Disruptive Innovations in University Fundraising
San Jose State University
San Jose, California

November 19, 2014
Recovering from the Great Recession

As Economy Starts to Rebound, Charitable Giving Also Increases

Total Charitable Giving and S&P 500 Index
1972 – 2012 (in billions of inflation-adjusted dollars)

Charities Feeling Bullish About 2013
Giving Trends Follow Economic Recovery

Rising Consumer Confidence

“Overall consumer confidence in the economy rose last year and that created a more positive environment for charities to go out and build relationships [with donors].”

Andrew Watt
Association of Fundraising Professionals

Anticipated Direction of Change in Charitable Receipts for 2013

<table>
<thead>
<tr>
<th>Direction of Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase by 1% to 15%</td>
<td>59%</td>
</tr>
<tr>
<td>Increase by more than 15%</td>
<td>12%</td>
</tr>
<tr>
<td>Decrease by 1% to 15%</td>
<td>7%</td>
</tr>
<tr>
<td>Decrease by 15% or more</td>
<td>20%</td>
</tr>
<tr>
<td>Stay the same</td>
<td>2%</td>
</tr>
</tbody>
</table>

Two Decades of Explosive Nonprofit Growth

501(c)(3)s Multiply, Increasing Competition for Donors

Registered 501(c)(3) Organizations

*Chronicle of Philanthropy, 2013*

1991: 516,544

2012: 1,081,891

Philanthropic Distractions

“Even your best donors can be easily lured away by an organization halfway across the world. On Facebook, people’s ‘friends’ are constantly introducing them to other organizations, other causes, and easier opportunities to engage. If we are not present and effectively utilizing multiple forms of communication and engagement in clear and concise ways, we will lose out.”

*Terry Horton*

*Johnston Center for Philanthropy*

Emerging Donors Want Results
Giving Linked to Clear Case and Measurable Outcomes

New Donors Rising
“As a greater percentage of the U.S. population reaches retirement age, nonprofits must develop cultivation and engagement efforts for Generation X, Generation Y, and Millennial donors.

“In addition, organizations must become even more transparent about their finances and provide accountability, metrics, and ongoing stewardship about outcomes.”

Giving USA 2013

Generational Giving Preferences
Cygnus Donor Survey, 2012
n=11,900

<table>
<thead>
<tr>
<th>Age</th>
<th>Impassioned Plea</th>
<th>Clear Case for Gift</th>
<th>Measureable Results from Gift</th>
</tr>
</thead>
<tbody>
<tr>
<td>65+</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35-64</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Under 35</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

“Teachers Ask, You Choose”
DonorsChoose Shows Direct Impact of Small Gifts on Children’s Lives

DonorsChoose Project Funding, 2003 – 2012

- Millions of Dollars Raised

<table>
<thead>
<tr>
<th>Year</th>
<th>$1.1</th>
<th>$2.4</th>
<th>$2.8</th>
<th>$6.0</th>
<th>$9.7</th>
<th>$11.9</th>
<th>$20.4</th>
<th>$31.2</th>
<th>$34.4</th>
<th>$46.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2006</td>
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<tr>
<td>2009</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2012</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Sample DonorsChoose.org Projects
- Musical literature for young students ($460)
- Pencil sharpener and pencils ($205)
- Printer ink ($466)
- Overhead projector ($716)

364,868 Projects funded
1,123,158 Total supporters of DonorsChoose projects
$203 Average donation amount for first-time donors

Source: DonorsChoose.org, “Impact” (July 21, 2013)
http://www.donorschoose.org/about/impact.html. Advisory Board interviews and analysis.
One Donor’s Impact
DonorsChoose Provides Personal Dashboards

Elizabeth in arlington, VA  ○ first name  ○ anonymous  ○ custom

Projects supported: 11
Students reached: 1,357

Brand New Books for Our Beautiful Bookroom!
Updated

Do you remember what it was like to try and find that perfect book? My students need to be able to have choice when looking for books to read. If students are not immersed in the book, reading... more

My students need a class set of 3 more books in our bookroom; "Sea of Monsters," "The Skirt" and "Letters from Rifka."

