The Digital Fundraising Handbook

Persuading more people to give online
Everyone we spoke to for this handbook was excited and curious about digital fundraising. The internet has transformed many charities, and it presents a wealth of opportunities for fundraising too.

It can multiply your reach – perhaps overseas, perhaps with a younger audience, or possibly with niche interest groups. It’s easy to set up new experiments, it’s flexible and you can react quickly to data and audience feedback. Local, personalised and light-touch communications should help keep supporters engaged and reduce attrition rates.

The statistics seem to bear this out too. Estimates put the average online donation at between two to four times higher than offline. In short, digital fundraising ought to be a fantastic return on investment.

However, the digital revolution has not yet had the impact we’d expect. The total amount given to charity has not risen significantly, online giving still remains a tiny slice of the fundraising pie and charities lag way behind other industries, such as retail.

It’s time to be more ambitious, and that’s why we’ve written this book. It celebrates the many successes of digital fundraising, as well as examining how we can do better. Part one establishes just what we mean by digital fundraising, and then looks at how we can improve the donation journey. The second part discusses ‘the thinking’, or how can we convince more people to give.

We hope you like it.

The Public Zone team
Part 1

The Doing

Fine-tuning the donation journey

What is digital fundraising?
In all the excitement about digital fundraising – or online giving, or multi-channel donation journeys – there is some confusion about what exactly these words stand for.

Do we mean donations processed through your website? That includes mobile too, right? How about something less direct, such as the income that comes in offline as a result of a social media campaign? We like to think of it in two parts: the doing and the thinking.

The doing
This is the fulfilment side: providing new ways for supporters to give you money via technology.

The thinking
This is the role digital plays in persuading people to give.

It’s never been easier to give
With online fulfilment, charities have created a new way for supporters to give.

Given the usual cost and technical complexity of big digital projects, it’s fantastic that almost all charities have now created a new fulfilment platform online. Setting this up was the correct first step for digital fundraisers.

Reassuringly, 92 per cent of people say they’re happy with the experience of giving to charity – up 12 points since 2006. Perhaps this is due to the fact that we’ve made it easy to give online.

There’s a huge amount of good thinking and ideas in this area now. There are plenty of blog posts and expert guides on perfecting the donation journey. We have created a list of the best on our website at thisiszone.com/digital-fundraising-guides

As for this book, we’ve looked a little further ahead. So here are our get-ahead-of-the-game top tips for the next few years. We think these will get a few more people giving to your charity.

All the studies and statistics cited in this handbook are available on our website at thisiszone.com/digital-fundraising-studies
1. Reciprocity

What’s the idea?
Several studies in social psychology have established something called the rule of reciprocity. It says that if somebody does you a favour, you’ll likely feel some emotional obligation to give something back in return.

Researchers have also looked at how this works on the internet. When we use Wikipedia or Gmail – or make use of helpful information and services on a charity’s website – we feel grateful and more inclined to give something back.

How can we use it?
Provide an obvious way for users to repay this ‘reciprocity gap’. This should be directly connected to what the user has received, so a big generic donate button isn’t always best.

Try something far more specific such as: “Did you find this stress-beating advice useful? Give a small donation today so we can keep this page up to date.”

The reciprocity rule works best if your audience feels they’re receiving something from real people, not a faceless website. Show off your staff photos or talk about how this page was created, and make that connection really explicit.

Set the tone early and assertively. When you publish a big new web page, or start a new online service, shout loudly about how donations made it happen and are needed to keep it up.

When we make use of helpful information and services on a charity’s website, we feel grateful and more inclined to give something back.

For more tips on using psychology and emotion in your website, search for ‘Designing For Emotion’ by Aaron Walter.
2. Appeal to all parts of the brain

What’s the idea?
Thanks to extensive research on decision making, we now know there are broadly three physical parts of the brain that evaluate action.

One part deals with quick, gut-reaction decisions and responds best to a visual message. Another part listens to how we’re feeling, and responds best to an emotional appeal.

