

GoFailMe

The Unfulfilled
Promise of
Digital Crowdfunding

Erik Schneiderhan
and
Martin Lukk

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Queen for a Day?

In the late 1950s, a US radio game show called *Queen for a Day* leapt to television and became a hit (at the time, it was America's most watched day-time show). On each episode, female contestants took turns telling the host, Jack Bailey, about their struggles and needs. The audience eagerly awaited the moment when Bailey asked each contestant to pinpoint her most critical need—typically, one after the other, the women burst into tears. Their pitiable stories, communications scholar Susan Douglas tells us in *Where the Girls Are*, detailed “financial deprivation and physical and emotional loss, about the isolation and sense of helplessness of many bereft housewives.” The game was decided by audience applause, with the titular queen for a day receiving a bevy of prizes to help with her struggles, and the runners-up taking home consolation prizes. It was a feel-good hit with viewers. As Douglas points out, “there was no problem, no catastrophe that couldn't be fixed.” Sound familiar? What we've revealed thus far about welfare crowdfunding feels a lot like this game show. But in the real world, as we show in this chapter, most people don't become Queen, even for a day.¹

The book thus far has chronicled what might be understood as the prologue to welfare crowdfunding. The public story we're most familiar with begins (or quickly ends) once welfare crowdfunding pages are up and running. What happens next? Do most welfare crowdfunders

reach their goals? Our data offers a pretty clear, simple answer: no, they don't. Those waiting anxiously, hoping for help, are nearly always disappointed at this stage. Few people meet their crowdfunding goals. Few crowdfunders get the help they need. The data is littered with runners-up.

In this chapter, we show what all of this looks and feels like, both the bird's-eye view and the personal, up-close experience. We start with the exceptions—that minority of welfare crowdfunders who raise most if not all of the funds they need. We then turn to the vast majority who raise little or no money. By the end of this chapter, we will have made our case: welfare crowdfunding with GoFundMe fails to live up to the hype (and to the featured stories on its own home page). What seems like a fruitful space for supporting hopes and dreams is actually, in Mark's memorable phrase from Chapter 3, a well of sadness, full of disappointments big and small. The process is an emotional meat grinder.

The Winners

Some people do get the financial help they need on GoFundMe, and it can be wonderful. Inspirational. One headline-grabbing story from the media is that of Theodis Ray Quarles. When the Tennessee man died of COVID-19 in early 2021, he was survived by a heartbroken wife and five daughters, none of whom could be at his bedside in the hospital. A friend of the family set up a GoFundMe page “in support of [wife] Vicki and her girls to offer financial relief and [freedom from] worry from things associated with basic immediate needs as well as for their continued growth, goals and aspirations.” Music star Taylor Swift, also from Tennessee, personally donated \$50,000 and sent along a “sweet personal note” that Theodis's widow said “warmed” her heart. The media picked up the story and it went viral. Another \$10,000 in donations poured in overnight. It turns out, Taylor Swift has a sort of Midas touch when it comes to supporting a GoFundMe cause; every time she chips in, it becomes international news (and a windfall). Her generosity in this respect is so well known that back in 2015 Swift was the one who prompted the platform to increase its maximum individual donation

limit from \$15,000 to \$50,000 so that she could send that amount to a girl battling leukemia.²

Robert and Lisa, who you've met throughout these pages, are another success story. In large part due to the social network Robert developed during his time as a professional hockey referee, the GoFundMe page his friends created took off like a rocket. As Robert tells it, "all of a sudden we woke up, and after like 20 hours, it was at \$30,000. And I think by 24 hours it was at 40 grand or something crazy like that. . . . Somebody must have sent it into local news and our local radio station." In fact, Robert and Lisa raised nearly \$50,000 in the first twenty-four hours. When a newspaper article closed with a link to their GoFundMe page, another \$20,000 in donations rolled in. Robert figures people from the hockey community recognized his picture and wanted to help.

At the time of our interview, the tally was about \$70,000. That's a lot of money but not enough to make their problems go away. Robert was still missing work. Lisa was still sick. Remember, Robert did the math when it came to Lisa coming home and it totaled \$492 per day for twenty-four-hour nursing care: "Over 145 days, that's \$70,000 . . . so we're definitely not out of the woods financially." The money they raised crowdfunding might cover five months of at-home care for Lisa. It wouldn't cover the lost wages, and it couldn't guarantee they'd be relieved of financial stress. Their story—one of the more successful in terms of dollars raised—is bittersweet. Despite raising tens of thousands of dollars, the disheartening fact is that still wasn't enough to meet Robert and Lisa's ongoing needs.

Jamison, a talented dancer in New York, died unexpectedly at age fifteen. Her devastated friends and family thought the best way to honor her memory would be to establish a scholarship to help kids realize their dance dreams at the academy Jamison attended. The initial crowdfunding goal was \$5,000, but they were surprised to raise nearly \$58,000 from almost seven hundred donors. In a GoFundMe update post, Jamison's mom explained how the funds would be distributed: "Six students will receive a full-year scholarship, totaling \$36,000, three students will receive partial-year scholarships, totaling \$9,000, and four students will be given scholarships for the summer intensive, totaling \$3,100." After distributing the funds, Jamison's mom told

supporters: “Handing out these scholarships was a gut-wrenching experience, but I have to believe Jamison was watching over her beloved studio today with that megawatt smile. Thank you again for all of your support in making this possible.”³

News media also picked up on the crowdfunding campaign of Mary from Oklahoma. Mary was brutally beaten by her boyfriend while pregnant, and the picture at the top of her crowdfunding page showed the severity of her situation. There, next to the goal of \$65,000, was Mary, swollen and bruised. As we draft this book, Mary’s fundraising total has hit \$65,265, with contributions from more than 1,800 donors—sorority chapters at Oklahoma University and across the United States chief among them. Donors’ messages were supportive and angry. A \$150 donation from a local sorority was annotated: “We donated to show our respect, thoughts and prayers to [Mary], and to all individuals who are survivors of such heinous actions,” while a \$5 donor simply wrote: “Fuck domestic abusers.” Following the link from the GoFundMe page to Mary’s mother’s Facebook page, we learn that Mary gave birth to a healthy daughter and is moving forward with the next chapter of her life. Even so, we can’t escape the uneasy sense that this “success” story is hardly a success at all. Mary never should have gone through this. Healing from intimate-partner violence (and from giving birth) is a slow process, and Mary’s future will include a potentially nasty custody battle with her abuser. The donations, at least, are a start.

These stories from our data are the sort that makes the news. And they’re good for our society, showcasing the kinds of reciprocal social relations that strengthen the fabric of our democracy. The back and forth of connecting with and helping our neighbors and fellow citizens is what Alexis de Tocqueville famously called “habits of the heart.” They bolster good feelings about our community, acting as a rising tide that can potentially lift all boats. Good actions beget more good actions, is the idea.⁴ Typically, in the most successful cases a catalyst leads to an eruption of free media coverage and the fund takes off (who doesn’t like to see someone who deserves it get the help they need?). It’s not quite like winning the lottery, but it’s winning nonetheless. These are the kinds of stories GoFundMe makes sure we see on its main page. And they inspire other people in need of help to give it a go. Why not? What’s the harm?

