

Increase Online Donations With Kids Help Phone

"There are a lot of reasons why PayPal is a better payment option online. We want to be able to give not just young people but all people who value the security and utility of PayPal the ability to use their PayPal account to make donations."

Ted Kaiser, Vice-President Information Technology, Kids Help Phone

Company:

Phone counselling, referral, and Internet service for children and youth

Challenge:

Increase donations within the 18-29 year-old demographic

Solution:

Use PayPal as a payment channel in the Artez Interactive fundraising platform

Results:

Nearly 1,500 PayPal pledges totaling more than \$55,000

PayPal pledges represent new dollars from young donors, boosting stakeholder confidence

A good cause

Founded in 1989, Kids Help Phone is a bilingual and anonymous phone counselling, referral, and Internet service for children and youth. The not-for-profit charity carries out many fundraisers throughout the year that contribute to its \$12-million budget. Walk for Kids Help Phone, an annual walkathon that takes place in more than 50 Canadian communities with participants collecting pledges from friends, family, and peers, is the organization's largest fundraising effort, accounting for more than a quarter of its yearly budget.

The challenge: Helping kids help kids

One of the primary goals for Walk for Kids Help Phone 2010 was to increase donations from younger donors.

"As a youth-serving organization, engaging young people in support of our services is an important dimension," said Ted Kaiser, Kids Help Phone's vice-president of information technology. "Supporting a service that they view as valuable is a source of pride and accomplishment for young people. It's important that they feel empowered as contributors. Young people want to give."

The problem Kids Help Phone faced was finding a means of online payment that made it easy for young people to contribute. Young walkathon participants successfully solicit pledges from older friends and relatives, but it's more difficult for them to collect donations from friends and peers who don't yet have credit cards.

The solution: PayPal as a payment channel

Kids Help Phone looked to PayPal to help younger donors contribute.

"PayPal opens the door for young donors," said Kaiser. "Ad-hoc focus groups with youth volunteers led us to believe that this demographic was enthusiastic about using PayPal. They thought PayPal would let them collect more pledges from more of their peers."

PayPal accounts are quick to set up online for anyone 18 years or older, making PayPal a popular payment option for the key college-age demographic that Kids Help Phone wanted to approach.

"It's less likely that people between the ages of 18 and 29 will have credit cards than older people," explains Kaiser. "It's easier for them to have PayPal accounts, especially since PayPal accounts can be linked to bank accounts. They don't need a credit card to pledge."

Making it simple: The PayPal/Artez Interactive connection

PayPal's partnership with Artez Interactive, a leading provider of online fundraising solutions for Canadian charities, was a key driver for Kids Help Phone. PayPal is integrated into Artez's system, which makes adding the PayPal payment option quick and simple. All the charity has to do is switch it on.

"We simply needed one piece of information: the API key," said Kaiser. "Now we can enable PayPal for any event that we configure in the Artez engine."

This ease of implementation subsequently led Kids Help Phone to enable the PayPal payment channel on its main donation page, and they are planning on using it for additional fundraising campaigns.

Gauging results: PayPal generates new, young donors

Both Kids Help Phone and Artez Interactive are confident that the addition of PayPal as a payment channel has increased the number of young donors who contribute during the walkathon.

"The data indicates that our goal of ensuring that young people have an avenue to donate was met," said Kaiser. "And with over \$55,000 raised our first time using PayPal for the Walk, PayPal has already had a big impact for us."

Artez CEO and Chairman concurs. "I think what we're doing is tapping into a new segment of the market. We think gifts received through this channel represent new donors and new dollars. At the end of the day, our goal and our charities' goal is to provide options to donors. The donor should have control over the method they want to use for payment. The more options we provide donors, the better we'll do as fundraisers."

"A sponsor came forward with the idea to sell virtual paper shoes on their website in support of Walk for Kids Help Phone, but it was important to them that their customers would see that the payment was going to Kids Help Phone, not their company. They came up with a graphic and we gave them a PayPal payment button. Once people clicked on the button and went into the PayPal online payment system, it was clear that the payee was Kids Help Phone. They were confident that the money was going straight to the charity. If we hadn't been using PayPal, we wouldn't have been able to take advantage of this mini-campaign within our larger campaign."