

Charity Internet use



Virtual progression

Since 2000-2001, nfpSynergy has been conducting an annual survey into charities' use of the Internet and new technology. Five years on, Ariel Spigelman looks at how the statistics have changed, and whether the sector needs to develop this area further

For the past five years nfpSynergy has been conducting an annual poll of charities' use of the Internet and new technology in a piece of research entitled *Virtual Promise – the power of the internet for charities*. Much has changed over the years; indeed a precursory look at the type of respondent and survey methodology immediately confirms this: for the first wave in 2000 – 2001 the questionnaires were sent out exclusively on paper (it is now all online) and not one organisation with an annual turnover of less than £1m answered the survey – for 2005 they comprised over 40 per cent of those responding to the research who detailed their organisation's income. For last year's set of results, we also interviewed a number of charity web managers and web experts who deal with the voluntary sector on a day-to-day basis, and summarised their views and opinions in a free report entitled *Virtual Promise – From Rhetoric to Reality*.

So what are the key areas in terms of charities' use of the Internet, how have they changed over the years, and do they tally with what those in the know think are important areas of online growth and development in the third sector?

One of the key findings of last year's report was that although there remained a degree of scepticism towards the potential of e-fundraising, the growing consensus was that it was a highly effective method of garnering support (the subsequent record public response to the Tsunami appeal among others should have relinquished any doubt). In light of this it is encouraging to see that 90 per cent of the largest organisations (those with an annual turnover of £10m+) offered an online donation facility on their website, having increased steadily year on year from 57 per cent in 2000-2001.

That said, medium-sized (£1m - £10m) and small (less than

£1m) organisations seem to still struggle somewhat with the idea of online donations: only 50 per cent of the former and 25 per cent of the latter have the ability to accept them through this medium, with only a quarter of medium-sized charities (and one in ten smaller organisations) planning to implement this facility over the next six months.

Furthermore, while one-off donations are undoubtedly essential, the fact that only 55 per cent of the largest charities offer the ability to sign up for regular donations over the net is a cause for concern, although the figure has been rising since 2000-2001.

Another area where charities could perhaps be making more use of the internet is including personalised content on their websites. The web experts we interviewed last year all agreed that greater interactivity/personalisation (such as updateable online donor profiles) on charity websites would be instrumental in bringing existing supporters closer to the heart of an organisation and helping to attract new ones. However, only one in ten large and medium-sized charities had personalised content on their sites, with 20 per cent and 13 per cent respectively indicating its planned inclusion over the coming six months.

Respondents concurred that "the Internet has changed the way our charity work", with 57 per cent of larger and 69 per cent of medium-sized organisations agreeing strongly or slightly with this statement (and even larger proportions in previous years). One in three medium-sized and large organisations agreed strongly that "the Internet has grown as a source of income for us in the last 12 months", and half of all charities agreed that "the internet is helping us reach new audiences". Finally, between 80 per cent and 90 per cent of

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all respondents agreed that "the internet has changed the way we look at reputation management and supporter interaction". The internet seemingly bolsters income, communications clout and success in dealing with supporters, so charities aren't falling behind as a result of a perceived lack of importance of the web.

What could be the reasons for charitable organisations not making the most of the internet's full potential? Delve a little further into the research and there are indications of what our interviewees last year identified as an element of managerial resistance to allocate time and resources to development of charities' presence on the web and new technology in general.

Across all three income categories the percentages of those organisations with a dedicated budget for their website has fallen by around 10 per cent since 2000-2001, and the trend is confirmed in the average size of budget – across medium-sized and small charities the average has fallen dramatically in five years from £46,880 to £12,000 and £15,210 to £4,335 respectively. Could this really be the case? Perhaps charities have made their "big" investment into the web in previous years and are cutting back accordingly? Attitudes speak as loudly as the figures, however, and with the exception of small organisations, roughly 50 per cent of respondents disagreed either strongly or slightly with the statement "my charity is making the most of the internet".

Happily, there are some areas where charities appear to be surging ahead and exploiting the internet to their distinct benefit. One such area is the inclusion of multimedia content on websites, which with rising connection speeds among the general public is a good way of attracting and retaining attention and evocatively spreading an organisation's message and publicising its cause – the number of large charities providing streaming video clips and an online picture library has trebled since 2001-2002, and the latter features as the top priority for development in the next six months for both large and medium-sized organisations (correspondingly 20 per cent and 32 per cent).

Another advantage of the web is its capacity to increase efficiency in the day to day running of an organisation and the resultant freeing up of crucial resources to be directed elsewhere, and charities certainly seem to be wise to this. There are many examples of this phenomenon: information about job vacancies now feature on 92 per cent of the largest charities' websites (up from 49 per cent in 2000-2001) and on 73 per cent of medium-sized charities' sites (up from 32 per cent), and the ability to make a paperless job application, while still quite low at 43 per cent for large and 33 per cent for medium-sized charities

has certainly risen a significant amount since the first wave of research (29 per cent and 0 per cent respectively). Additionally, 65 per cent of large and 70 per cent of medium-sized organisations use the internet to purchase goods and services (thereby saving time and money), and 63 per cent of large and 40 per cent of medium-sized charities use the internet for internal or external market research (an area to which it is well suited – we can vouch for that!). Other examples of efficiency and cost-saving abound in the results of the research.

Finally, email can be a very successful medium for marketing and campaigning, and charities have recently been exploiting it to this end: 67 per cent of large organisations use it in this way, a staggering rise of 56 per cent since 2000-2001, which is also reflected in the rise of 27 per cent for medium-sized charities to 32 per cent in 2005.

There is no doubt that used cleverly and appropriately, the internet is an extremely powerful tool for the voluntary sector, but power is nothing without control. It is therefore highly encouraging to see that the majority of charities are navigating their online course with purpose and preparation – 70 per cent of large and 60 per cent medium-sized charities agreed with the statement "we have a strategic plan for use of the internet" – and that everyone is getting in on the act: 80-90 per cent of all organisations agreed that "all parts of the organisation feel responsible for making sure they make best use of the internet". Furthermore, and perhaps most surprisingly and hearteningly of all, around one in three large and medium-sized charities strongly agree with the statement "our trustees are involved with our internet strategy", up from less than one in ten last year.

After five years of tracking charities' use of the internet, it is clear that organisations have made enormous strides in terms of using the web and exploiting its benefits. Small organisations in particular have been upping their game, and charities across the board have been finding more imaginative ways to enhance fundraising, communications, service delivery and even human resource functions through use of the web. Progress hasn't been completely smooth however, and there are still some prevalent shortcomings in terms of attitudes and resource allocation that need attention. There is still some way to go, and it is clear we have not yet fully seen the impact on charities the internet will have in the long term.

Further information on the research including a full presentation of this and previous waves' research and last year's free report *Virtual Promise – from Rhetoric to Reality*, can be found on nfpSynergy's website: www.nfpsynergy.net/vp.html