Vision Finland's theme Page *Hope for Haiti's children (Toivoa Haitin Lapsille)* in the first place and if they have donated for this fundraising campaign and what emotions the Page brought to them. Out of the motivations mentioned in the empirically reviewed framework can be claimed that a desire to cause social change, empathy, sympathy, pity and guilt seemed to be strongly felt emotions. Others mentioned many times were sadness, hope and joy. In the light of the results of the questionnaire, peer-pressure cannot be claimed to affect on donation intentions. To prove its possibly significant influence deeper research would be needed. It was not asked in the questionnaire how people felt when donating so no evidence of existence of feelings of prestige, good self-esteem or self-presentation can be provided. These are also somewhat negatively seemed feelings so most people probably would not admit feeling them anyway. It would also need deeper examinations to prove these feelings affecting to donor behavior.

The questionnaire reveals clearly that virality in Facebook campaigns is a significant factor helping NPOs to get new fans to their Pages. This might not directly lead to increased donor base, but it can be argued that it does help. The route for NPOs to find donors for their campaigns in Facebook has many small factors to be taken cared of in order to win the competition among other NPOs and win people on their side and actually get their donations. Investigated World Vision Finland and Unicef Finland seem to have adapted pretty well the guidelines of how to make successful Facebook fundraising campaigns. No significant differences between the marketing techniques in Facebook can be seen between these two organizations. Even though two NPOs are not sufficient enough to provide generalizable data, one can argue that based on these findings, Finnish NPOs have adapted well the marketing techniques in Facebook.

### 7.2. Managerial Contributions

Facebook is nowadays an effective channel for spreading information and making marketing campaigns. Since the people are already there, it can be claimed that its importance in fundraising campaigns will be increasing during next years. Over 57% of the respondents of a questionnaire made for the purposes of this thesis stated that they prefer to receive information about similar emergency relief targets such as Haiti through Facebook. This shows that it is a widely and frequently used channel, and also to the marketer less resources demanding than sending email newsletters or similar. Empirical findings of this study support the thought that most of the Finnish NPOs are already efficiently and professionally using social media, which means that competition is hard and social media, especially Facebook, should be taken seriously and resources must be allocated there.

Using Pages and updating them frequently is the base of Facebook use today for organizations. Some lack in NPOs' activity on answering and commenting fans' comments in Facebook was found in this study, so more emphasis should be put on utilizing the possibilities of interactivity. Messages planned must include informative and emotionally appealing features. The most influential emotions according to findings of this study are sadness and hope which in turn might turn into compassion and will to help. Many people state that they would like to help, but they do not donate because of lack of money. This is a dilemma that should be solved, since most of the Finnish people most likely can afford to donate even only one euro. People should be encouraged to also donate small amounts which is easy to do as a money transfer in Internet, where no one will lose their face, because of not donating more. Getting people to donate once will increase the likelihood of getting them donate again in the future, since 91,3 % of the respondents of a questionnaire of this study had donated earlier to charity. Face-to-face fundraising is still the most effective way of collecting money for emergency relief, but it can be claimed that for providing information to bigger crowds Facebook is nowadays more effective. Most likely its significance as a place for raising funds will be increasing in next years, and creating a big fanbase is important now before the next emergency relief campaigns such as Haiti's earthquake was in 2010. NPOs who do not see Twitter as an effective

marketing tool due to the lack of mass in it could perhaps try to activate their possible celebrity cooperators who have worked with them in some campaigns, and try to increase the number of organization's followers with help of them.

# 7.3. Limitations

Empirical part of this study was done in Finnish to avoid wrong interpretations and so that respondents of the questionnaire and interviewees could answer in their mother tongue. Using Finnish decreased the amount of misunderstandings and most likely increased the scope of answers. This however might have lead to some mistakes in nuances when translating the language and the answers. More interviews per NPO was wanted when designing the empirical part, but was not provided so some differing in opinions could have occurred and more extensive data could have been collected. Also the number of interviewed organizations (2) is not big enough in order to generalize findings to all humanitarian NPOs in Finland. However, the two NPOs interviewed for this thesis had so similar attitudes and ways of using Facebook and trials of Twitter that it seems, that for the most part of the findings could be extended concerning other humanitarian NPOs in Finland. The amount of responses (384) for the questionnaire sent to fans of World Vision Finland's theme Page in Facebook is quite representative and gives a good insight to its respondents' thoughts. Some questions planned for the questionnaire might have not supported World Vision Finland's way of wanting to contact their fans and were left out from the questionnaire, so some interesting questions were left without answers. In order to better find out people's emotions and donors motivations, deeper interviews and observation could have provided deeper understanding. Still, some good guidelines for NPOs raising funds in Facebook were gained.

