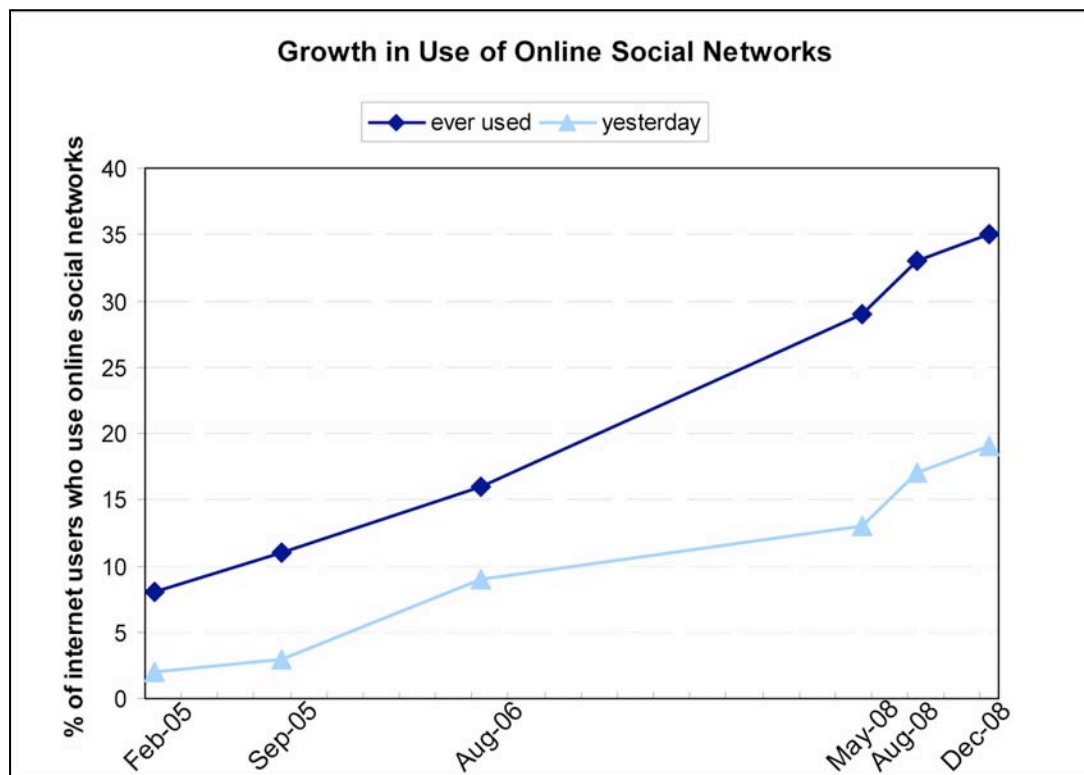


Next Steps for Your Online Fundraising Success



Lily Sharp graduated from U.S. CITY UNIVERSITY in 1991. (She is a fictional composite of today's donor prospect based on actual behaviors, attitudes, and trends.) She loved her time at school, but after graduation moved from California to Washington, DC to pursue her law degree. Summer associate positions, marriage, and children kept her on the east coast, and although she loved school and was quite involved on campus, she has not been back for a reunion, or to campus at all, since graduation. Since her husband recently became partner in a law firm and they inherited a sizable piece of her grandmother's estate, Lily has become very active in the Junior League and charity circles in DC.



(Source: Adults and Social Network Websites
Pew Internet & American Life Project)

Last spring, Lily's best friend encouraged her to join Facebook and Twitter. While online she has rediscovered relationships with her graduating class and somehow found herself co-chairing their reunion back on campus. She looked, but U.S. CITY UNIVERSITY had not yet created a presence on Facebook, so she channeled her energy to the reunion, allowing U.S. CITY UNIVERSITY to fall to the back of her mind. Lily helped grow her reunion Facebook page to almost

1,000 fans, gathered a group to Tweet on Twitter about the reunion for those who could not attend, and created an online auction for the Junior League's annual fundraiser. At her urging, Lily's husband joined Facebook and became a fan of the university. As he learned more and more about U.S. CITY UNIVERSITY's story, he felt compelled to support his wife's efforts, and for her 40th birthday he surprised her with an endowed scholarship for inner city youth.

