

# Social Network Fundraising: Fact, Fiction, or Fad?

It seems these days everybody is talking about Social Network Fundraising, yet few people can agree exactly what it means. This article will explain the key aspects of this fundraising strategy phenomenon and explain the benefits, as well as the technology features you should look for when evaluating or implementing this strategy.



Social Network Fundraising is actually a very old concept. Before email and the Internet, many successful organizations ran special events that depended on their constituents' social networks to raise money. Constituents would participate in an event, such as a walk-a-thon, and ask their friends, family, and colleagues to sponsor them through personal interaction or even the mail. They would collect donations from their supporters and turn them in during the event. The process, while sometimes inefficient and time consuming, was still very effective because of the personal connection between the supporter and the person being solicited.

The basic tenets of modern social network fundraising simply makes it much easier for supporters to communicate their personal story of why your cause is important to them, and then make it much easier for them to use technology to reach out to many more people. This is primarily done via emails, and even blogs or their personal websites where they can provide a link to seek donations. They can also leverage very popular social network sites such as Facebook and MySpace by providing supporters graphical icons (widgets) that they can place on their pages to promote their support for your cause. (Although these social network sites have some limited features for raising funds, they are

much better as a communication tool for your constituents. See below for what to look for in social network fundraising software.)

Besides making it easier for supporters, today's technology also improves the donor's experience by making it quick and easy to give online. It also provides immediate recognition via automatic email receipting, and potentially via recognition on your supporter's webpage.

It all starts with your organization creating a campaign with a specific goal that can be easily tied to a special event, virtual event, petition, tribute, memorial, personal event, anniversary, or even a capital campaign. You then communicate that goal to your constituents, and provide them with the social networking tools to create a webpage that describes your goal and communicates their passion to help you achieve it. Web 2.0 technology enables them to do this easily - they simply fill in a template, upload some personal photos, and write their personal story- all located on a compelling webpage that matches your site.

One key concept to remember is that the constituent's social network is really responding to the constituent, not your organization. The good news is that the donor is now at least aware of your cause. You typically can't just treat them as a committed constituent, but you do have a great opportunity to develop them into a direct supporter. This means you'll need to educate them, ask them if they want additional information such as newsletters, and interact with them in a much more indirect way. With enough education and a "soft" touch, this person may then become more directly involved and willing to contribute again and again.

## Benefits of Social Network Fundraising:

- Empower constituents to recruit others to achieve your goals
- Tap into constituent social networks to [raise more money](#)

- Educate more people for action and advocacy of your mission
- Reduce new donor acquisition expenses

## Tools to make Social Network Fundraising Easier:

Social network fundraising software can enable your supporters to easily create individualized web pages under your control, and invite everyone they know to visit via email and the other methods previously mentioned. Page visitors can learn about your mission and then donate online, or take other actions such as registering for an event, signing a petition, and more.

Modern social network fundraising software can be used in conjunction with sponsored events like Walks, Bikes, Runs, and Dance-A-Thons, but it can also be used for [capital campaigns](#), [workplace giving](#) or [supporter-driven fundraising](#). Board members, volunteers, and committed supporters are typically happy to have an easy and efficient way to share their passion for your mission. Some other potential uses include:

- “In Honor of”, [tributes](#), or memorials
- [Donations in lieu of gifts](#) for a party
- Virtual events (tied to a specific goal, holiday or recognition)
- Promote a dinner, banquet or other event, (including a link to a registration form)

## What to Look for in a Technology Solution:

- Integration with your organization’s fundraising Fundraising/CRM (Constituent Relationship Management) database can eliminate data entry and enhance your ability to cultivate these new donors.
- All transaction processing should be via secure servers that encrypt sensitive cardholder data. In addition, systems should provide password functions that restrict usage and control security rights.

- Credit card processing via an online merchant account established for your organization. Systems that use a third-party merchant account can result in disputed transactions when donors don't recognize the name (like Give to Cause.com) associated with a transaction on their credit card statement. Using your own merchant account will also ensure you receive the funds much more quickly (typically the next day).

## Technology features your organization should have:

- Ability to control the look & feel of constituent web pages
- Approval of webpage content and the ability to allow/disallow comments
- Monitor the success of goals by campaign, team and/or individual
- Optionally manage web traffic statistics with third party software (e.g. Google Analytics, Click Tracks, etc.)

## Technology features your constituents should have:

- Step-by-step web page design templates for easy creation
- Easily convert donor web pages to blogs and message boards
- Built-in communication tools to invite others to their web page
- Personalized widgets that link other websites to their web page
- Create teams that allow constituents to invite others to create their own web pages
- Post goals & progress via text and visually appealing graphics
- Allow visitors to make comments/voice support
- View fundraising goals and donor page statistic reports so constituents can manage team and individual progress

Though social network fundraising is not new, technology has now made it easier than ever before for your organization to tap into the power of your constituent's existing social network to raise awareness and more money.