# 7.4. Suggestions for Future Research

The empirical findings of this study did not support the theory of peer-pressure affecting donor behavior. This area would still need further investigation, because virality is clearly seen as effective way of spreading information and making marketing campaigns more successful. It is hard to believe that virality would not also affect on donor behavior. The concept of slaktivism is still a new phenomenon missing bigger investigations. Many people *like* many campaigns, services and products in Facebook, but most likely are not willing to spend money or time on it. The relation between slactivism and acting is very interesting topic for a research, both in non-profit as in for-profit sectors. NPOs in general have been investigated during decades, but not that much research has been done about their viral campaigns and multimedia's use for fundraising, which also require more investigations in future. Especially nowadays when the number of natural catastrophes has been increasing and people's values have softened, possible donors can be found from every age group with different backgrounds.

### References

Aronson, J. (1994), A Pragmatic View of Thematic Analysis. The Qualitative Report, Vol. 2, No.1.

Batson, C. (1983), Sociobiology and the Role of Religion in Promoting Prosocial Behavior: An Alternative View. Journal of Personality and Social Psychology, Vol.45, No.6, 1380-1385.

Berman, S., Abraham, S., Battino, B., Shipnuck, L. & Neus, A. (2007), *New business models for new media world. Strategy & Leadership*, Vol.35, No.4, 23-30.

Boyatzis, R. (1998), *Transforming Qualitative Information: Thematic Analysis and Code Development*. Thousand Oaks, SAGE Publications.

Brannen, S. (1996), On campaigning as an effective tool to encourage wider support for a cause. Journal of Non-profit and Voluntary Sector Marketing, Vol.1, No.1, 14-22.

Buffardi, L. & Campbell, W. (2008), *Narcissim and social networking web sites*. *Personality and Social Psychology Bulletin*, Vol.34, No.10, 1303-1314.

Buttle, F. (1998), *Word of mouth: Understanding and managing referral marketing. Journal of Strategic Marketing*, Vol.6, No.3, 241–254.

Byrne, B. (2004), Qualitative Interviewing. In C. Seale (ed.), Researching Society and Culture, 2<sup>nd</sup> edition. Thousand Oaks, SAGE Publications.

Carrera, P., Chiu, C., Pratiwattanawong, P., Chienwattanasuk, S., Ahmad, S. & Murphy, J., (2008), *MySpace, my friends, my customers. Information and communication technologies in tourism 2008.* 

Chan, R & Chau, A (1998), Do Marketing-oriented children and youth centers (CYCs) perform better: an exploratory study in Hong Kong. Journal of Professional Services Marketing, Vol.17, No.1, 15-28.

Connors, T (1993), *The Nonprofit Management Handbook*. New York: John Wiley and Sons.

Courtney, R. (2002), *Strategic management for voluntary and non-profit organisations*. Routledge, London.

Cruz, D. & Fill, C. (2008), *Evaluating viral marketing: isolating the key criteria. Marketing Intelligence & Planning*, Vol.26, No.7, 743-758.

Curtis, L., Edwards, C., Fraser, K., Gudelsky, S., Holmquist, J., Thornton, K. & Sweetser, K. (2009), *Adoption of social media for public relations by nonprofit organizations*. *Public Relations Review*, Vol. 36, 90-92.

Dedecaux, C. (2009), *Operationalizing key constructs of construal level theory to maximize donor generosity toward advertising messages*. A dissertation of philosophy. Michigan State University.

Degraffenreid, S. (2006), *Beyond Advertising: Why people are the new media. Handbook of Business Strategy*, Vol.7, No.1, 81-85.

Denzin, N. & Lincoln, Y. (2003), Strategies of Qualitative Inquiry. Thousand Oaks, SAGE Publications.