Social networking has already become an integral part of many nonprofits' online strategy. 74.1% have a presence on Facebook, and almost 31% have one or more social networking communities on their own Web site.¹

THE MORAL OF THE STORY

Lily is not unusual; she is not even that unique any more. Lily is one of the more than 110 million people in the U.S.² who has developed an online presence and is actively changing the way she communicates with old friends, new friends, and the organizations she supports. Has U.S. CITY UNIVERSITY lost the opportunity to build hundreds or thousands of meaningful relationships? Not yet, but keep in mind that Lily is not atypical; and if U.S. CITY UNIVERSITY wants to benefit from her efforts as well as those of her friends, family, and growing circle of online acquaintances, it would behoove them to take a step back and see how their constituents' way of thinking is changing.

RELATIONSHIP REVOLUTION

It is a changing economic environment for philanthropy. Competition for philanthropic dollars is fiercer than ever. Nonprofit organizations need to work harder and smarter at philanthropy by continuing to create and expand relationships with their constituents. Web 2.0 provides YOUR organization with the opportunity to build community and collaboration on a scale never before seen, yet some are hesitating to take advantage of this opportunity. Typically nonprofit professionals respond to Web 2.0 in one of three ways.

One group turns the other cheek, so to speak, and goes on with their current fundraising plans because of a false perception that these new tools apply only to young people who may be “small dollar” donors or non-donors. Often these are the same individuals who resist software upgrades, new computer systems, and may still have their original cell phones. These members of our community must be led gently to the “well of Web 2.0.” It is natural for this group to be uncomfortable and to have many questions; however, real change is happening...and the pace of that change is fast. In the Practical Next Steps section of this document, this group will find direction on how to take advantage of the new opportunities on the Internet, assure the right questions are asked and answered, and learn from other nonprofit leaders who have already embraced social networking.

The second group is so overwhelmed by the choices available and their lack of comfort with the technology involved that they are stuck. Even though they know they should do something, they cannot seem to find a place to start. Perhaps a friend or colleague sent them a Facebook invitation, but they are just not sure about Social Networking; and all that tweeting seems like a lot of work. For these folks, a plan is critical. Starting with one foot in front of the other, they can find a way to become part of the brave new world of Web 2.0.

Finally, there is the third group— those who have embraced changes and are already on Facebook, Twitter, YouTube, and Flickr. They have blogged, networked, and held virtual events. Perhaps one of those people handed you this article. You are lucky to have them on your team. This is, however, neither a race nor a contest to see who can come up with the most technical way to express information. Rather, it is a process along a continuum that harnesses the energy and knowledge of the most savvy staff members and volunteers, responds to the questions of group one and the fears of group two, and proceeds collaboratively with representatives of all constituencies.

No matter where you may be in the Web 2.0 continuum, you have an opportunity to strengthen your organization's communications, outreach, and donor base.

SOCIAL MEDIA

Information Sharing

- Wikipedia
- iTunes
- Flickr
- YouTube
- Blogging
- RSS Feeds

This new way of using technology has revolutionized the way people interact, and it has empowered a culture of information sharing, creativity, and collaboration. Lily would never have reengaged, and her university would not have received that endowed scholarship, had it not been for her renewed relationships. On the flip side, not everything said about this new world has been positive— it has been called obsessive, unruly, and only for those who have unlimited leisure time for online pursuits. Other critics have pointed out that it does not work for everyone and can be too difficult to keep up with its fast pace. Some say that only a political machine, like Barack Obama's,³ or an institution with near unlimited resources can keep up with all of these tools and all of these sites. However, it is possible, with the right approach, for any nonprofit organization to take advantage of this new way of thinking, communicating, and relating to one another.

SOCIAL NETWORKING

Online Communities

- Facebook
- Twitter
- MySpace
- LinkedIn

PRACTICAL NEXT STEPS

How can your organization enter this exciting new world to communicate with donors and prospective donors? Graham-Pelton believes that by implementing the following practices, a Web 2.0 strategy is within the reach of all organizations.

