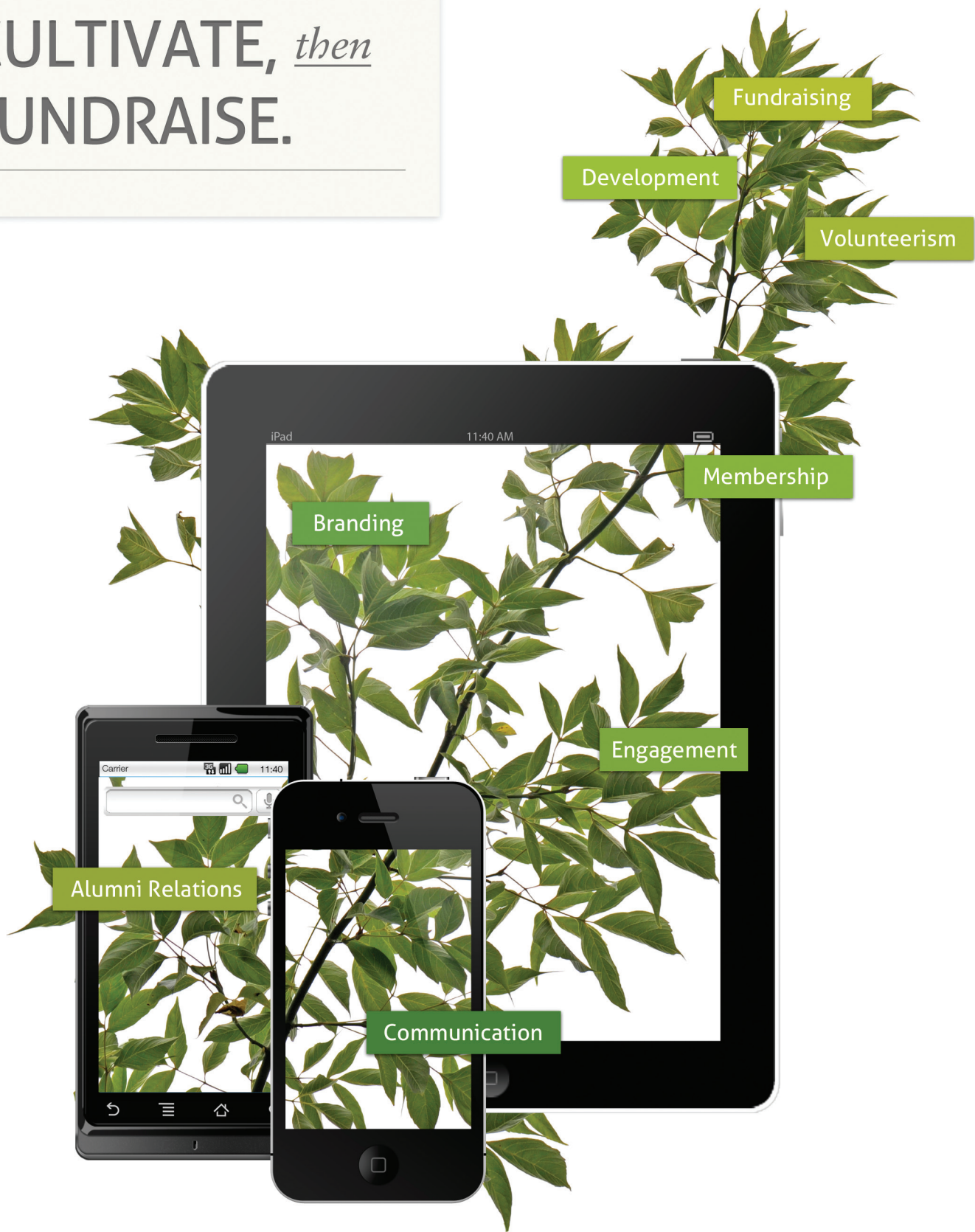


Mobile Growth Strategy

COMMUNICATE,
CULTIVATE, *then*
FUNDRAISE.



Introduction

An international humanitarian crisis erupts. The Red Cross rushes in to help and employs an emerging but as-yet unproven technology to raise relief funds. To the astonishment of nonprofits everywhere, millions are raised and a new fundraising medium is born.

