



Deep Dive: Digital Wallets and The Future of Fundraising

People buy everything on their phones from plane tickets to cars, yet nonprofits are still asking donors to mail them checks? The number of donors who prefer to give on their mobile devices is increasing at an exponential rate, and savvy nonprofits are eager to provide a seamless mobile payment experience that modern consumers have come to expect. Despite overwhelming changes in donor behavior, only six percent of nonprofit organizations accept digital wallet payments (Nonprofit Tech For Good). So where is the disconnect?

A recent panel discussion with experts from PayPal, Malala Fund, and fundraising tech innovator Give Lively explored digital wallets for nonprofits alongside other emerging nonprofit tech trends at the 2019 Nonprofit Technology Conference in Portland, OR. The discussion also included technology's impact on donor expectations, appealing to younger donors, and increasing online donations.

Watch the highlights from the session here <https://vimeo.com/332283654>

A digital wallet is a saved payment method such as PayPal or Apple Pay that lives on a mobile device or online service to allow an individual to make electronic transactions, often as a one-touch payment. The modern consumer uses digital wallets to make everyday purchases and donate. Robin DuPont, Director of Social Innovation at PayPal noted a significant increase in mobile donations just last year, and Paypal reports a substantial use of digital wallets for donations.

The panelists dug into the cause of the nonprofit sector's overall lack of digital wallet adoption despite widespread use of them by donors. "The platforms [nonprofits] were using in the past didn't have the capacity to use a digital wallet," explained David DeParolesa, CEO of Give Lively, one of the first online fundraising platforms offering payments via a digital wallet. "For a nonprofit looking to raise more online, the conversation has been more about building a consumer-friendly experience," said DeParolesa.

Payment via digital wallet is a win for donors and nonprofits. Donors expect a convenient payment experience on their phones, which can ultimately lead to higher donor conversion. "You have to think: what you want is the same thing your consumers want," said DuPont.

“If I have to pull out my credit card and I’m sitting on a train or in a taxi, I’m likely not going to donate — I’ll go back and do it on my desktop, but if there’s a mobile wallet available I’m probably going to donate right at that time.”

Offering payment via digital wallet was a no-brainer for Malala Fund, a nonprofit organization co-founded by Nobel laureate Malala Yousafzai that advocates globally for girls’ education. “We have a young audience and want to be receptive to their needs,” said Nicko Margolies, Digital Fundraising Strategist at Malala Fund. Malala Fund aims to get donors through the donation process quickly and easily, then back to learning about the nonprofit’s work. As an organization that promotes the use of tech in social change, they want their supporters to have an experience that’s aligned with their brand and what they expect on other sites.

All of this said, not all donors use a digital wallet. If a donor wants to give via check Malala Fund still provides the information to do that. The key is to “allow your donors to give in the way they want to give,” said Margolies. “Keep it simple and straightforward.”

About Give Lively

Give Lively is a philanthropist-funded startup disrupting the nonprofit space. We provide innovative fundraising technology to nonprofits for free — seriously. Our operating costs are fully covered so we can build best-in-class tech to help nonprofits raise more online. Members have unlimited access to Give Lively’s always free fundraising platform.

<https://blog.givelively.org/deep-dive-digital-wallets-and-the-future-of-fundraising-b7d4044f1f13>