1. Integrate Organizational Planning

When looking at all the tools out there, it is tempting to just jump right into a Facebook page or to put out a video on YouTube. It seems as if everyone has some sort of presence and the pressure is on to join the masses. Before you do that, stop and craft a plan. Just as in traditional fundraising, that piece of the puzzle is critical. By taking the time to identify your organization's objectives and potential audiences, you will be able to efficiently spend your time, energy, and resources on those sites and tools that will provide **your** organization with the best ways to reach its constituents.

- **Review your current online presence.** Is it easy for your constituents to give online? Do you solicit via e-mail or online newsletters? How attractive is your Web site compared to other similar organizations?
- **Determine your tactics and tools.** From a constituency segmentation perspective, what will allow your organization to reach your members where they are? Are your prospective donors already using YouTube to share videos of themselves, or have they already set up groups on Facebook and self identified as having an interest in your organization? Is your organization already represented unofficially on certain sites? For educational institutions this may play out in informal reunions offered through Yahoo Groups or event invitations through social networks. This is the time for investigation and review.
- **Be realistic about staffing.** Some organizations are able to devote an entire position to "Social Media Guru" or a like title, but many who operate with one-person to two-person development teams are not. Most development professionals wear many hats, and it is tempting to simply

hire a college intern or choose the youngest member of the team to wear this hat as well. Before making that decision, take a step back and consider the impact of good customer service to your long-term goals. The right person needs to be in the right seat on the virtual bus.

- **Write a Web 2.0 Plan.** After doing due diligence, write a Web 2.0 plan that is integrated into your development program. Include in your plan this year's goals and tactics, a timeline, and opportunities for testing different tools with different constituencies.

2. Capitalize on Communication Tools

Web 2.0 is primarily about interaction through authentic user-generated content, or more simply, individuals expressing their own ideas in their own time to other individuals with similar interests. For example, when Hurricane Katrina hit the Gulf Coast, bloggers were the first to share the heart-wrenching photos of New Orleans residents caught on rooftops. These bloggers were not news outlets looking for the next story, nor were they activists looking to stir up trouble. Most of those who shared their experiences were regular people using a new, broader outlet to share a story in real time.

Web 2.0 is primarily about interaction through user-generated content.

If your schedule and staffing allow for only minimal interactive tools, take the time to choose those opportunities that allow for timely and interesting updates without a great deal of effort. Look at social networking opportunities, such as Facebook and Twitter, and sites that have broad-based outreach, such as YouTube and Flickr, which allow for messages to be shared within communities easily.

- **If you build it, they will come.** Keep in mind the basic, fundamental reason for long-term fundraising success - RELATIONSHIPS. You can build these relationships by engaging donors and other constituents through timely, interesting messages through a variety of channels using both social networking and social media.
- **Tell your story simply.** Communications tools also allow organizations to build capacity by conveying the impact of their mission through human interest stories. Principled statements and statistics are important, but the case statement must go further in order to be emotionally gripping in answering the question, “Why is your organization unique?” Web 2.0 tools allow organizations to personalize stories by adding real faces to broad programs. Individual experiences allow for a new form of donor stewardship and enable donors to see their good dollars at work.

3. Internally: Talk about Culture Change

Cultural norms, organizational structure, finances, and the nature of day-to-day work often keep nonprofits from moving forward as quickly as their for-profit counterparts. This idea of a new way of using the Internet through engagement and empowerment is very uncomfortable to those who have not yet embraced what has been coming for several years. It is essential when using these tools to have internal discussions about the way this may change perception and communications.

- **Top down, inside out discussions.** Everyone from the Chairman of the Board to the summer intern should have some part in the discussion about these tools and your organization’s next steps. Once you begin your planning, find ways to allow all opinions to be heard and decisions to be shared. The long-term benefit will be buy-in from all levels and a sense of ownership over this new venture.
- **Develop champions.** Just as with traditional fundraising efforts, champion volunteers and staff are critical to maintaining an authentic voice in the

Web 2.0 world. These champions can be encouraged to learn different roles and evolve over time to become leaders, teaching others the advantages of Web 2.0. In an effort to track and recognize these leaders and measure progress, your organization should continue with the practice of creating job descriptions and updating organizational charts.

- **Prepare to lose some control.** One of the most challenging aspects of Web 2.0 is that you no longer have 100% control over your message. In allowing users to comment and become part of your dialogue, such as those who shared so honestly about Hurricane Katrina or the 2008 election cycle, an organization loses the absolute last word, but gains something much more valuable— a loyalty that can only come from a feeling of ownership and pride in an organization's mission.

