

*charity*DYNAMICS

THE DEFINITIVE GUIDE TO

# FACEBOOK FUNDRAISING



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# Introduction

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Since its launch in 2015, Facebook Fundraising has taken the nonprofit world by storm with more than \$2 billion raised by Facebook users for a wide range of causes. Thousands of nonprofits are benefiting from this new and often unexpected source of revenue, while others have been hesitant to join in due to uncertainty over whether Facebook Fundraising might negatively impact their primary fundraising efforts. And for those who are involved, they have to be creative in how they manage Facebook Fundraisers due to Facebook's data privacy rules.

For this report, we wanted to dive into Facebook Fundraising and provide a primer of sorts on how it works and what nonprofits should be doing to make the most out of this fundraising tool.

We also look at one of the main challenges that nonprofits face when it comes to Facebook Fundraising: email acquisition. How do nonprofits connect with these mystery fundraisers and their donors to further engage through coaching or other guidance? We highlight several solutions and strategies that can help nonprofits take advantage of everything this exciting new fundraising channel has to offer, including cultivating a vast new pool of fundraisers for their mission.

Kathy Kempff  
CEO | Charity Dynamics

# Facebook Fundraising 101

# The Facebook Fundraising Factor

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Facebook launched Facebook Fundraising in 2015 as the charitable giving tool for its Social Good initiative. Facebook users can create a dedicated fundraising page via the platform to support the nonprofit of their choice. Friends and family can donate directly through Facebook. Growth to date has been exponential with no signs of slowing down!

As of September 2019:

- More than **\$2 billion** has been raised for nonprofits and personal causes
- Of this total, birthday fundraisers have accounted for **half** of all raised
- **45 million+** people have donated or started a Facebook Fundraiser

“

Historically, we've raised over \$6 million through Facebook Fundraising. ... When it first came out, naysayers said, 'This will take away from our website revenue.' But that's not the case. It's really augmenting what we have, which is exciting for us because that means new people are hearing about our mission and are connecting with the cause.”



**Amy (Cunningham) Ganderson**  
Director of Digital Marketing, March of Dimes

# Launching a Facebook Fundraiser

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Facebook Fundraising holds immense potential as a complementary revenue source to nonprofits' existing peer-to-peer campaigns. With the sheer number of Facebook users, it makes sense for nonprofits to set up their own Facebook Fundraiser campaigns and to mobilize their Facebook followers and other constituents to create fundraisers on their behalf.

Benefits of Facebook Fundraising for nonprofits:

- **Zero transaction fees** – this is unique for a fundraising platform (even the personal fundraising site GoFundMe has, on average, a 7% transaction fee)
- Easy set-up for fundraisers – one or two clicks and it's done
- Through sharing, access to the vast Facebook network of potential donors
- Donors are excited that 100% of their dollars go directly to the organization

There are two types of Facebook Fundraisers: Direct and Integrated.



**Direct Fundraiser:** Supporters create a fundraising campaign benefiting your nonprofit directly on Facebook, such as birthday campaigns – and Facebook serves as the payment processor.



**Integrated Fundraiser:** Supporters create a Facebook Fundraiser through an integrated platform on the nonprofit's website with the data being connected to the integrated platform. Third-party transaction fees may apply here depending on the platform provider.

# Getting Your Organization Facebook Approved

Before people can start a fundraiser to benefit your organization, they need to be able to find it in Facebook's list of approved nonprofits when they set up their campaign. If your organization is not yet on that list, it's a quick process to sign up.

