

The Ultimate Guide to **Digital Fundraising**



Digital fundraising can be an incredible growth strategy for your organization's fundraising program.

Fundraising can be one of the most daunting parts of running a nonprofit. It can feel all-consuming, too, since it's so critical to organizational sustainability. Digital fundraising is showing year-over-year growth as supporters look for easy, hassle-free ways to give. It's essential to the sustainability of any nonprofit to have an online presence.

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What Is Digital Fundraising And Why Do Nonprofits Need It?

Digital fundraising is a way for nonprofits to raise money through the internet. It usually involves an online donation page, donation form, and donate button on the website where donors seamlessly make donations.

While social media plays a big part in digital fundraising campaigns, digital fundraising also utilizes email, text-to-give, peer-to-peer, and crowdfunding campaigns, along with virtual fundraising events.

Nonprofits need digital fundraising in their fundraising strategy to save themselves work and capture more donations. Digital fundraising platforms automate the online giving process, streamlining workflows.

According to the Blackbaud Institute Nonprofit 2021 Report, nonprofits have a lot to gain from leveraging digital fundraising in their overall fundraising strategy.

- **Online donations increased by an impressive 42% since 2019.**
- **The average amount donated online in 2021 was \$204.**
- **Nearly a third (28%) of online donations were made via mobile devices.**
- **66% of online donors who continue to give for a year or more are likely to remain long-term supporters.**

Investing In A Fundraising Platform

To accept donations online, your organization will need a way to collect donations on your website, store donor information, and promote these new ways of giving. It is vital to find the right fundraising platforms for each campaign. Without a quality fundraising partner, your fundraising efforts may be stymied before you start.

There are many digital fundraising platforms out there. Many of these platforms include fundraising forms, donor management, and provide additional safety measures for donors.

Key Features Of A Fundraising Platform That Actually Work

Online donations are a primary revenue source for many nonprofits, but organizations can miss out on thousands of dollars a year without the right fundraising software. Fundraising software offers nonprofits several different options, including peer-to-peer and crowdfunding campaigns, text-to-give fundraising, and donor management to target specific donor types.

Key Features

Digital fundraising forms

Donors that are already convinced to give will be the ones to visit your online fundraising page. Your donation page can either inspire your donors to give or discourage them. Hence, it's advisable to follow some best practices to inspire digital fundraising.

Recurring donations

Most nonprofits need to put more effort into promoting recurring donations. This type of donation can be beneficial because it can be added to the organization's annual budget and turn a one-time donor into a long-time supporter.

Matching donations

Matching donations is another way to get more from a single gift. Encourage your donors to ask their employers about matching contributions. Fundraising software platforms like Donorbox have partnered with Double the Donation to help nonprofits reap extra benefits from their existing donations.

Donor management

When searching for a digital fundraising platform, it is best to find one that includes donor management. A donor management system should include the ability to create donor profiles, segment donors, and include reminders about donor anniversaries and actions.

Secure payment processing

Digital fundraising platforms have extra security measures that protect donors' information. It is essential to look for fraud detection, SSL encryption, customer authentication, and tokenization of financial data when researching digital platforms.

Donation receipts

Nonprofits are required to send tax letters to all donors. It is best practice to send these receipts within 24 to 48 hours. With a digital fundraising platform like Donorbox, your donors can receive a 501(c)(3) tax-compliant receipt immediately after making a donation.

Integration with existing apps

Companies that offer matching donation services, peer-to-peer fundraising, and email marketing are essential for nonprofit organizations. The ability to quickly share information between your donor database or CRM and web platforms like Weebly, Wix, or Squarespace lightens the workload for you and your team. Fundraising platforms like Donorbox provide these features to help organizations streamline tech and save money.

Digital Fundraising Strategies

Text-to-Give

Text-to-give is one of the fastest-growing online fundraising ideas. Larger organizations with well-known brand names have benefited from this type of campaign for years. As the popularity of this type of campaign has grown, it is becoming a big help to churches and political campaigns because it is an easy way to reach your donor base over and over.

Social media campaigns

Social media campaigns are not as tricky as they may seem. Smaller organizations may feel like they must hire professional videographers and spend money on Google or Facebook ads for a successful campaign. This assumption is a mistake that can cost your organization thousands. Hearing about an organization from a friend has been proven to have more of an effect.