The Losing Majority

Unfortunately, such stories provide false hope. The news, not to mention the crowdfunding platforms themselves, tell us about the winners because the failures aren't the sort of thing people want to read about over their morning coffee. Appeals that blow through their goals and raise tens of thousands of dollars are incredibly rare. Of the approximately 1,750,000 crowdfunding campaigns created in the US and Canada between 2018 and 2021 and included in our analysis, fewer than 300,000 (or about 17 percent) met or exceeded their stated goal. Let's put that another way: *Only about one in every six campaigns meets its fundraising goal.* Fewer than 600,000 campaigns (36 percent) raised half of their stated goal, and only 54 percent raised at least a quarter. The average campaign closed after bringing in less than one-third of the original ask.⁵

Certainly, we define welfare crowdfunding "success" in terms set by the fundraisers; those who set up a GoFundMe page decide how much they need and choose a goal amount, so we call it a "success" if they meet or exceed that monetary amount. As we noted in Chapter 3, these goals actually tend to be modest, particularly against the kinds of costs associated with health care and education. Partially, the goals seem low because they're so often associated with an unexpected bill that becomes a major obstacle for someone living paycheck to paycheck. Only 5 percent of the campaigns we analyzed asked for more than \$70,000; 95 percent asked for less than \$50,000; 80 percent, for \$10,000 or less. The median goal was \$5,000 or less, and around 50,000 campaigns had goals of just one dollar.⁶

If anything, success across the full range of crowdfunding cases presents an unrealistic picture. Many campaigns seek very small amounts; others set perhaps unrealistic goals. Some people meet their initial goal and raise it to a more aspirational level. To deal with some of these concerns, we can look at success not across this enormous set of campaigns (which, remember, totals one in six successful campaigns) but across a more typical set.

To avoid the influence of very low or very high goals in our analysis of crowdfunding success, we cut out the extreme cases. When we narrow them down to those with goals in the middle two-thirds of all

campaigns, our dataset tallies 1,200,000 campaigns. This subset's goals range from \$1,001 to \$15,000—amounts that should be neither too easy nor too difficult to attain. Yet the chance of success is even lower among these more typical cases. Now only about half make at least a quarter of their goal amount, one in three gets to the halfway point, and fewer than one in eight (about 12 percent) meets or exceeds its goal. No matter how reasonable the goal, the chances of any single crowdfunding campaign succeeding are slim.

It's worth emphasizing that we observed the cases we're talking about over a long period of time. Specifically, among the cases we discussed earlier, the average time between a campaign's creation and the date on which we last checked its success was thirty-three weeks, or about seven months. As we detail in the Appendix, our data collection involved revisiting crowdfunding cases regularly over many months, systematically recording information about each campaign and its progress. This data let us calculate how long each campaign had been live whenever we checked on its progress. On average, we tracked campaign progress over half a year. Removing the relatively small number of short-duration campaigns at the time of observations barely improves the success rates. In other words, it's not that we didn't wait long enough to see campaigns succeed—most fell short in their fundraising campaigns, no matter how much time they had.⁷

Comparing across countries and campaign types reveals some differences when it comes to fundraising success. For one, campaigns in Canada are more likely to meet their fundraising goals. Among our “typical” campaigns—those with goal amounts neither too high nor too low—we find that 17 percent of Canadian campaigns meet or exceed their goal and about 40 percent get to the halfway point. In the US, only about 12 percent make their goal and 32 percent make it at least halfway. The median Canadian campaign makes about 38 percent of its goal; the median US campaigns make 29 percent. Neither of these numbers is particularly impressive.

Comparing across categories among the full range of goal amounts, campaigns for charities and nonprofits tend to do the best in both countries, with about 27 percent meeting or exceeding their goals. Education campaigns do relatively well, with about 21 percent in both countries

making their goals. Campaigns for health care, accidents, and funeral costs—the majority of all campaigns—have lower success rates, with around 17 percent meeting their goals. The least successful category is animal and pet-related, with 11 percent success.

When we turn to our subset of typical cases, removing unusually low and unusually high goals as before, these rates plummet. The middle two-thirds of all health-care campaigns by goal amount (between \$1,500 and \$20,000) see success only about 11 percent of the time; 33 percent make at least half. Typical campaigns for funeral costs and memorial funds (between \$2,300 and \$11,000) tend to do slightly better (15 percent fully funded; 39 percent at least half-funded), but typical education campaigns (between \$500 and \$10,000) do worse (13 percent fully funded; 30 percent at least half-funded). Finally, 91 percent of typical pet or animal-related campaigns (between \$750 and \$5,000) fall short of their aims.

Perhaps leaving goals out of it will tell a happier story? When we switch to measuring success simply by counting dollars, we can report that the vast majority of crowdfunders make *something*. Less than 1 percent of campaigns make zero. Across both countries, the numbers are fairly consistent: In the period we observe, we find that two-thirds of campaigns make at least \$500 and about half reach \$1,000 or higher. The drop-off is steep from there: only a quarter bring in \$3,000 or more and only a tenth reach \$7,000.

Put differently, the good news is that the median welfare crowdfunding campaign brings in at least \$1,000—that's real money. But recall that this is five times less than the median goal amount (\$5,000). By category, health-care campaign median fundraising is \$1,900; the education campaign median is \$600. Given that the average goals for these categories are \$7,400 and \$3,000, respectively, that means that their goals are at least four and five times higher than the amounts they eventually bring in. There's a sizeable gap between what people say they need (which they may downplay or underestimate) and what crowdfunding provides.

At the same time, some crowdfunders make *a lot* of money. Each of the top 5 percent of the highest-earning campaigns in our dataset made over \$12,500. The top 1 percent topped \$35,500, and the top 0.1 percent—roughly 1,700 in the period we cover—brought in more than \$120,000.

Certainly, many of these high-earning campaigns benefited entire groups of people like victims of natural disasters and mass shootings or broad social movements like Black Lives Matter. But plenty were for individuals or families seeking to cover common crowdfunding costs, such as expensive cancer treatments, rebuilding a home after a fire, or starting a college fund for a child who's lost a parent.

Once again, our data points to the fact that inequality is central to welfare crowdfunding. This is apparent at multiple stages of the process, from the decision to start a campaign to how it's set up, how many friends the campaigner is able to share it with, and how much those friends can help. The money ultimately raised is in part a result of the choices made along the way, in part a result of the advantages and disadvantages that each of us carries and in small part a result of luck. The final dollar sum is what we get when these complex processes shake out. Looking at the dollars spread out across campaigns lets us see how different sources of advantage and disadvantage add up, as well as the key tendencies in the big-picture operation of welfare crowdfunding.

The unequal distribution of crowdfunding dollars is, in a word, staggering. The bottom 50 percent of all campaigns created between 2018 and 2021 received only 5 *percent* of all dollars raised in that time. The bottom 75 percent together claimed just 20 percent of the dollars raised. The view is different from the top. The highest-earning 5 percent of campaigns (those that made more than \$12,500) claimed half of all the fund-raising dollars; the top 1 percent (earning over \$35,500) took in a quarter; and the top 0.1 percent (earning over \$120,000) received a full tenth of all funds donated to all campaigns in this period. There's an astounding concentration of funds donated to a very small group of crowdfunders. The tiniest sliver, the roughly 160 fundraisers in the top one-hundredth of one percent (campaigns making over \$508,000) earned over 5 percent of all funds—the same total dollar amount spread across the roughly 780,000 fundraisers in the bottom half of all campaigns.⁸

Do these statistics make you think of the “1 percent”? It should. For context, in the United States, which has infamously high income inequality among advanced industrialized countries, the top 10 percent of income earners (families with annual incomes above \$134,900) made about half of all income in 2018. The top 5 percent made almost

40 percent; and the top 1 percent, about 22 percent. Looking at the highest earners, the top 0.1 percent (approximately 170,000 families with annual incomes above \$2.2 million) had about 10 percent of all income and the top 0.01 percent (incomes above roughly \$11.5 million) shared 5 percent of all the money Americans earned that year.⁹ At the very, very top, in the highest fractions of the 1 percent, crowdfunding earnings edged out the unequal concentration at the top of US incomes. Half of all crowdfunding dollars are claimed by the top 5 percent of fundraisers; half of all US income is shared among by the top 10 percent of earners. This means that welfare crowdfunding is considerably more unequally distributed than income in the US.

