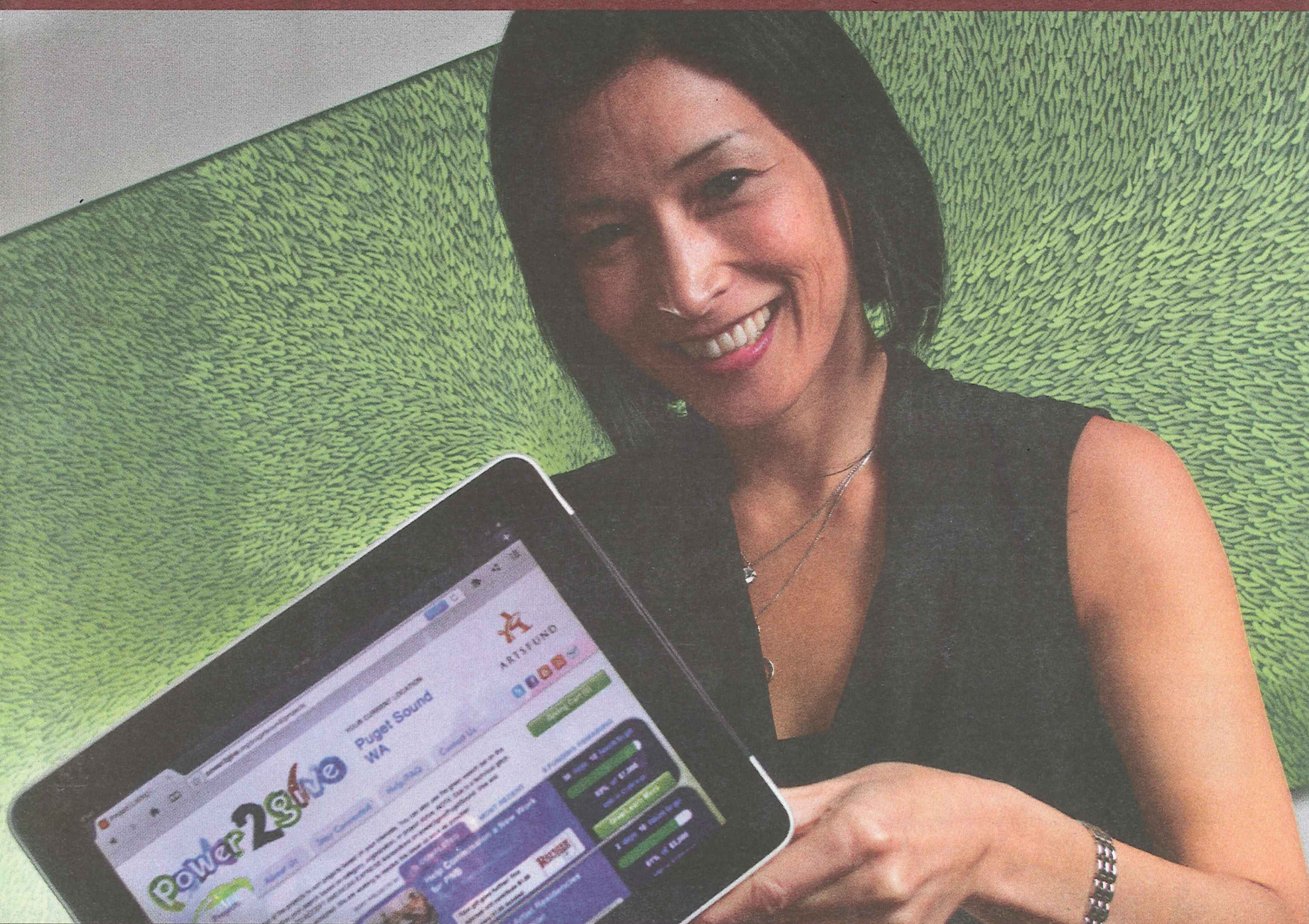


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NONPROFITS

INSIDE

Digital dollars:

Access to more funding
is just a click away.
See page 3A.