Crowdfunding

Crowdfunding has become popular for raising money for emergencies or specific projects. You need a powerful story, images, and even videos to hold a successful crowdfunding campaign. Crowdfunding campaigns speak to the heart. Those who reach the right audience and speak to their specific desires will succeed most. Storytelling has proved to be a stellar way to hold an effective crowdfunding campaign.

Peer-to-Peer

Peer-to-peer fundraising has become an essential fundraising tool for nonprofits and individuals. Peer-to-peer fundraising works by encouraging people to support your cause and take action. Instead of simply donating, the individual becomes part of a fundraising team that is raising money for your organization or event. A peer-to-peer fundraiser might be an individual, group of friends, family, work colleagues, or even a social media network.

Peer-to-peer fundraising is great for special events like walkathons and marathons, but it can also be used to complement other fundraising efforts such as annual campaigns or capital campaigns. Some organizations use peer-to-peer fundraisers year-round to help raise funds on an ongoing basis. Like crowdfunding, peer-to-peer fundraising needs a compelling story and images to touch the hearts of donors. The true power of this type of campaign is the involvement of donors in the fundraising activity.

Using membership campaigns

Many nonprofits rely solely on membership fees to fund their efforts. Running a membership program is an in-depth process made easier with the right tools. Membership software can help nonprofits recruit new members, collect necessary contact information, and market to specific member groups.

While any nonprofit can benefit from a membership program, membership programs also extend to organizations who don't rely on traditional fundraising methods. Trade organizations, professional associations, and advocacy groups all utilize a membership model to raise money.

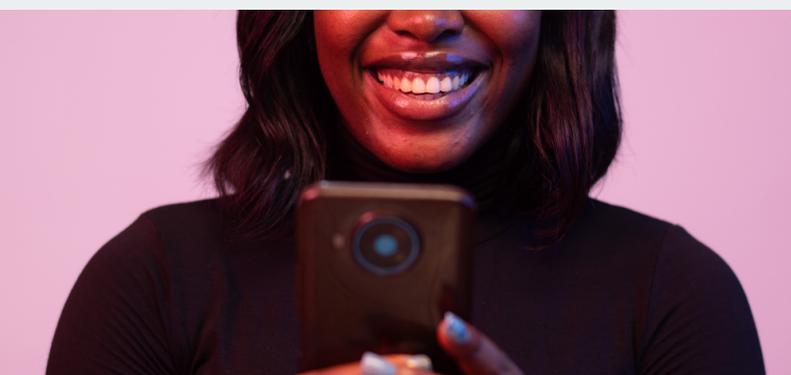
Online fundraising Events

Advances in technology have made holding an online event easier than ever before. Social media, video conferencing technology, and online donation pages can be combined with traditional fundraising tools like mailed solicitations, emails, and smaller in-person events.

Online fundraisers open your events to many more people, inside and outside of your community. With the insight you get from these virtual events, you can include new ways of outreach into your fundraising campaigns.

Text-to-give is a great method to encourage donations during your online fundraiser event. After texting a keyword to a specified number, the donor receives a link to enter their donation directly from their device.

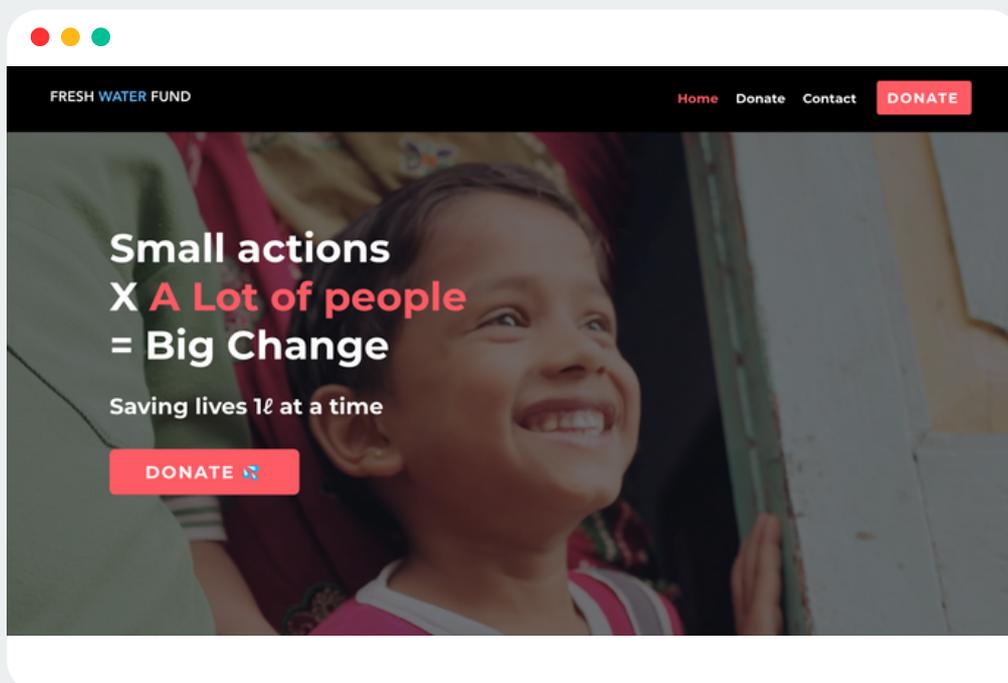
With both QR codes and text-to-give, donors can give at their own convenience, whether by completing their payment through their phone or scanning the code at a later time. However, which method you choose may depend on what fits best with your event and audience demographics.



