

# The Pulse of Technology



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**T**echnology's pulse surges through various behaviors from how we use our phones to how donors fundraise on social media (SM) to seamless infrastructures that allow us to work more quickly. In our culture of faster communication and greater connectivity fundraisers are challenged by ever increasing track-ability and the stark reality of where donor dollars truly come from.

"Communication is more current; we experience it as it happens," according to AccuFund President Peter Stam. He points out fundraisers have to meet people where they're at, quickly and conveniently through their tablets and phones. For example: a relief organization can tweet needs, donation reports and impact all in the same day.

Stam admits, "When we work with staff, vendors, contractors we do a lot of it through text messages or email because that's what's convenient." Technologies are

part of how we work, live and relate to each other. They're part of who we are.

### Mobile is a Behavior

Fundraisers must utilize technology in a way that catches donor's attention. As Numi Foundation Chair, Author and Speaker Darian Rodriquez Heyman suggests, "We have entered an attention economy...[where] the currency is likes, comments, shares and retweets."

Augie Ray is Research Director at Gartner a global technology research company. He reflects, "today people choose and filter information delivered by smart devices ... through which we access millions of sites, apps, YouTube channels, and thousands and thousands of our friends' tweets, posts, pins and snaps."

"In the era of the empowered consumer everything changes," according to Ray. We no longer worry only about behavior prior to donation; we "...have to consider the activities like care, word of mouth and advocacy." Ray adds that 89% of marketers expect people to act primarily on the basis of their experience in the future."

That future includes leveraging digital media to tap into an ever-increasing potential donor market. CEO of Paris Presents Patrick O'Brien says, "If we don't practice a



Rich Dietz

growth mindset we fail." He suggests organizations maintain authenticity, commit to expanding followers and provide a meaningful experience. O'Brien shares,

"That means we loose some control. [Donors] talk about what they want, and that's really important."

President of Philanthropy App Stephen Ostrowski says his app is an engagement tool giving donors what they want. It consolidates the organization's "...SM, news, events and direct messages all in one easy place for donors to find. It's all about donors feeling the impact of their donation or volunteering in real time."

Albia's recent research took a deeper dive into donor behavior showing how technology interfaces with giving. One surprise, according to Rich Dietz, Senior Product Manager of Digital Fundraising was "... phone calls. Donors don't really like phone calls, even if it's a recognition call...it's an

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intrusion factor.” Simply put, a phone call interrupts where an email can be digested at leisure.

Agency Partner at Google La’Naeschia O’Rear says, “Mobile is a behavior, not a technology. This causes a fundamental



**Tom Ahern**

shift. We can’t just think about digital marketing, we have to think about how mobile is changing people’s everyday lives.” O’Rear observes people are always on

their phones, so how do we build and take advantage of it?

One way may be voicemail. Steve Lindo, Vice President of Voicelogic, can circumvent a phone’s ringer placing a message directly into voicemail. According to Lindo, “It’s not really a fundraising tool, it’s more a stewardship tool giving you a donor touch-point to help cement that relationship.” Lindo adds, the real advantage is sending consistent messages that lift donations by 4-17%.

**Beyond the Numbers**

Advances in technology bolstered by academic study have created an environment where every move donors make is measured and analyzed. President of Ahern Communications, Ink Tom Ahern suggests, “If you wanted to compare Facebook with the NSA who do you think knows more about you?”

According to Ahern, “Facebook has neuroscientists and psychologists on staff who do nothing but [compile] data and analyze it. Facebook’s done what advertising has always wanted ...get inside your head and know what you’re interested in.”

Tara Doran is Marketing Coordinator for Wiland a data co-op pool. She says, “When you give us your data we see what your donors look like, overlay it over our data from across the United States and find people who behave ‘transitionally’ that same way.” Doran says transactions predict transactions while behaviors only predict behaviors—in other words, what you look at online doesn’t necessarily predict where you spend.

According to Doran, “We can tell you who not to market to [as well as] the person who’s liable to give you the most and how much to ask for.” Doran’s clients see a 20-60% increase in donations.

