



# Online Fundraising 101

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# Agenda

- ❑ The WHY of Online Fundraising
  - ❑ Benchmarking studies
  - ❑ Salvation Army experience
- ❑ The HOW of Online Fundraising
  - ❑ Best practices
  - ❑ Options
  - ❑ Some technical stuff
- ❑ Resources
- ❑ Questions



## Goals

- Give an overview of how online fundraising is working.
- Discuss how to make online fundraising work.
- Present options for getting started.
- What are your goals for the session?

# Why Bother with Online Fundraising?

Internet use continues to grow. The adoption rate for adults 55 years and older grew by 20% last year.

<i>Use the internet</i>	
Total Adults	70%
Women	69
Men	71
<i>Age</i>	
18-29	83%
30-49	82
50-64	70
65+	33

<i>Household income</i>	
Less than \$30,000/yr	49%
\$30,000-\$49,999	75
\$50,000-\$74,999	90
\$75,000+	93

<i>Educational attainment</i>	
Less than High School	36%
High School	59
Some College	84
College+	91

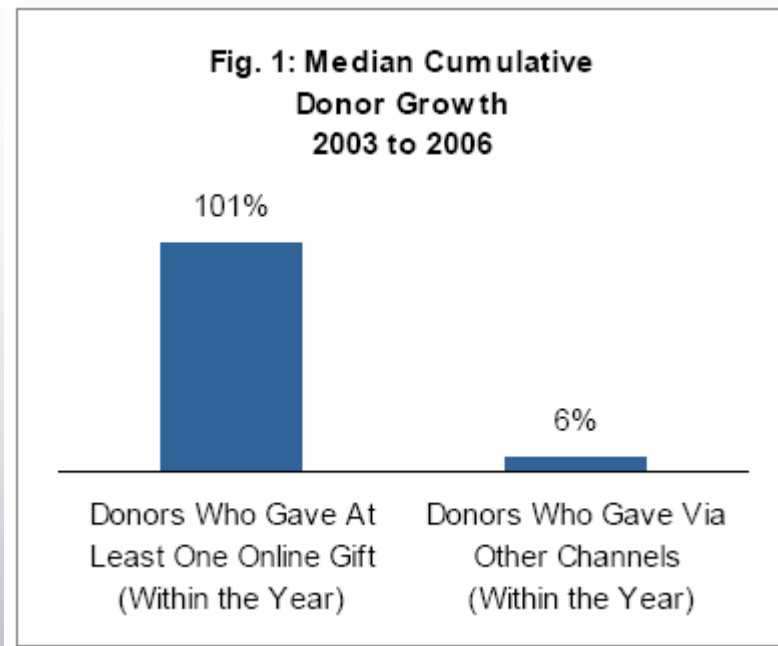
Source: Pew Internet & American Life Project, January, 2007  
[www.pewinternet.org/trends/User\\_Demo\\_1.11.07.htm](http://www.pewinternet.org/trends/User_Demo_1.11.07.htm)

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# Why Bother with Online Fundraising?

Target Analysis client benchmarking study: Median cumulative growth in online donors has been 101% over the past three years, compared to 6% growth for non-online donors.