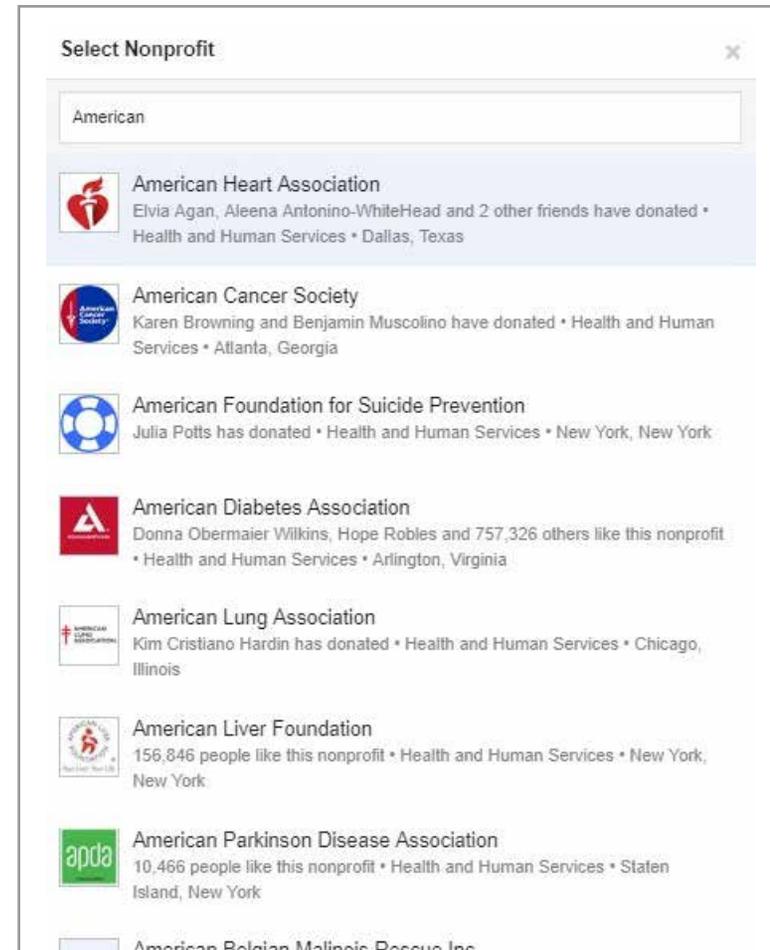
Facebook's fundraising tools are available to nonprofits in the United States and a number of other countries. Note that your organization's Facebook page must be categorized as a nonprofit or charitable organization. [Learn more](#)

Requirements for U.S.-based nonprofits:

- Be a 501(c)(3) organization registered with the IRS
- Have a tax ID number
- Have a bank account with a licensed financial services institution
- Provide date of birth and address of nonprofit's CEO or Executive Director

Facebook also provides the requirements for nonprofits based in other countries. [Learn more](#)

Once you're approved, your organization can use Facebook's step-by-step guide to setting up a fundraiser on your Facebook page. Be sure to let your supporters know that they can now fundraise for your organization through Facebook. [Learn more](#)



# Facebook Payments

Facebook **waives transaction fees** for donations made to nonprofits on Facebook. That means 100% of donations go directly to your cause and mission.

The payment processor of choice, Facebook Payments leverages zero transactions fees and these other important tools:

- Payout processing every 2 weeks
- Access to Facebook’s reporting tools
- Donor contact information if they opt in to receive emails from your organization
- Links to all of your Fundraisers on Facebook
- Necessary for any direct Facebook Fundraisers using Facebook Payments

*Note:* If you don’t sign up for Facebook Payments, the default distribution is through Network for Good’s Donor Advised Fund. Facebook still covers all transaction fees but you won’t be able to take advantage of the other above benefits.