Tips For Successful Digital Fundraising

Make your donate button easy to find

Your donation button is the gateway to your online donation form, so ensuring it's easy to find is your first step for successful digital fundraising. It should be prominently displayed on your website so donors can find it in seconds. We recommend placing it in the upper righthand corner, above your navigation bar.

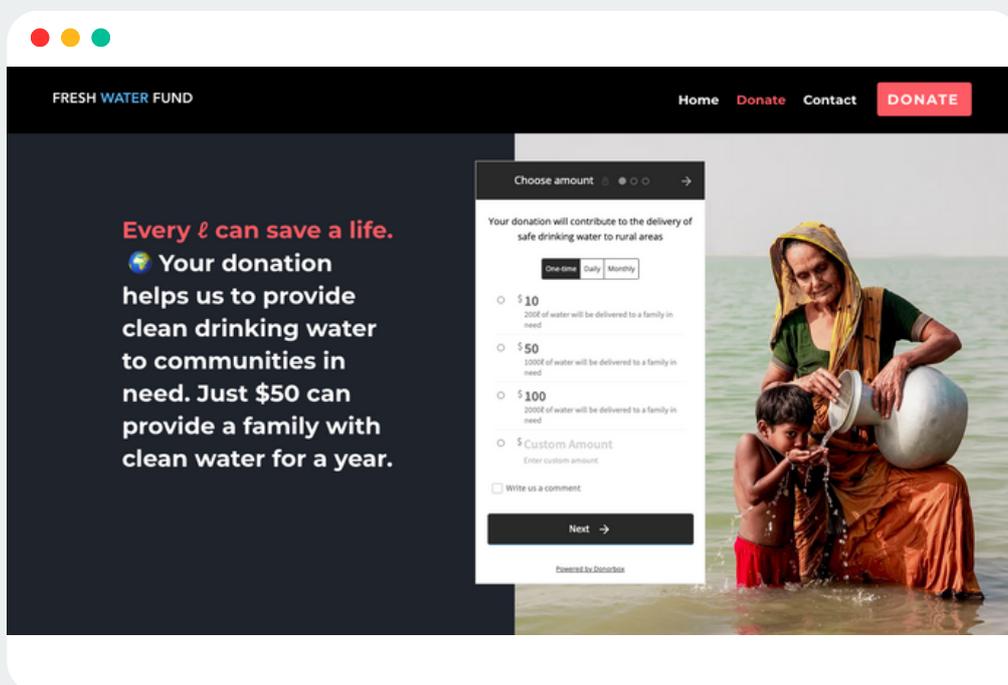


Create a user-friendly donation form

Your donation form should be attractive, streamlined, and simple.

- Embed your donation form directly into your website
- Make the donation process take as few steps as possible
- Only ask for essential information

You want your donors to make a donation, not feel overwhelmed by a cumbersome form. Streamlining your donation form so donors can quickly make it through the donation process will lead to more donations.