Social scientists studying income and wealth also use summary measures that capture inequality in a single number. One of the most common is the Gini index. This is a scale on which zero refers to perfect equality (everyone has the same share of total income) and one hundred refers to perfect inequality (one person or family has all the income). In 2017, the Gini index for disposable income in the US was around 40—one of the highest among industrialized democracies (Canada's Gini was around 30; the UK's, 35; Norway and Finland's, 25).¹⁰

To measure the overall inequality in crowdfunding incomes, we can follow the same procedure, producing a GoFundMe Gini. For the US and Canadian campaigns that we observed between 2018 and 2021, the Gini is 74. This means that the alarmingly high-inequality US economy still does a better job of evenly distributing income than crowdfunding does distributing donations. So does South Africa, one of the most unequal countries in the world, where the Gini in 2014 was 63.¹¹ In fact, we can't find a Gini index in any country at any point in recent history as high as the one we computed for GoFundMe.¹² If GoFundMe were a country, and campaigns' funds raised were its people's incomes, it would boast the world's highest income inequality.

Understanding the broad trends in welfare crowdfunding contextualizes the individual stories we heard during our research. Remember Jane, the Alberta mother of six who decided to go to law school? Like Mary, she was a victim of domestic violence looking for a new way forward through crowdfunding, and we found her story quite inspiring. Well, crowdfunding didn't unlock her future. Nearly six months after

her son created the GoFundMe page, it had raised just \$870 of her goal of \$14,131 (tuition for one year). The page listed nine donors and forty-nine shares on social media.

Thanks to our quantitative analysis, we know that Jane's disappointing outcome is common. Though the total dollars she raised came close to the median amount for Canadian education appeals (\$990), her campaign is among the quarter of those that failed to bring in even 7 percent of their goal. And, of course, Jane is just one of the roughly 80 percent of Canadian crowdfunding users who don't make their goals either. Elder Cecil Redstar, the Indigenous man who was fighting cancer, had only raised \$1,860 of his \$8,000 goal before he died on June 2, 2020. His lack of success is disheartening, yet our analysis tells us that it's a totally normal outcome for Canadian health-care campaigns, one-third of which raise no more than a quarter of their ask.

Crowdfunding platforms have gained a tremendous amount of goodwill in recent years. They have a reputation for successfully connecting people in need with people who are able to help. They cultivate and market this rosy ethos. GoFundMe has produced a podcast called "True Stories of Good People." Since 2018, the episodes have profiled people who help and get help.¹³ The stories are inspiring, heart-wrenching, and true; they demonstrate what's possible when crowdfunding works out just right. But by focusing on the successful cases, platforms like GoFundMe also promote the idea that crowdfunding is a good way for everyone to get help and that it does a good job at brokering connections between donor dollars and those in need.

This reputation is undeserved. However we split up our data, we found extremely unequal outcomes across crowdfunders and their welfare campaigns. GoFundMe bills its services as "trusted fundraising for all of life's moments." The data shows that the trust we have in this for-profit company to help us with our problems is misplaced. The fundraising happens for a select few, and the rest have to deal with their "moments" on their own.

This is perhaps one of the most important points in the entire book, so it bears repeating: *most welfare crowdfunders do not get the help they need*. Only a small few succeed. We don't doubt that the people who work at crowdfunding companies are by and large well-intentioned; we simply find

the inordinate attention they lavish on the most successful campaigns misleading. As we explored in earlier chapters, studying crowdfunding reveals pressing equity concerns at every point: access, technical ability, and outcomes are all rife with inequality. In the end, these platforms don't do a particularly good job at what they claim to do. They have an abysmal track record in actually facilitating fundraising for those who need it. Contrary to their public relations efforts, we've demonstrated that crowdfunding platforms have created a shockingly unequal system of winners and losers. And that has emotional repercussions.

The Emotional Cost

Money is money and every little bit helps. Even if people don't meet their goals, the funds they do raise can make a difference. As stay-at-home mom Hannah from Texas told us, the money she raised (in large part through donations from Facebook shares) enabled her to pay for an emergency cancer screening. It wasn't all she needed, but it helped her detect her cancer and she beat it. Martha from Newfoundland said, "I didn't quite reach my goal but whatever is there, it helped. But I'm not going to be reposting it again and just keep continually begging people for money or waiting for those people who didn't see it in the first place to see it then. I'm not going to keep begging. . . . I just don't like the feeling of it. I don't like being the person to ask for money. I would so much rather give people money than ask for it." Small amounts were better than nothing, she said, in a voice saturated with emotion.

Adam, another Texan, was upbeat about his welfare crowdfunding experience, telling us: "It's actually made me feel hopeful there are good people out there that'll help." In Florida, Lorie recounted how she was glad she overcame her shyness to give welfare crowdfunding a try: "I was happily surprised and didn't really expect to get that much at that time. So yeah, it was a very good, positive experience." Julia, a New Yorker, said raising money was "uplifting because it was a fundraiser for my education, for me. I saw that every person donating was essentially investing in my future and saying that they believed that I could do something with that education. That was a nice feeling." And Martha insisted that her welfare crowdfunding campaign was not just about receiving money

but about receiving support during the unprecedented hardship of the COVID-19 pandemic:

That was probably the thing that helped me the most over the money, actually—the fact that people are willing to reach out and especially when everybody is having a hard time. Everybody was out of work, everybody's strained financially or physically or emotionally. So, it's not just a regular time on our planet when people are reaching out to help when everybody is working. This is a particularly odd time in our history. So . . . the fact that even during this time, they are able to reach out and help with words or financially or whatever, that was very touching.

Not a single donation is taken for granted. Our respondents typically appreciate the tangible and symbolic dimensions of every contribution and message that comes their way through crowdfunding.

Sean, the man who was incapacitated by serious testicular problems, became quite emotional during our interview. Marveling at the support he received, he wondered whether he deserved it:

I still feel very unworthy of not just the donations, but [the] outpouring of support or whatever. I spent a lot of time thinking about who I am and what I've offered the world and the people around me.

Uplifting, hopeful, and touching. To be clear, all these people received some amount of financial support and their positivity was palpable. It felt good to hear, and it feels good to share. Yet the emotions spurred throughout the welfare crowdfunding process are complicated. Obviously, the small number of “winners” who bring in a lot of money feel good about their success. The donations help ease real burdens. Knowing people out there are willing to help provides its own significant boost. Unfortunately, though, the majority of welfare crowdfunders are unsuccessful and that creates a lot of bad feelings.