Dobele, A., Toleman, D. & Beverland, M. (2005), *Controlled infection! Spreading the brand message through viral marketing. Business Horizons*, Vol.48, No.2, 143-149.

Dolnicar, S. & Lazarevski, K. (2009), Marketing in non-profit organizations: and international perspective. International Marketing Review, Vol.26, No.3, 275-291.

Driscoll, K. (2009), Non-profits find new friends in new media. Rochester Business Journal, Vol.25, No.2, 22.

Eikenberry, A. & Kluver, J. (2004), *The marketization of the nonprofit sector: Civil society at risk? Public administration review*, Vol.64, No.2, 132-140.

Ferguson, R. (2008), Word of Mouth and Viral Marketing: Taking the Temperature of the Hottest Trends in Marketing. Journal of Consumer Marketing, Vol.25, No.3, 179-182.

Gainer, B. & Padanyi, P. (2002), *Applying the marketing concept to cultural organizations: An empirical study of the relationship between market orientation and performance, International Journal of Non-profit and Voluntary Sector Marketing*, Vol.7, No.2, 182.

Gillham, B. (2007), *Developing a questionnaire*. London. Continuum International Publishing.

Gonzales, L., Vijande, M., & Casielles, R. (2002), *The market orientation concept in the private nonprofit organization domain. International Journal of Nonprofit and Voluntary Sector Marketing*, Vol.7, No.1, 55-67.

Grace, D. & Griffin, D. (2006), *Exploring conspicuousness in the context of donation behaviour*. *International. Journal of Nonprofit Voluntary Sector Marketing*, Vol.11, 147–154.

Hagel III J., & Armstrong, A. (1996), *The Real Value of ON-LINE Communities*. *Harvard Business Review*, Vol.74, No.3, 134-140.

Hall, P. (1987), A historical overview of the private non-profit sector. The non-profit sector: A research handbook. Yale University Press. London.

Hankinson, P. (2000), *Better branding leads to more charitable giving. The Edge 7.* Swindon: ESRC.

Hibbert, S., Smith, A., Davies, A. & Ireland, F. (2007), *Guilt Appeals: Persuasion Knowledge and Charitable Giving. Psychology and Marketing*, Vol. 24, No.8, 723-742.

Hill, L. & White, C. (2000), *Public relations practitioners' perception of the world wide web as a communications tool. Public Relations Review*, Vol.26, No.1, 31-51.

Hirsjärvi, S., Remes, P. & Sajavaara, P. (2009), *Tutki ja Kirjoita*. 15<sup>th</sup> edition. Kustannusosakeyhtiö Tammi. Helsinki.

Holzner, S. (2009), *Facebook Marketing: Leverage Social Media to Grow Your Business*. United States: Que Publishing.

Hsu, J., Liang, G. & Tien, C. (2005), Social concerns and willingness to support charities. Social Behavior and Personality, Vol.33, No.2, 189-200.

Jo, S. & Kim, Y. (2003), *The effect of web characteristics on relationship building*. *Journal of Public Relations Research*, Vol.15, No.3, 199-223.

Kenix, L. (2007), *In search of utopia: an analysis of non-profit web pages. Information, Communication & Society,* Vol.10, No.1, 69-94.

Kohli, A. & Jaworski, B. (1990), Marketing Orientation: The Construct, Research Propositions and Managerial Implications. Journal of Marketing, Vol.54, No.2, 1-18.

Kotler & Andreasen (1996), *Strategic Marketing for Nonprofit Organizations*. Prentice Hall.

Kottasz, R. (2004), *How should charitable organizations motivate young professionals to give philanthropically. International Journal of Nonprofit and Voluntary Sector Marketing*, Vol.9, 9-27.

Kozinets, R. (1999), *E-tribalized marketing?: the strategic implications of virtual communities of consumption. European Management Journal*, Vol.17, No.3, 252-264.

Kulp, S. (2007), Advertising Amongst Ourselves: A Qualitative Study of Viewer Attitudes Towards Viral Marketing, School of Journalism and Mass Communication, Master's Thesis. University of North Carolina at Chapel Hill.

Lee, Y. & Chang, C. (2007), *Who gives what to charity? Characteristics affecting donation behavior. Social Behavior and Personality*, Vol.35, No.9, 1173-1180.