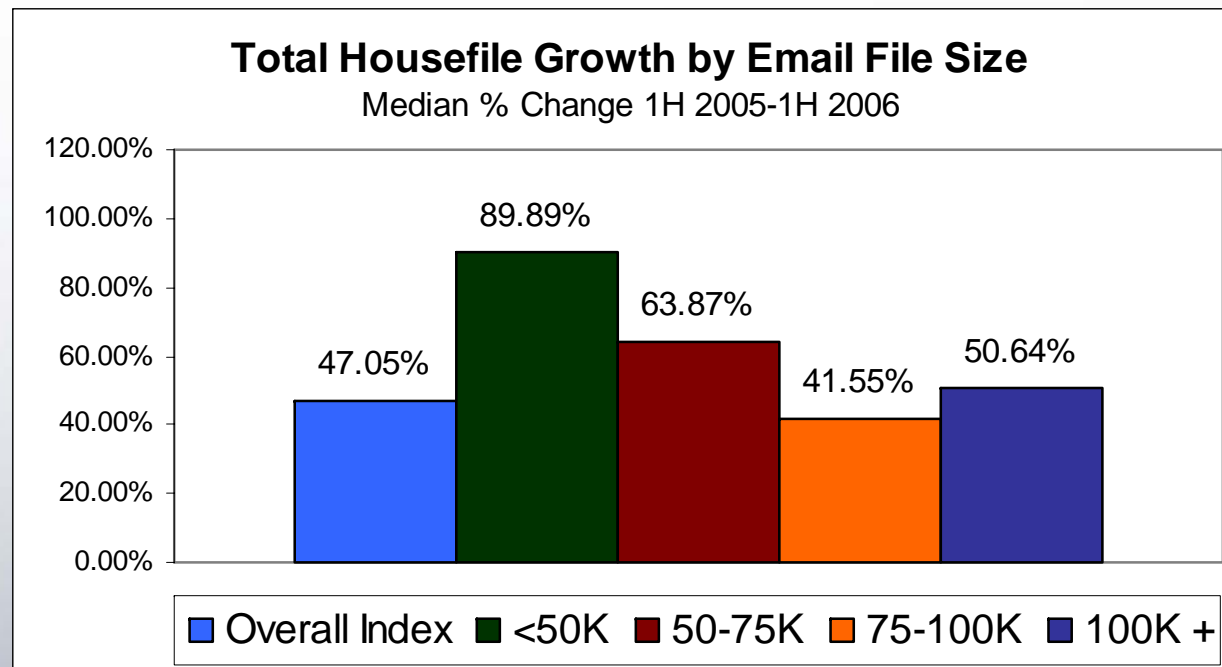
Source: Target Analysis Group: 2006 Online Giving Benchmarking Analysis [www.targetanalysis.com/register.php](http://www.targetanalysis.com/register.php)

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# Why Bother with Online Fundraising?

Convio client benchmarking study: Organizations with smaller online house files experienced faster growth than organizations with larger files.



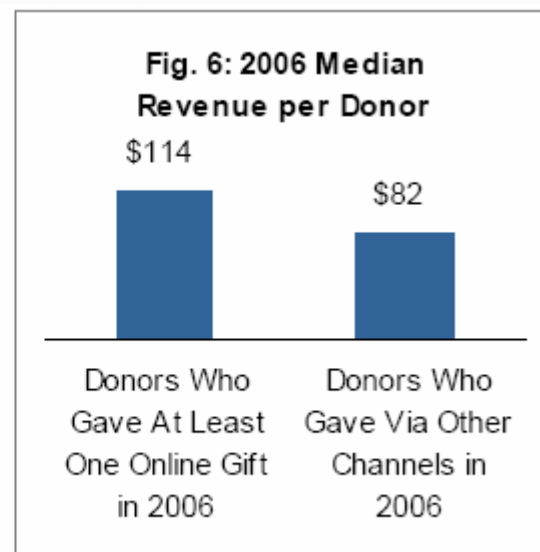
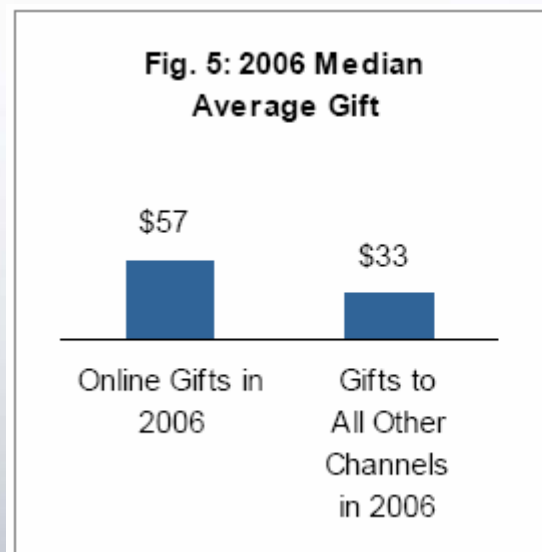
Source: Convio Online Marketing (eCRM) Nonprofit Benchmark Index™ Study:  
[www.convio.com/onlinebenchmarks2](http://www.convio.com/onlinebenchmarks2)

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# Why Bother with Online Fundraising?

Target study: 2006 median average online gift was \$57, compared to \$33 average gift to all other sources. 2006 median revenue per donor was \$114 for online donors and \$82 for non-online donors.