Finally, there’s a separate part that deals with rational evidence. It lets us weigh up the pros and cons before making a decision.

How can we use it?
Websites have the space to appeal to all three parts of the brain, much more so than a poster or a mail drop.

Take all of your fundraising messages and separate them out by what part of the brain they’re trying to reach. Keep them strictly separate so that they each have the most impact.

Since the three parts work in order, use numbers and statistics only right at the end. So take off those emotive images from the last part of the donation form and replace them with logical graphs and statistics about how the money is spent wisely.

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Read more
Neuroscience and persuasive design is an emerging field in digital. Susan Weinschenk’s book ‘Neuro Web Design: What Makes Them Click?’ is easy to read and gives you loads of practical tips.
Maximise social information

*Using extremes not averages*

Although these recent gifts may include large donations that encourage further generosity, they may also include some small donations. Displaying a small donation gives people permission to do the same.

On the other hand, Virgin Money highlights the biggest donation so far. Showing off a single large donation of £100 can boost the average amount given by as much as £30.

How much did other people give?
Social information is powerful stuff. When we’re not sure what to do, we take cues from others like us. So when emotional and logical appeals from the charity aren’t quite enough, include evidence of what other people have done before.

For example, we’ve all looked at JustGiving’s list of recent donations to help decide how much to give.

However, just showing the recent donations tends to make people converge on a smaller amount.

One generous donation of £100 can increase the average amount given by 30 per cent.
3. Don’t treat everyone the same

What’s the idea?
We utilise segmentation techniques when using campaigning tools such as letters or direct mail, but websites are often left as an all-purpose shop window.

However, a leisurely weekend browse on the laptop is very different to snatching a hurried five minutes on the work computer. Similarly, a visitor reading your news page is quite different to someone searching for a local support group. And we haven’t even mentioned behaviour on mobiles and tablets.

The solution lies in using data. Record all of the information on how people are using your website, change one feature, and assess the impact immediately.

How can we use it?
Earlier this year, Google Analytics quietly introduced a very powerful tool called Content Experiments, which lets you test out multiple versions of a page, all of them live at the same time.

Create four subtly different versions of your homepage, or five different donation buttons, and see immediately which is the most effective. What are the right words, the right colours and the best way to get someone to act?

Use it to continually try out new things, and build up a record of the most inspiring way to ask different visitors at different times.

If you want to know more about making decisions from audience behaviour, you should read our previous handbook on user research at thisiszone.com/public-zone

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Photography

Putting photos to the test

To find out what makes people donate, micro-lending charity website Kiva records and tests all of the photos used alongside their global fundraising projects.

Researchers found that projects with pretty, slim and light-skinned females receive the most donations.

Kiva has opened up its photography data to other researchers so they can examine how other elements influence donor behaviour. What happens when the photo is staged, professional or formal? When the subjects smile or look sad? And how does this vary by region and gender?

Similarly, holiday rental platform Airbnb found that properties with professional photos are booked two and a half times more than those without – so they send out a proper photographer to your home whenever they can.

For charities, photography is often used as a generic extension of brand values, but we could think about it differently. Find out exactly what sort of photography makes people give more by testing it on your live website.

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By testing live, Airbnb found that properties with professional photos are booked 2.5 times more than those without.
The Thinking

**Persuading significantly more people to give to charity**

*Online fundraising is not yet a success story*

The National Council for Voluntary Organisations and the Charities Aid Foundation published their latest survey of UK charitable giving in November 2012.

While the headline finding was a 20 per cent drop in total giving, we were more surprised to see that online giving has remained static over the past two years.

Charities still receive only seven per cent of their funding income online. During 2012, half of charities saw no increase in this proportion. Many actually saw a decrease.

The retail sector provides a sharp contrast. E-commerce provides 13.2 per cent of its income, and this is estimated to grow to one-third over the next 10 years. Why isn’t the charity sector keeping pace?

