THE CHRONICLE OF PHILANTHROPY®

# Winning Ideas in Online Fundraising



#### iDonate.

### **Now Everyone Can Help**

How peer-to-peer fundraising can help nonprofits.

By RAY GARY, CEO of iDonate

There's a lot written about P2P, DIY, and crowdfunding. But simply put, P2P should be about enlisting your "army" to fundraise on your behalf. If we think of giving as an opportunity for your donors instead of a transaction, P2P is a compelling new way to engage them for your cause. Your donors want to help, but pounding them with emails linked to a web form is no longer an effective approach. This doesn't give them the opportunity to participate in anything more than a transaction. P2P has unlimited potential in times like these to help nonprofits serve their donors, and vice versa.

While P2P has been around a long time, we haven't experienced its full potential. The ongoing COVID-19 crisis has created a need for nonprofits to innovate and raise funds digitally. When you can't have an event, participate in a walk-a-thon, or meet face to face with major donors, nonprofits need a solution that is more than emails asking for funds. People want to help, and P2P campaigns can be appealing. They allow supporters to make a difference simply by personalizing an ask to their networks about a cause they deeply care about.

#### There are myriad statistics regarding P2P fundraising available on the web, but here are some highlights:

The average P2P fundraiser page raises

\$568

The average P2P fundraiser raises funds from

8 Donors

The average P2P donation size

\$66

35%

average increase in giving when a goal meter is featured

Campaigns with personal videos raise

150%

more than those without

Unfortunately, P2P campaigns often are not planned out or executed appropriately. There are a lot of general tips and guides online for building P2P programs, such as developing a goal, targeting your supporters that have social circles, encouraging personalization, and even incentives. However, in these unprecedented times you have to be overtly strategic, conscious, and sensitive:

#### **Ask for Permission First**

In difficult times, you have to ask your donors for permission. Let them know you are aware they are facing their own challenges right now, and understand they may not be capable of helping.

#### Make the Barrier to Participate Small

Consider \$10 or \$20 challenges. Don't make it hard to participate or create high expectations.

#### Avoid "You-Centric" Messaging

Make sure you focus on how donors feel and what they get out of it. Incentives are fine if they don't come across as transactional, but the messaging should be about them, not you. Your donors are the heroes. Engage them in the idea that they are keeping your mission alive by doing this.

Finally, I know that like most Americans right now, you are doing all you can to survive and keep your mission moving forward.

Now is the time to not only ask, but give your supporters an opportunity to serve you.

Just remember to be sensitive and focus on how they can benefit by serving you. They want to do it, and they will.

# Winning Ideas in Online Fundraising

s online fundraising becomes a bigger part of most organizations' revenues, you need to make sure your nonprofit separates itself from the pack.

For your group, that might mean more personalized or first-person communication with donors. It might mean using text-messaging in new ways. Maybe it means giving up the common matching-gift challenge for your giving day and instead ramping up donor's competitive spirit. It

might mean setting up your own crowdfunding site or finding new ways to use one of the popular sites online. And maybe it's helping your volunteer, peer-to-peer fundraisers be more effective.

In the pages ahead, you'll find how groups successfully used these ideas and others in their online, peer-to-peer, and giving day campaigns in hopes you can adapt some of these strategies for your organization.

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  With Just the Basics
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PENCILS OF PROMISE

CLASS ACT: Pencils of Promise, which builds schools in the developing world, reaped a \$1 million Bitcoin gift after opening donation channels for virtual currencies last year.

# How 4 Groups Netted Big Returns With Just the Basics

BY HEATHER JOSLYN

or most charities, online fundraising remains a small slice of revenue. But every year, that slice grows larger: Online support grew by a median of 23 percent in 2017, according to a survey by M+R, a consulting company.

For our May cover, the *Chronicle* looked at the success of online nonprofits using Facebook, crowdfunding, giving days, peer-to-peer fundraising, and more. Here, we highlight groups that had success with simple ideas and tools.

