

Between Social Media Visibility on YouTube and Fundraising Efficiency

Abstract

In this study we look for a correlation between social media visibility on YouTube and fundraising efficiency of large nonprofits in the US. We find that such a correlation indeed exists and that high social media visibility goes hand-in-hand with efficient fundraising.

Key Findings

- Most nonprofits are barely scratching the surface when it comes to social media marketing. On YouTube in particular, with communities of tens of thousands, we expect nonprofits to attract tens of thousands of views per movie on average and not a few thousand at best.
- The top social media savvy national nonprofits are 13% most efficient fundraisers than the average national nonprofit. This means that an organization with a viable social media marketing strategy is more efficient than the average organization.
- Lagging social media performers are 17% less efficient fundraisers than the average nonprofit. This means that organizations without a viable social media marketing strategy are less efficient than the average organization.

Introduction

Social media websites are the fastest growing websites online and continue to see a rapid, continuing increase in their audience and reach. Catching up with this online trend, nonprofits are increasingly turning to social-media initiatives in hopes of expanding their member base, message reach and potential donations. The social media arena is not indifferent to this phenomenon and builds new and improved solutions for nonprofits to promote their cause. Naturally, it seems that social media marketing is an important new tool for nonprofits to promote their goals, offering wide reach with relatively low operational cost.

We set to see if we can find how wide the nonprofits' acceptance of social media marketing really is, and how beneficial are the efforts spent on the social media front.

Methodology

Fundraising Efficiency

We approximate a non-profit organization's fundraising efficiency, FE, based on the organization's filed Form 990. We define FE as the ratio between the organization's fundraising expenses - total functional expenses spent on fundraising, and its revenues from fundraising. Note that the lower FE the more efficient the organization is. The data for the different organizations' fundraising statistics was taken from CharityNavigator.org, the nation's largest and most-utilized evaluator of charities.

Social Media Visibility

Our research requires the definition of an organization's social media visibility, SMV, a complex concept that lacks a formal, widely-accepted definition. To approximate the SMV and to simplify the definition we focused on YouTube, one of the leading social media sites today, and used the organization's YouTube visibility as a representation of an organization's real SMV. Under this assumption we define the SMV of an organization based on all the videos on YouTube that exhibit the organization's name - in their title, description or tags, as found by YouTube's internal search engine. We combine the data from these into a single comparable number, our social media visibility index, SMVI, defined as the average number of views for the top 25 videos, ordered by their total view count.

Testing the visibility of a large number of nonprofits on YouTube requires the definition of a simplified set of instructions for finding an organization's videos. We define our instructions as the mapping between an organization's meta-data to its specific set of videos, as uniquely defined by a single, possibly complex YouTube search term. Prior testing revealed that good approximation for an optimal mapping function can be achieved by using a simple YouTube search term containing the full organization name, but only for organizations with a name shorter than five words.

Data Set Selection

To reduce statistical errors and discrepancies in nonprofit fundraising data, we base our study group on a large number of nonprofits, all operating in the US on a national level, all with large annual expenses - larger than \$13.5M per year. We limit our case study to the unbiased group of organizations whose name contains fewer than five words.

Boundary cases are eliminated by removing nonprofits with zero visibility on YouTube and the top and bottom 10% organizations based on their total fundraising expenses.

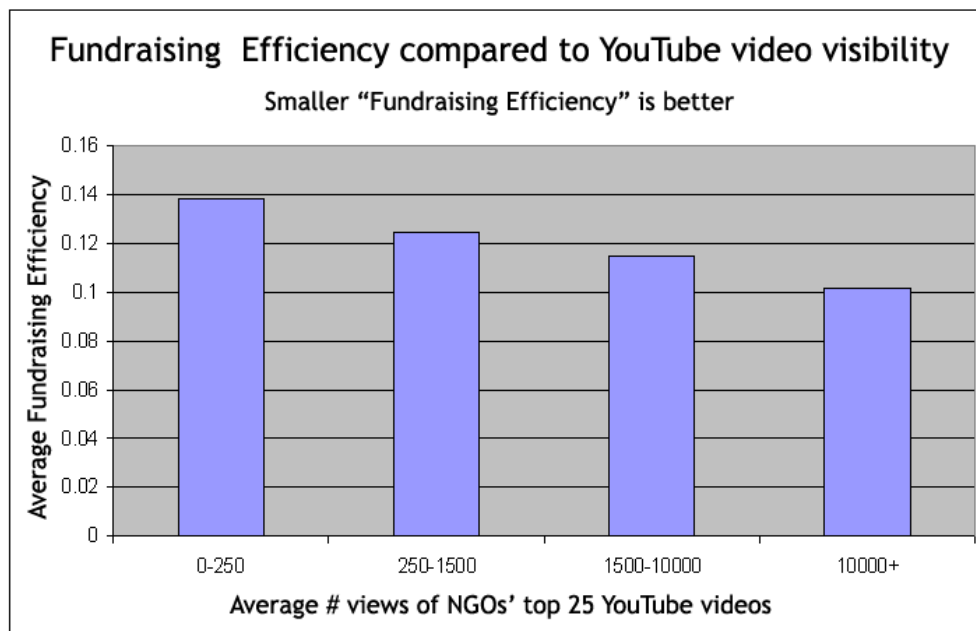
Analysis

FE & SMVI

Based on our previously described methodology, we were left with a refined data set of 81 highly recognized nonprofits.