	Facebook Payments	Network for Good’s Donor Advised Fund	PayPal Giving Fund
Eligible Countries	Any country where you can access Facebook’s fundraising tools	United States	Australia, Canada and the United Kingdom
Processing Fees	Covered by Facebook	Covered by Facebook	Covered by Facebook
Payout Processing	Every 2 weeks	45–75 days after a donation, depending on enrollment	15–90 days after a donation, depending on enrollment
Donate Button	Through Facebook Payments on Page headers and posts	On posts	On posts
Reports	Daily Transaction Report and Payout Report	Total amount for the payout period	Total amount for the payout period
Donor Contact Information	You’ll receive contact information for donors that opt-in to receive emails from your organization.	Not available	Not available

# Facebook Payments (continued)

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## Enrolling in Facebook Payments:

1. Sign up for Facebook Payments from your organization's Facebook page admin account
2. Go to your page Settings, then click Donations
3. Check both boxes to allow people to create fundraisers and to add donate buttons to their posts

## What about donations to an integrated campaign created through a nonprofit's website?

In some cases, donations made to an integrated Facebook Fundraiser linked to a campaign created on a nonprofit's website will be distributed via that nonprofit's payment processor. While there are numerous benefits to providing an integrated fundraising experience for your supporters, keep in mind that these third-party processors may have different fee structures than Facebook Payments, and it's important to weigh the pros and cons. To learn more about these integrated campaigns, go to Integrating Facebook into Your Participant Experience (pg 20).



I think Facebook Fundraiser is an exciting environment that's going to be evolving very quickly, as all of us work to find new strategies to build our Facebook bases."



**Cathy Whitlock**

Senior Director of Online Communications, Parkinson's Foundation

# **Facebook Fundraiser Reporting: What Nonprofits Need to Know**

# Facebook's Data Privacy Policy

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**You're signed up for Facebook Payments and people are starting fundraisers to support your mission.**

***Now what?***

Your organization will receive an ACH from Facebook every two weeks for all of your active fundraisers (an organization must hit the \$100 minimum to receive payout). But many of these people are brand-new supporters. How do you reconcile those funds when you don't know anything about the people involved?

A challenge nonprofits face with Facebook Fundraising is the limited information about the people doing the fundraising and donating. Due to Facebook's data privacy policy, the company does not share fundraiser emails. Donors can share their email if they opt in to do so — but only 1%–3% of donors actually do.

# Two Key Facebook Reports

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Charitable organizations that receive funds directly through Facebook Payments can access the following reports:



**Daily Transaction Report:** For each donation made to your organization where Facebook serves as the payment processor, the information includes donor first and last names, amount donated, name of person who created fundraiser, type of fundraiser, currency and donor email address (if shared).



**Payout Report:** Includes information on the funds to be distributed to your organization every two weeks.



We're in a period with Facebook Fundraiser where there is no denying that because Facebook has such a huge base of users, it can help raise literally billions of dollars. What is challenging for nonprofits is they have to work with a huge company that has control over access and data in a way they're not used to.

Part of the process [of working with Facebook] is changing your mindset, changing the mindset of your organization and being willing to accept some limitations on data access because you're going to get such access to the opportunity to fundraise."