As we showed in the previous section, most people who try crowdfunding end up falling short. This failure forces them to grapple with complicated, largely negative emotions. Jeremy from Oregon wanted to

raise funds to get a service dog for his autistic son. He raised just over \$8,000 on GoFundMe. Pretty good money (based on our data, only about 15 percent of US health-care crowdfunding cases are as lucrative), but the average service dog costs between \$30,000 and \$50,000 and isn't covered by insurance. As Jeremy told us, "I want to help this boy, and I'm dead set on doing so, to the point that I'm going to put myself and my business out there for the world to see. That makes me feel. . . . It's confusing how it makes me feel. Embarrassed. Hopeful. Now that's pretty much done. I have no choice [but] to accept any embarrassment that might've come, because that's just kind of what it is."

Jeremy was blunt about the amount raised through crowdfunding: "I don't know how that's going to work." It's just not enough to meet their goal, but there's no way for Jeremy and his wife, each burning the candle at both ends, to bring in more money. The strain—and their efforts to get the bills paid—is clear when Jeremy says, "I wake up at 1:00 in the morning to go on duty at 3:00, to get home at 2:00, because mom goes to work at 2:30, because if we don't . . . then daycare is more than what I make." And the \$8,000 didn't come free and easy. A local news program interviewed Jeremy at the start of his GoFundMe campaign. As he mentioned, he found it nerve-racking to put his family's story "out there," and some of his worst fears had come true. Over a hundred "cruel and pretty mean" messages flooded onto his GoFundMe page and the news program's website: "Go to the dog pound and get a dog. You're stupid." "He needs his ass beat. Autism isn't even a thing." "You can go to the shelter and get an animal, and so what the fuck is your problem?" Frustrated and embarrassed but still in need, Jeremy tried reaching out to celebrities for help, but no one stepped up.

A young woman from Colorado told us: "We live in the United States, where health care isn't a right but a luxury for people who can afford it," describing crowdfunding for her father. "It was to try and earn money to help him out with the rising costs of health care. He has cancer. . . . I posted every day and begged everyone I knew for help. I got none and felt even more discouraged." The woman's goal was \$1,000, and her campaign fell short.

Recall Mark, whom we introduced earlier as someone who had a terrible time with the entire experience of welfare crowdfunding. He said of

his 2017 campaign, “My first attempt belly-landed.” After the first week, “there hadn’t been a single donation, and only my sister and one other person had shared it with anyone. So we just ended up giving up and taking it down.” Several years later, Margaret, a local high school student, became aware of Mark’s plight and offered to help. When she suggested they try GoFundMe again, Mark told us: “I’ll be honest, I was not ready to do it again. Margaret’s the one that really pushed the gas pedal down and said, ‘Let’s do this.’ I was so dejected by the previous attempt.”

When the second attempt languished, Mark was devastated. He and Margaret tried hard to get the word out via social media and other avenues, but by the time of our writing, their campaign had brought in a paltry \$70. Mark felt unsupported and exhausted as he faced his disability:

It’s an awful thing to go through something this terrible. . . . You can’t begin to comprehend the thousands of hours of just hellish, nightmarish symptoms that go along with an injury like this. It’s difficult to put it into words. So, to go through all of that and then be told, “Well, you might not get any money, and you might not be able to start your life over, because you’re not good enough at pitch marketing,” it’s insane. Nobody should be in that position.

Like a number of our respondents, Mark believes that something is wrong when people are put in positions like his. Few good emotions come out of such struggle.

In New York, a Latina respondent fundraising for a sick family member confided: “I want to sometimes just die. The stress level is massive and I often have sleepless nights.” In Nevada, a woman who had only raised 10 percent of her goal amount told us: “We haven’t had any real support or communication from anyone interested in trying to help, thus far. It has been quite disappointing honestly.” And the niece of an elderly North Carolina cancer patient said of raising less than \$1,000 toward her \$25,000 goal: “It was all pretty much low because no one wanted to help her.”

These stories, the sad ones that never get much happier, are no outliers. These are no isolated experiences. They’re the norm. Welfare

crowdfunders overwhelmingly feel despair, stress, anger, disappointment, discouragement, and sorrow. GoFundMe is indeed a well of sadness.

Fraud and Bad Behavior

GoFundMe is also a space for bad behavior. As with any kind of program involving lots of money, there's fraud. Occasional news stories reveal swindlers using the platforms, and a website called "GoFraudMe," created by Adrienne Gonzalez, accepts tips, investigates malfeasance, and reveals fraudsters (work Gonzalez does on a volunteer basis at night when she isn't working at her job for a beverage company).¹⁴

In one attention-grabbing instance that appeared in the media, a small community north of Manhattan came together to help a new resident in their midst. The woman, who had two teenage sons, told several prominent community members she had terminal cancer, and soon everyone was helping. There was a GoFundMe page and a spaghetti supper—and then there was an anonymous tip. The FBI got involved. The whole town had been fleeced. Far away in Detroit, another scammer was charged and sentenced to prison when she faked having breast cancer, raised more than \$50,000 on GoFundMe, and then—when police began investigating and shut down her crowdfunding page—solicited direct donations via PayPal. Sometimes crowdfunding fraud is a sin of omission. When Oluwatoyin "Toyin" Salau, a Black Lives Matter activist in Florida, was sexually assaulted and later brutally murdered in 2020, a GoFundMe page popped up quickly. Just as swiftly, though, one of Toyin's friends publicly challenged it. Not only did the friend say the page creator "was not a friend of the family"; they requested that no one donate money to any of Toyin's family. Why? Because allegedly the same family members who stood to receive donations via GoFundMe had abused Toyin, forcing her out of her home and making her even more vulnerable. The page was subsequently taken down.¹⁵

Fraud stories bring suspicion down on legitimate welfare crowdfunding efforts. When asked about his crowdfunding experience, a young man from Illinois told us his low point: "When people think we're faking and don't want anything to do with us." It's hard enough

to go through the whole crowdfunding experience without being doubted and distrusted when you share the deeply difficult reasons you need help.

Quentin Fottrell's advice column, *The Moneyist*, revealed another sticky situation—not fraud but a crowdfunding case in which scarce resources flowed to someone who didn't need them.¹⁶ This person, nicknamed “Ask Before Funding Me” (Ask) in the column, had been in a terrible accident that left them comatose. While Ask was in the ICU in a coma, a friend set up a GoFundMe page. More than three hundred friends, family, and strangers quickly donated approximately \$15,000. The problem, Ask wrote, was that “most of the expenses are covered by insurance and a couple months before that, I received almost \$1 million from a relative. I had not told anyone about my good fortune nor made any purchases (yet!) that would indicate a change of status.” Ask felt terrible and wasn't sure what to do. Fottrell advised giving all donations back. This particular case is truly unusual, but given that many crowdfunding appeals are crafted by people other than the beneficiaries, and that few of us have serious, in-depth conversations with others about our finances, misunderstandings are bound to happen.

We saw no evidence of widespread fraud in our data. In today's wired world, it's possible for people to triangulate data and verify stories. Plus, it isn't in the best interests of crowdfunding platforms to allow fraud—it undermines confidence and results in profit losses. But clearly some fraud exists. With a lack of oversight and transparency, it's possible to misrepresent yourself and create a scam. That's nothing new, though. Charity organizations and social work evolved in the nineteenth century in part to combat perceived fraud and malfeasance. What was to stop someone from knocking on doors to ask for money, telling the same story over and over? That there was little credible evidence that this was happening with any regularity was no match for the calls for oversight. To systematize the provision of help, charity organizations created central registries for the needy and sent volunteers (“friendly visitors”) out to their homes to diagnose actual need. The “worthy” were given help. The point is that we've been here before, with needy folks asking for help from others directly, and we've rejected that model.¹⁷ Yet to us the world of crowdfunding, with its weighing of worthiness, feels pretty similar to

the unregulated world of nineteenth-century charity. It's clear to us that purposeful fraud isn't a significant part of welfare crowdfunding—most people then as now simply want help. But the presence of fraud does speak to the need for increased oversight.