A synopsis of the mobile text-to-give campaign to benefit victims of the 2010 Haiti earthquake? No. It is a recap of the late-1990's refugee crisis in Kosovo and the first wide-scale use of the Internet for charitable fundraising efforts.

Such are the ways powerful new technologies make their official debuts with nonprofits and donors alike: high-profile disaster, blue chip nonprofit, loads of media coverage and eye-popping donation totals. Yet just as reliably, subsequent efforts to employ that same new fundraising technology fall flat. What gives?

To understand the answer to that question is to understand how nonprofits can make the best possible transition to the mobile revolution, which is sweeping across the globe at a pace that makes those early days of Web technology seem antiquated by comparison.

Back to the Future

During the first weeks of the Kosovo refugee crisis the Red Cross generated an unheard of \$2.5 million in online donations. This, mind you, at a time when

the online aspirations of many nonprofits amounted to little more than a translation of print brochures to static Web pages.

Coming as it did in the fevered dot-com era of brash new "e-tailers" boasting of millions coming across the digital transom, the success of the Kosovo campaign convinced nonprofits everywhere that shiny new websites were their key to fundraising gold.

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Except that it didn't really work out that way. After investing huge sums of money and countless hours building those new websites, the nonprofit community discovered much to its dismay that most donors remained stubbornly loyal to their existing modes of giving.

Now comes mobile technology as “the next big thing.” Haiti rakes in millions for Red Cross relief efforts, and the business pages are awash in talk of all things mobile. What’s a nonprofit to do?

For starters, it is important to dispel the notion that any nonprofit was going to replicate the success of the Red Cross in Kosovo or Haiti. As one of the world’s most recognized brands, the Red Cross also enjoyed round-the-clock media coverage (consider the price of that coverage—more than what was raised) of the Haiti earthquake and endless rounds of media endorsements. All of which means that not only was fundraising success in Haiti a foregone conclusion but it in no way was a fair approximation of what the typical nonprofit could expect under normal fundraising circumstances.

Of far more importance, however, is to understand the many lessons learned by the nonprofit community during those early years of online fundraising – lessons that are directly attributable to the growing success of online fundraising in more recent years, most notably in the wake of the 9/11 terrorist attacks.

// ... technological change always outpaces the speed with which we embrace and adopt such changes.

The chief lesson being that technological change always outpaces humankind’s embrace and adoption of those changes – particularly when it comes to finan-

cial affairs. The old rules of establishing trust, building community, fostering engagement still apply regardless of the medium in which they are implemented.

In the early days of online transactions, even the biggest and savviest of e-tailers (think Amazon, for example) lost money – lots of it – for the simple reason consumers were still accustomed to purchasing their books at brick and mortar locations. For nonprofits, which traditionally lag behind their for-profit counterparts in technology adoption, the same held true: donors eschewed online donation forms in favor of more traditional support channels.

Friend Raise, THEN Fund Raise

It was not until nonprofits began exploring other more subtle (e.g. less immediately gratifying) aspects of emerging online technologies that those early investments began paying off.

Websites weren’t digital brochures, for example, they were searchable, dynamic, graphically rich storytelling vehicles available on any browser; HTML email wasn’t digitized snail mail, it was fast, affordable, eco-friendly, one-to-one communication.

The point being, once nonprofits recognized that “online” was not code for new donation-generating machine, they were able to focus on:

- Integrating online technology into their existing marketing, communication and development efforts
- Adapting to the new behavioral changes and

expectations of their supporters including greater one-to-one engagement, transparency, and accountability

- Transitioning supporters online when it made the most strategic sense;
- Recognizing and maximizing new opportunities as they emerged
- Facilitating new means of giving and other forms of support

As Tonia Zampieri of Loyalty Clicks says, the ongoing evolution in digital technologies mean nonprofits must focus more heavily on engagement with the recognition that financial and other forms of support will naturally follow. "It's all about your return on your engagement," says Zampieri. "Return on Engagement is the new Return on Investment."

Or as marketing gurus Chris Fahey and Tim Meaney suggest, new digital technologies are feeding into our innate "need to contribute to the conversation. ... As humans, we're on an unwavering path to make it easier to communicate with one another."

Which brings us to the easiest and most ubiquitous of all communication technologies: mobile.

