Paying it Forward... There's An App for That

Be Smart. Be Savvy

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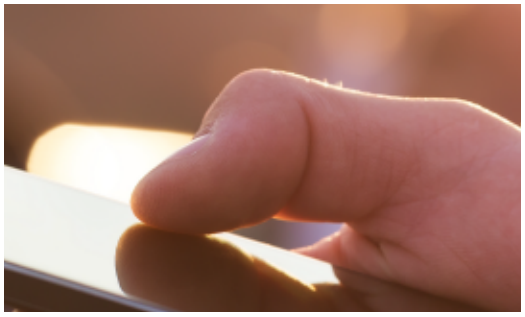
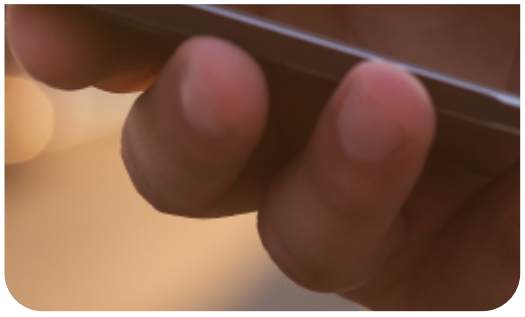
A 2017 study from Charity Commission reports an increase in charitable giving, especially amongst Millennials – who now account for around eleven percent of total charitable donations in the United States. According to the research, Millennials are not only more generous to charities around the year-end holidays, some 44 percent noted they would give up their smartphones for a month to raise money for the charity of their choice.





With so many technology-dependent Millennials driving donations, it is no surprise to see online giving growing larger than ever before. A study by M+R and the Nonprofit Technology Network (NTEN) reports online donations are up 14 percent from 2012 to 2013. According to Non Profit Source, overall revenue fundraising online grew twenty-seven percent from 2016 to 2017. In fact, the internet sensation "Giving Tuesday" alone raised $274 million dollars in 2017 – from $10.1 million in 2012. Average online donations exceed $134.

Donations by Generation

When it comes to creating fundraising campaigns, it is important to remember the target audience. While Millennials now account for a growing portion of charitable donations, they are often prompted by different stimuli than Generation X and Baby Boomers – both still foundational blocks for charitable funds.

- **Greatest Generation** – Born in 1945 or before, this generation is not averse to online donations and often gives more regularly than other groups. However, they are more likely to respond to direct mail campaigns and donate physical items rather than actual funds.
- **Baby Boomers** – This group comprises anyone born between 1946 and 1964. Coming of age in the late 1950's to 1970's, this generation relies heavily on verbal communication and email but are also fairly heavy users of technology. As a result, they respond best to emails but will also answer calls,

text messages and communicate with their preferred charities via social media. Rather than large donations once or twice per year, Baby Boomers are more likely to opt into lower level but recurring donations.

• **Generation X** – Born between 1965 and 1976, this generation is connected on social media but has a preference for text messages and phone calls. Email is one of the key prompters for Generation X to make donations online. While they will give to charities they are more likely to volunteer their time or make a pledge.

• **Millennials** – This group, born 1977-1995, grew up during the technology boom of the 1990's and 2000's – which spawned both the world wide web and the smart phone. As such, Millennials are far more responsive to social media and text messaging than other avenues of communication. Around 84 percent of this group give to charity – with donations averaging a total of $481 per person, according to Non Profit Source. Nearly half (47%) of donations from Millennials in 2016 were made through websites.

Implementing Online Donations

Due to the growing rate of donations through websites, most non-profits have begun to set up a minimum of one general donations page. However, while the growth in number of donations is increased by this strategy, most groups are using PayPal or similar services to accept their donations.

There are many pros to these payment acceptance services.

1. Capability of accepting online donations
2. Increase in ways to generate donations including linked URLs for text messages, emails and social media
3. Accept credit and debit card donations (rather than only cash or check)
4. Mobile card readers for events, etc.
5. Recurring donations capabilities

However, in addition to these very attractive reasons for their use, PayPal and other services also charge a percentage fee to process payments – eating into donation revenue.

As demand has grown, more payment services have popped up aimed at assisting non-profits in their donations collection strategies. These services have added the ability to receive donations via text message as well as pass processing fees onto the donating party.

But each of these processing applications lacks one main component – donor management.

A "DRM" for Non-Profits

Charitable organizations often have a large list of current and potential donors for their organization. In most cases – in a spreadsheet or, in rare cases, hosted in a free for use CRM (customer relationship management system). The non-profit must then use this list for all of their outreach and campaigns. Often creating new lists to segment categories, participation and other criteria.

Now there is technology that can help manage donor information and messaging as well as handle online donations and donor paid processing fees.

GiveSavvy, a new product created by Maryland and Texas-based Star Financial Services, was created to provide not-for-profits with an all-in-one donor/donation relationship management system – with a bonus branded mobile application and the ability to allow contributors to choose to pay the processing fee as part of their donation.

The GiveSavvy donation platform allows non-profits to run multiple campaigns at one time via their webpage, by text and through the customizable app without having to manually segment their donor lists — saving volunteers a great deal of time. Plus, by being able to run multiple campaigns the message can be personalized for each generation using the technology that that generation prefers.
"We have found that non-profits tend to send out the same appeal to every person on their list," said Yonas Marcos, president and CEO of Savvy and Star Financial Services. "What may be of interest to Baby Boomers however may not resonate with Millennials, and while Baby Boomers may respond well to email, Millennials, for example, are more likely to respond to a text message. This is why we designed the software to allow non-profits to send multiple campaigns, through multiple touch points."

GiveSavvy also allows managers to pull a multitude of customized reports with the touch of a button. "Reporting is critical for the board of directors, but also to know which campaigns are more successful than others," Marcos said. "With extensive reporting built in, this makes it easier for non-profits — many of whom are relying on volunteers — to plan their campaigns."

In addition to extensive reporting tools and list segmentation, the system provides the "Savvy" non-profit with a wealth of other features including:

- Donor information records
- Campaign development
- Branded mobile application
- Web pages/widgets
- Complete reporting with donation analytics, donor messages and content management
- Goals widget
- Donation alerts
- Admin access levels
- Donation acceptance
    - Recurring donations
    - Give by text
    - Mobile card readers
    - Web/online donations
- Donor paid processing fees

What makes GiveSavvy so unique is that it is a complete DRM (donor relationship management system). "All of the information and data from each campaign feeds directly into the reporting system so you can accept donations in different directions from multiple campaigns and be able to track where, when and how these donations are occurring," said Marcos. "It does not matter whether you are using GiveSavvy on your web pages, by text or mobile, the system is going to record it to help you increase efficiency and bring in more contributions."

Donations in a Technology-Based World

Experts expect online and mobile donations to continue their growing dominance in the non-profit space. However, to deal with this influx of technology-based giving, charitable organizations have had to resort to make shift means of tracking donors and communications while taking a cut in their funding due to processing fees. Fortunately, there are a number of ways for non-profits to continue to grow their technology-based outreach as well as new innovations being introduced to help manage processing fees, campaigns and donors for better outreach and fundraising management.

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