Privacy and Profits

All of this—the good, the bad, and the ugly—is happening in the public eye. None of the crowdfunding experience is private. Once you launch an appeal, your story and situation are out there for all the world to see. In the sense that you need people to learn about your struggles and offer help, you *want* the world to see. But it can upend your social world and it can mean a lot of unpleasant emotions, including anxiety and disappointment. While Robert and Lisa exceeded their fundraising goal, according to Robert:

I'm not comfortable. . . . I'm avoiding social situations. . . . what I haven't enjoyed about it is the publicity of it all—and it's good to give people updates and she has a million friends and people want to know what's going on, but it's just like a lot of people coming up to me in public that would have otherwise waved from across the store, you know what I mean?

Similarly, Krista from Montreal felt like she was living in a fishbowl:

Asking for help is something I have even more struggle with than telling people about the health private details just because, I don't know, you sort of go through these insecurities of looking needy or not able to take care of yourself or irresponsible with your money or anything like that. . . . It sort of circles through your brain whenever you're allowing yourself to be vulnerable in a very public way.

Dana from Minnesota described feeling a mix of accountability and vulnerability when people who had donated to her campaign later asked, "So, what's going on with that?" As social beings, we spend much of our time thinking about what other people think of us and then altering our

behavior to suit. Who we are is influenced by what we think others see in us. Charles Cooley called this the “looking-glass self.”¹⁸

Crowdfunding turbocharges the instinct. Suddenly, some core elements of your existence are open to public comment and validation (or rejection). One Illinois respondent told us she tried to put up a barrier between her crowdfunding and her personal life: “I personalized my social media accounts where it was hard for strangers to find it.” That’s because welfare crowdfunding isn’t just a matter of raising (or not raising) money. It’s also about how we socially construct our sense of self. And, based on our data, the process is harmful to most. The public spectacle aspect of welfare crowdfunding is a significant concern. People are looking for help with the most intimate of problems, and they lose some of their dignity chasing an elusive and scant payout. We think this is problematic on its own.

We’re also worried about the data that welfare crowdfunders and their donors freely and often unwittingly give to for-profit crowdfunding platforms. Millions of people use sites like GoFundMe, and along the way they reveal personal details that become the property of these platforms. This data is another way for corporations to turn a profit. It allows them to refine their services to squeeze out every last dollar. It helps them understand human behavior and bring more money through the digital door.

We have no idea what else this data might do for its new owners. GoFundMe, for example, certainly has profit-making plans. Its privacy statement makes clear that the company actively uses all the data it collects in order to make more money: “We use the information we collect to analyze data usage trends and preferences in order to improve the accuracy, effectiveness, security, usability or popularity of our Services.” It’s definitely keeping track of your computing behavior, including “the type of internet browser or mobile device you use, any website from which you have come to the Services, your operating system, and location data through an IP address that identifies the city and region where you logged into the Platform.” Elsewhere, GoFundMe explicitly reveals that it may sell your data at some point in the future, at its discretion: “As we develop our business, we might sell or buy businesses or assets. In the event of a corporate sale, merger, reorganization, dissolution, similar

event, or steps taken in anticipation of such events (e.g., due diligence in a transaction), user information may be part of the transferred assets.”¹⁹

GoFundMe and other crowdfunding platforms also wrangle profits from tips and fees. You may remember that GoFundMe, which has a virtual monopoly on welfare crowdfunding, buries its tip mechanism in the crowdfunding process. As we write, the default tip amount is 15 percent; throughout our research, the amount and how it’s asked for have shifted slightly, but the mechanism has stayed constant. As it reminds its users, “[We rely] on the generosity of donors like you to operate our service” and it doesn’t charge fees to its fundraisers. So the tip, as we wrote in Chapter 3, is meant to be an extension of the donor’s generosity. Yet it requires attention and extra steps for a donor to avoid accidental generosity—in our interviews, very few fundraisers or donors were aware of the default tipping, which suggests that many, many users never notice they’ve paid it. Your generosity is assumed and becomes the default. By our numbers, we believe tens of millions of dollars flow to GoFundMe per year through donor tips. Not bad. Further, GoFundMe passes along credit card and operating costs to customers in the form of transaction fees, taking an additional 3 percent or so from each donation, on top of the tip, depending on regional interchange fees.²⁰

There’s nothing inherently wrong with corporations turning a profit. It’s what they’re designed to do. Still, the vague language and presentation around tips feels a bit underhanded. It’s part of a broader trend of “dark pattern” design—a subtly ominous term for a fairly insidious practice. Harry Brignull, a self-described UX (user experience) specialist, coined the term in 2010 to describe “tricks used in websites and apps that make you do things that you didn’t mean to, like buying or signing up for something.” The practice is everywhere now, and it’s bad enough that *Consumer Reports* has created a website for you to report any “manipulative designs that impact real people.” And the Federal Trade Commission published a report in 2022 expressing serious concerns about dark pattern practices. Dark pattern design takes advantage of our impatience—who among us hasn’t clicked “agree” on an Apple or Amazon user agreement without actually reading it?—as well as our psychology.²¹

Lab research shows that dark patterns are effective at getting people (especially the less educated) to pay for things they might not otherwise.

It's a commonplace business practice as old as commerce, an expression of what Adam Smith called the "propensity to truck, barter, and trade" updated by technological advances. GoFundMe's tipping interface is an example of a dark pattern known as obstruction, where the option of tipping nothing is hidden away so that users must manually type in different numbers to avoid the default. It isn't illegal, but it feels intuitively unethical, particularly in welfare crowdfunding.²²

Elisa gave a typical response when we asked about the tipping and transaction fees: "I knew that [the tipping process was] there, but I never really considered it. The fact that it's for-profit. . . . So, the people would say, 'Okay, I'm going to send you money,' and I would . . . get \$94.16 or something like that. Obviously, they donated \$100, right? And if I stopped to think about how much was going to GoFundMe, I [would think], 'Bye,' a little bit." Jeremy from Oregon, on the other hand, gave another common response: "Yes, it's a for-profit organization and I'm okay with that. If it was half of the proceeds, then I would [think], 'Whoa, hold on here. This is a little excessive.' But it's such a minor amount that I'm just fine with it."

Indeed, relying on transaction fees and donor tips is a brilliant system. GoFundMe only makes money from people who are making money (transaction fees) and from people who have money to give (donor tips). And the idea that it might profit from the personal data of users in the future is abstract compared with the pressing needs of the now. Welfare crowdfunders are focused on the donations coming in and the problems they're dealing with. GoFundMe might say that it's free (well, other than the transaction fees) for crowdfunders and that the company runs on donor tips. It all seems to add up, but we're doubtful that this tangle of profit and acquiescence, made possible by the corporatization of welfare fundraising, is the best way of helping.

Understanding Success

So now we know how GoFundMe, as a corporation, became a success. It's important to understand how companies make money, but we're focused on the people asking for help and it's time to get back to exploring how the small percentage of successful crowdfunders become successful.

Some success is tied to the profits GoFundMe stands to make. Like choosing contestants for *Queen for a Day*, it picks “winners” to feature on its site. Unless a potential donor knows the particular cause or person they’re searching for, they end up using the “Discover” link to browse. That’s where the company’s choices of which campaigns to feature become self-fulfilling prophecies.