ALSO: Collective impact.

See page 6A.

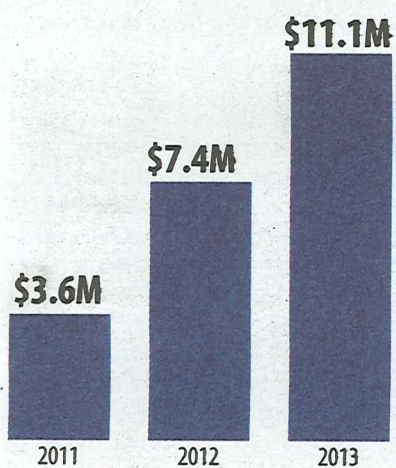


THE SEATTLE FOUNDATION

GIVING BIG: Staffers from the Seattle Foundation raised \$11.1 million during the 2013 GiveBIG online fund-raising event. The foundation has sponsored the event since 2011.

GIVEBIG'S BIG PAYDAY

Each year, the success of the Seattle Foundation's one-day online fund-raising event has increased exponentially.



SOURCE: The Seattle Foundation

Seattle leads move toward online giving

By BRAD BROBERG
CONTRIBUTING WRITER

The Seattle Foundation and the ArtsFund are leading their flocks to greener online pastures. Each has established a giving platform where the individual nonprofits they support can tell their stories to wider audiences and draw new donors into the fold.

The Seattle Foundation developed a Giving Center and has sponsored an annual GiveBIG event since 2011; the ArtsFund introduced its power2give initiative last month. Both are riffs on crowdfunding, the rapidly spreading practice of courting donors and investors online.

While total charitable giving rose by 2 percent nationwide last year, online giving rose by 11 percent, according to a report from Blackbaud, a South Carolina company that provides technology to nonprofits. Seattle ranked first in the country in online giving to charity, with nearly \$23 million in donations in 2012.

The Seattle Foundation and the ArtsFund view online fund-raising as a way to enlist a new generation of donors, not as a replacement for conventional fund-raising methods such as direct mail and charity auctions.

"This is the way a certain demographic is choosing to give," said Mari Horita, president and CEO of the

ArtsFund. "The idea is to engage new donors. It's not just to move money around."

That's also how Walt Dryfoos of the University of Washington looks at online fund-raising. "Everybody hopes that by using a different band of communication you will reach a different population that is receptive to your message and supportive of your cause," said Dryfoos, associate vice president for advancement services. "But it does not replace (other tactics)."

The UW launched an online giving platform in 1999. "What we've learned over the years is most people don't

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Seattle a leader in online giving

ONLINE | From 3A

go online to search for a worthy cause," Dryfoos said. Instead, they must be driven there using a mix of old-school tactics such as print advertising and direct mail and new-school tactics such as Twitter and Facebook, he said.

While many nonprofits are capable of raising money over the Internet on their own, small organizations often lack the necessary technology. The Seattle Foundation and ArtsFund platforms provide a channel for online donations to flow to the little guys, too. The platforms also raise the visibility of small nonprofits. When people visit the Giving Center or power2give platform to support one group, they discover others they never knew about.

"Even if this time they're not giving money, they're learning about these other organizations and what they're doing," Horita said. That puts them one step closer to making a contribution that otherwise would not have been made.

The ArtsFund is still crunching data from the first few weeks, so it doesn't know the percentage of power2give donors who are new givers. However, the national aver-

age is 46 percent in other cities using the power2give model, which was developed by the Arts and Science Council, based in Charlotte, N.C.

New donors account for 23 percent of the people who make contributions through the Giving Center at the Seattle Foundation. But that's not the only way the Giving Center generates new donations. Among those Giving Center donors who already donate to a nonprofit, 64 percent say their online gifts are on top of their usual contributions.

"That's what we're trying to achieve — to bring in new donations," said Mary Grace Roske, vice president and director of communications at the Seattle Foundation.