The screenshot shows a web browser window with the URL 'FRESH WATER FUND'. The navigation bar includes 'Home', 'Donate', 'Contact', and a red 'DONATE' button. The main content area features a dark background with the text: 'Every ℓ can save a life. Your donation helps us to provide clean drinking water to communities in need. Just \$50 can provide a family with clean water for a year.' To the right, there is a photo of a woman in an orange sari and a yellow headscarf pouring water from a large metal pot into a smaller pot held by a young child. Overlaid on this is a white 'Choose amount' form. The form has a title 'Choose amount' and a subtitle 'Your donation will contribute to the delivery of safe drinking water to rural areas'. It includes radio buttons for 'One-time', 'Daily', and 'Monthly'. The options are:

- \$10: 200ℓ of water will be delivered to a family in need
- \$50: 1000ℓ of water will be delivered to a family in need
- \$100: 2000ℓ of water will be delivered to a family in need
- Custom Amount: Enter custom amount

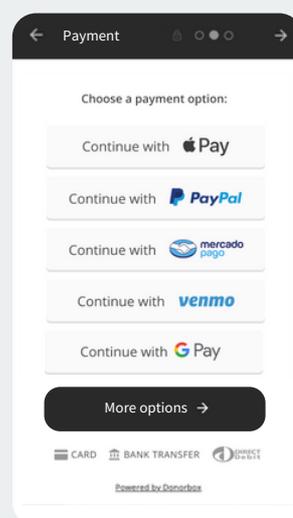
There is a checkbox for 'Write us a comment' and a 'Next →' button. At the bottom of the form, it says 'Powered by Donorbox'.

Use a strong call to action

A call to action is a powerful tool that motivates donors to take action and make a contribution, creating a sense of urgency and emotional connection with the cause. Instead of simply saying "Donate Now," use language that speaks to your donors' emotions and values. This should go above your donation form.

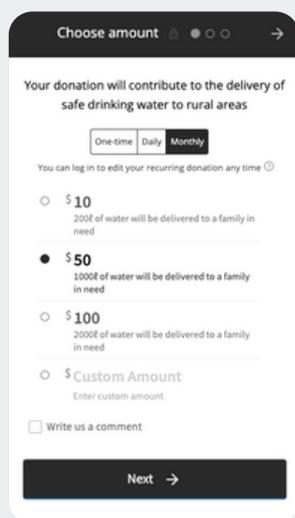
Offer multiple payment options

More payment options mean more possibilities for giving, which means no donors are excluded. Offering digital wallet options like Apple Pay, Google Pay, Venmo, and more makes checkout easy and quick.



Provide a mobile-friendly experience

Half of all nonprofit website visits came from users on mobile devices last year, according to Giving USA. If your donor page is not mobile-friendly, you will lose these donors. Before clicking publish, check the donation page on your mobile phone.



Highlight recurring donations

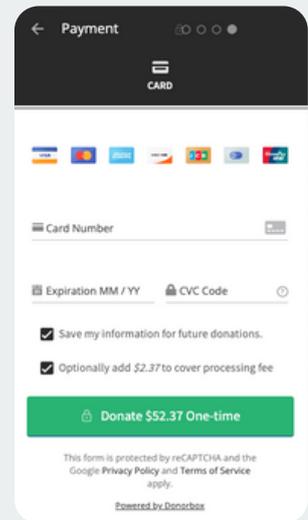
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Demonstrate impact with donation tiers

Using different donation tiers on your donation form to illustrate the impact of gifts at each level encourages your donors to give at a higher level and helps them immediately feel the value of their donation.

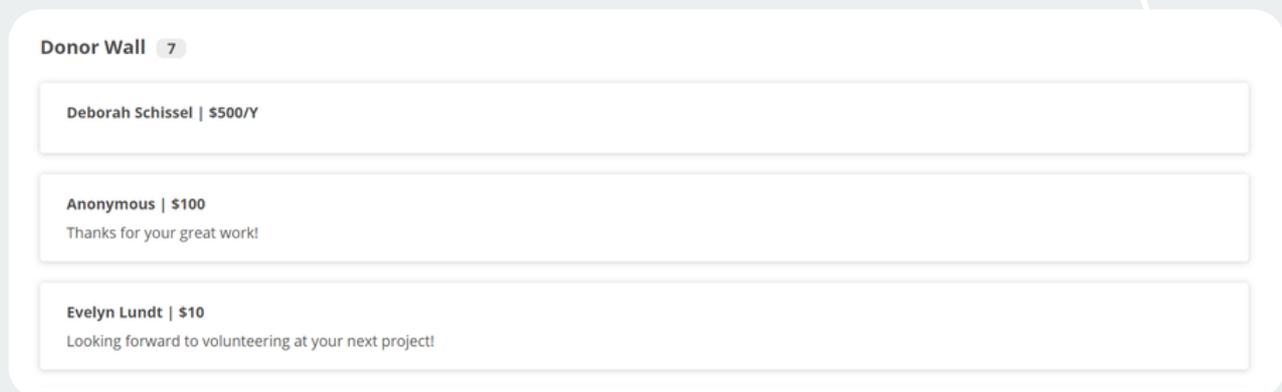
Allow donors to cover processing fees

Adding the option to cover processing fees on your donation form allows donors to step in so their entire donation goes toward your mission. This increases the amount your organization receives from every donation.