**David Hessekiel**  
President, Peer-to-Peer Professional Forum

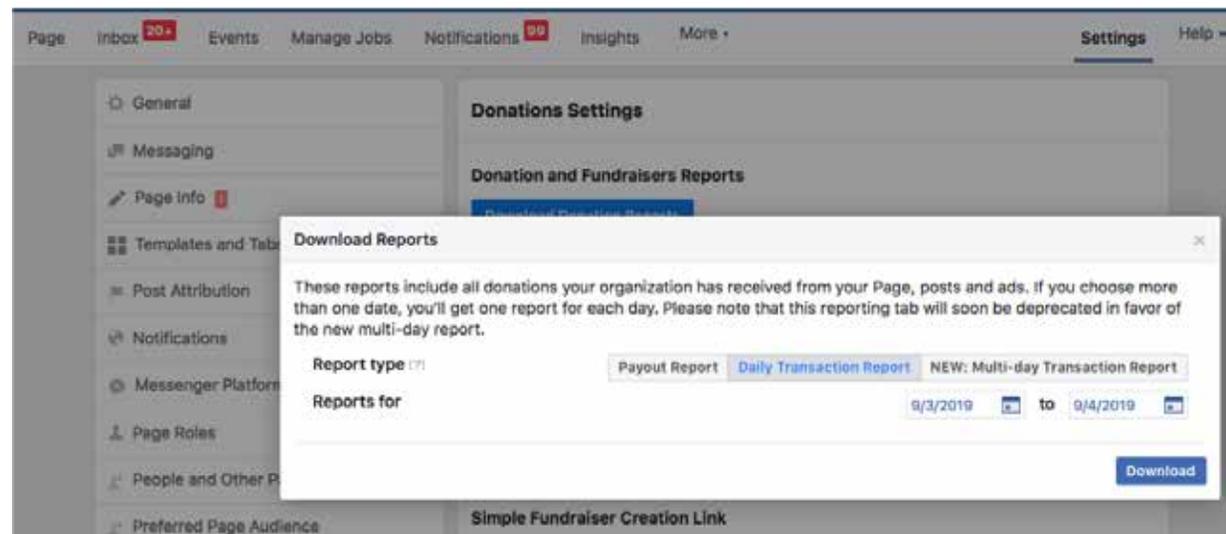
# How to Access Your Reports

## Reconciling the Data: Daily Transaction Report

On the Daily Transaction Report, transactions are uniquely source coded to make identifying individual transactions easier. Look for the Facebook Payment ID column. The Facebook Payment ID is a unique transaction number that organizations can use for reconciliation purposes for both direct and integrated campaigns.

The Daily, and new Multi-Day Transaction Reports, are integral to organizations being able to manage, analyze and forecast their fundraising campaigns.

*Under Publishing Tools on your Facebook page, select Donation Settings. Click Donation and Fundraisers Reports and choose the report type and timeframe. Then download. Simple!*



# Engaging Participants and Donors on Facebook

# The Engagement Issue

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The individuals fundraising on Facebook for your organization are incredibly valuable. They care strongly enough about your mission to hold that fundraiser and to bring in their friends to make donations. So, how do you bring these fundraisers into the fold and build strong relationships with them?

As mentioned earlier, Facebook does not provide fundraiser emails and only provides emails for donors who opt in when they donate. That limits your communication methods: Organizations can post a thank you to the fundraiser's page or send a direct message to a fundraiser who doesn't follow your organization. Both are simple touches but don't truly engage fundraisers or create loyalty and stewardship.

“

We've got this huge influx of Facebook donations, and we're trying to figure out how can we get to those people because the information you get [from Facebook] is very limited. So how do we reach those people? How do we cultivate those people? That's one of the challenges we're working on.”



**Mike Lamma**

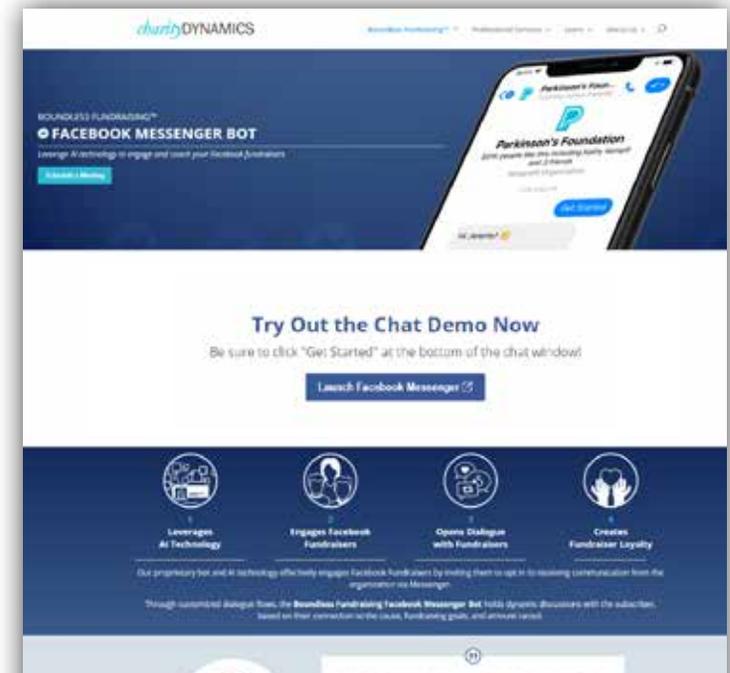
Sr. VP for Development and Field Management, American Foundation for Suicide Prevention

