

# Online Fundraising for small groups

If you think online fundraising is just for the big charities you're mistaken. There are a number of ways smaller community groups that are not charities can use the internet and their own networks to help support their work. It takes effort and may need an individual who's enthusiastic about the web, but this briefing outlines some suggestions which combine the net with your network to fill those coffers.

## The Basics

Before starting to raise funds online there are few things you need to have in place.

### 1. A website

It sounds obvious but your starting point for online fund raising is to have a website and email address for your organisation. This doesn't have to be complex or expensive.

Some groups are using the free web space available on our website at [www.bcen.net](http://www.bcen.net). To be able to run effective and responsive online campaigns it helps that you are able to quickly and simply update your site.

You can set up a blog for free, in which you can create pages that explain who you are and what you do and then write regular updates to keep supporters and your community informed of what's going on. The government has sponsored a national site which you could use called [voices.org](http://voices.org) – but equally you could choose one of many others sites, such as [blogger.com](http://blogger.com), [wordpress.org](http://wordpress.org). or [typepad.com](http://typepad.com).

## NCVO ICT Hub

The National Council for Voluntary Organisations offers a wide range of advice on how you can use the internet and computers.

Take a look at

[www.ncvo-vol.org.uk/ict](http://www.ncvo-vol.org.uk/ict)

## 2. A Bank Account

Online fundraisers require you to nominate a bank account where the money will be sent (either by cheque or electronic transfer), so your group will also need a bank account. Don't be tempted to use someone's personal account, it creates a far too messy audit trail.

Every method suggested in this briefing uses a third party company to handle the payments, so you don't need to worry about credit card transactions or similar. However some require you to register a credit card as well as a bank account as part of their security clearance – so you may need a bank account which has a credit card with it.

## 3. Those Pesky Passwords.

You will need to think carefully about passwords and login details to these online fundraising accounts. Consider the implications of these getting in the wrong hands – in some cases they may be able to change the details of the account where the money is sent. Who will hold those details and where will they be stored safely?

## Ideas to get you started.

Having done all that what next? If you are not registered as a charity here are a 3 ideas which you could set up reasonably easily.

### Donate

Different companies which handle online payments allow you to put a simple donate button on your website.

The largest and most widely used of these is Paypal. There are many alternatives, including a UK only service called Nochex.

In each case you will need to open an account with the provider. Donations will be paid into that account minus the fees the company takes, typically about 20p per transaction plus a percentage of the value of the donation. You then transfer the funds into your own bank account.

### Online Payment Services

Some online payment services require people to be members before they can pay you anything. Others don't, and will allow people to make payments simply using their debit or credit cards. These are the ones most likely to work for you.

### Paypal

Paypal is international and more than 100 million people have an account. However supporters can pay without opening an account.

It is free for you to set up and the charges start at 20p plus 3.4% of every transaction. If someone donates £10.00 you'll see £9.46 appear in you paypal account. Once you have £50 or more in the paypal account it is then free to transfer that to your bank.

[www.paypal.co.uk](http://www.paypal.co.uk)

### Nochex

Works in very similar ways to paypal, but only with UK bank accounts.

The fees are 20p per transaction plus 2.9%, leaving you with £9.51 from a £10.00 donation.

You can of course use others services and you can also use more than one. You might also want to check the internet for stories from disgruntled users.

Anyone making a donation will be able to use a range of credit and debit cards and you will never see their bank accounts details, helping keep things secure for them.

## Sell

Once you have a method of receiving payments online and transferring them into your group's bank account you could try some other ways of using the internet to raise funds.

How about a *communal spring clean*? A group of you could de-clutter your homes and sell it online. Perhaps you could enlist others to help, building your network and strengthening your community. You may even want to arrange for all your auctions to end on the same day and then organise a social to parcel things up! The auctions can also act as an advert for your group, explaining who you are and what you do.

The profit is transferred into your bank account, again using the online payment service you set up with your donate button. You can also get payment by cheque or postal order.

The most famous online auction site is ebay, which is integrated with paypal and allows you to use other online payments services. There are other online auctions sites you can use, although choosing a busy and popular one will help you get better prices for the things you sell.

## Buy

Anyone who shops online could be raising money for your cause at no extra cost to themselves.

There are a number of services called affiliates which you can sign up to and create you own organisations online shop.

If you're supporters do their online shopping through the links on this site then a proportion of what they spend will go to your organisation, it can range from 1% to 10% of the value of the goods they buy. The companies they are buying from don't charge any extra, they just consider it part of their normal marketing costs.

### Online Auctions

Few people will have scarped through life without hearing of eBay.

It is a website which allows people to list items which people across the world can bid on. You take payment often through paypal, sometimes by cheque or postal order, parcel up the item and post it.

If they like the transaction they'll leave feedback saying how wonderful you are, if they don't they will leave negative feedback. .

The upside is the ability to reach millions of potential buyers. The downside can be the time it takes to photograph, list and then parcel up and post items, plus the odd problem with rogue buyers.

**The chances are high that someone in your group will have experience of this or other online auction sites, so ask around.**

[www.ebay.co.uk](http://www.ebay.co.uk)

This can raise small and irregular sums even if a few of you get into the habit of regularly using the service. You can also market the link using e-mail and your website, perhaps encouraging others to shop there in the run up to Christmas or Mothers Day. If you can persuade local companies to regularly use the links to buy their office supplies, for example, you may find larger amounts rolling into your account.

### **Tell the world**

The key to good online fundraising is the same as doing it in the 'real world': marketing. Build up an email list. Tap into your networks of friends, family and colleagues. Let them know how they can help.

Add a little excitement by raising money for a specific purpose or campaign. Set yourselves a target and a deadline and enlist the help of others to meet those targets. Tell the local press.

Once you've reached your target, get back to donors and thank them for their efforts.

### **Other brands are available.**

We have mentioned a few companies in this briefing. There are many different organisations set up to help you do this. We highly recommend exploring the options, talking to other groups about what works for them and weighing up the risk and time involved for your own group.

If you go for it please tell us. You might also like to publicise it through the Grassroots Channel Podcast, contact Nick on [grassroots@podnosh.com](mailto:grassroots@podnosh.com).

### **Online Shops**

A good example of this is a site called [www.buy.at](http://www.buy.at)

You can sign up free for their service and create your own online shop.

When someone uses this to buy things a proportion of what they spend goes to your group.

For example Marks and Spencer pay you 3% whilst Barclays Insurance will donate £100 for a new online customer. With others, including Amazon, the percentage varies.

To see how it looks why not click through the link on the site for the Birmingham Conservation Trust.  
[www.birminghamconservationtrust.org](http://www.birminghamconservationtrust.org)

If you sign up for [www.buy.at](http://www.buy.at) at their site the trust get a £1.00!



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