#### A BIG REQUEST FOR CHILDREN

Pencils of Promise, founded in 2008 to build schools in the developing world, has always emphasized social media and online giving; about 20 percent of its contributions come in online, a much higher share than for most charities.

But during the last two months of 2017, it approached online donors a bit differently, asking them to finance the education of 10,000 kids "holistically": \$75 per child, or \$750,000 in total, could help build schools, support teacher training, and improve water and sanitation systems.

The two-month drive raked in \$1.7 million, says Susie Harrison, the charity's head of strategic relationships. In addition to pushing the campaign on social media to its 1 million-plus followers and customizing emails to its carefully segmented donor base, the charity accepted cryptocurrency for the first time. "We always want to engage with our supporters in the best possible way," Harrison says.

That decision proved key: After setting up the means to accept virtual currency, the charity received a \$1 million <u>Bitcoin gift from the Pineapple Fund</u>, the mysterious grant-making entity created by the anonymous donor who goes by the name Pine.

#### THE POWER OF FIRST-PERSON DISPATCHES

Sometimes the best email campaigns are not planned as email campaigns. At the Hispanic Federation, a swiftly arranged effort to raise relief money in response to the devastating hurricane in Puerto Rico last year took some surprising turns.

When Broadway superstar Lin-Manuel Miranda tweeted out a link to the federation's disaster-recovery program, Unidos, donations poured in — a somewhat predictable result given his celebrity and social-media clout. Yet when Frankie Miranda, a less well-known top federation official, visited Puerto Rico and wrote an email to supporters about the destruction he saw around the island, another, albeit

smaller, wave of support followed.

"Frankie told everyone, in the first-person, the story of his experience, what he saw," says Effie Phillips-Staley, a federation vice president. "We saw how powerful that was."

And that, she says, started what the organization calls its field reports — email updates from people on the ground in Puerto Rico telling supporters what is going on and how donations are being spent. The Hispanic Federation asks staff members who travel to the island and those who are working there more permanently to keep a journal. Then they might be called on to write a first-person account. The organization lightly edits the stories, then sends them as email blasts. About seven have gone out since last fall.

Phillips-Staley says the field-report emails have become a key part of the organization's fundraising, which has netted \$35 million for Puerto Rico's relief and recovery.

In addition to pushing the campaign on social media to its 1 million-plus followers and customizing emails to its carefully segmented donor base, the charity accepted cryptocurrency for the first time.

"You can't plan an email campaign for a disaster in advance, and we didn't even formally make plans once Unidos started," she says. "But we saw what the field reports meant to people, and we realized, this is our email campaign."

#### **LIGHTS, CAMERA ... BURRITOS?**

It's been said (sort of) that a picture of kids eating burritos is worth a thousand

words. At Outreach Indiana, which serves homeless youths, that image might be worth even more.

After employees from a local company toured Outreach and helped make burritos for kids arriving later at its after-school center, Mike Elliott, the charity's director of development, sent a one-minute video to the volunteers.

"I wanted to say thank-you for coming, and I put up a photo of kids eating so they could see that they made burritos for these kids to get a hot dinner," Elliott says. Shortly after, he says, one of the employees made a \$100 first-time donation. After Elliott sent a second video personally thanking the new donor, the man responded by signing up to give each month.

Elliott estimates he has made and emailed more than 200 thank-you videos in the past year. The effort is his way to "get in front of people to show gratitude and impact." In the videos, he thanks donors by name and tells them a short story about how their donation (he will often name the amount) was used. In a recent video, he displayed a photograph of a young man, Marate Richardson, for whom Outreach helped secure identification papers he had had trouble getting because of a mix-up about his documents at birth. He explained that the donor's \$100 donation could cover the cost for Outreach to help four others get an ID.

Elliott says he has received some nice feedback about the videos — which he makes with Vidyard GoVideo, a free online tool, and sends by email. Those videos have also contributed to recent fundraising gains. Outreach Indiana raised \$1.6 million last year, up \$500,000 from 2016.