# Stewardship Is Key

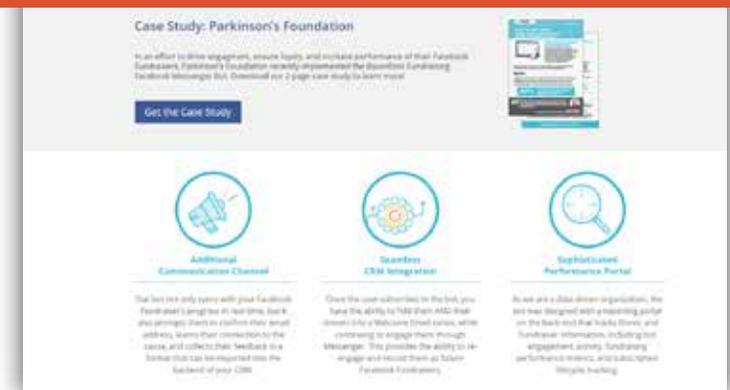
In order to continue the conversation with your Facebook Fundraisers, you first need their contact information, and that, of course, comes back to email acquisition.

When you have their email addresses, or attention through some other channel, you then have the ability to control, predict and create stability in terms of your Facebook revenue because you can now develop that ongoing loyalty and stewardship through other communications channels.

But how do you go about achieving this?



**The Solution: The Boundless Fundraising™ Facebook Messenger Bot**



# Leveraging AI to Better Understand Your Fundraisers

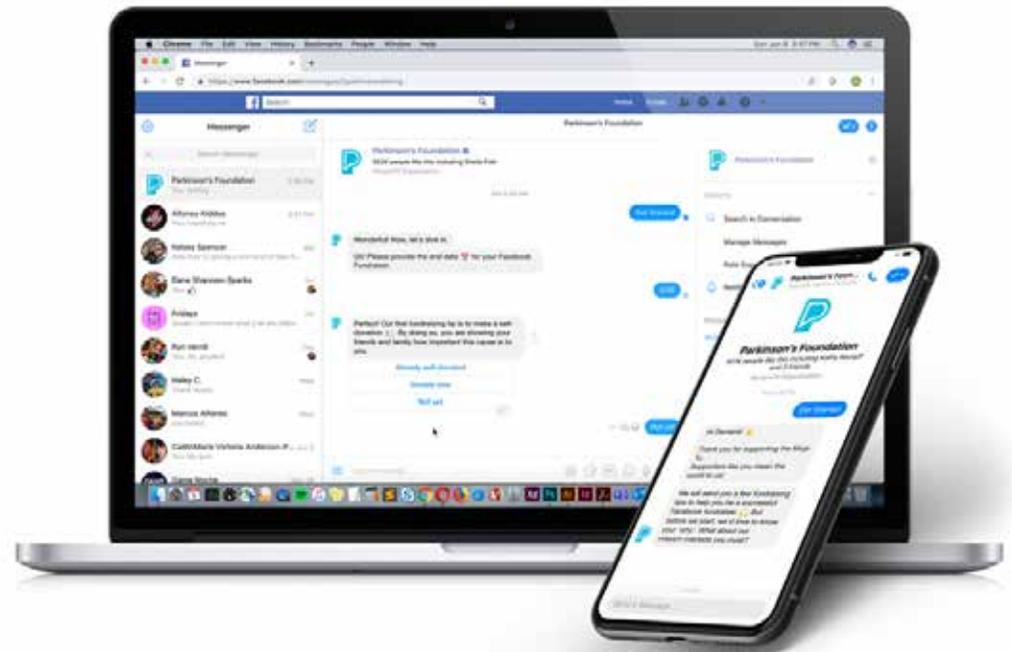
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The Boundless Fundraising Facebook Messenger Bot allows you to open a new channel of communication with your supporters via the Facebook Messenger app. Nonprofits can use this AI tool to communicate with and coach their Facebook Fundraisers by inviting them (via a link posted to their wall) to sign up to receive communications from the organization via Messenger.