*In 2012 many charities saw a decrease in the proportion of fundraising income via the internet.*
Why is it so important to get people giving online?

Aside from the obvious cost benefits, we’re seeing a larger trend – one best articulated by a recent announcement from Amazon. In August 2012, Amazon UK reported that it now sells more Kindle eBooks than printed books. However, this isn’t a straightforward case of digital cannibalising print – because of this digital innovation, sales of all books rose by more than six per cent.

How do we generate the same impact for charities?

Thinking beyond the donation journey

Improving the little details of the user journey is really important, and will definitely help conversion rates. But given that 92 per cent of donors are happy with the experience of giving to charity, we believe that further improvements to the fulfilment journey will have diminishing returns.

We keep hearing the same reasons for why digital fundraising hasn’t taken off yet: risk-aversion and lack of resources. Yes, these are significant issues, but they aren’t going away anytime soon.

We wanted this book to move the debate forward, so here are five brainteasers that we’re trying to figure out. Take some time out with your team to discuss them.

Very few of us donate online

We compared how many UK adults have shopped online with how many have donated online.

The results are extraordinary. Although two-thirds of UK shoppers have shopped online, only one in 14 charity supporters have donated online. That’s only four per cent of the adult UK population.

You would expect there to be a gap, given that more people shop than give to charity. But even when you take this into account, it’s still a five-fold difference.

Spending money online is an established, normal, everyday activity. We’re ready to spend, but we’re not inspired enough by charities to spend with them.

Only four per cent of UK adults have donated online. In contrast, 66 per cent have shopped online.

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Does online giving lack emotion?

Giving without thinking
Striving to solve fulfilment, we may have taken one too many lessons from e-commerce. With a focus on the quickest, clutter-free journey to the thank-you page, have we made the online giving experience too cold and superficial?

One of the reasons people enjoy e-commerce is because it’s so easy. This is why mobile text giving and emergency appeals go so well together: you can act now in response to a shock, then put the phone back in your pocket and get on with your day.

However, the speed and lack of emotion creates an unmemorable experience, damaging our ability to convert these donors into long-term supporters.

Do we really want people to give without thinking?

Ask people to spend some time with you
Offline, fundraisers take care and time to bring warmth and feeling to the introduction of a topic, or to explain the genuine need to give. The best fundraisers make the opportunity to donate feel exciting and new patrons leave with a huge smile and a glow in their belly.

Should we be creating experiences that go against the grain of the super-quick, light-touch nature of social media and the internet?

The slow web
We’re not the only ones talking about the need to relax the internet a little – some are calling it the slow web movement. It’s concerned with routines and doing things at your own pace.

For example, ‘read-it-later’ services such as Pocket and Instapaper let you save a long web page to your phone or tablet and relax with it when it’s more convenient.

Let people explore and read in depth
At the same time there has been a boom in long-form articles on the web and the proliferation of sites such as TheFeature.net and LongReads.com that “handpick the finest articles and essays” for you to savour over time. They highlight the demand for in-depth and comprehensive information on a subject.

Not all of our digital content has to be short and snappy and condensed into bullet points. Perhaps we should try writing some much longer articles, such as a detailed explanation of a recent fundraising decision, or interviews with long-supporting donors.

The best fundraisers make the opportunity to donate feel exciting.
Interrupting people doesn’t make sense
Most site visitors haven’t come to donate. Depending on the charity, they may be in vulnerable or sensitive situations. Should we interrupt them constantly to ask for a donation?

On the one hand, we want to deliver what they came for without annoying them, especially before we’ve made a good impression. That isn’t what charities stand for and it’s unlikely to succeed.

And on the other hand, the number one reason people give money is because they are asked to, so we shouldn’t just let them go. In our experience less than 1 in 500 charity website visits ends in a donation. Surely we can improve this!

Create an effortless next step
Taking five minutes to get out your credit card or fill in a three-stage form, no matter how perfectly designed it is, is an obstacle that will always put off lots of people. Instead, can we create smaller things for them? Actions that are so minor and effortless they feel like a natural next step?