Macedo, I. & Pinho, J. (2006), *The relationship between resource dependence and market orientation: The specific case on non-profit organisations. European Journal of Marketing*, Vol.40, No.5/6, 533-553.

Martin, R & Randal, J. (2008), *How is donation behavior affected by the donations of others? Journal of Economic Behavior & Organization*, Vol. 67, 228-238.

McLeish, B (1995), *Marketing for Nonprofit Organizations*: New York: John Wiley & Sons.

Merchant, A. (2008), *How personal nostalgia influences giving to charity*. A dissertation, Old Dominion University.

Micklewright, J. & Schnepf, S. (2009), Who gives charitable donations for overseas development? Journal of Social Policy, Vol.38, No.2, 317-341.

Miles, M. & Huberman, A. (1994), *An Expanded Sourcebook: Qualitative Data Analysis.* 2<sup>nd</sup> edition, Thousand Oaks, SAGE Publications.

Muñoz, C. (2003), *The Effect of Interpersonal Influence within Virtual Communities*. A dissertation, Auburn University.

Mäenpää, M. (2008), Virtuaaliyhteisöjen muodostuminen jäsenten motivaationäkökulmasta: Case Uutisyhteisön luominen. Master's Thesis for Marketing, Helsinki School of Economics.

Padanyi, P. (2001), *Testing the boundaries of marketing concept: Is market orientation a determinant of organizational performance in the nonprofit sector?* A dissertation, York University, Ontario.

Pavičić, J. Renko, N. & Alfirević, N. (2001). *The Role of Competitive Analysis and Marketing Orientation in Improving Competitiveness of the Non-Profit Sector – Theoretical Background and Empirical Evidence*. Fourth International Conference on Enterprise in Transition, Split-Hvar.

Perez-Lugo, M. (2004), Media uses in disaster situations: A new focus on the impact phase. Sociological Inquiry, Vol.74, No.2, 210-225.

Porter E. (2004), A Typology of Virtual Communities: A Multi-Disciplinary Foundation for Future Research. Journal of Computer-Mediated Communication, Vol.10, No.3.

Porter, L. & Golan, G. (2006), From Subservient Chickens to Brawny Men: A Comparison of Viral Advertising to Television Advertising. Journal of Interactive Advertising, Vol.6, No.2, 71-86.

Radley, A. & Kennedy, M. (1995), *Charitable Giving by Individuals: A Study of Attitudes and Practice. Human Relations,* Vol.48, No.6, 685-709.

Salmenkivi, S. & Nyman, N. (2007), *Yhteisöllinen Media ja Muuttuva Markkinointi*. Helsinki: Talentum.

Sargeant, A., Ford, J. & West, D. (2006), *Perceptual determinants of nonprofit giving behavior. Journal of business research*, Vol. 59, No.2, 155-165. Sargeant, A & Woodliffe, L. (2007), *Gift giving: an interdisciplinary review. International Journal of Nonprofit and Voluntary Sector Marketing*, Vol.12, No.4, 275-307.

Silverman, D. (2006), *Interpreting Qualitative Data*. 3<sup>rd</sup> edition. Thousand Oaks, SAGE Publications.

Silverman, G. (2001), *The Power of Word of Mouth. Direct Marketing*, Vol.64, No.5, 47-52.

Soder, C. (2009), Social media become key tool for nonprofits. Crain's Cleveland Business, Vol.30, No.45, 5.

Solomon, M. Bamossy, G. & Askegaard, S. (2002), *Consumer Behaviour: A European Perspective*, Prentice Hall Europe, 2<sup>nd</sup> edition.

Solomon, M., Bamossy, G., Askegaard, S. & Hogg, M. (2006), *Consumer Behaviour: A European Perspective*, Prentice Hall Europe, 3<sup>rd</sup> edition.

Thelwall, M. & Stuart, D. (2007), *RUOK? Blogging communication technologies during crises. Journal of Computer-Mediated Communication*, Vol. 12, No.2.

Threatt, S. (2009), *Faceboon and the ideal social marketplace: A study of the marketing benefits of social media practices.* A master's thesis, University of Southern California.

Torres Y. & Briggs E. (2007), Identification Effects on Advertising Response. Journal of Advertising, Vol.36, No.3, 97-108.