The Seattle Foundation created the Giving Center when it revamped its website. The goal was to provide a go-to resource for charitable giving in King County where people could browse a directory of nonprofits, learn about their missions and make online donations.

People can donate to any of the 1,400 nonprofits listed by the Giving Center all year long, but almost all of the money rolls in during the one-day GiveBIG event each spring. The first GiveBIG event raised \$3.6 million in 2011, including partial matches from the Seattle Foundation and event sponsors. In 2012, it raised \$7.4 million and

in 2013 it raised \$11.1 million.

"GiveBIG has exceeded our expectations as a vehicle to raise funds in our community (and) helped smaller nonprofits get involved in online giving," Roske said. "Seattle is a very tech-savvy community. That's one of the reasons this has played so well."

A Virginia company called Click & Pledge is the Seattle Foundation's technology partner for the Giving Center. The company peels 2.95 percent from each donation in exchange for maintaining the platform and processing the donations.

"This is a trend now. Nonprofits large and small are participating in some sort of large-scale, collaborative, fund-raising effort," said Jim Barney, vice president of sales and marketing at Click & Pledge.

The power2give platform helps nonprofits raise money for specific projects. Projects are posted for a maximum of 90 days or until they reach their funding goal, up to \$7,500. Through its first four weeks, power2give raised \$87,000, including matching donations funneled from a \$200,000 grant from the Raynier Institute & Foundation and donations from Amazon.com and anonymous donors.

Two projects — one posted by the Seattle International Film Festival (purchasing a digital projector lens) and the other by Jet City Improv (painting the theater) — hit their goals in 24 hours.

"Seattle is a very tech-savvy community. That's [why] this has played so well here."

MARY GRACE ROSKE
THE SEATTLE FOUNDATION

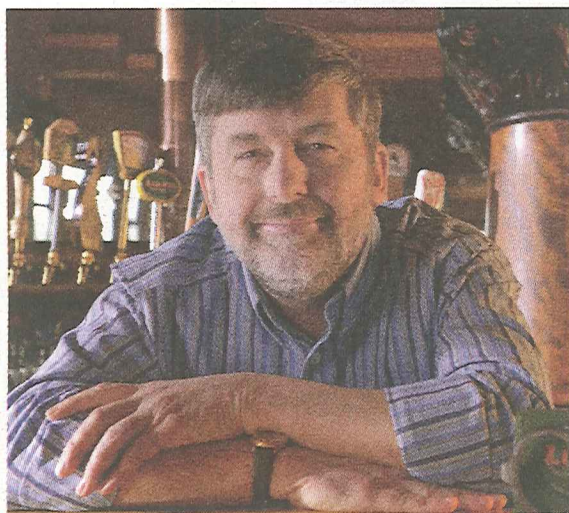
The Boeing Co. provided an \$85,000 grant to launch power2give. Participating nonprofits pay ArtsFund a 7 percent fee — built into their project budgets — to cover hosting costs and processing charges. "It's an extremely cost-efficient way for arts groups to meet new donors where they are, which is increasingly online," said Sarah Sidman, director of strategic initiatives and communications at ArtsFund.

That's especially true for young people — not because they are necessarily too hip for conventional tactics such as direct mail but because they move so much they're hard to contact, said Amy Sample Ward, CEO of the Nonprofit Technology Network in Portland, Ore.

"They still want to show up at your event," Sample Ward said. "They still want to give offline. It's just hard to reach them offline. (The Internet) is a better way to reach them and engage them."

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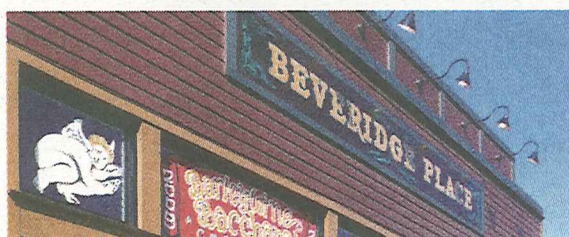
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