Source: Target Analysis Group:  
*2006 Online Giving Benchmarking Analysis*

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## Do More than Give

- ❑ 10,951 emails sent in Western Territory
- ❑ 375 gifts - 72 hours \$73,191
- ❑ 1446 gifts - 2 weeks - \$215,637
- ❑ 33% opened – DisGroup
- ❑ 27% opened – DeOther





## 2006 Online Red Kettle at a glance

- ❑ 4,718 Online Bellringers
- ❑ Total amount received in Online Red Kettle \$482,317\*
- ❑ Average online gift \$102
- ❑ Top 10 Kettle Hosts raised 11.2% of the total funds
- ❑ Average amount raised per fundraiser was \$395
- ❑ Average number of gifts per fundraiser 3.8



## **2006 Online Red Kettle at a glance**

- ❑ Total number of emails sent 213,511
- ❑ Received – 86.3%
- ❑ Bounced back – 13.7%
- ❑ Opened – 18.5%
- ❑ Clicked Thru – 1.6%
- ❑ Opted Out – .9%



## **Online Red Kettle at a glance**

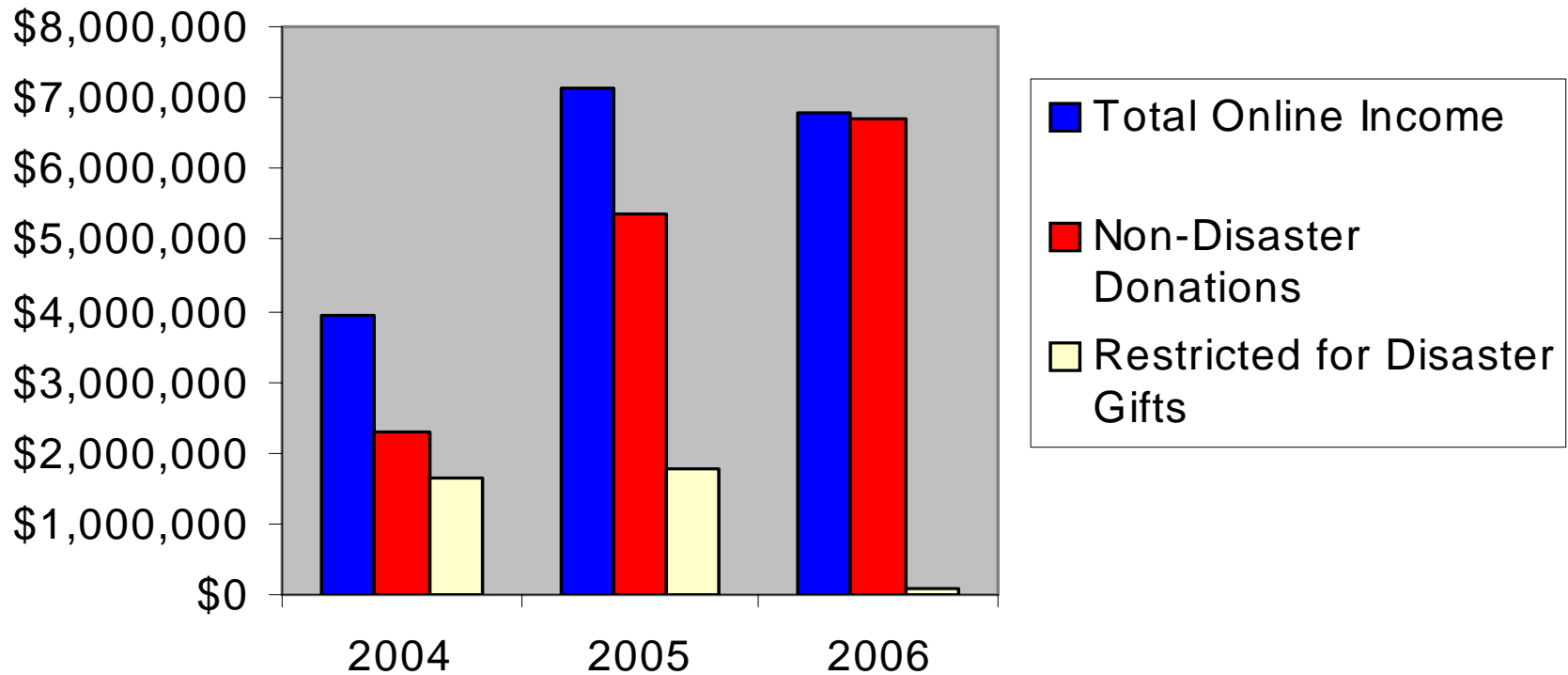
### **2005 Campaign**

- 85% of ORK Hosts opted in
- 42% of ORK Donors opted in

### **2006 Campaign**

- 92% of ORK Hosts opted in
- 32% of ORK Donors opted in

## Online Donations





## How: Best Practices

- ❑ Make it easy to register. Don't ask for too much information.
- ❑ Make it easy to opt-out, or temporarily suspend emails.
- ❑ Offer targeted communications.
- ❑ Post a clear privacy policy.
  - ❑ DMA Privacy Policy Generator  
<http://www.the-dma.org/privacy/creating.shtml>
  - ❑ Customer Respect Group privacy policy guidelines:  
[www.customerrespect.com/default.asp?hdnFilename=research\\_bp\\_privacypays.htm](http://www.customerrespect.com/default.asp?hdnFilename=research_bp_privacypays.htm)



## Practices: Not Our Best Maybe

- ❑ Collecting volunteer info and facilitating registration online.
- ❑ Domain management .com vs .org.
- ❑ National <sup>SM</sup> & <sup>TM</sup> held by International or National HQs?
- ❑ SEO at the local level = fine young cannibals = it drives me crazy!
- ❑ And your best, “*not*”.

dress http://search.yahoo.com/search;\_ylt=A0geu6RkX\_hF\_IIAwY5XNyoA?p=salvation+arm&ei=UTF-8&fr=yfp-t-501&x=wrt

salvation arm Search Web Messenger Bookmarks Mail News Shopping

1. **Salvation Army International Headquarters**  