Completed!

Jun 21, 2013
$584 given
11 donors

Source: DonorsChoose.org, http://www.donorschoose.org; Advisory Board interviews and analysis.
Adapting to Changing Donor Preferences

charity: water Engages Donors with High-Tech Peer-to-Peer Approach

Empowering Fundraisers with Campaign Options

- Birthday Campaigns
- Walks Across America
- Eating Rice and Beans for One Month

Sample Project Completion Report

KISFA ELEMENTARY SCHOOL
Completed: July 2011

- Region: Tigray
- GPS: 13.611389, 39.204166
- Project Cost: $7,326.00
- Local Partner: A Glimmer of Hope
- Project ID: ET.GOH.Q4.09.048.214
- Field Notes:

360K
New donors acquired since 2009

$20M
Raised through peer-to-peer fundraising since 2009

13
Average number of donors acquired by each volunteer

Colleges and Universities Lagging Behind
Higher Education Slow to Respond to New Donor Behavior

The Evolution of Donation Preferences

“While direct mail dominates giving by Matures, the percentage of Boomers, X’s and Y’s who respond to postal mail declines steeply with each successive generation. The other generations report a variety of channels such as ecommerce, online giving, event fundraising, tributes, monthly debit programs and even mobile/text donations as important giving methods. The younger the donor, the greater the number of ways they give.”

The Next Generation of American Giving

Average and Median Solicitation Effectiveness Rate

1) Solicitation effectiveness represents the number of donors divided by the number of solicited alumni.

**Diminishing Returns**

“Tried and True” Giving Channels Slipping with Younger Generations

### Preferred Donation Channels by Generation

*The Next Generation of American Giving, 2010*

<table>
<thead>
<tr>
<th>Channel</th>
<th>Silent</th>
<th>Boomers</th>
<th>Gen X</th>
<th>Millennials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Check by Mail</td>
<td>77%</td>
<td>54%</td>
<td>43%</td>
<td>26%</td>
</tr>
<tr>
<td>Phone Call</td>
<td>25%</td>
<td>16%</td>
<td>10%</td>
<td>8%</td>
</tr>
</tbody>
</table>


### Holding On for Dear Life

“We are white-knuckle-gripping printed material, though we are concerned. The cost of printing and the cost of mailing are going up. And we're worried about whether we're sending to the right constituency. Does a 22-year-old who lives in New York City want a postcard from us? Do they even check their mail?”

*Advancement Professional Private University*
The New Paradigm

Current Philanthropic Landscape Undermines Fundraising Efforts

Thirty Years Ago

- Immediately began supporting the institution
- Escalated support every year
- Divided philanthropic dollars between a small number of organizations

Graduates could be counted on as a reliable source of financial support

Today

- Immediately loses connection to the institution
- Delays support for years or decades
- Prioritizes numerous philanthropic obligations over the institution

Alumni dollars disappear as graduates flock to other causes

Source: Advisory Board interviews and analysis.
Climbing the Ladder
Rankings Figure in Many Institutions’ Participation Drives

U.S. News & World Report Ranking Methodology
(National Universities and Colleges)

- Faculty Resources
  - Graduation and Retention Rate: 20%
  - Financial Resources: 10%
  - Alumni Giving: 5%
- Selectivity
  - Graduation Rate Performance: 23%
- Academic Reputation
Feeling the Squeeze
Declining Participation Imperils Future Revenue

Hard to Capture Mindshare

“When I graduated, there were only a few things in your life—your church, your university, maybe your fraternity/sorority, your family, your place of business. Now there’s a whole explosion of things you’re connected with. We’re having a harder time commanding their attention today.”

Bill Mulvihill
University of Cincinnati

Percentage of Private Support Directed to Unrestricted Funds

The Path Forward

EAB Recommendations Shine Light on Disruptive Innovations

Key Components of EAB Guidance

Tools
What is the innovation?