We spent countless hours browsing. It was rare in our three years of research to “discover” a cause that had raised zero dollars. All the pages shown to us were well-done, compelling, and on their way to meeting goals. The company stacks the deck in its favor.

As Susan Adams reports in *Forbes*, beyond promoting promising cases on the front page, members of GoFundMe’s communications team—at one time led by a former senior communications advisor to President Obama—“filter through the flood of campaigns and pick the ones to amplify . . . pitch[ing] feel-good GoFundMe stories daily to national and local media and promot[ing] them on social channels.” The platform is throwing its weight behind perceived “winners,” which makes sense now that you understand how the company makes its money. Pages that are more likely to get donations are more likely to bring in lucrative tips. Chasing that 15 percent cut, it makes sense to back likely successes. That’s good money.²³

The GoFundMe Discover page is another example of dark patterns in website design. It’s difficult to systematically search the platform. It’s been designed this way. You can search and browse, but ultimately you see what GoFundMe wants you to see. And it’s naïve to think that what they present isn’t tied to profit-making.

A number of our respondents spoke as if their causes depended on the whims of fate. A Tennessee man fundraising for his sister’s medical needs said with resignation, “In the end, all you can do is hope someone notices, or you get lucky and go viral which never really happened.” What’s overlooked is that, in addition to the structure of GoFundMe, there are particular social structures that combine to limit some and privilege others. Inequality isn’t easy to see, whether in the “real world” or online, so we chalk up our outcomes to luck rather than call out the overlapping inequalities of race, class, gender, age, and social capital, as well as the digital divide that move some people to the front of the crowdfunding line. Handily for the status quo, those who have trouble

getting help are socially conditioned to see themselves as “unlucky” rather than structurally disadvantaged.²⁴

Along the way in this book, we’ve pointed out various practical elements that can lead to welfare crowdfunding success. We like the term used by one of our respondents, a “careful chemistry” that needs to happen for people to feel compelled to follow through and donate. A number of circumstances need to hold true at once to make the campaign resonate. To some extent, it seems like these conditions can be manufactured. The “marketability” of a page matters for crowdfunding success. Those with high-quality pictures and well-written copy typically do better. And we’ve talked extensively about how marketing yourself online requires digital skill and savvy. Those on the far side of the digital divide are probably out of the running on that one. Also, the specific nature of your problem or challenge can drive what help you get. Discrete and specific problems that can be directly solved by money seem to garner more donations.

Crowdfunding is a social media phenomenon: all of our stories hinge on the social ties of those trying to get help. The more connections you have, the more you hustle and tap into them; the more resources your social contacts have to give, the more money you’re likely to raise.²⁵ This isn’t rocket science. Our respondents certainly knew this. “I mean, it depends on your contacts, on your community, your friends and everyone that’s around you,” said John from Montreal. “It is not what you know, it is who you know,” added Lucas from British Columbia. “I guess it would depend on their connections and how they share it. Someone with 10 friends probably isn’t going to get very far when they try crowdfunding,” said Henry from Texas with the certainty of someone who knows he’s right.

Donors, like a platform’s profit mechanisms, aren’t the prime focus of the book, but they’re undoubtedly part of the social media-related success or failure of welfare crowdfunding. When you follow a link to a GoFundMe page, pop-ups say things like “Help by sharing” and, as we mentioned, “Fundraisers shared on social networks raise up to 5x more.” The page doesn’t say where that number comes from, but it sounded about right to our respondents. When a Colorado woman and her family teamed up and exceeded their fundraising goal of \$10,000 to benefit a

friend dealing with domestic violence injuries, she correctly said, “Luckily I have a rather large social media network where friends shared and donated.” In Washington State, Sherice explained the magic of social media and crowdfunding to us:

With being able to share it on Facebook and other social media platforms, it’s a really easy way to get the word out . . . our world is so online and internet nowadays. . . . It’s a way for people to not feel pressured, it’s not [that] you’re asking someone face to face or contacting them directly and saying, “Will you donate?” It’s more of an anonymous platform where someone can not feel pressured, and they can donate if they want to.

Social media is a space that warps distance and proximity. You have an immediate connection to others through it, and you maintain that connection through an electronic device from a physical distance. Sidestepping the exposure and pressure of a more dynamic face-to-face encounter, an online ask can feel easier and it can spread like wildfire. Eloise from Texas was astonished: “I put it on my Facebook page and then I had some family members share it. . . . I got people that I didn’t even know to donate to my GoFundMe.” In New York, Matthew was pleasantly surprised at the spread of his campaign too: “Everybody who had actually spoken to me about it, or done something with the Facebook posts that I had used to spread awareness of it was supportive. So if they couldn’t donate, or if they saw it they would share it, or they would reach out and say, ‘Hey, I can’t, but I shared it.’”

Research shows that the majority of crowdfunding donors are the friends and family of beneficiaries, though an estimated third of donations come from individuals the crowdfunder doesn’t know. By and large, donors aren’t wealthy—nearly half have household incomes below \$60,000 per year.²⁶ A review of thousands of donor comments corroborates our interview data: at least half of donations come from family and friends. Who you know matters for crowdfunding, and friends and family do a lot of the heavy lifting.

But it’s also clear that you need to go beyond your strong network ties to get at the other half of the potential donor pool, those weak ties

we talked about earlier in the book. Rishi from Pennsylvania said his friend's donors really stepped up: "They were all the university students who were new for the fall semester. . . . All the money he received from his friends. While being a grad student, you know how they work in one lab? So they make friends in that lab. So all those lab members also helped him a lot." Interestingly, Rishi implied that his friend's donations *didn't* come from family members but from fellow graduate students living on tight budgets. This is a really tricky situation. We know our own world of friends and family. Think of yours. You probably know which people you think would help you out if you were in need. When the reality doesn't match those expectations, you can be left with a mix of emotions. Jeremy from Oregon felt a bit overwhelmed seeing where his donations came from:

My heart almost breaks and I almost feel bad that people are giving, and I know that's the point of GoFundMe. But what I've found to be very interesting is a lot of family and friends have given. I know how these people are doing in their life, whether they're doing pretty well for themselves or they're barely making things work. What I've come to realize is the people that were barely making things work were the first ones to give. The ones that have [money] to give, have not. . . . I have a different mindset towards these individuals. I don't know, good or bad, it just kind of puts things into perspective [regarding] who your true friends are, if that makes any sense.

Fair or not, donations become a proxy for friendship and loyalty in the minds of some crowdfunders. That complicates feelings when you learn who your "true friends are" on top of an already difficult situation.

Donations that come from anonymous people or unfamiliar names are consistently surprising to crowdfunders, though they can be impactful. In Alberta, Elisa told us about receiving a donation from someone outside her network: "She gave me \$500 and I [thought], 'I don't even know who you are,' and she [said], 'I've had cancer before.' She came across [my page] on GoFundMe and she just [thought], 'I need to pay it forward.'" It must have felt like luck or magic to Elisa. Others noticed donors with whom they had ties but distant ones. Taylor from Utah said

of her donor pool, “It ended up being the majority of . . . my coworkers. But because we work from our homes, I’ve never met any of these people other than on Facebook. . . . And so it ended up being mostly people we’ve never met in person, but who know my name and my family from our work trade pages on Facebook.”

