

The Rise of Online Raffles and Lotteries for Fundraising

Your guide to understanding the power and impact of gaming-based fundraisers

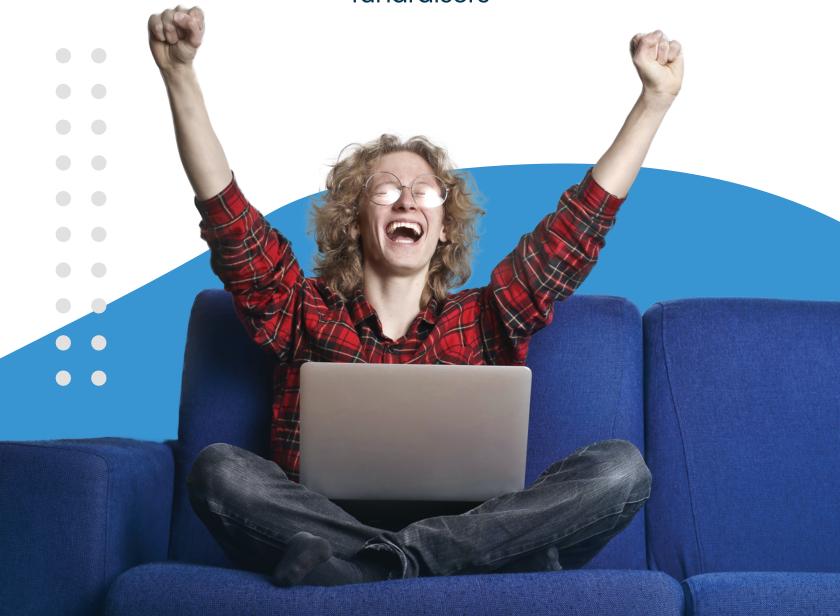


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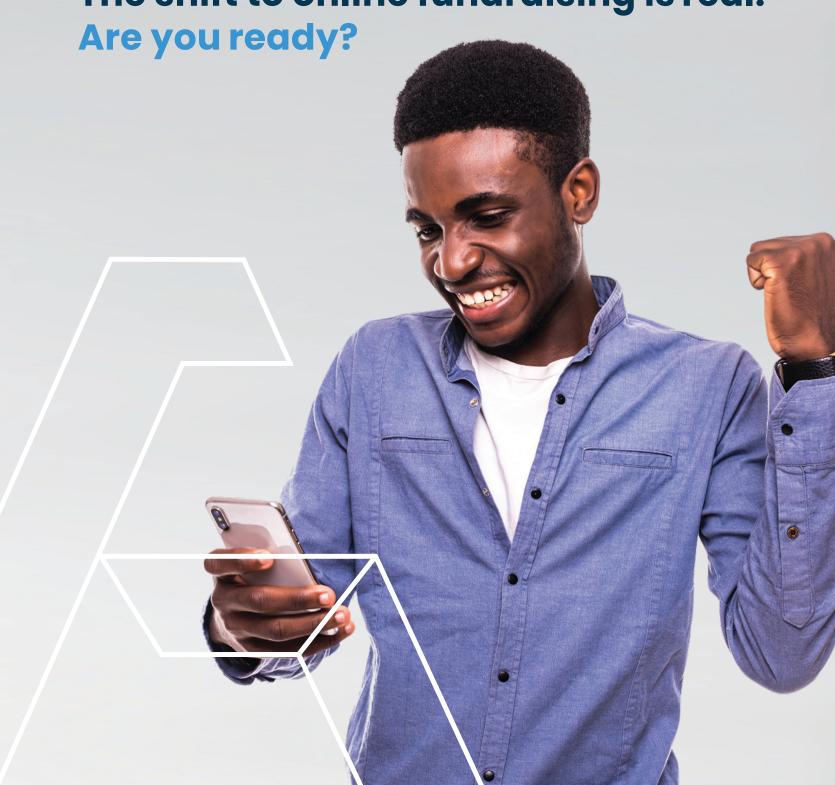
knock your online raffle and lottery programs out of the park.

More than 500 charities, foundations and not-for-profits have partnered with Ascend Fundraising Solutions for the world's most successful online 50/50 and lottery based fundraising programs.