As we noted in our previous white paper (Mobile Technology & Nonprofits: Where Are We Headed?), the growth in mobile technology is nothing short of spectacular. Across the globe billions of people are shifting their digital allegiances to mobile devices and within a year or two more human beings will access the Internet (and by extension, your nonprofit organization) via

mobile devices than PCs.

The question is whether or not the nonprofit world is ready for this new mobile world and whether it now understands the steps necessary to make the most of this unparalleled opportunity.

Mobile Markets Abound

The answer to the first question, at least for now, appears to be 'no.' In a recent NTEN survey, only 16% of nonprofits expect to have a mobile-ready website in place this year and only 19% will have a smartphone application.

// "Return on Engagement is the new Return on Investment."

Now compare those numbers with for-profit marketers who literally are speeding into the mobile market. In a new report from IBM, 43% of corporations reported using mobile marketing practices in 2010 and that number is expected to rise to nearly 70% this year.

Similarly, consumers are not simply gobbling up smartphones and tablets at historic rates, they're using them to engage with their favorite brands. In a study conducted earlier this year by Performics and ROI Research, fully half of all consumers reported making purchases via their mobile devices in 2010 and that number is expected to reach 75% this year.

Meanwhile, Visa, Mastercard and other transaction

processing giants are racing to build mobile payment technology that is as ubiquitous as the devices themselves. Juniper Research says that Near Field Communications (NFC) purchases just for ticketing (e.g. travel, shows, etc.), will climb from just 2 million in 2010 to a staggering 15 billion by 2014.

NFC, which makes it easier for individuals to make location-based purchases (and donations), is just one example of the so-called “mobile wallet” initiatives that also allow individuals to make purchases via mobile Web payments (WAP), direct mobile billing, SMS and direct carrier. Juniper claims that within two years mobile payments will total \$600 billion.

For nonprofits, these are good signs. Forrester Research has confirmed that the same individuals most likely to use smartphones and other advanced mobile technology are the same audience upon which nonprofits most depend for support – namely educated and financially secure.

The Rules of Mobile Engagement

The statistics don't lie. Consumers and the corporations that serve them are taking their relationship online very, very quickly. Yet the nonprofit community is not following them. Put even more bluntly, donors, volunteers, activists, members, and alumni are akin to guests at a house party who have taken their conversation into the living room while much of the nonprofit world remains stubbornly out of earshot in the kitchen.

Or as the architects of the NTEN survey posited, pic-

ture for a moment a nonprofit sending an email blast to supporters, most of who receive it on their mobile devices. Yet because the nonprofit is not mobile-ready, the recipient is unable to take the desired action. Opportunity lost.

Unlikely to happen? Consider that across virtually every industry the growth of marketing email lists has either slowed or altogether flat-lined while the growth in and demand for text messaging lists is exploding. Corporations today are routinely marrying marketing channels like email and SMS for maximum exposure/success.

Says Jessica Bosanko of M+R Strategic Services: “We know that the opportunistic timing of email and mail can boost response rates. Nonprofits are seeing similar results with text messaging now, with supporters who are signing up for texts far outperforming” more traditional outreach methods.

The signals are all there: Consumers and the companies that wish to engage with them are embracing mobile – today.

As the nonprofit industry's early (and costly) misadventures with online technology so aptly demonstrated, new technologies emerge quickly – but the pace at which they are adopted takes time. Indeed, to view mobile technology as little more than a one-and-done text-to-give platform is to utterly miss the real opportunities mobile is offering nonprofits to engage with their supporters.

Mobile technology can do this in any number of ways including:

- **Communication** — While mobile obviously is not the platform for delivering lengthy soliloquies, its 'mobile ubiquity' enables a nonprofit to keep its brand front-of-mind by delivering periodic updates to the organization's activities.

Example: The Monterey Bay Aquarium turned its popular guide to seafood eating into a mobile application called *Seafood Watch* and to date has enjoyed more than 480,000 downloads, enabling the nonprofit not simply to remain front and center with its supporters when it comes to their favorite subject, but also to support its own mission by sending them to ocean-friendly seafood eateries.

- **Outreach** — Every new generation of technology is adopted at a higher rate by teens and young adults, meaning mobile is an excellent tool for building a support base of younger people just starting to make their nonprofit affiliations.