In our interviews, we heard that asking friends, acquaintances, and strangers for money through social media usually feels easier than asking them in person. Crowdfunders we studied still had very different tolerances for how far they were willing to go in their asks. Martha from Newfoundland was reluctant when her sister created a GoFundMe campaign to help her after her breast cancer diagnosis: “I despised the idea of putting it out there and saying, ‘Can you please help me?’” It was hard enough to think about telling anyone beyond close friends and family about the diagnosis, let alone posting it on Facebook. She went along with the campaign, but after sharing it once and getting some donations (but not meeting the campaign goal), she refused to continue. Martha felt a visceral aversion to asking people for money, online or otherwise: “Ugh, I just don’t like the idea.”

Dana, who works at a Minnesota nonprofit, had a very different approach. She had been discouraged by previous attempts to use crowdfunding for community initiatives, but when a youth education program at a local high school needed money, she gave it another try. By this time, she had learned that she couldn’t just put the campaign up and hope for the best, so she decided on a new strategy. She would contact twelve people she personally knew and who, given their jobs, wouldn’t have a problem donating a few hundred dollars each. Jump-started by her in-person and telephone appeals, Dana’s crowdfunding campaign soon took off and the money came together, largely on the back of her personal network. In this case, she was able to engineer some of that “careful chemistry” to get noticed and succeed.

The strategy someone uses to crowdfund—if they have a strategy, that is—certainly depends on what they’re raising money for and whether it’s for themselves or someone else. Each comes with a different level of discomfort, mediated by individual tolerance for putting themselves out there, often in a desperate circumstance, and asking personal contacts to donate.

Donors, it must be said, are crucial. They make up the “crowd” and provide the “funding.” Knowing who they might be can help welfare crowdfunding, like professional fundraisers, become more strategic about seeking help. But it doesn’t matter who the donors are if you can’t reach them. You may be ineligible to crowdfund because of your citizenship status, or you may be staring across a yawning digital divide, or you may be blocked because of your social position and networks. The welfare crowdfunding machine allows only a select population to reach out to donors, and an even smaller population will have any success when they do.

In any case, most people don’t end up mining a rich vein. Brenda from Florida reminded us of the emotional consequences of a crowdfunding effort, including for her self-image: “It definitely makes me concerned, worried, stressed, anxious, and upset that some people get so lucky. . . . Is it because they’re a social influencer or something, that they just had a lot more followers and it was doable for them? I’m just not as recognized or noticed in this world.” Sure, some people have plenty of friends and relatives willing to broadcast their campaigns across social networks, but even then their success hinges on whether their friends and family (and their friends and family) have resources to spare. If your friends are broke, there’s nothing in the vein to mine. We end up right back at persistent inequality—inequality in network resources is reproduced as inequality in crowdfunding success.²⁷ Brenda asked plaintively, “How do you have such a successful fundraiser when you’re not so known?” The short answer is: You don’t.

Helping a Select Few

There are pockets of joy in welfare crowdfunding. You only have to think back to the support Robert and Lisa received from friends, family, and strangers. Looking over our data, talking with people who sought and sometimes got the help they needed through crowdfunding, we’re left with the inescapable sense that this is like the *Hunger Games*, where patron-sponsored parachutes drop down with lifesaving supplies but you’re still locked in a death match. We love Taylor Swift,²⁸ but when you’re struggling, should you have to wish for a pop star to be your fairy godmother?

This may seem overly dramatic. But recall that after removing outliers, only 17 percent of Canadian and 12 percent of American crowd-funders make their goal. This means that somewhere in the range of 80 to 90 percent come up short (often by a mile).

The welfare crowdfunding process on GoFundMe privileges a select few. Those at the top, the highest-earning 5 percent of campaigns, claim more than half of all fundraising dollars. The successful often receive a boost from GoFundMe when they're featured by the platform. Promotion leads to more visibility and donations, which lead to more tip income and profits for GoFundMe. But this can't happen for every cause. The select few with more robust social networks and marketing know-how rise to the top; the others languish at the bottom. Overlapping real-world inequalities seep in, resulting in the campaign earnings on GoFundMe being more unequal than incomes in any country in the world. The cost of failure is as high as its incidence. Those who "fail" are overwhelmed by despair, stress, anger, disappointment, discouragement, and sorrow. They gave up time and privacy to put their problems in front of the public and got little or nothing for their trouble—unless you count all the awful feelings. Heck, the data on their suffering becomes the property of GoFundMe, which can use it to make profits in the future.

If welfare crowdfunding is so bad, why do so many people do it? It turns out sociologists have long understood this dynamic. As individuals, we tend to look down at our shoes and ignore the bigger social forces swirling around us. C. Wright Mills wrote about this in his pioneering book *The Sociological Imagination*. We see our actions and our troubles as personal, of our own making, and we don't link them to larger structures or understand them as public problems. For example, if we can't get a job, we tell ourselves we're at fault rather than the structure of the economy and the biases of hiring managers. So rather than try to address systemic bias or pursue social change, we work hard to solve our own problems. And when we can't—when our GoFundMe campaigns fail, for instance—we say, "It's us, not them." Discussing *Queen for a Day*, scholar Susan Douglas suggests that Americans in particular like to think that any person can be helped and any problem can be fixed.²⁹ We don't want to believe that people are trapped in their social circumstances, utterly tied to the whims of profit-seeking corporations and their feel-good

slogans; instead we opt for the less realistic but sunnier worldview in which people who work hard win.

Welfare crowdfunding today feels a lot like *Queen for a Day*. It makes for great entertainment, but it might not be our best expression of how to help each other in our society. The crowdfunding platforms love it, of course, because welfare crowdfunding is a massively profitable venture. The rest of us are right to be a bit unsettled. When GoFundMe and other sites crown queens (and kings), those people's lives may be materially and demonstrably bettered. For every person crowned, though, there are many, many more runners-up. Social responsibility demands that we find practical ways to move forward and help these people too.³⁰

10. The values for Canada are roughly 4 percent and 2 percent of the US health-care and education totals, respectively.

11. Monroe (2019). The quote by Rob Solomon appears in Fortt and Salinas (2018). Snyder (2021) and Stevenson (2020) criticize GoFundMe and its business model along these lines.

12. This sneakiness around tips is an example of a “dark pattern” in digital design—something we will unpack in detail in Chapter 4.

13. For more on friendfunding and health-care crowdfunding, see Borst et al. (2018) and Lee and Lehdonvirta (2020).

14. See Igra (2021) for more on donor capacity and crowdfunding inequality.

15. Leavitt (2021).

16. William Julius Wilson’s groundbreaking 1987 work *The Truly Disadvantaged*, on social capital, network ties, and race in the 1980s, showed that because of structural changes tied to “White flight” from certain city neighborhoods, Black Americans, for example, were cut off from the network ties necessary to find employment. It’s not what you know; it’s who you know, but if you can’t meet certain people because they’ve moved away to avoid you, that’s a problem. The deeper point is the significant variation in the breadth of social networks, and race, class, and gender that have to be considered. See Lee and Lehdonvirta (2020) on regions with weaker ties having less crowdfunding success. Also see Cai (2018) on crowdfunding and social capital.

Chapter 4

1. Douglas (1995, 33). Thanks to Letta Page for making this connection.

2. Bate (2021).

3. Bonfiglio (2019).

4. For de Tocqueville ([1835] 2000), who traveled across the US in the nineteenth century, these habits were an essential expression of the American national character. The robust literature that extends from de Tocqueville emphasizes the importance of social ties and norms of reciprocity for fostering democracy and the pursuit of the public good. And Clemens (2020) shows how this voluntarism and reciprocity helped to build the very fabric of American identity. For more, see Bellah et al. (2007) and Lichterman (1996).