Trusov, M., Bucklin, R. & Pauwels, K. (2009), *Effects of Word-of-Mouth Versus Traditional Marketing: Findings from an Internet Social Networking Site. Journal of Marketing*, Vol.73, 90–102

Urubail, U. (2004), Antecedents and consequences of flow state in virtual communities hosted by companies. Master's Thesis. Mangalore University.

Waters, R., Burnett, E., Lamm, A. & Lucas, J. (2009), *Engaging stakeholders through social networking: How nonprofit organizations are using Facebook. Public Relations Review*, Vol.35, No.2, 102-106.

Weber, L. (2007), *Marketing to the Social Web: How Digital Customer Communities Build Your Business*. Hoboken: John Wiley & Sons, Inc.

West P. (2004), *Conspicuous Compassion: Why Sometimes it Really is Cruel to be Kind.* Civitas Institute for the Study of Civil Society: London.

Wilson, R. (2005), The six principles of viral marketing. Web Marketing Today.

Yin, R. (2009), *Case Study Research: Design and Methods*. 3<sup>rd</sup> edition, Thousand Oaks, SAGE Publications.

Young, D. & Salamon, L. (2002), *Commercialization, social ventures, and for-profit competition. The State of Nonprofit America.* Washington, DC: Brookings Institution Press, 423-446.

## **Internet References**

2010 Nonprofit Social Media Benchmarks Study: An Analysis of Growth and Social Engagement Metrics for Nonprofit Organizations. <u>www.e-</u>benchmarksstudy.com/socialmedia. 5.4.2010.

BBC News (2010), *Twitter and Facebook users respond to Haiti crisis*. <u>http://news.bbc.co.uk/2/hi/americas/8460791.stm</u>. 5.4.2010.

Digitalikko, Dagmar. *Facebookissa massaa, fanisivuilla rippeitä*. <u>http://dagmar.typepad.com/digitalikko/2009/12/facebookissa-massaa-fanisivuilla-rippeit%C3%A4.html</u> 18.5.2010.

Facebook.

http://www.facebook.com/press/info.php?factsheet#!/press/info.php?statistics. 16.8.2010.

Internet World Stats. http://www.internetworldstats.com/stats.htm. 31.3.2010.

Java, A., Finin, T., Song, X. & Tseng, B. (2007), *Why We Twitter: Understanding Microblogging Usage and Communities*. International Conference on Knowledge Discovery and Data Mining. <u>http://portal.acm.org/citation.cfm?id=1348556</u> 13.5.2010.

Mack, N., Woodsong, C., Macqueen M., Guest, G. & Namey, E. (2005), *Qualitative Research Methods: A Data Collector's Field Guide an overview.* www.fhi.org/NR/rdonlyres/.../overview1.pdf. 19.1.2010.

Morozov, E. (2009), Using Spin to Control Social Media. <u>http://www.forbes.com/2009/11/09/social-media-politics-leadership-power-09-morozov.html.</u> 5.4.2010.

O'Reilly, Tim. (2005), What Is Web 2.0. <u>http://www.oreillynet.com/pub/a/oreilly/tim/news/2005/09/30/what-is-web-20.html.</u> 3.4.2010.

Routio, P. (2007), *Models in the Research Process*. <u>http://www2.uiah.fi/projects/metodi/177.htm.</u>19.1.2010.

Smith, J. (2009), *How to Import Your Blog Into Facebook. Inside Facebook.* <u>http://www.insidefacebook.com/2009/02/22/how-to-import-your-blog-into-facebook.</u> 3.4.2010.

Thornton, S. (2009), *Twitter versus Facebook: Should you Choose One?* <u>http://www.twitip.com/twitter-versus-facebook/</u> 19.1.2010.

Unicef. http://www.unicef.org/. 15.6.2010.

Unicef Finland. <u>http://www.unicef.fi/</u> 15.6.2010.

World Vision International. <u>http://www.wvi.org/</u> 15.6.2010.

World Vision Finland. <u>http://www.worldvision.fi/</u> 15.6.2010.

# Appendixes

# **Interview questions**

### Information about the interviewee

Your name

Your age

Your position at the organization

Your work tasks

How long have you worked for this organization?

Interview questions

The use of Facebook and/or Twitter

Does your organization use Facebook and/or Twitter for fundraising?

Why?