Example: In an implicit recognition that its key teen demographic is overwhelmingly mobile, Planned Parenthood of America has transitioned much of its outreach efforts to mobile. Teens are encouraged to text their questions to the organization for answers. The point being, mobile takes your brand with it.

- **Information Gathering** — As Facebook and other Social Media are demonstrating, online quizzes, surveys and questionnaires are incredibly successful ways for organizations to collect information that can be employed for strategic planning purposes.

Example: The American Cancer Society has rolled out a mobile application featuring "virtual candles"

that recipients can actually blow out (at least on iPhones). The app pulls information from recipients' Facebook pages including their birthday and encourages activism and support of ACS activities to lengthen life and thereby lead to "more birthdays."

- **Community Building** — Mobile technology is proving to be an exceptionally popular means for reaching individuals both directly and through Social Media platforms. Says the 390,000-member MarketingProfs, "Armed with the right technology, marketers can target and reach any consumer on a handset via different digital marketing channels. No longer is reach possible only at the expense of targeting."

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Example: San Francisco's Marine Mammal Center offered visitors to the city's famed Pier 39 the ability to upload free ringtones with a recording of the sea lions that routinely lounge at the dock. To date more than 1,500 people have downloaded the ringtones and signed on as supporters.

- **Activism** — Mobile technology is an ideal application for summoning the troops to legislative battle at a moment's notice and providing them with the tools to locate their lawmakers and act.

Example: Incensed at Sen. Alan Simpson equating Social Security to a “milk cow,” AARP sent a text message to 44,000 members alerting them to Simpson’s statement and urging them to call in and leave a heartfelt message of their own. In just the first 24 hours AARP had nearly 1,000 personal voice messages from supporters delivered direct to the voicemail boxes of their congressional lawmakers.

- **Fundraising** — As consumers become increasingly comfortable making purchases via mobile devices and as the technology evolves to facilitate that process, nonprofit fundraising totals from mobile devices is certain to rise.

Example: EdRandall’s nonprofit, BatFortheCure, has been successfully using two-dimensional QR (Quick Response) barcodes at baseball parks across the country to enable visitors to download an application



An example of a QR barcode: this one links to www.mobilecause.com

for its “One Million Voices Against Prostate Cancer.”

The application enables recipients to learn more about prostate cancer prevention and detection, sign a petition endorsing greater government support, and donate. All of which is to say, by applying the community engagement lessons learned the hard way during those early days of the online world, nonprofits can leverage the hyper-growth of the mobile phenomenon and eventually transform it into fundraising success.

Conclusion

So how does the nonprofit community take advantage of mobile tech? We recommend the following steps be taken immediately.

- Create a mobile-ready website – As always, this is the first impression many will have of your organization. Google reported during its 2011 ThinkMobile event that it saw a 400% increase in searches via mobile devices in 2010 and says that number is expected to grow much higher in 2011. The question every nonprofit must ask itself is this: If someone is searching for them via a mobile device, what will they find?
- Activate your supporters by getting them to opt into your mobile program (this can be accomplished via a survey, a new form field on your website, etc.). As noted earlier, text lists are growing at a much faster clip than email.
- Engage your supporters with updates, quizzes or games, targeted promotional opportunities, etc.

- Integrate your mobile program with your existing programs. The same complementary approach combining postal and email is generating similar results combining email and mobile messaging.
- Develop a unique mobile application that enables supporters, with the tap of a finger, to engage with your organization.

The emergence of online technology in the 1990s put the whole process of digital engagement in motion. Now comes the natural (and logical) offspring of that era – mobile connectivity and engagement anywhere at any time.

Now is the time for the nonprofit world to put to work those early lessons and make the most of the opportunities mobile has to offer. This one is coming fast.

About MobileCause

MobileCause is a leading provider of Internet technologies for mobile fundraising, CRM, donor cultivation and communication. With nearly a century's worth of combined nonprofit expertise, our systems are specifically tailored to meet the unique needs and challenges of the nonprofit industry. Our clients include many of nonprofit industry's most notable names, and in a recent customer survey 97% of our clients gave MobileCause the highest possible marks and indicated they would recommend MobileCause to other nonprofits. To learn more about how MobileCause is helping a variety of nonprofit organizations with their mobile technology initiatives, please contact MobileCause at info@mobilecause.com or visit us on the Web at www.mobilecause.com.