Getting this first interaction is crucial for distinguishing between warm and cold visitors, so that we can follow up appropriately later.

Something small on every page
Publishers and bloggers have long understood the need to try to get a quick bit of extra engagement from their readers.

Likes, comments, favourites, star-ratings and thumbs-up/thumbs-down votes are all small ways to generate a bit more of a connection with readers and get some feedback about a blogger’s work.

Charities could copy this, but with a twist: instead of rating the page with a star button, we could try creating a ‘thank you’ button that does nothing except quietly tell the team that their effort was appreciated. Or in a similar vein, we could include a ‘this helped me’ checkbox at the bottom of a page.

Financial asks can come later
These are small, easy, nice things for the visitor to do to help. Only after they’ve taken this easy step could we follow up by turning the button or the checkbox into an email form, with a message such as: “We’re really glad this helped you – it’s what we do. Can we send you an email next time we create something similar that we think you’ll find useful?”

If they’ve done that as well, then it’s absolutely appropriate to put a strong fundraising ask in a follow-up email later that day or week. It started with something really small, but now we have an email list of warm leads to follow up.

Less than 1 in 500 charity website visits ends in a donation.
Challenge yourself

Letting users tell you what works

**Ask an easy question**
Campaign sites such as Robin Hood Taxes are good at drawing you in with an easy question.

It’s a common technique in advertising, and the questions often work in reverse – in this case imagine asking if you agreed with keeping our financial services sector competitive and strong for the sake of the economy. How far can we take this principle?

Take a list of what you consider to be your most indisputable fundraising asks and messages, and scatter questions like this throughout your site. You’ll find out quickly which ones effectively draw people in and which ones aren’t as unquestionable as you thought.
Donors demand more
In general, supporter satisfaction with charities is going up, but not in every respect – donors are becoming less satisfied with the information they receive about how donations are used.

Digital and social media have changed donor expectations. They now demand detailed, personalised information about the impact their money has made.

How can we use digital to prove it?

Make real-time progress available
Online, there’s a chance to do more than just a monthly update on what the charity has been doing and how the big capital project is progressing.

Should we be decentralising our digital work, and making the team responsible for spending project funds also responsible for updating donors?

Digital gives us an opportunity to be more transparent about how things work. It might take months for someone’s donation to total up with others into something that can be used on the ground, or years to start something new. We could better share and involve people in this journey.

Social media is the perfect place to talk directly with supporters, explain work without jargon and clear up any controversies. One idea is to hold a monthly Q&A session on Twitter with a member of staff from every team.

Live feedback on a donation
Representing the extreme end of the scale is charity: water. It is the case study de rigeur these days, and there’s a reason for that – the charity has put a significant amount of money into turning its digital presence into a near-live account of all its work, linked to all the individual donors that made it happen. Search on Google for ‘dollars to projects’ and prepare to be impressed.

They have taken the idea of ring-fenced donations to the extreme and turned it into an impressive communications asset.

An ongoing thank you
After a donation, shouldn’t the thank-you message last longer than just the confirmation page? This is especially true for regular givers.

We could ask someone on the team responsible for using a campaign’s funds to do a fortnightly blog about how it’s going (or do a quick two-minute video interview), and then send email updates about it to new donors. Over time, this would create an impressive archive of work and impact.

Donors now demand detailed, personalised information about the impact their money has made.
It’s the big growth area
Peer-to-peer fundraising (where supporters ask on behalf of a charity) and external donation platforms (such as JustGiving) are fantastic revenue opportunities for charities. They’re the big growth areas for digital fundraising at the moment.

In fact, 90 per cent of online donations are not made on charity’s websites – they are made on third-party platforms created by businesses or new starters filling a gap, sites such as BT MyDonate and Vodafone Txt Giving.