Utilize social proof with a donor wall

Social proof is the idea that people are more likely to take a desired action when they see others doing the same. Inspire more donations with a donation wall thanking those who have already given to your campaign.



Automate donation receipts and thank-you letters

Accurate donation receipts and personalized thank-you notes are vital to building relationships with donors. Automating these communications means your donors receive them right away, which both reassures them that their donation went through and saves work on your end.



Did you know?

- ✦ Nonprofit mobile audiences grew by **26%** last year, compared to a 3% average increase in email list size. (Source: M+R Benchmarks)
- ✦ **Half** of all nonprofit website visits came from users on mobile devices last year. (Source: Giving USA)
- ✦ The average web page takes **15 seconds** to load on a mobile device. (Source: Think with Google)
- ✦ **53%** of mobile users will leave a page that takes more than three seconds to load. (Source: Think with Google)
- ✦ **54%** of nonprofit emails are opened on mobile devices. (Source: Nonprofit Source)

Donor Engagement

Donor communication is essential to your organization's future. Communication and engagement tools are essential to gain your donors' trust and retain them in your organization for years to come. Nonprofits should include several elements in a donor communication plan. Personalized, impactful, transparent communication is foundational to building and strengthening relationships between the supporter and the organization.

Donor acknowledgments

All nonprofits know that donor receipts are required. It is best practice to send these acknowledgments within 48 hours of their gifts. Online donation processors like Donorbox allow nonprofits to provide donors with an immediate and automatic receipt that can be customized beforehand.

PRO TIP!

Close the loop on donations! None of the earlier tips will matter if you do not keep communicating with your donors. Create a plan for your communication efforts that helps you reach your goals. Target your messages and keep track of all donor contacts with communication records.

This type of communication after a donor chooses to give will help strengthen the relationship between the donor and the organization. It is also a great practice to create a communication plan for each donor and donor type and include these acknowledgment activities spread out throughout the year.

✓ **PRO TIP!**

Creative acknowledgement ideas:

- Phone calls from board members and the executive director
- Highlight donors and their gifts during events and on social media
- Have a virtual donor wall on your website or the donation page
- Offer facility tours to major and recurring donors
- Send personal notes and cards



