BBB Wise Giving Alliance

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What About Donors?
Fundraising Trends, Risks & Recommendations

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What is the BBB Wise Giving Alliance?

• Over a century of combined experience in charity evaluation in the United States.
• Produces evaluative reports on charities in relation to 20 broad charity accountability standards.
• Donor focused but seeks to strengthen charities as well.
• Website: www.give.org
Basic Trends

- **Direct Mail**: still the dominant form of public fundraising in the United States, most popular with older donors.

- **Website Giving**: Gaining, especially among younger generations.

- **Mobile/Text Giving**: Haiti donations put this on the map, but still a small percentage of total donations for most charities.

- **Social Networks**: Facebook & Twitter are in media spotlight but are not raising high volumes of gifts.
Donation Methods Used by Generation
2010 Online Survey


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<th>Generation</th>
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Born:
- Gen Y: 1981-91
- Gen X: 1965-80
- Boomers: 1946-1964
- Matures: 1945 or earlier
Facebook & Other Social Networking

- Next Chart from 2011 Nonprofit Social Network Benchmark Report (conducted by Common Knowledge)
- Facebook has become a popular nonprofit outreach. Most organizations are using this.
- Keep in mind, however, less than 1% of nonprofits in the U.S. are raising $100,000 or more per year on social networks.
Social Networks Used by Nonprofits in the U.S.

Survey of 11,196 Nonprofit Professionals in Jan and Feb 2011
2011 Hope Consulting Survey: Money for Good II
Survey of 5,075 households with $80,000+ Annual Household Income

- 85% of U.S. donors say they care about nonprofit performance...
- ...but only 35% do any research on any gift they make.

Source: www.hopeconsulting.us/money-for-good/
2011 Hope Consulting Survey: Money for Good II
Survey of 5,075 households with $80,000+ Annual Household Income

Of the 35% that do research, it is often to validate their choice not to compare to other organizations:

- To determine whether I would make a gift to this organization (63%)
- To help me decide how much to give (24%)
- To help me choose between multiple groups (13%)
Opportunities & Challenges for Charity Monitoring Organizations

- More to review for accuracy & transparency
- Potential growing donor privacy issues
- Less government oversight of new mediums
Opportunities & Challenges for Charity Monitoring Organizations

- Also an opportunity for monitors to help donors make informed giving decisions.

- Example – role of BBB Wise Giving Alliance educating donors about Haiti relief mobile text giving

- Alerted public to concerns of potential 90 day delay

- Exception made so Haiti text gifts sent immediately
• 2-year project publicly launched later on May 17, 2011.
• Project discussed at 2010 ICFO meeting in Canada.
• Joint project with GuideStar USA and Independent Sector.
• In part, charities in U.S. concerned about donor emphasis on charity expense overhead ratios
• Development of a common reporting framework to help charities publicly share information on their effectiveness.
Charting Impact

The five questions organizations answer to complete a Charting Impact report are:

1. What is your organization aiming to accomplish?
2. What are your strategies for making this happen?
3. What are your organization’s capabilities for doing this?
4. How will your organization know if you are making progress?
5. What have and haven’t you accomplished so far?

For more information, visit www.ChartingImpact.Org
BBB Wise Giving Alliance

- Visit:  www.give.org
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