The international home page of The **Salvation Army**, a Christian church and registered charity. Includes history of the organization, information about making a ...  
[Salvation Army near you](#)  
[www.salvationarmy.org](http://www.salvationarmy.org) - 51k - [Cached](#) - [More from this site](#)
2. **Salvation Army**  
Christian charity organization with programs that include international aid, assistance to children and families, and disaster relief.  
[The Salvation Army near you](#)  
[www.salvationarmyusa.org](http://www.salvationarmyusa.org) - 29k - [Cached](#) - [More from this site](#)
3. **Salvation Army Eastern USA Territory**  
Corporate headquarters for eastern USA.  
Category: [New York State](#) > [Nanuet](#) > [Community Organizations](#)  
[salvationarmy-usaeast.org](http://salvationarmy-usaeast.org) - 24k - [Cached](#) - [More from this site](#)
4. **The Salvation Army U.K. With the Republic of Ireland**  
Information about The **Salvation Army** in the United Kingdom and Ireland. Includes history of the Christian church and registered charity, information about making a ...  
Category: [United Kingdom](#) > [Salvation Army](#)  
[www.salvationarmy.org.uk](http://www.salvationarmy.org.uk) - 42k - [Cached](#) - [More from this site](#)
5. **The Salvation Army - DFW Metroplex - Home**  
[www.salvationarmydallas.org](http://www.salvationarmydallas.org) - 21k - [Cached](#) - [More from this site](#)
6. **Salvation Army - Wikipedia, the free encyclopedia**  
The **Salvation Army** is a non-military evangelical Christian organization founded ... Worldwide expansion of the **Salvation Army**. 3 Current organization and ...  
Quick Links: [Beliefs](#) - [History](#) - [Worldwide expansion of the Salvation Army](#)  
[en.wikipedia.org/wiki/Salvation\\_Army](http://en.wikipedia.org/wiki/Salvation_Army) - 86k - [Cached](#) - [More from this site](#)

**Local Salvation Army**  
Find **salvation army** near you. The Web's Local Search Engine.  
[www.local.com](http://www.local.com)

**Salvation Army**  
Looking for **Salvation Army**? Find exactly what you want today.  
[www.ebay.com](http://www.ebay.com)