Strategies
How is it best used?

Cases
Who has used it well?

Failure Paths
How do I keep it from going wrong?

Implementation Guidance
How do I use it on my campus?

Source: Advisory Board interviews and analysis
Disruptive Innovations in University Fundraising

A Roadmap

1. Social Media Fundraising
2. Personal Fundraising Pages
3. Crowdfunding
4. Donor-Centric Websites
5. Text Giving Alternatives
6. Mobile-Optimized Giving
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Meeting People Where They Are
Social Media Use Rising Among All Age Groups

Social Network Users by Age
Pew Research Center, 2013
n=1802

Time Spent on Social Media
Morrison Foerster, 2012

Change in Time Spent on Online Channels
comScore, 2011 – 2012

<table>
<thead>
<tr>
<th>Age</th>
<th>Email</th>
<th>Instant Message</th>
<th>Social Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>-42%</td>
<td>-22%</td>
<td>34%</td>
</tr>
<tr>
<td>25-34</td>
<td>-32%</td>
<td>-8%</td>
<td>25%</td>
</tr>
<tr>
<td>35-44</td>
<td>-37%</td>
<td>-4%</td>
<td>15%</td>
</tr>
</tbody>
</table>

It’s Not Just for Picture Sharing
Social Media Shapes Millennials’ Interactions with Nonprofits

81%
Of Millennials prefer to learn about causes from their peers

42%
Of Millennials make donations to what inspires them in the moment

Donations by Millennials
Millennial Impact Report, 2012

- Payroll Deductions: 14.0%
- In Person: 39.0%
- Online: 70.0%
- Mail: 34.0%
- Phone: 15.0%

Willing to Spread the Word

“Social media, with its immediacy and ease of connection, continues to play a central role in Millennials’ relationships and interactions with nonprofit organizations…. Millennials who have established relationships with nonprofits said they are willing to spread the word about worthy nonprofits, and they like to use Facebook for that purpose.”

The Millennial Impact Report

A Tool for Alumni Engagement

Social Media in Higher Ed Focuses on Interactions, Not Donations

Social Media Goals in Higher Education
*mStoner Study, August 2012*

<table>
<thead>
<tr>
<th>Goals of Social Media</th>
<th>2010</th>
<th>2012</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raise private funds</td>
<td>31%</td>
<td>26%</td>
<td>-5%</td>
</tr>
<tr>
<td>Engage admitted students</td>
<td>41%</td>
<td>46%</td>
<td>+5%</td>
</tr>
<tr>
<td>Engage current faculty and staff</td>
<td>36%</td>
<td>43%</td>
<td>+7%</td>
</tr>
<tr>
<td>Engage current students</td>
<td>47%</td>
<td>55%</td>
<td>+8%</td>
</tr>
<tr>
<td>Increase awareness, advocacy, and/or rankings</td>
<td>49%</td>
<td>60%</td>
<td>+11%</td>
</tr>
<tr>
<td>Create, sustain, and improve brand image</td>
<td>72%</td>
<td>77%</td>
<td>+5%</td>
</tr>
<tr>
<td>Engage alumni</td>
<td>86%</td>
<td>83%</td>
<td>-3%</td>
</tr>
</tbody>
</table>

Common Pitfalls

“We tried raising money on social media. We didn’t reinforce the message through other channels. We thought social media was enough.”

“Occasionally we’ll post a one-off ask to our timeline, but no one responds to it.”

“Our dedicated social media campaign ended up saturating our audience with solicitations.”

“We ran a social media campaign. We launched it one day, and no one noticed.”