## Why use Facebook Messenger Bot?

- Capture confirmed emails from Facebook Fundraisers
- Build two-way dialogue and rapport with these supporters
- Learn helpful characteristics (like cause connection) and ask permission to send more information
- Create a new communication channel through Messenger
- Use coaching to maximize the dollars raised by your Facebook Fundraisers

Facebook Messenger Bot offers defined communications stream for direct Facebook Fundraisers and P2P or integrated fundraisers. The Facebook Messenger Bot uses AI to better understand your direct Facebook Fundraisers and evolves the communications for each person accordingly.



# Leveraging AI (continued)

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Most important, the Facebook Messenger Bot allows you to engage with and empower these fundraisers on their terms and on their platform of choice – leading to long-term stewardship and loyalty to your mission.

Five customizable communication tracks:

- Coaching Track
- Milestones Track
- Nudges Track
- End Track
- Post Track

[Learn more about Facebook Messenger Bot](#) – and see a chat demo in action.



**Learn how Parkinson's Foundation has found success via the Facebook Messenger Bot**

**DOWNLOAD NOW**

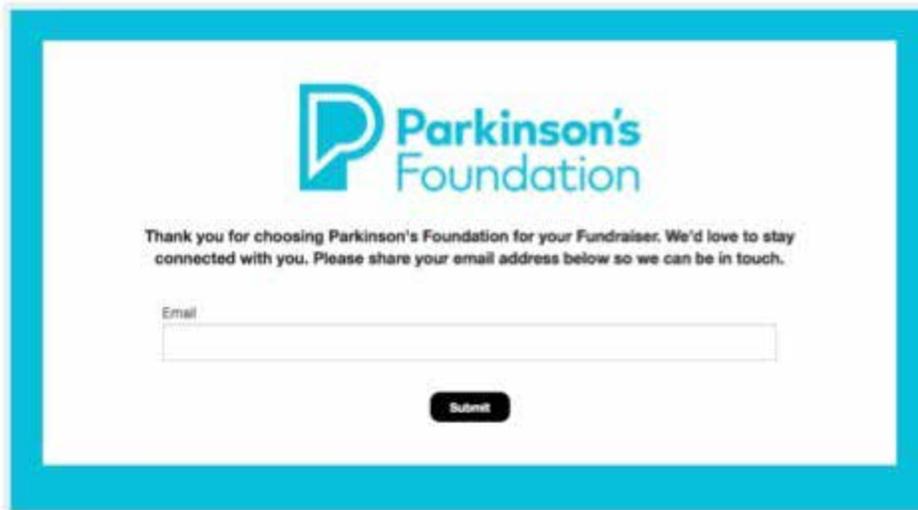
The infographic on the left provides a detailed case study. It features the following text:

- CASE STUDY** (top left)
- demioDYNAMICS** (top right)
- For Parkinson's Foundation, our leaders face a dual challenge: engagement and social acquisition with limited resources.**
- Facebook Messenger Bot Empower to Coach and Support Fundraisers**
- 247%** (highlighted in a blue box)
- Objectives**
- Engagement:** Increase the support and engagement of our fundraisers.
- Performance:** Increase the number of fundraising events for Parkinson's.
- Loyalty:** Increase the number of fundraisers who continue to support Parkinson's.
- Quote:** "The DemioDynamics team has been instrumental in our success. They have provided us with the support and expertise we needed to launch and grow our fundraising efforts."
- Call to Action:** **DOWNLOAD NOW**