Data-targeting works, but this almost robotic approach may eliminate a human touch. In Retention Fundraising, Roger Craver points out, “Transactional behavior represents a snapshot of the past offering no insight into cause and effect of donor behavior.” Craver hopes understanding donors attitudes can help reverse the fundraising trend of focusing more on gifts than donors.

CEO of Raising IT Tom Latchford says many tools can help us build a deeper

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*La’Naeschia O’Rear, Google*

emotional engagement with our donors, “... like checking which keywords are driving a response... [or] going to BuzzFeed to find out what people are talking about then spinning off that idea.”

Latchford suggests nonprofits focus on the emotional connection, use available analytics and start with a simple pledge that asks people to commit to their cause without a gift. According to Latchford, “When we use that approach, we see much more successful results.”

The same technology that turned our focus on dissecting transactions has the power to do what fundraising does best—build meaningful long-term relationships. Tim Sarrantonio, Director of Sales at Neon CRM, believes, “Technology is just digitized human interaction... If it doesn’t represent

how people actually interact, it’s not doing its job.”

Blackbaud Director of Analytics Steve MacLaughlin stresses we’ll always need to balance the human part of fundraising with technology, “If you’re going to go after an \$8 million gift, no amount of data analysis or technology can replace that person (fundraiser).”

Sarrantonio (Neon) says part of integrating the varied approaches is having a relationship database that “...moves people away from transactional fundraising to relationships fundraising.” Neon’s ‘technology with a purpose’ means a fully integrated holistic approach that can bring a savings. Sarrantonio claims, “We’ve seen online registration raised by 20%... [and] online donations go up by seven times.”

Technology is also making it easier to stay with donors in the moment. Steven Shattuck, Founder of Launch Cause and Bloomerang Marketing VP says after an online donation is made, “Donors are already engaged, they’re feeling euphoric about your organization and on your website so give them something to do next... read a blog, watch a video or sign up for volunteer opportunities.” Keeping donors engaged from the start will help retention rates.

**A Good Story’s Allure**

What works on SM? Stories. VP of Communications and Content at Network for Good Caryn Stein acknowledges, “We may not all be fundraisers, but everybody can understand why they care about an issue or



**Tim Sarrantonio**

organization and they know how to talk to their friends and family.” All donors have to do is add some information to their story and send it through their SM channels and email.

People who benefited from an organization’s work tell the most compelling stories. Stein advises organizations make it easier for the people to tell their story by “...giving them a few tools and some pre-written communications to get them started. [It] helps

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them feel like its do-able.”

Part of being relational is telling interesting stories built on universal truths, according to Stephen Pidgeon, Founder of Stephen Pidgeon, Ltd. He says messages should find



**Dana Ostomel**

things that connect, pictures and concepts that allow donors to “... think sideways, not linearly.” To create interest Pidgeon recommends,

“Think about the questions to bring out the words, ...[then] find snippets to hang the concept on.”

According to Dietz, Abila’s recent survey underscores the attention economy we’re living in. When asked what kind of content would get them to take action, “Donors came back clearly—short, short, short. They want short YouTube videos, short emails, short blog posts.” He defines short videos as ones under two minutes and short emails and blog posts as having only two to three paragraphs.

Dietz says the research pointing to short messages underscores the need to kill the nonprofit monthly newsletter. “This is the proof we need to say, your donors want that monthly newsletter broken out into four or five different emails,” that offer a short series of touch-points.

**The Echo Effect of Digital Fundraising**

As technology empowers fundraisers from all fronts nonprofits must be deliberate about the message they put out and aware of how it will echo across the digital landscape.

Stam (AccuFund) contemplates, “How do you empower donors to do their own fundraising? You’ve got to have mobile-accessible platforms, a good presence on the web and you have to be communicating your value proposition, why people should give to you.” He adds crowdfunding allows people “...to zero in on the projects they want to support.”