Launching a High-Return Social Media Campaign

Four Higher Education Examples for Your Consideration

**Goal #1
Participation-Based Campaigns**

North Carolina State University

*Purpose*
Increase participation by 100 donors over same 30-day period from previous year

**Goal #2
Amount-Based Campaigns**

Florida State University Foundation

*Purpose*
Raise $161,000 in 36 hours as part of university’s 161st anniversary

**Goal #3
Donor Acquisition Campaigns**

McMaster University

*Purpose*
Acquire 1,200 new and lapsed donors for the institution in 24 hours

**Goal #4
Donor Amount Campaigns**

Florida State University Foundation

*Purpose*
Raise $125,000 through 1,000 or more gifts in 48 hours for local student scholarships

Source: Advisory Board interviews and analysis.
Disruptive Innovations in University Fundraising
A Roadmap

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2. Personal Fundraising Pages

3. Crowdfunding

4. Donor-Centric Websites

5. Text Giving Alternatives

6. Mobile-Optimized Giving
Peer Pressure Motivates Donations

- **74.6%**
  Of Millennials would be likely or highly likely to give if asked by a family member

- **62.8%**
  Of Millennials would be likely or highly likely to give if asked by a friend

### Donations to NMSS Through Personal Fundraising Pages, 2010

- **Bike MS**: $2,300K
- **Walk MS**: $1,600K
- **Challenge Walk MS**: $173K

Testing Personal Fundraising Pages in Higher Ed

Illinois Wesleyan University’s Giving Circles

**The Cause: Student Financial Aid**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Amount for One Scholarship</td>
<td>$2,500</td>
</tr>
<tr>
<td>Individual Donation Amount to Qualify</td>
<td>$100 per year for three years</td>
</tr>
<tr>
<td>Number of Donors per Giving Circle</td>
<td>10 – 40</td>
</tr>
</tbody>
</table>

**Active Giving Circles**

- Alpha Delta Gamma
- The CPA Dream Team
- Pride Alumni Community
- Rockford Area Student Scholarship Fund
- +20 More

**Letting Alumni Take the Lead**

“I gave the volunteers free reign to tell me who they wanted to solicit. They probably have a better grasp than I do about who they are influential with. I would normally say, “Sure, try people who graduated in your class year.” But I found that wasn’t the case. It was someone the person ran cross-country with or someone he studied history with or a roommate. It was this crazy amorphous group of people, because that is how our social networks are anyway.”

Jeff Mavros
Illinois Wesleyan University

Source: Advisory Board interviews and analysis.
**Giving Circle Process**

The Implementation Timeline

**Launching Giving Circles at Illinois Wesleyan University**

- **Giving Circle Creation**
  - Website setup
  - Select giving circle leader
  - Recruit initial supporters

- **Marketing and Publicity**
  - Participants send emails to personal networks
  - Post asks on social media
  - Solicit friends in-person

- **Gift Processing**
  - Donations made online through Giving Circle page
  - Giving thermometer on Circle page updates as funds come in

- **Stewardship Efforts**
  - Students post comments and stories on Giving Circle page
  - Scholarship recipient appears on Giving Circle page

- **Benefactor Dinner**
  - Young alumni invited to celebratory dinner to meet their scholars
  - Opportunity to encourage young alumni to interact with older donors

Source: Advisory Board interviews and analysis.
Energizing Young Alumni Giving

Giving Circles Acquire and Escalate Donors

Small Gifts Add to Big Impact

“For this group, it’s all about the interval giving. You can do it in bite-sized chunks, you give $8 a month, you put it on your credit card and you don’t even know it’s gone, but then you’re a $100 donor. And most young alumni, at least with us, don’t think about being a $100 donor, at least out of the gate.”