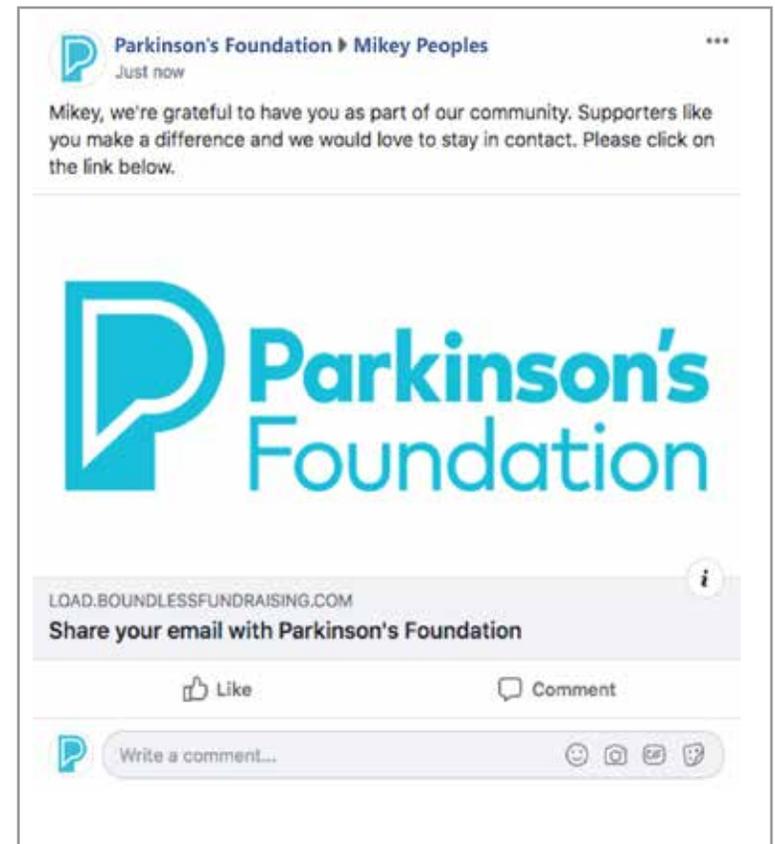
# Capturing Email for Future Engagement

While there are many benefits to the Facebook Messenger Bot, the primary goal is to capture email addresses. After testing different message language, sequence of messages and volume of messages, Charity Dynamics was able to confirm over 20% more email addresses by making the ask to stay in touch be the first post to a fundraiser's wall.

If bot subscribers do not provide their email up front, the bot asks later in the dialogue. At that point, the fundraiser has been engaged more and longer, and may be more likely to share it.



The image shows a screenshot of a Facebook post from Parkinson's Foundation. The post is framed in a thick blue border. At the top center is the Parkinson's Foundation logo, which consists of a blue speech bubble containing a white 'P' followed by the text 'Parkinson's Foundation'. Below the logo, the text reads: 'Thank you for choosing Parkinson's Foundation for your Fundraiser. We'd love to stay connected with you. Please share your email address below so we can be in touch.' Underneath this text is a white rectangular input field with the placeholder text 'Email'. At the bottom center of the form is a black button with the word 'Submit' in white text.



# **Integrating Facebook into Your Participant Experience**

# Why Integration Is Important

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In our study, we found that **93% of participants** who use Facebook Fundraising don't do any other form of fundraising. These participants aren't using the more traditional methods anymore because Facebook is making fundraising so easy. As we've seen, acquiring Facebook fundraiser and donor information can be challenging, but that's where integrated fundraising campaigns can be an advantage — especially if you have an existing peer-to-peer program.

When you encourage your P2P participants to create an integrated Facebook Fundraiser via your website, your organization now has the ability to optimize the participant experience and make the admin side of things much easier:

- Participants can raise money on their platform of choice — Facebook — and they're better fundraisers than their peers
- Donations made on Facebook are reflected in the participant's fundraising center and vice versa
- You already know who your fundraisers are

**Integrated fundraising campaigns on Facebook can potentially represent 15%–20% of online donations, just in the first year.**

To achieve those kinds of results, it's all about adoption. Promote your integration tool to your participants — on their dashboards, in all communications — and encourage them to set up a Facebook Fundraiser through your organization.