Is this actually a threat?
However, is this trend damaging our ability to create long-term supporters?
It means losing control of your brand, your asks and your relationships with supporters.

Quick – think of the charities you’ve donated to this year via JustGiving. It’s hard, because you didn’t feel like you were donating to the charity. You were donating to your friend.

In an unexpected twist, charities now risk becoming an increasingly incidental part of the donation journey.

Short-term donors, not long-term supporters
Movember has radically changed the demographic profile of men’s health supporters. It has raised millions, but it hasn’t significantly raised awareness for prostate and testicular cancer, nor has it delivered long-term donors for these charities.

Perhaps we should be using peer-to-peer and external platforms only for large projects such as big challenge events. It’s a difficult call.

Take back control
Action for Children decided to get ahead of this issue by re-inventing how they did online fundraising. They’ve created an entirely new online platform, and are transforming how funds go from donors to local projects – look at my.actionforchildren.org.uk

Not everyone can or should create something like this right away. So, should we be demanding more from the donation partners we work with?

90 per cent of the fulfilment income charities receive online doesn’t happen on their own websites.
5. Can our stories take us to new places?

Charity stories are often the most inspiring
It’s your stories that engage people online. This is something charities have long understood in their traditional awareness and fundraising campaigns.

As an agency, we work with major brands such as Coca-Cola and Tesco, which are already exploiting new opportunities in digital storytelling to reach new audiences.

Charities have amazing, everyday stories from supporters, staff, volunteers and local groups that are hugely inspiring and interesting, potentially far more so than those from brands. Are we using them effectively online?

Join new conversations
This book has already covered inspiring people on your website. However, your best stories don’t need to live only on your own platforms.

If one of your supporters runs the marathon in record time, would you think of contacting running blogs? Imagine a story about how running for charity can inspire you to run harder (and get you a free place). These kinds of stories can reach new people and give them a reason to join you.

Apply your values in new areas
Over the past decade charities have invested significantly in their brands. This includes defining a tone of voice. Could we use these principles to take us into new places? For example, health charities don’t need to always tell their stories in a medical context.

We recently faced this challenge with Prostate Cancer UK, who became partners with the Football League. We were reluctant to talk directly to football fans about prostate cancer, but we did have a strong message about one in nine men in the UK being affected by the disease.

Creating a popular blog about the Football League’s best strikers – who wear the number nine – has catapulted the charity’s message into an entirely new arena, and significantly increased traffic to the Prostate UK website, where there is plenty of content about the prostate.

Control the narrative
Movember has taken this to the next level. By using the moustache, a strong male emblem, and connecting it with the challenge of 30-day growth, they have created a hugely compelling story. Any mention of the moustache – and in some ways manliness – is now connected to Movember during November. It is no accident that many of the staff at Movember have editorial backgrounds.

We believe content, and a more conversational, always-on approach to storytelling, is going to have a major impact in the future.

It is no accident that many of the staff at Movember have editorial backgrounds.
Giving as investment

We couldn’t finish this book without including what we think is the most exciting development in online fundraising – giving as investment. It’s a game-changer.

It wasn’t a donation
Perhaps there’s a simpler reason why only four per cent of UK adults say they’ve given to charity online – perhaps when they gave money, they didn’t think of it as donating.

Has a massive shift happened in digital fundraising? There are a number of ‘donation’ platforms that are changing the very definition of the word.

Amateur funding platforms such as Kickstarter and IndieGoGo, micro-lending service Kiva, and checkout round-it-up-for-charity service Pennies have all used the internet to dramatically change how we give to others. As of September 2012, the world has given just short of half a billion pounds to Kickstarter and Kiva combined.

Donors have become investors
These innovations are coming from new organisations, not within charities, so let’s learn as much as we can. Their trademarks are very direct giving – such as to local projects – a real element of risk to the project’s success, and returning something tangible to the supporter. Donors have become investors.

Perhaps the internet has already uncovered an entirely new way of giving. It’s an exciting thought.
Thank you

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