Jeff Mavros
Illinois Wesleyan University

Next Steps for Giving Circles

• **Leader Identification:** Identify next group of Giving Circle leaders by asking for nominations from faculty and staff

• **Giving Circle Recruitment:** Add two to three Giving Circles each year

---

24
Giving Circles created

487
Unique donors

147
New or re-acquired lapsed donors who participated in Giving Circles

---

Source: Advisory Board interviews and analysis.
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The Power of the Crowd

Crowdfunding Emerges as Popular Tool Across Industries

Dollars Raised Through Crowdfunding
Crowdfunding Industry Report, 2011

- 2009: $530M
- 2010: $854M
- 2011: $1,401M
- 2012: $2,700M
- 2013: $6,058M
- 2014: $16,615M

Over 1.1 million projects in 2012

Projected

Crowdfunding Industry Breakdown
Crowdfunding Industry Report, 2011

- 2009:
  - Donation-Based Project Funding: 9%
  - 38%
  - 17%

- 2011:
  - Donation-Based Project Funding: 46%
  - 46%

An Explosion of Platforms and Options
New Sites Launching Frequently

Popular and Noteworthy Platforms

- Kickstarter
- Indiegogo
- Crowdrise
- Petridish
- Razoo
- GoFundMe
- GlobalGiving

Sample Crowdfunding Projects

- Landmine-Sweeping Rats in Afghanistan (Global Giving, $50,000)
- Bay Pointe Ballet in San Jose, CA (Razoo, $10,000)
- Swimming for Safety Programme: Prevent Child Drowning (IndieGoGo, £5,250)
- Tesla Museum (IndieGoGo, $850,000)
- BugASalt: Fly-Killing Device (IndieGoGo, $15,000)
- Aurora Shooting Victim Medical Funds (IndieGoGo, $250,000)

400+
Crowdfunding platforms currently in existence

The Power of Perspective Campaign

100cameras Experiments with Crowdfunding

100cameras Overview

- Small 501(c)(3) based in New York City
- Teaches children in impoverished communities to take and sell photographs documenting their experiences
- Uses proceeds from photographs to fund education and health projects in the children’s communities

Campaign Details

- Goal: $50,000
- Timeframe: 45 Days
- Purpose: Expand capacity to fund two community projects annually

## Turning Supporters into Advocates and Donors

100cameras’s Campaign Succeeds Due to Careful Planning

<table>
<thead>
<tr>
<th>Advocate Recruitment</th>
<th>Soft Launch</th>
<th>Official Launch</th>
<th>Campaign Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outreach to prominent photographers</td>
<td>Fundraising event with loyal supporters and volunteer prospects</td>
<td>Emails to 3,500 prospects and donors</td>
<td>Fulfill donor incentives, such as dinners with well-known local chefs</td>
</tr>
<tr>
<td>Emails to international development bloggers</td>
<td>Early donations show momentum for new prospects</td>
<td>Social media activity intensifies</td>
<td>Enter all new donors into donor database</td>
</tr>
</tbody>
</table>

### Notable Campaign Results

- **70%**
  
  Of all campaign donors gave their first gift

- **355**
  
  Total campaign donors

- **$15,000**
  
  Amount raised in final two days

Source: Advisory Board interviews and analysis.
Giving Days Attract Higher Ed Participants

Campaigns Generate Excitement and Donations

Institutions Participating in State-Wide Giving Days

- St. Olaf College
- Concordia College (MN)
- The University of Minnesota
- Hamline University
- The University of Utah
- Utah State University

Notable Results from Giving Days

- **St. Olaf College:**
  Average of 1,500 donors per year with more than 100 new donors annually

- **Concordia College (MN):**
  Raised $159,747 from 1,300+ donors in 2010

- **University of Utah:**
  Raised $12,000 from nearly 200 donors in its first year of participation

Building Excitement Across 24 Hours

“We were going back and forth against [another nonprofit] all day. It was inspirational for our alumni to see us in the competition.”