#### A DIGITAL-AGE RESCUE AFTER HURRICANE HARVEY

After Hurricane Harvey hit Houston last August, Kevin Doffing, executive director of the Lone Star Veterans Association, arrived at his office wondering where the cavalry was.

But with so much of the metro area flooded, a rescue party was unlikely to show up soon. So he decided his sevenyear-old nonprofit, created to build a community for Iraq and Afghanistan veterans, would have to organize one.

It reached out to the cellphones of everyone in its database. "We just sent out a one-line text: 'Hey, this is LSVA, we're just checking on you,' "Doffing says. Within four hours, 70 people responded with requests for help — and 270 texted back that they were ready to answer the call.

The nonprofit's headquarters established a call center, using multiple computers to match people in need with volunteers who lived nearby. "It was neighbors helping neighbors," says Doffing, a former infantryman who served in Iraq. The result: Within a week, 280 homes were mucked out and 5,000 volunteer hours donated.

"I wanted to say thank-you for coming, and I put up a photo of kids eating so they could see that they made burritos for these kids to get a hot dinner."

Word of the group's text-fueled emergency response spread. Two companies, which Doffing says wish to remain anonymous, gave the group a total of \$275,000, unsolicited. Lone Star also got \$50,000 from the Greater Houston Partnership's Hurricane Harvey Relief Fund. The amount raised from those three gifts, Lone Star's leader says, is close to its usual annual budget.

Doffing, previously a skeptic about the effectiveness of texts, points out that they have a much higher open and response rate than email. The volunteers summoned by text for Hurricane Harvey, Doffing says, are being trained in peer-to-peer fundraising.

"I'm a big fan of text now," he says.

Debra E. Blum contributed to this report.

# 4 Standouts in Crowdfunding and Giving Days

#### By HEATHER JOSLYN

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KEVIN GRAHAM

African penguins with their artificial nests. The Association of Zoos & Aquariums launched its first ever crowdfunding effort on Kickstarter last year, called Invest in the Nest, to raise \$150K for artificial nests for the endangered African penguin.

#### **LOOK MA, NO MATCHING GIFTS!**

Purdue raised \$28 million in its giving day last year — a figure that tops the 2017 giving-day totals for every other college and university last year as well as for Minnesota's statewide event. The techwealthy Silicon Valley raised just \$8 million two years ago before it gave up on the giving-day idea altogether.

Even more impressive, Purdue reached this height without help from matching gifts, according to Amy Noah, vice president for development at the Purdue Research Foundation. Ninety-four percent of the day's donations came in online.

Since Purdue's giving day began in 2013, 44 percent of donors have been first-time supporters of the university. Organizers point to a few ingredients of their success:

**Competition.** Leader boards for dollars raised show how each of the university's participating colleges and organizations is faring throughout the event. Thirty-six challenges are stuffed into the day.

Constant social-media sharing. Donors compete for "greatest selfie on campus" or post Instagram videos of themselves singing "Hail Purdue."

**A war room.** The development department's 211 employees take turns helping out for 30 hours straight. (Noah brings a sleeping bag every year.)

**Real-time stewardship.** "We do a lot of spur-of-the-moment thank-you videos on iPads," Noah says.

A focus on data. Employees make sure alumni from every state participate and that the number of countries represented increases each year. If data show social-media activity on a hashtag but no alumni giving in a particular country, the fundraising team purchases digital ads aimed at Purdue alumni there, says Kate Jolly, director of digital fundraising. In 2017, donors came from 56 countries, up from 44 the previous year.

#### \$37 MILLION, AND GROWING FAST

Colorado Gives Day isn't the first regional giving day, or the biggest: Those honors go to North Texas Giving Day, about to launch its 10th year, having raked in \$39 million last September.