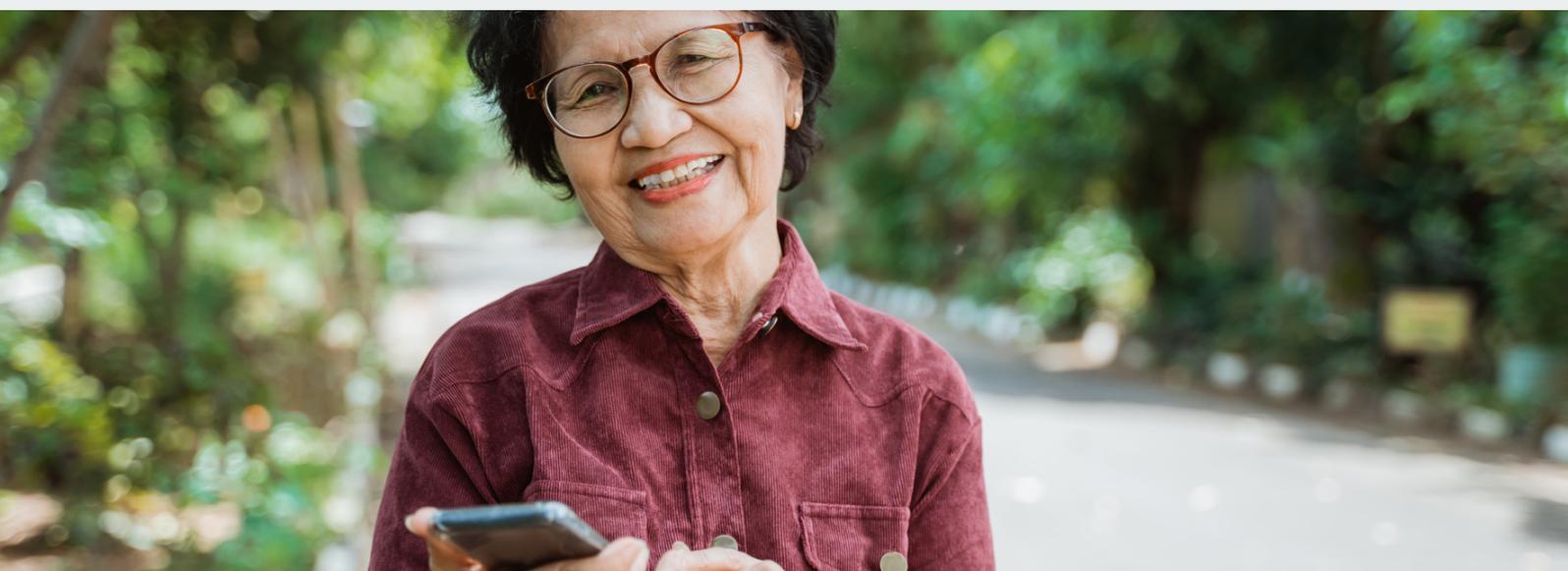
Donor communication

Impactful stories and images should be included in all marketing and fundraising pieces. When a nonprofit shares these stories and images, they create a context for the donor and are more likely to see greater engagement and build better relationships.

Powerful success stories can be found anywhere. Organizations that have beneficiaries can ask for individuals' history with the organization and how their lives have improved. Those that do not have a clear beneficiary can ask donors for their experiences and opinions on the organization.

Transparency is also key to supporter communication. Imagine you're sending donor communication emails or letters meant for your donors, telling them stories, inspiring them to give but they're finding it difficult to help.

In every communication piece, let your donors know how to donate, the various options available, and offer them the freedom to give the way they want.



7 Digital Fundraising Metrics to Track

As you hold more online and hybrid events and send out various communication pieces to your supporters, you will want to see what kind of response you are getting. Technology makes this easy. You can run analytics on your social media posts, emails, and website, thanks to several platforms. You can track several key metrics on your own to see if your campaigns are helping or hurting your fundraising efforts.

Dollars raised

This is an obvious one, but when looking at this number, make sure you are checking your ROI. If your events are costing more than 35% of what you raise, it may be time to rethink your strategy.

Number of donors

Each donor brings with them the opportunity for a new relationship. Even if their first donation is small, these donors should be seen as potential long-term supporters for your nonprofit.

Online gift percentage

Are your donors giving more online or offline? Are your online efforts making a difference? This number will give you a better idea of how your online campaigns are doing.

Average donation size

Donation size matters, especially when soliciting donors again. If you do not know how much they give, you will not know how much you can ask for in the future.

Number of repeat donors

A one-time donor is nice, but wouldn't it be great if they gave again and again? How many of your donors disappear after their first donation? Are you losing them because you are not communicating enough? Did they only go to one event? This number will let you see where you can make changes to your fundraising strategy.

Donation form conversion rates

How many people leave your donation page without donating? This is one of the most important metrics to track and one of the easiest to fix. But to do that, you need to follow some really effective and actionable tips to boost your online donations.

Number of enabled recurring donations

Recurring donors are essential to a nonprofit. If you are losing recurring donors, you are losing out on dollars raised. Remember, it is easier to hold on to the donors you have than to find new ones. These donors were missing something, and your job as a fundraiser is to make sure it does not happen again.



Digital Fundraising Conclusion

As you look to the future, ensure you are getting the most out of your efforts by including online campaigns whenever possible. Online giving will continue to grow, and if you ignore it, your organization will be left behind.

If you want to increase your fundraising and impact with your donors, then digital fundraising is one area that should command your attention. By using the strategies and tips in this guide, you can create and deliver more effective fundraising appeals.

However, digital fundraising isn't only about raising money; it builds relationships, increases participation, and supports your mission. The best part is that you don't need a huge budget or a major effort to get started. All you need to do is ensure you are present online, collect the data, and measure your results.



Helping You Help Others

Donorbox provides nonprofits with several innovative tools and services to improve their fundraising activities, form better relationships with donors, and build sustainable growth. Visit [Donorbox.org](https://donorbox.org) to learn about our products and how they can help you help others.

For more nonprofit fundraising, management, and marketing tips - plus much more - check out our [blog](#).

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