*Matt Fedde*

*St. Olaf College*

Source: Advisory Board interviews and analysis.
A Win-Win for Donors and Institutions
Crowdfunding Empowers Small Donors and Reveals Their Interests

Benefits of Crowdfunding for Colleges and Universities

<table>
<thead>
<tr>
<th>Small Gifts Make an Impact</th>
<th>All Donors Feel Valued</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Modest project goals ensure donors understand that their small gifts make a difference</td>
<td>Targeted giving overcomes perception that donors’ dollars do not have a tangible impact</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Promotes Goodwill on Campus</th>
<th>Captures Donor Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advancement partners with student organizations and faculty members to market projects and process gifts</td>
<td>Passion-driven giving reveals donor interests that can be leveraged for future solicitations</td>
</tr>
</tbody>
</table>

Source: Advisory Board interviews and analysis
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Online Giving Continues to Grow
Donors Increasingly Turn to the Web

Donors Prefer Online Giving

“We're at a sort of critical juncture now, where the model for giving on the annual giving level at universities is changing...The trend is reversing away from the traditional method of asking for donations through phone calls to online giving. And that's putting a lot more pressure on websites, to be more effective tools for raising the money.”

Brian O'Leary
Rutgers University

Give to Hazel University

The tradition of giving to Hazel began in the 1960s when our founder willed his estate to our institution, enabling the construction of the buildings that comprise the majority of the campus today. Like all universities, Hazel depends on donor support to further its mission of preparing men and women to make a difference in the world. The ongoing generosity of alumni, parents, and friends supports our academic community and enhances our unique learning environment.

Thanks to years of support from all of our generous donors, Hazel's students are given the opportunity to learn from world class instructors, experience the latest innovations and technology for the classroom, and have real world experiences, all during their time on campus. Please make a gift this year to continue this tradition of generosity.
Donor-Centric Giving Pages Hard to Find

Websites Focus on Institutional Priorities

I can only make a small gift. How will it help?

Institutional Focus

Support university scholarships

Biology professor wins $1.2 million research grant

June 30th is last day to get your gift in this fiscal year!

Ideal Institutional Giving Page

Donor Focus

What can I do to get involved?

I can only make a small gift. How will it help?

I was a student leader and journalism major. How can I give back to those areas?

June 30th is last day to get your gift in this fiscal year!

Source: Advisory Board interviews and analysis.
Inspiring Stories Plus Compelling Data
carity: water Explains Mission and Calls Donors to Action

DONATE AND GIVE CLEAN WATER
Just $20 can provide a person with clean drinking water. 100% funds water projects for people in need.

OUR MISSION

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Donors Want to Give When Inspired…

…But Typically Are Hampered by Manual Donation Process

Traditional Fundraising Strategies

- Send a direct mail piece to donors, wait for return envelope with check
  **Downside:** Donors delay sending the envelope back and end up forgetting

- Circulate pledge cards at events, collect checks and credit card numbers
  **Downside:** Donors find filling out pledge cards at social events to be awkward

Losing an Opportunity

“Having the ability to secure a gift when a donor is most inclined to make it and capturing that intent immediately without a delay is valuable.

“When you wait, there are concerns that come up. If it’s going to be a check, do they have the envelope at home? Are they going to dig the envelope up? Are they going to sit down at their computer and put all that information into your website? I think the delay is worrisome.”

Joe Kremer
Pomfret School

Source: Advisory Board interviews and analysis.
“Text Now to Help”

Text to Give Appeals Yield Donations in Crisis Situations

Impressive Results

$43M

Donated by text to Haiti recovery efforts

74%

Of Haiti text-donors were first-time mobile givers

Other Text to Give Campaigns

Gulf Oil Spill (2010)
Japanese Earthquake (2011)
Texas Wildfires (2011)
Hurricane Sandy (2012)

Higher Education Experiments with Text to Give
Lafayette and Lehigh Employ Solicitation Method in Giving Challenge

Giving Challenge Timeline

<table>
<thead>
<tr>
<th>Gifts through Any Channel</th>
<th>Text Only Gifts</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/1</td>
<td>11/5</td>
</tr>
<tr>
<td>11/5</td>
<td>11/9</td>
</tr>
<tr>
<td>11/9</td>
<td>11/13</td>
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</tbody>
</table>

Marketing Text to Give

- Game announcer asks attendees to donate through text to give
- Cheerleaders and mascots pass out mini-footballs with instructions
- TV ad pitches text to give to telecast viewers
- Beer cozies with giving instructions sent to alumni