**Salvation Army Items**  
Save on Gifts & Gift Baskets. Compare products, prices & stores.  
[www.Shopping.com/gifts](http://www.Shopping.com/gifts)

**Salvation Army**  
Shop & Save - Gifts & Gift Baskets. Store Ratings, Consumer Reviews.  
[www.Dealtime.com/gifts](http://www.Dealtime.com/gifts)

**Social Service Job Openings**  
Social service jobs. Free for job seekers. Inexpensive for employers.  
[jobs.socialservice.com](http://jobs.socialservice.com)

**The Salvation Army Crestmont College**  
Enter our \$12,000 scholarship giveaway to The **Salvation Army**...  
[scholarships.us.com](http://scholarships.us.com)

**The Salvation Army**





## Joint Ventures, Affinity Shopping Sites and Cause Related Marketing


- Corporate funding resources are shrinking.
- Leveraging the power of your brand online.
- Tittering between partnership and Oscar Award Winning  
*“36 Mafia”*



# Best Practices

- Offer compelling reasons to sign up:
  - Instant alerts
  - Easier sign-ups (for events, etc.)
  - Easier membership renewals
  - Surveys
  - Members-only content
  - Download special reports
  - Contests
  - Discounts, specials, and last-minute offers.

# Collect Email Addresses Constantly

*Thank You* 

**I AM INTERESTED IN KNOWING MORE ABOUT:**

- The Salvation Army services in my community.
- Charitable Estate Planning Opportunities.
- Making a gift to The Salvation Army in my Will.
- A visit to a Salvation Army facility.

For any of the above, please call or email me at:  
(        ) \_\_\_\_\_  
Email: \_\_\_\_\_

I have enclosed a memorial or honorarium gift.  
Information is provided on the reverse side.

- Direct Mail
- At events
- On surveys
- And on your website.

- Ask for email addresses in all communications.



## Subscriber Information (required)

First Name

Last Name

Email Address

# Make it Easy

To:

- Learn more
- Get involved
- Give
- Reach a human

This month's invitation: How would you like to help low-income high school students from South San Francisco use art to communicate in a positive way? Our after-school program provides materials, instruction, and learning opportunities such as museum excursions and tours of local artist studios. Can you volunteer a little time? Find out more from Jenysia Miller at 650-266-4591 or [e-mail her](#).

» NEW THREADS FOR SCHOOL

Picture this: You're headed back to junior high this fall in the same threadbare clothes your brother wore four years ago. You need new shoes, but know your folks can't afford them. What do you do?



**Help us help kids!**  
Your gifts support projects like "Back-to-School" and other programs that help families and kids.  
**Make a gift today!**



## Make it Appealing

- Make it visually appealing.
- Get the reader to your site learning more about your organization.
- Give 'teasers' to articles.
- Send in HTML, Text and AOL formats.
- Customize your appeals and track their effectiveness,

## The Salvation Army Disaster Relief & Personal Recovery



### LIFELONG LEARNING FOR SENIORS

### VOLUNTEER DAY AT THE SERVICE CENTER

### UNPRECEDENTED HURRICANE RECOVERY EFFORTS IN FLORIDA

### HUMANITY PREVAILS DESPITE DEVASTATION FROM HURRICANES

### CELEBRATING SOBRIETY

### SHOP AMERICA'S FAVORITE THRIFT STORE

### ABOUT THE SALVATION ARMY GOLDEN STATE DIVISION

#### **Did You Know?**

- The Salvation Army was the first social services agency in San Francisco to offer detoxification facilities and care for those infected with HIV/AIDS.

#### **Support Our Work**



Dear Friend:

These past few months have been hard for our families and friends living in the Florida area. The Salvation Army responded as always to the wrath of Mother Nature with speed and efficiency. In this issue of the newsletter, you will read about the experiences in Florida of Salvation Army disaster workers in their own words.

We also share with you stories about our Adult Rehabilitation Centers. In addition, we invite you to attend the Harvest Festival, an arts and crafts festival in San Jose that benefits in part The Salvation Army. For every new toy brought to the fair and donated to The Army, attendees will get one dollar off their entry fee. For more information, please log on [here](#).

God Bless You!