But Colorado's statewide event, begun in 2010, is swiftly gaining, with nearly \$37 million raised last year. More than 2,300 charities benefited from December's Colorado Gives Day, and its 153,955 individual donations bested North Texas's tally by nearly 83,000.

"The biggest secret to our success is that nonprofits are so involved in it," says Dana Rinderknecht, director of online giving at the Community First Foundation, which co-sponsored the event with FirstBank. "Nonprofits have incorporated it into their year-round fundraising plans. It's part of our DNA out here in Colorado."

Donors, she says, tell her as early as September, "I'm saving up for Colorado Gives Day. I'm starting my list."

For some, those lists are long. Since 2015, organizers have tracked "10 plus" donors, who give to 10 or more charities on Gives Day. In 2017, about 2,500 of them supported an average of 15 charities, for a total of \$7.2 million. In 2015, only 1,100 donors were "10 plus."

"Nonprofits have incorporated it into their year-round fundraising plans. It's part of our DNA out here in Colorado."

The main portal for Gives Day donations, <u>ColoradoGives.org</u>, runs all year, connecting people with causes, communities, and organizations to support. They can also purchase e-card gift certificates for friends and family to make contributions; children can use the e-cards to give on their own online portal, Kids for ColoradoGives, which

launched in September 2016 and helps youngsters learn about supporting causes.

Unlike other local and regional philanthropy events, Colorado Gives Day doesn't rely much on prizes or post a leader board. Says Rinderknecht, "It's about the big number and making the pie bigger."

#### A DRIVE THAT BROUGHT IN MANY FIRST-TIME DONORS

Joining a trend of charities running crowdfunding drives for special projects, the Association of Zoos and Aquariums launched its first Kickstarter campaign last May, to raise \$150,000 to provide endangered African penguins with artificial nests. (The birds typically build nests from their guano, which doubles as a farming fertilizer and is growing scarce.)

Over 30 days, 2,207 people kicked in \$193,560 for "Invest in the Nest." A majority of donors had never supported zoos, aquariums, or even conservation projects before, says Rob Vernon of the association. Among the secrets to the success:

A year's planning, including creating a schedule for social-media posts and goals. One key decision: the focus on the penguin from among 13 other endangered species, a choice made in part because of the bird's popularity.

A compelling video that laid out the case to donors. It featured expert testimony from a zoologist and footage of frolicking penguins. The campaign followed up with videos thanking donors and showcasing more of the birds.

**Buy-in from association members.** About 100 zoos and aquariums shared campaign social-media messages.

**Prizes for gifts of all sizes.** A \$3 gift netted a personalized thank you; \$10,000 or more

earned naming rights to a nest installed in a penguin colony in South Africa.

#### HOW PLAYING TO THE CROWD FILLED THE GAPS

Since it revamped its <u>crowdfunding site</u> in 2016, Missouri State University has seen fundraising for student, staff, faculty, and other special projects take off, both online and off.

In 18 months, featured projects have raked in more than \$240,000 through the site — and \$190,000 more in offline gifts, including stock transfers. The site is "helping to fill the gaps between annual giving and major gifts," bringing in donations as big as \$10,000, says Melanie Earl-Replogle, director of annual funds.

#### "I don't think the coaches or athletes ever touched a laptop, they ran their campaigns on smartphones."

A recent effort to raise unrestricted funds for Missouri State's athletic teams netted \$67,000 of its \$110,000 total on the site.

Fifteen percent of all crowdfunding donors to the university are over age 60, and most crowdfunding gifts by all donors arrive by mobile device, Earl-Replogle says.

"I don't think the coaches or athletes ever touched a laptop," she says. "They ran their campaigns on smartphones."

More than 60 percent of the athletics drive's supporters were new Missouri State donors. Data from the site is helping the university identify prospective big donors.

"When you have people putting \$5,000 on a credit card, they're raising their hand," she says.