How? (What marketing actions do you take in Facebook and/or Twitter?

The role of Facebook and/or Twitter in marketing strategy

What is the role of Facebook and/or Twitter in your fundraising strategy?

Are there any guidelines, responsible persons and techniques defined for the use of social media?

How do you believe that marketing techniques can be used to increase fundraising in Facebook and Twitter?

Who is responsible in taking care of marketing in Facebook and/or Twitter? (Do these persons have a relevant education?)

Do you consciously use viral marketing techniques?

Operational use of Facebook and Twitter

How did you use Facebook and/or Twitter for fundraising for the victims of Haiti's earthquake?

What applications do you use in Facebook?

Which of them do you consider useful? Which not? Why?

How often do you make updates and response to fans/followers in Facebook and/or Twitter?

Do you provide direct possibilities for donating in Facebook and/or Twitter?

Do you track your actions in Facebook and/or Twitter?

Do you keep record of donations made through Facebook/Twitter?

Perceptions about donors

Do you know your Facebook/Twitter fans/followers?

Are the donations made anonymously?

Do you know if same donors make donations frequently?

Do you try to reach new and/or old donors?

How do you believe users of Facebook and Twitter can be motivated to donate and virally spread the word of donating possibilities?

Do you pursue in appealing to some feelings of potential donors? (Sympathy, empathy, guilt, fear, social responsibility, feeling good about oneself etc.)

Do you believe that the knowledge of donations made by other affect on donor behavior of others in the network?

What would you like me to ask from donors?

Future outlook on social media use for fundraising?

# Questionnaire

			1
1. How did you find this Page for the first time?			
	Number of respondents		383
I was looking for it	9		2,30 %
A friend has joined as a fan	113	29,50 %	
In the news flow of Facebook	143	37,30 %	
Through Facebook ad	90	25,10 %	
Another way	22	5,70 %	
2. Have you told your friends about this Page?			
	Number of respondents		378
Yes	126	33,30 %	
No	201	53,20 %	
I do not know	51	13,50 %	
3. Have you donated for Haiti's earthquake's victims?			
	Number of respondents		384
Yes; through World Vision	39	10,20 %	
Yes; through another organization	155	40,40 %	
No	190	49,50 %	
4. If you answered no; why not?			
	Number of respondents		190
I do not have money	85	44,70 %	
I do not believe that money reaches its targets	30	15,80 %	

I was too lazy	6	3,20 %	
I did not find a proper target or organization	12	6,30 %	
Information about donation possibilities was not easily			
available	19	10,00%	
Another reason	64	33,70 %	
5. How did you donate?			
	Number of respondents		191
By text message	25	13,10 %	
By donation phone number	25	13,10 %	
To donation boxes	87	45,50 %	
By making a donation from my bank account in Internet	69	36,10 %	
6. What emotions has this Page invoked? (Open quest	ion)		
	Number of respondents		245
7. Did this Page have effect on your decision whether t	o donate or not?		
	Number of respondents		378
A lot	28	7,40 %	
Some	131	34,70 %	
No	219	57,90 %	
8. Have you seen your friend telling in Facebook abou	t donating to Haiti?		
	Number of respondents		383
Yes	68	17,80 %	
No	315	82,20 %	
9. If yes; has it affected on your will to donate?			
	Number of respondents		225
A lot	14	6,20 %	
Some	50	22,20 %	
Not at all	161	71,60 %	
10. If you have donated to Haiti's earthquake's victim	s, have you told your		
friends about your donation?			
	Number of respondents		330
Yes	82	24,80 %	
No	179	54,20 %	
I do not know	69	20,90 %	
11. Have you donated earlier to charity?			
	Number of respondents		378
Yes	345	91,30 %	
No	33	8,70 %	
12. How often would you like to receive updates of the	progress of Haiti's aid d	elivery?	

	Number of responder	nts	379
Always when there is something new to tell	230	60,70 %	
Once a week	30	7,90 %	
Once a month	83	21,90 %	
Less often	36	9,50 %	
13. What is the most pleasant way to receive info	rmation in similar cases?		
	Number of responder	nts	379
By emails	39	10,30 %	
By text messages	8	2,10 %	
From organization's homepage	64	16,90 %	
From Facebook	218	57,50 %	
Something else	50	13,20 %	