Major Joe Posillico  
Divisional Commander, Golden State Division

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#### **THE SALVATION ARMY OFFERS LIFELONG LEARNING FOR SENIORS**

You're probably familiar with The Salvation Army's educational programs for children, which include day care, after-school tutoring, and teen outreach. But you may not have heard about educational opportunities for seniors, who are able to gain computer skills, tackle new art projects, and even participate in local politics, thanks to The Salvation Army. [Read More...](#)



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#### **VOLUNTEER DAY AT THE SERVICE CENTER**

On a recent fall morning, more than 15 volunteers from Levi Strauss & Co. came to The Salvation Army's Family Service Center in San Francisco to paint a mural and help sort clothes for the Christmas distribution program.

But they didn't just bring a great attitude. They also brought a \$1,000 donation. In addition, Levi Strauss & Co. donated boxes of clothes to give away to needy families through The Salvation Army distribution programs. [Read More...](#)

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# Track Results

Appeal	Net Sent	# of Donations	Total Donations	Response Rate	Avg Gift
Undergraduate AF Solicitation	11758	184	18,124	1.6%	98.50
Law AF Solicitation	8847	23	5,990	0.3%	260.43
Medical AF Solicitation	1998	2	200	0.1%	100.00
Class of 1999 AF Solicitation	1068	41	2,254	3.8%	54.98
Class of 1997 AF Solicitation	931	31	1,652	3.3%	53.29
Class of 1993 AF Solicitation	864	16	1,145	1.9%	71.56
Class of 1995 AF Solicitation	603	18	1,615	3.0%	89.72

# Track Results

summary

tracked urls

subscribers

Show Content Formats	Totals	Rate	Change vs. Previous	Change vs. List .
<b>Attempts</b>	2210		14 ↑	22 ↑
<b>Bounces</b>	3	0.001%	4.3% ↓	5.3% ↓
<b>Deliveries</b>	2197	99.4%	4.3% ↑	5.3% ↑
<b>Unique Opens</b>	2143	96.9%	38.4% ↑	1.3% ↑
<b>Unique Clicks</b>	2019	91.3%	4.9% ↑	4.4% ↑
<b>Total Opens</b>	2189			
<b>Total Clicks</b>	2175			



# Neither Rain nor Snow nor AOL

- ❑ Use a consistent and/or easily recognizable Sender name – preferably a real person.
- ❑ Don't personalize the Subject, but do mention your org.
- ❑ Don't overdo HTML or graphics.
- ❑ Test appeals with spam filters  
([www.lyris.com/resources/contentchecker/](http://www.lyris.com/resources/contentchecker/), <http://spamcheck.sitesell.com/>,) & accounts on AOL, Earthlink, Yahoo, etc.
- ❑ Avoid spam “trigger words.”  
[www.businessknowhow.com/internet/spamwords.htm](http://www.businessknowhow.com/internet/spamwords.htm)



# Online Fundraising Technical Requirements

- Web site
- Secure server
- Donations web page
- Email marketing software
- Donor management software



## Online Donations Option 1: Doing it Yourself

### Technical Issues:

- Integration with your web site & design.
- Donations page design.
- Secure web server.
- Payment gateway or credit card terminal.
- Merchant account.
- Secure connection to bank.
- Gift designation options.
- Recurring gifts.
- Receipting.



## Do It Yourself : Pros and Cons

### Pros:

- Complete control over design, text, donor options, and security.
- Can be inexpensive, especially if you already have a payment gateway and a web designer.

### Cons:

- Need a web designer.
- Must keep up with security technology.
- Costs are hard to predict.
- Usually not fully automated:
  - Can't charge credit card in real time.
  - Can't take donations at 11:55 pm on 12/31.



## Donations Option 2: Use a Vendor

- ❑ Sample Vendors:
- ❑ [Network for Good](#), [JustGive](#), [Paypal Standard](#)
  - ❑ Can't change design or text of giving page. Transfer of funds is delayed.
- ❑ [PayPal Pro](#), [ClickandPledge](#), [Democracy in Action](#), [GroundSpring](#), [Entango](#), [CharityWeb](#), [Echo-Inc](#), [Contribute.com](#)
  - ❑ Control over design of giving page. Integration with your merchant account.



## Use a Vendor: Pros and Cons

### Pros:

- Vendor provides server, security.
- Can have control over design, text, receipt, etc.
- Quick and easy.
- Most are designed for fundraising.
- Fully automated (though entry in database is usually manual or upload).