Campaign Costs

- Text-to-give contract with the Mobile Giving Foundation
- Marketing collateral
- Staff time
- Gift processing time

Low campaign costs make up for small gift amounts acquired through text donations

Source: Advisory Board interviews and analysis.
Disruptive Innovations in University Fundraising

A Roadmap

1. Social Media Fundraising
2. Personal Fundraising Pages
3. Crowdfunding
4. Donor-Centric Websites
5. Text Giving Alternatives
6. Mobile-Optimized Giving
The Electronic Tether
Constant Mobile Use Creates Big Opportunities

Percentage of Total Web Traffic Coming from Mobile Devices

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2012</th>
<th>2012</th>
<th>2012</th>
<th>2012</th>
<th>2013</th>
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<tr>
<td>Q1</td>
<td>13.4%</td>
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<td>Q2</td>
<td>16.6%</td>
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<td>Q3</td>
<td>17.5%</td>
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<td>Q4</td>
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<td>23.1%</td>
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<tr>
<td>Q1</td>
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<td></td>
<td>23.9%</td>
</tr>
</tbody>
</table>

Walker Sands Quarterly Mobile Traffic Report, June 2013

Smartphone Use is Ubiquitous

- **68%** Of smartphone owners sleep with their phone next to their bed
- **61%** Of smartphone owners use their phone while watching TV
- **58%** Of smartphone owners check their phone at least once every hour

The Bounce Factor
Giving Pages Without Mobile Optimization Deter Willing Supporters

Warm Lead

Mobile donor visits giving page intending to give

Process Barriers

Too many fields
Slow load times
Multiple pages
Small text size

Lost Gift

Mobile donor abandons giving process

We Can’t Lose These Donors

“Nonprofits are noticing that their mobile traffic is bouncing or leaving because their sites aren’t mobile-optimized. They can’t lose those donors—too much of their web traffic comes from mobile devices. So they’ve started to think about how they can make their most important points of conversion mobile-optimized.”

Claire Kerr
Artez Interactive
Capturing On the Go Donors

Two Primary Solutions

Approach #1

Mobile Giving Page
Respondsively designed, adaptively designed, or separate mobile giving pages

Key Elements
Fewer fields and pages
Larger buttons

“We’ve seen a continuous shift towards mobile browsing. When we mobile optimized, we saw our gift revenue go up. People want to give on their phones, and we want to help them do that.”

Approach #2

Express Checkout
PayPal integration or auto-filled contact information

Key Elements
Minimal need to input information
In some cases, credit card is already entered

“When we integrated PayPal, we saw an immediate and substantial impact. It wasn’t a huge percentage of our fundraising revenue, but it was big in terms of what came before.”
Source: Advisory Board interviews and analysis.

Approach #1: Mobile Giving Page
Susan G. Komen’s Mobile-Friendly Donor Portal

Key Fields
- Gift amount
- Billing information (name, address)
- Email address
- Credit card number

15-30%
Of all online donations are given from mobile devices
Approach #2: Express Checkout

Sea Shepherd Conservation Society’s PayPal Donation Form

PayPal Giving Site

Three-Step Giving

1. Amount

2. Email

3. Password

A Growing Payment Platform

242% Growth in mobile PayPal gifts between December 2011 and December 2012

$3.6B Total charitable donations through PayPal in 2012

110M Active PayPal accounts in 2012

Lagging Behind in Higher Education

Various Barriers to Mobile Optimization

Mobile-Optimized Giving Pages at Colleges and Universities

EAB Analysis
n=50

- 82%
- 18%

“*I would mobile-optimize my giving page, but…*”

- I’m waiting for the rest of my institution’s website to change
- I would need buy-in from too many stakeholders
- I don’t have the staff to switch over to something more advanced
- I haven’t seen many donors using their phones to give

Source: Advisory Board interviews and analysis.