

Modern Fundraising for Nonprofits

Nonprofits have traditionally utilized paper fundraising as a chief way to bring in funds. This may have been direct mail, or the use of volunteers with pamphlets and clipboards seeking donations on populated streets or public places. These methods were effective for a generation without computers or the Internet, but are rapidly becoming obsolete to Millennials who have grown up with cell phones and social media.¹ Additionally, paper fundraising is costly. Direct mail is expensive to produce, and clipboard fundraising requires organized manpower to execute. I will discuss two modern methods of fundraising that are more efficient than traditional paper methods.

Crowdsourcing

Several organizations exist to help organizations modernize their fundraising technology. First, Wedidit.com works off of the “crowdsourcing” model of fundraising. This method is most recognizable as the basis for kickstarter.com. Individuals can donate to a particular campaign to help reach a fundraising goal. In crowdsourcing, social media is important because the campaign is advertised largely through word of mouth. Wedidit provides an integrated platform for on-line donations. Wedidit subscribers are given an interface for donations on the organizations’ websites. Wedidit also gives users an app for fundraising at events. Donations can be made by credit card through the app on a smart phone. The smartphone app doesn’t require hardware (the credit card scanner). Rather, it

¹ Ben Lamson, *How Nonprofits are Blowing It With Their Future Source of Revenue*, The Huffington Post, November 3, 2012. http://www.huffingtonpost.com/ben-lamson/how-nonprofits-are-blowin_b_4197453.html

takes a picture of the credit card and uploads the information to the database. This is important since it allows anyone to help fundraise for the organization at any time, not just employees at specific events. The app takes donations, as well as personal information, then loads the information into the nonprofit's donor database all at once. Wedidit also provides analytical services to determine which activities resulted in the most donations. See www.wediditfundraising.com for more information.

Challenge Fundraising

Challenge fundraising conditions funds on participation in a certain event. Endurance athletic events such as marathons, triathlons, or century bike rides are a good example. An organization can put on an endurance event and use it as a platform to raise money.² Part or all of an entry fee might go to the organization, and tables may be set up to take further donations. Other organizations have capitalized on the challenge model to fundraise within the event. Team in Training, a branch of the Leukemia and Lymphoma Society, participates in big races across the country. (www.teamintraining.org). Team in Training provides a number of services in exchange for individual fundraising. The entire cost of the event, including registration, transportation, lodging, apparel, and training support is covered by Team in Training. Additionally, Team in Training provides each member with a webpage to collect online donations, a clinic for letter writing, and one-on-one classes to help develop a fundraising strategy. Team in Training sets a goal for

² Auren Kaplan, *A Powerful Method for Nonprofits to Raise More Money*, The Huffington Post, October 23, 2013. http://www.huffingtonpost.com/auren-kaplan/a-powerful-method_b_4138690.html

each individual, based on the cost of participating in the event. The more expensive the event, the higher the fundraising goal. The fundraising deadline is two weeks before the race. If the goal hasn't been met by that time, the participant is asked to make a personal donation to cover the difference. There is also a 30-day window after the event to raise the missing funds for reimbursement. See www.teamintraining.org for more information.

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