Founder and CEO of Deposit a Gift, a crowdfunding platform, Dana Ostomel says, “Crowdfunding is fundamentally about marketing.” She adds, “People have

this myth that because it’s on the Internet it’s just going to have a life of its own.” You need a plan and a committed team. She underscores, “You have only three to five seconds to capture people’s attention; [but,] crowdfunding is visual, engaging and has all those SM tools that make it compelling to give...and share.”

Mike Mostransky, National Sales Manager for Kimbia, says, “It’s not just having the technology to give you a crowdfunding day. You need to have all the puzzle pieces aligned. Know if you want to raise your SM footprint, tap into a new demographic or fire up your current [donor] base.”

Founder of Swell Fundraising Brooke Battle says the interesting part of their value proposition is how their event platform brings new donors. “Everybody at your event is a potential fundraiser,” according to Battle. “It’s important to give them the communication and tools to fundraise.” Her platform “...helps you reach beyond the venue to donors who can’t make it to the event.”

Battle believes technology allows you to “...take advantage of the networks of guests in the room by getting them to invite online donors.” She advises, “A long-term strategy helps position events as donor acquisition opportunities.” Clients call this a real “game changer” increasing revenue by 20-25%.

Understanding donor response has never been easier. According to Mostransky (Kimbria), “You can track from SM that a tweet or Facebook post has lead someone to your donation page and then know that donation has been processed.” While technology allows us to track the path to support, Mostransky cautions there’s a lot of noise out there and nonprofit’s need a great value proposition along with consistent messaging that integrates from website to SM to mobile.

**Millennial Madness**

According to Heyman (Numi), “Millennials want to do more than just give—they want to leverage their SM and they want to volunteer. Being able to offer millennials multiple opportunities for engagement is critical to building relationships with them.” Heyman suggests a series of touch points, a process leading up to a gift and a SM share.

Is it just millennials who are more tech

savvy? Erin Shy, SVP of Products at Abila suggests, “Millennials are your early adopters and eventually other age groups tend to follow some of the same patterns; but they’re (millennials) a good litmus test for what’s going to happen two, four years down the road.”

MacLaughlin (Blackbaud) says the biggest piece of fundraising will come from boomers for the next ten years; but adds, “It doesn’t mean that I ignore millennials or genXers. It’s still important to pay attention to generational attitudes and how relationship building is different.”

MacLaughlin says millennials identify as more interested in giving to different causes than traditional donors; and, they give to fewer charities “The big question is will they grow out of this? That’s unlikely to happen,” according to MacLaughlin. He adds, “Age changes with generations, generations don’t change with age.”

**Technology’s Trojan Horse**

Jon Biedermann, VP of Fundraising Products at Donor Perfect contends the bread and butter of fundraising still lies in non-digital methods. “It’s everything mobile this and mobile that, meanwhile direct mail increased by 1 or 2%, and that increase is around ten times larger than the entire mobile market. [Mobile is] ...not where the

money is.” A recent study showed only 5% of all donations over \$20 came from millennials. Biedermann believes fundraisers are distracted by new technologies,



**Jon Biedermann**

“Why in the world would you spend half your budget going after millennials if your average donors are way older.”

Biedermann says we often think, “If we put a ‘donate now’ button on our website, all these rich, random Internet surfers are suddenly going to give us money. That’s not going to happen. Unfortunately, the GoFundMe stories, crowdfunding and how an organization saved their nonprofit by raising \$2-million (because it went viral), are

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few and far between.”

MacLaughlin (Blackbaud) says, “Digital fundraising is where the transaction happens, primarily online or mobile. In 2015, 7% of all transactions happened online.” It’s



Adrienne Rubin

the same for retail, which means 93% of all transactions are ‘brick and mortar.’ MacLaughlin adds, for certain fundraising, like disaster relief, “People don’t look for

the business reply envelope, they use their mobile devices.”

Mobile giving has gone from 10 to 14% in the last year. MacLaughlin forecasts, “Mobile will push digital giving to grow because...everyone has a smart phone and when things happen, it’s readily available.”