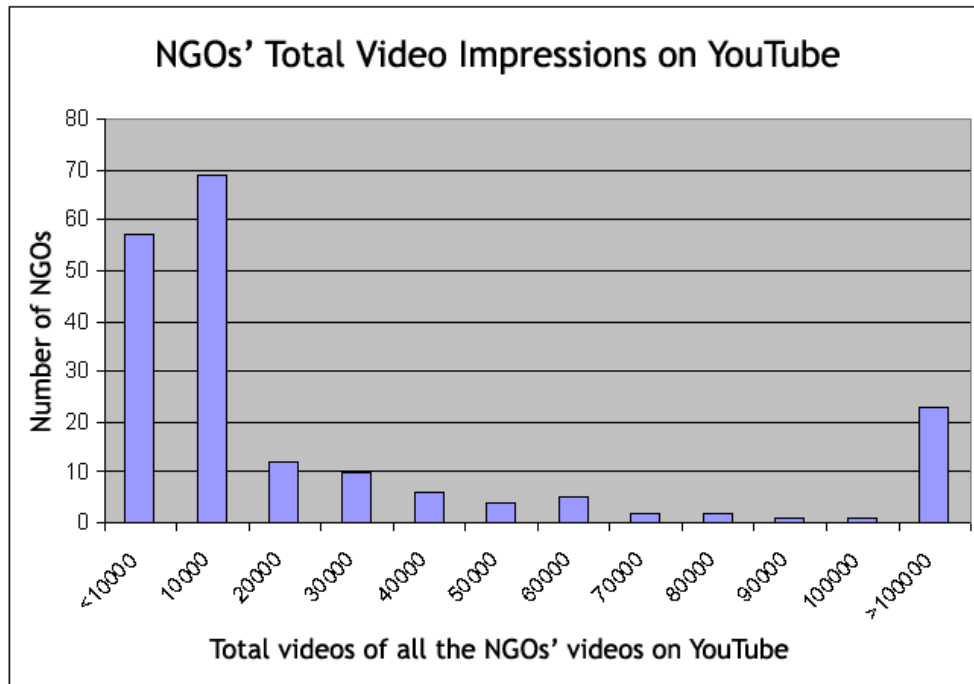
Looking at the organizations sorted by their Social Media Visibility Index, we notice that as the SMVI rises, we see an average improvement in the organization's fundraising efficiency. Specifically, in our data set, organizations with an SMVI smaller than 250 (average of less than 250 views for their top 25 videos) have an average fundraising efficiency of 0.139, which is 13% higher than the FE average in the group. Organizations with an SMVI larger than 10000 have an average FE of 0.102 which is 17% lower than the group's average FE.

To summarize - organizations with high social media visibility are 27% more efficient on average than organizations with low social media visibility.



Video views per nonprofit

We examine the full dataset of large national nonprofits, 192 in total, with an average of \$6.79M annual fundraising expenses. We test for their approximate total YouTube views, counting the total video views of all the videos mentioning the organizations by full name.



Two-thirds of these large nonprofits' videos were viewed less than twenty thousand times in total. Only 12% of these respectable organizations have managed to attract a "fair" number of views with a total larger than a hundred thousand eyeballs.

Discussion

- We find a correlation between an organization's visibility in the social media and its fundraising efficiency. A nonprofit with a viable social media marketing strategy is more efficient than the average nonprofit, returning more funds for each dollar spent on fundraising, whereas nonprofits without a viable social media marketing strategy are less efficient than the average nonprofit. Targeted marketing is most important and it follows naturally that when nonprofits target the social media effectively, an arena that sees constant growth, they get encouraging results in return.
- Most nonprofits are barely scratching the surface when it comes to social media marketing. Most organizations haven't even taken a step towards the social media waters and those that have don't seem to manage to attract audience to their messages. With tens and even hundreds of thousands of registered supporters, large nonprofits could have harnessed their natural communities to raise awareness to their cause, especially in the affordable and effective promotion verticals that are the social media outlets. With such communities, on YouTube in particular, we could expect to see tens of thousands of views per movie on average and not mere thousands.



Resources

- [Charity Navigator](#)
- [YouTube](#)

About Collactive

Collactive is the only platform provider for online marketing in social media. Collactive's technology helps the organization to generate buzz online. Collactive generates online buzz by mobilizing an organization's supporters through social media. The innovative technology provides ready-to-use tools that make social media participation powerfully simple. Collactive campaigns that are easy to set up and launch, generate radical results for a brand or issue in a predictable, measurable and cost effective manner.

About Charity Navigator

Charity Navigator is the largest charity evaluator in America and its website attracts more visitors than all other charity rating groups combined. The organization guides intelligent giving by evaluating the financial health of over 5,300 charities. Charity Navigator is a 501 (c)(3) organization which accepts no advertising or donations from the organizations it evaluates, ensuring unbiased evaluations. Charity Navigator, www.charitynavigator.org, can be reached directly by telephone at (201) 818-1288, or by mail at 1200 MacArthur Blvd, 2nd Floor, Mahwah, N.J., 07430.