Nonprofits using newer technologies have grown to 41% in 2009; 55% of groups surveyed said they were using Facebook to raise money this year. ⁴

GETTING STARTED WITH WEB 2.0

Having next steps to work from is important, but in anticipation of your Board's concern that Web 2.0 is still too novel or may be just a fad, it is wise for leaders to bring more than just a plan document to the table. Be prepared to demonstrate that Social Networking and Social Media are already being employed throughout the industry to build and strengthen relationships and thereby enhance an organization's ability to fulfill its mission.

The Nonprofit Social Network Survey Report found that four out of five participants reported that their organizations had dedicated at least one quarter of a full-time staff member's hours to social networking. Additionally, more than half said they planned to increase staffing for social networking projects over the next year.¹ Traditional fundraising calls for one-on-one relationships and one way outreach to communicate important information. Web 2.0 allows donors and prospective donors to learn about an organization not only from the institution's traditional literature and communication, but through interaction with other constituents, staff, and volunteers on social networking sites, inspired stories on social media, and an ongoing meaningful dialogue. This, in turn, allows an organization to better know its constituents while the donor and prospective donor get to know the true depth of the organization's work.

Recent research shows that Web 2.0 is solidifying as an important supporting channel for philanthropy. The May 7th 2009 issue of *The Chronicle of Philanthropy* reports that online gifts to 203 nonprofit organizations that provided data for 2007 and 2008 grew by a median of 28% last year. Many big nonprofit organizations saw increased online donations, despite a slumping economy that is making fundraising difficult for many of the nation's charities. Ten groups in the survey raised \$25 million or more online in 2008, and three raised more than \$100 million: Fidelity Charitable Gift Fund (\$409-million) in Boston; United Way of America (\$245-million) in Alexandria, VA.; and American Cancer Society (\$101-million) in Atlanta.⁵ Smaller organizations are also finding success growing outreach databases, connecting with new donors, and offering solicitation opportunities by incorporating Web outreach, social networking, and person-to-person contact.

Although most organizations are not yet positioned to take full advantage of Web 2.0, a significant number of nonprofit groups are making headway in this area. In February 2009, more than 220 million Americans were online at home or work,⁶ which is more than 70 percent of the United States' population. Five of the 20 most visited Web sites in March 2009 were social Web sites.⁷

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CLOSING THOUGHTS

If there is one thing that maturation of Web 2.0 has taught us, it is that the Internet is constantly evolving and is a shifting electronic medium unlike any the world has seen before. What the next big evolution will be is anybody's guess—but we do know that research and development is in progress on “Artificial Intelligence” and improved intuitive search technology (i.e., bing.com, wolframalpha.com), and that social networking has exploded into a worldwide phenomenon growing from an *Introduction*, to a *Growth*, and possibly entering a *Maturity* phase in only a few short years. One thing we can definitively ascertain from studying Web 2.0 is that if the Internet community does embrace a new technology or development, then that device, its owner, and its participants are positioned to benefit immensely.

Each organization is different and a unique strategic approach to Web 2.0 is needed. The “play it by ear” approach to social networking, where you open a Twitter or Facebook account, exchange content with a potential audience, and wait for donations may yield some positive results. However, that approach misses the mark and does not convey or solidify a public persona, brand equity, and unified message that you can achieve through the proper implementation of a well-conceived plan.

No matter where you may stand in the Web 2.0 continuum, you have the opportunity, today, to shape your organization's strategic mission moving forward, prepare for inevitable technological change, refine the way you reach new donors, communicate with existing and former constituents, and build your organization's brand and mission awareness. The tools of Web 2.0 offer the nonprofit community a low cost, but time intensive, outreach avenue that has never before been available. Social Networking is literally about making friends and creating a communal sense of belonging; therefore, the more intensive and meticulous effort will generally yield the greatest return on your investment.

Web 2.0 is a revolution in Development. Join the revolution.

Graham-Pelton Consulting offers a full range of electronic philanthropy services tailored to your individual needs, and provides the expertise to help your organization today. For more information please contact us at 800-608-7955 or www.grahampelton.com for a free, no obligation consultation.

FOOTNOTES

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