**The Man Behind the Curtain**

Founder of Firespring Jay Wilko suggests three fundamental aspects of technology nonprofits should focus on, “App tools to simplify and leverage our day, website CMS (content management systems) and donor databases including member management tools.” He adds the American Management Association has found that the last two bring the “...highest returns on investment of any technology that a nonprofit can make.”

Biedermann (Donor Perfect) says there is an explosion of product offerings. How do you separate the good from the bad? “It’s hard. A lot of them have these snazzy new websites and look really cool; but they’re missing basic features like... import and export.”

Network for Good’s new donor management system allows you to manage donors instead of worrying about software, according to Stein. She says the platform allows you to import data from other systems with an interface that puts all your information in one place allowing you to focus more on mission.

“We believe nonprofits need to keep more of their money in mission and less in processing,” says Adrienne Rubin, Heart-

land Payment Systems Director of Nonprofit Solutions. They offer a payment solution charging only 2.1%. Ruben points out the processing steps behind the scenes are a “fascinating and magical” system that fundraisers shouldn’t have to worry about.

Biedermann offers, “Technology is a tool, a catalyst that makes all you’re doing more efficient.” A time saving product Donor Perfect offers is called “Smart Analytics.” Biedermann says, “It’s a way to measure key data and distribute it automatically on schedule to key stakeholders like your board or senior staff.”

Faster solutions to data flow and management allow fundraisers today to focus more on work and less on logistics. Account Executive at iDonate Ryan Jones says clients tell

“Nonprofits that are more strategic with a targeted push, will... bring new supporters to the organization, [which is] far more valuable.”

Claire Kerr, FrontStream

him, “We can’t really do more. We don’t have more time. I’m a nonprofit and it’s just me, so make my life easier.” According to Jones, technology’s next wave is more streamlined, “We’re going with a more simplistic look that will give the donor a good experience [based on research].”

Jones says they offer fully integrated (embedded) platforms on your website allowing donors to pull up their information, which speeds up the giving process. He observes, “The biggest reason a donor ‘bounces’ is they put their address in wrong.” A geofinder for mobile giving takes care of that. Just another way technology is helping fundraisers.

**Identify Social Butterflies**

Traditional forms of fundraising (direct mail, email, even door to door) rarely meet people where they’re at; they’re more an

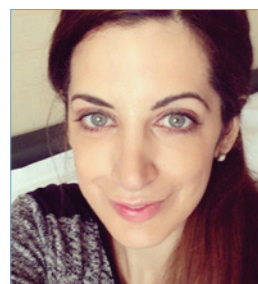
imposition according to Latchford (Raising IT). He says, “The real power of SM is being able to share a connection...to reach people in that warm place when they’re thinking about your cause... the immediacy of that moment is powerful.”

“Social isn’t a new concept,” according to MacLaughlin (Blackbaud), “It’s been around since we’ve been living in caves.” Connecting with people where they are and building relationships is universal. MacLaughlin recommends focusing SM on “...individuals who have lots of followers and are highly active. Identify the social butterflies in your network.”

Director of Digital Philanthropy at FrontStream Claire Kerr says, “We’ve now moved beyond SM for engagement, we can use SM to drive fundraising, but we have to be more effective about our call to action.” She says they’re starting to see Facebook advertising used effectively by nonprofits for events, petitions and advocacy.

Kerr adds Facebook allows you to target specifically by uploading donor files and finding like audiences with the same characteristics. She says, “That’s a really powerful tool and I don’t see charities exploiting it.”

Kerr observes, “Nonprofits that are more strategic with a targeted push, will... bring new supporters to the organization, [which



Claire Kerr

is] far more valuable. The ROI is also much higher than trying to get single donors through platforms like Facebook, twitter or LinkedIn.”

**Back to Better Basics**

Jack Modzelewski, President of Business Development and Partnerships at Fleishman Hillard, reminds us, “Popular culture shifts with the times... today it has shifted quickly and daily because of SM.” As part of that shift, the pulse of changing technology continues to make it easier for fundraisers to focus on the basics of their craft—telling compelling stories and building sustainable long-term relationships.