## A Bike-athon Pro Talks About How to Motivate Your Volunteer Fundraisers

#### By HEATHER JOSLYN

hris McPhee is a lifesaver — literally. Since 2009, he's helped raise hundreds of thousands of dollars for the Princess Margaret Cancer Foundation, which supports an acclaimed research hospital. In his day job, the 42-year-old is a paramedic for the City of Toronto. He began participating in the Enbridge Ride to Conquer Cancer, which benefits the cancer center, to honor his mother and mother-inlaw, who both died from the disease. In 2013, he took charge of a team of fellow first responders who participated in the event.

Under his leadership, Paramedics for a Cure has raised about \$700,000 through the grueling two-day event in June, in which riders cycle from Toronto to Niagara Falls. (Participants raise at least \$2,500 each; McPhee has personally raised \$30,000.) His efforts won him the 2018 Cash, Sweat, and Tears award from the Peer-to-Peer Professional Forum, which honors North America's best volunteer fundraiser.

McPhee offers charities advice on motivating volunteer fundraisers and keeping them for the long haul.

> HIGH GEAR: Toronto paramedic Chris McPhee won an award as North America's best volunteer fundraiser for his work leading a team of peers in bike-athons for cancer research.



SOMBILON STUDIOS

#### Connect.

"First of all, you need to make people feel welcome," McPhee says. The foundation sends a welcome packet when riders sign up, but he follows up with emails or calls. He often meets new teammates to explain how to prepare for the ride and help them navigate a feeling of "disconnect" common for such big events.

#### Calm participants' fears.

As a paramedic, McPhee says, he is used to reassuring anxious people. More charities, he says, need to give team captains guidelines for helping newbies handle jitters, and make it more likely they will stay on board.

"People who are new to these events, they have two worries: One, they're scared of training. Will they physically be able to do this event? And second, they're scared of fundraising," McPhee says.

#### Start raising money early to build momentum.

During the training period, Paramedics for a Cure runs team-based fundraising events, which start in the fall ahead of the June event, McPhee says: "If you're able to provide them with a fundraiser early on and they get \$200 or \$300 sent to their personal page, they're like, 'Oh, this is awesome.'

#### Train together.

During Canada's long winter, Paramedics for a Cure team members gather every two weeks for indoor spinning classes, topped off by a visit to a local pub. When the snow melts, the team cycles together outdoors.

People may join athletic fundraising events online, but they crave connection in real life. "It's not the ride or the cause that draws people back every year," McPhee says. "It's the fact that it's almost like a social club."

#### Raise money together.

Charities should teach volunteer fundraisers to organize large-scale fundraising efforts for their teams, McPhee says. He points to examples like T-shirt sales and bowling parties. "If they can fundraise as part of a team, it takes the weight off of them doing it on their own," he says. Participants don't need to solicit their friends and family members quite so often, making it less likely that donor fatigue will set in.

#### Be prepared to play translator.

As the big event draws near, McPhee clarifies the stream of messages coming to his team from the charity, passing on to team members just what they need to know. "I find it sometimes can be very overwhelming, especially if you're new to the event," he says.

#### Gather before the event.

At McPhee's gathering the day before the race, the team celebrates its fundraising achievements and individual standouts. He hands out team shirts and trophies — such as to the "rookie of the year" — and reviews plans for the next day.

#### Give your star volunteers reasons to return.

After each Enbridge Ride to Conquer Cancer, about 30 percent of Paramedics for a Cure riders sign up right away for next year, McPhee says. He's negotiated a discounted registration with event organizers if a number of his team members sign up early. Then, by saving a portion of money from team fundraising efforts during the year — say, 50 cents per T-shirt sold — McPhee pays the registration fee for a few early sign-ups.

Also, McPhee says, sharing responsibility for managing a team with its most motivated volunteers "will create rider retention all by itself."

#### Recognize that motivations evolve.

When McPhee first joined the ride, he wanted to honor the memory of his departed family members. Later, he says, the social aspect was a draw. Now? "It's coming back and helping people experience what I experienced — the awe of the event and accomplishing something they didn't think they'd be able to do."

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