5. Snyder (2020), in *Exploiting Hope*, discusses the vulnerability we open ourselves up to and the possibilities for exploitation associated with new medical solutions, including crowdfunding. This period covers the beginning of the COVID-19 pandemic, whose economic consequences created surging demand for welfare crowdfunding. Our data suggests that campaigns created after March 2020 saw somewhat lower rates of success than those created before.

6. The majority of one-dollar campaign goals likely serve as placeholders. GoFundMe requires you to put in a dollar amount. Some welfare crowdfunders may be adopting a strategy popularized in real estate: beginning with

a low-ball amount in order to stimulate donations. It isn't completely clear whether or not this strategy is effective. Our data seems to hint that it isn't.

7. Concretely, if we drop all campaigns that were live for less than three weeks at the time of observation when calculating success among typical campaigns (i.e., the middle two-thirds by goal amount), the proportion that meet their goal changes from 12.1 to 13.4 percent. If we do this for the full range of goal amounts, we actually see the success rate fall. It's also worth considering a reasonable time for completing a campaign. Many of the costs that people turn to crowdfunding for (e.g., funeral, medical, tuition) are by their nature urgent, so that taking many weeks or months to meet a goal hardly counts as success. Our data can't tell us exactly how long campaigns tend to last; even if it could, the time a campaign spends on the platform may not be meaningful because many cases, especially when they don't take off right away, are left open for months and years until the platform itself eventually removes them.

8. The true extent of inequality in funds raised may be more extreme than we find based on our data. As we discuss in the Appendix, we believe that highly successful campaigns are more likely to stay online and visible longer to demonstrate how well the fundraising effort did. On the other hand, poorly performing campaigns are likely to be removed sooner to avoid being perceived as having failed. It's therefore much more likely that our analysis is missing low-funded campaigns rather than high-funded ones that were short-lived and so overlooked by our data collection because they were created and removed between our visits to GoFundMe. In other words, our approach to data collection likely undercounted the true number of low-earning campaigns, making our assessment of inequality conservative. If additional low-earning campaigns were to be added to our calculation, high-earning ones would become even rarer, making inequality as a whole even more severe. Igra et al. (2021) find similar inequality levels in a study of COVID-19-related medical crowdfunding.

9. These values are based on income earned, including capital gains, before taxes and government transfer payments (e.g., unemployment benefits). The numbers reported here are from tables O and A3 in the dataset in "World Bank Open Data" (2021), which updates the Piketty and Saez (2003) top income share series through 2018. Saez (2018) also provides a description of recent income inequality trends. The overall trend of steady or gradually increasing inequality in the US and Canada in recent years appears to have been disrupted, at least briefly, by the pandemic and the broad-based government economic aid that came with it.

10. According to the Organization for Economic Cooperation and Development, the 2017 US Gini (household disposable income) was 39. Other sources, like the Luxembourg Income Survey (<https://www.lisdatacenter.org>), provide similar estimates.

11. The values are very similar when looking at each country separately, although there are some differences between fundraising categories. Funds are somewhat more equally distributed for categories like pet-related costs (65) and more unequally distributed for community projects (85) and faith-based campaigns (76). The Gini for campaigns only in core welfare-related categories (health care, emergencies, funerals, and education) is 70. The South African Gini is from World Bank (n.d.).

12. The highest Gini for disposable income in the Standardized World Income Inequality Database (Solt 2020)—by far the most comprehensive collection of cross-nationally comparable income inequality measures—is 67.2, estimated for Namibia in 1994. The highest Gini for market income (pretax and pre-transfer) in the database is 72.5, for South Africa in 2008. It's debatable whether disposable or market income is the most apt for comparison with crowdfunding earnings. We chose to highlight disposable income inequality since it gives a sense of actual consumable resources that individuals in different countries end up with. In crowdfunding, market and disposable “income” are one and the same since platforms don't engage in redistribution meaning that they don't “tax” high-earning campaigns and use the proceeds to make support payments to low-earning ones (although one interview respondent believed that they do). However, they certainly intervene by promoting some campaigns over others. The countries in which platforms operate, for their part, usually don't tax crowdfunding earnings (in the US, these are considered “personal gifts” and not taxable income in most cases). There are, of course, many important ways in which a crowdfunding platform differs from a country. We compare them here to give readers a general intuition about inequality on GoFundMe.

13. GoFundMe (2018).

14. See Boodman (2017).

15. *Fox 2 Detroit* (2018); Boynton (2020); Jefferson (2020).

16. Fottrell (2021).

17. See Schneiderhan (2011; 2015) for more on charity organizations, friendly visiting, and the move to combat fraud.

18. Cooley (1902).

19. For the privacy policy, see: <https://www.gofundme.com/en-gb/c/privacy>.

20. For GoFundMe revenue amounts, see Harris (2017) and MacMillan and Tan (2015).

21. See May (2020) and Campbell-Dollaghan (2016) for a general discussion of dark pattern design and GoFundMe; on Brignull see <https://www.darkpatterns.org/>; on *Consumer Reports*, see Germain (2021). On FTC concerns, see Federal Trade Commission (2022).

22. Luguri and Strahilevitz (2021); Smith ([1776] 2003).

23. Adams (2016); Heller (2019), along these lines, discusses how “just getting the story out there” is insufficient for crowdfunding success.

24. Merton (1938) extensively theorized the role that luck plays in explaining and justifying what happens in our lives, particularly in American society; see also Sauder (2020) for a review of how luck factors into sociological thinking.

25. See Igra (2021).

26. See Smith et al. (2016), but note that this is for all crowdfunding, not just social welfare. See also Berliner and Kenworthy (2017). On low-income donors, see NORC (2021).

27. Igra (2021).

28. See Schneiderhan (2013) on using Taylor Swift song lyrics to make sense of mean peer reviews.

29. Mills (1959). Douglas (1995).

30. See Quinn and Schneiderhan (2023) for a discussion of the moral underpinnings of sociological research and how we might find purpose in trying to solve social problems in our community.

Chapter 5

1. This estimate of is from a survey by the research organization NORC at the University of Chicago (NORC 2021).

2. This period covers the beginning of the COVID-19 pandemic, whose economic consequences created surging demand for welfare crowdfunding. Our data suggests that campaigns created after March 2020 saw somewhat lower rates of success than those created before. See Igra et al. (2021) for a detailed analysis of COVID-19–related crowdfunding in the first months of the pandemic.

3. This image is often called Rubin’s vase after the Danish psychologist Edgar Rubin.

4. This is a point that scholars of inequality have noted since the early days of the internet. See Hargittai (2002).

5. The psychological concept of “learned helplessness” is typically attributed to Seligman (1974) and refers to a sense of powerlessness resulting from repeated exposure to traumatic and aversive events outside of one’s control.

6. On tipping on GoFundMe, see Monroe (2019).

7. Berliner and Kenworthy (2017) were among the first to call attention to this problematic aspect of crowdfunding, and their article created a strong foundation for the ensuing conversation in the literature.

8. See Prasad (2018) and (2021) for more on how sociological ideas can be used to solve social problems and how focusing on social problems can help advance sociological understandings of the world. This specific formulation of “reconstruction” comes from Jürgen Habermas (1979, 95).

9. In a move widely condemned by developers and academics, Twitter ended its policy of free API use and switched to a paid model in February 2023.