# Platform Integrations Leveraging Facebook Payments

**Facebook Fundraiser Direct** is a collaboration between the digital fundraising platform Rallybound and Charity Dynamics to provide nonprofits with seamless integration of their participants' Rallybound dashboard (via Boundless Fundraising™ Social and/or Boundless Fundraising™ mobile app) with their corresponding Facebook Fundraiser. Participants can create a Facebook Fundraiser in one click from their participant dashboard.

With the Rallybound Facebook Fundraiser Direct integration, Facebook Payments serves as the payment processor, resulting in zero transaction fees. In addition, these transactions appear on the Facebook Daily Transaction Report.



The screenshot shows a webpage titled "FACEBOOK FUNDRAISER DIRECT" with the Rallybound and Charity Dynamics logos. The main heading is "Harness the Power of Facebook". The text explains that this integration allows users to create Facebook fundraisers directly from their Rallybound dashboard or mobile app. It highlights that this process is seamless and results in zero transaction fees. A section titled "What is a Facebook Fundraiser?" provides further details about the service, noting that it was introduced in 2018 and allows nonprofits to leverage their social networks for fundraising. A smartphone image shows the mobile app interface.

## Learn more about Facebook Fundraiser Direct

[DOWNLOAD NOW](#)

# Platform Integrations with 3<sup>rd</sup> Party Payment Processing

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Blackbaud and DonorDrive have both directly integrated their peer-to-peer platforms with Facebook Fundraiser, allowing nonprofits to have greater control over their data and reconciliation of funds.

Note, however, that these fundraising platforms serve as the payment processors rather than Facebook. In these cases, additional transaction fees may apply, and the transactions will not appear in Facebook's Daily Transaction Report.

“

We've discovered that Facebook Fundraising is attracting new donors — even for our HA WALK program. WALK participants who have integrated Facebook Fundraising have found that people they wouldn't have asked directly (via email or phone) are donating to their WALK participation via Facebook. To date, and our WALK season isn't over yet, 595 WALK to End Hydrocephalus participants have used Facebook Fundraising as an adjunct to their regular WALK fundraising and raised \$217,000 through Facebook.

We don't know if those were donations which would have been made via TeamRaiser™, but anecdotally it appears that at least some of these are donors that wouldn't even have been asked.

I still don't know if Facebook Fundraising has a 'shelf life' but HA has been very successful with Facebook Fundraising even with little promotion!”



**Randi Corey**  
National Director of Special Events, Hydrocephalus Association

# Conclusions

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What's next for Facebook Fundraising? At this point, Facebook Fundraising continues to increase in importance as a revenue-generator for nonprofits, but the big question is how far can it go. Users are still embracing fundraising on Facebook in big numbers, so it behooves nonprofit organizations to take advantage of this new and exciting fundraising channel now and to develop the necessary strategies to cultivate these fundraisers for the long term.

Beyond Facebook, buzz is growing around Instagram (which is owned by Facebook) as online fundraising's next big thing. Right now, users can only make one-time donations to a cause, but given Facebook's explosive fundraising growth, Instagram is definitely an area to watch.

How is your organization using Facebook Fundraising? Are you already thinking about an Instagram strategy? As always, Charity Dynamics is here to help!

Contact us at [info@charitydynamics.com](mailto:info@charitydynamics.com) if you would like to discuss how to get started.



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## **About Charity Dynamics**

Charity Dynamics delivers what nonprofits need to fulfill their missions: more awareness, supporters, engagement and donations. Our solutions include P2P program services, professional event support, and the leading mobile and social fundraising app, Boundless Fundraising. At Charity Dynamics, our mission is to fulfill yours.

[info@charitydynamics.com](mailto:info@charitydynamics.com)