### Cons:

- Setup cost.
- Often a monthly charge even if you don't get any donations.
- Have to rely on their security.
- They have your data.
- Need a merchant account with some vendors.



## Email Option 1: Do It Yourself (Outlook, etc.)

### Pros:

- You already own it.
- It's cheap.

### Cons:

- Limit on number of messages that can be sent.
- Risk being ID'd as a spammer.
- Have to deal with bounces & opt-outs manually.
- Too easy to send out messages before they're tested.
- Integration with your database?



## Email Option 2: Use a Vendor

### Pros:

- Design tools.
- Can send HTML and/or plain text.
- Can handle high volumes.
- Many vendors are whitelisted by big ISPs.

### Cons:

- Time required to research and test.
- Cost.
- Integration with your database?

# Email Marketing

- ❑ **Sample Vendors:**
- ❑ [Yahoo Groups](#), [Topica Lists](#) - free
  - ❑ plain text, advertisements.
- ❑ [Constant Contact](#) - \$75/month for  $\leq 10,000$  msgs.
- ❑ [Groundspring.org](#) - \$29.95/month for  $\leq 10,000$  msgs.
- ❑ [Topica Publisher](#) - \$49/month  $\leq 5,000$  msgs.
- ❑ [Vertical Response](#) - \$.015 to \$.0075 per 1,000 msgs.



## All-In-One Options: Integrated Systems

- [Raiser's Edge](#)
- [eTapestry](#)
- [DonorPerfect](#)
- [Convio/ GetActive](#)
- [GivenGain](#)
- [LocalVoice](#)
- [The Data Bank](#)
- [Kintera](#)
- [MemberClicks](#)
- [iMIS](#)



## Integrated Systems

### Pros:

- Control over design, text, receipt, and donor options.
- Integration between database and online system (no import/export).
- One vendor.

### Cons:

- Initial cost can be high.
- There may be trade-offs between integration and features.
- Lock-in: Can't easily change vendors if needs change or problems develop.



## Online Donations Resources

Affinity Resources - *Comparison of Online Donation Services:*

[www.affinityresources.com/pgs/awz55Online2.shtml](http://www.affinityresources.com/pgs/awz55Online2.shtml)

Idealware: *Selecting an Online Donation Tool*

[www.idealware.org/donations/index.php](http://www.idealware.org/donations/index.php)

One Northwest: *Online Donation Tools*

[www.onenw.org/toolkit/online-donations/](http://www.onenw.org/toolkit/online-donations/)

One Northwest: *Online Donation Tools Comparison*

[www.onenw.org/toolkit/online-donation-tools-matrix-1.3.xls](http://www.onenw.org/toolkit/online-donation-tools-matrix-1.3.xls)

Weiner, Robert: *Online Fundraising Tools Checklist*

[www.rlweiner.com/clf/online\\_donations\\_checklist.pdf](http://www.rlweiner.com/clf/online_donations_checklist.pdf)

More resources are at: [www.rlweiner.com/resources.html](http://www.rlweiner.com/resources.html)



## Email Marketing Resources

Alder Consulting - *E-Newsletter Tools on a Shoestring:*

[www.alderconsulting.com/enews.html](http://www.alderconsulting.com/enews.html)

Gundrey, George: *Update Your Organization's Image with Slick HTML Newsletters*

[www.techsoup.org/learningcenter/webbuilding/page4898.cfm](http://www.techsoup.org/learningcenter/webbuilding/page4898.cfm)

Idealware: *Choosing Bulk Email Software to Match Your Communication Goals*

[www.idealware.org/articles/bulk\\_email\\_software\\_communication\\_goals.php](http://www.idealware.org/articles/bulk_email_software_communication_goals.php)

Idealware: *A Few Good Email Newsletter Tools*

[www.idealware.org/articles/fgt\\_email\\_newsletter\\_tools.php](http://www.idealware.org/articles/fgt_email_newsletter_tools.php)

# Any Questions?



CHRONICLE OF PHILANTHROPY

JOSEPH A. BROWN

*"Soliciting donations via e-mail is efficient, but I miss making people feel guilty face to face."*



## Thomas Watson Chairman, IBM