Overview

The shift to online fundraising is real.



The way we move through the world has changed at a global level. From how we interact online and explore the web to our purchase patterns, companies are discovering that creating social engagement, easy online experiences and shareable moments are becoming key drivers of success. Businesses that are adapting to this growing trend are thriving while those that are waiting to make a move are getting left behind. It's no different for those in the fundraising business.

Over time, with changing situations, needs, priorities, and technologies, the ways and means of fundraising and donating

have also evolved—and so have end goals. Today, for most non-profits the goal of a fundraiser is more than just raising money—it's also about developing relationships, building a supportive community, and fostering engagement to attract new donors and retain existing ones.

The pandemic halted in-person fundraising events leading to a decline in nonprofit revenues. This, combined with factors such as the shift in consumer behaviour and the widespread use of the internet and technology are prime catalysts that have collectively given rise to a new generation of gaming-based fundraising.

These circumstances have made online fundraising not only an attractive but an essential option to meet fundraising goals and engage existing donors. Any nonprofit that ignores this trend is most certainly going to be left behind, while those that embrace it will win early and capture more than their fair share of potential revenue.



Just a few years ago, the possibility of nonprofits fundraising 100% online using charitable games would have seemed absurd. But that idea is no longer so outlandish. It's reality. And as you will soon learn—it isn't just a fad but an essential strategy to keep up with the evolving times.

We can list dozens of organizations (nonprofits, charities, and foundations alike) that have now made online charitable gaming a core component of their overall fundraising program. Why? Because unlike traditional offline/in-person fundraising, virtual fundraisers leverage current social trends and buying behavior-which is all online—thus enabling you to reach new audiences and engage with people in deeper, more meaningful ways.

But -

What is online charitable gaming?

Is it right for your nonprofit?

What are its unique advantages?

What should you expect when running a program?

How hard/easy is it to get them up and running?

What platforms and partners should you consider?

What kind of nonprofits or charities are eligible to run such games?

And what regulatory requirements do you need to fulfill?

In this guide, we will answer these pressing questions and dive deeper with some real-life practical examples of online charitable gaming so that you have an idea of the implementation process and the potential outcomes. We'll also explore the differences between raffles, sweepstakes, lotteries, and gambling so you'll be fully equipped to identify the ideal fundraising option for your unique situation—and get your own program off the ground.

Ready? Let's get started.



Changing Times

Your donors are online—you should be too



At the start of the pandemic, industry experts predicted that most nonprofits and charities would find it challenging to survive. They were right—in part. Organizations laid off employees, dipped into their reserves to the point of depletion, abandoned projects they were working on and scaled down their services.

A <u>survey from 2020</u> by the Charities Aid Foundation of America found that a third of nonprofits were at risk of closing down due to COVID-19. 16% of the organizations claimed they had not received any funding in the previous month despite the fact that there was increased demand for their services due to the pandemic.1

How some organizations didn't just survive — but thrived

While some organizations struggled, others managed to turn this challenging time into an opportunity.

The biggest problem was that nonprofits, charities, and foundations could no longer rely on in-person events to raise money—no fundraising dinners, auctions or marathons. Everyone had to observe lockdown rules. But this didn't mean that donors didn't want to give anymore. And some nonprofits were quick to realize this.

Unable to go anywhere else, people started spending more time online. So, it was only natural to start soliciting donations online.

A few years ago, online fundraising meant simply having a "DONATE NOW" button or donation page on your website. It was simple to set up. And if your website got considerable traffic, it was a low-cost way to supplement the funding you got from other sources. However, with the shift in donor demographics (in 2020, <u>13% of donors</u> across North America were millennials and Gen Zs) and large-scale adoption and advancement of technology, the giving and fundraising landscape has undergone a major transformation. So, this made it necessary to get creative with engagement strategies to maximize the lifetime value of donor-nonprofit relationships.

Going virtual meant that the organizations could reach out to new donors whom they could not have accessed if they had stayed offline. Plus, they had a chance to connect with their regular donors—whom they could no longer meet in person.

According to The 2019-2020 North **American Gaming Almanac** report, the charitable gaming market in North America is worth approximately \$2 billion and is growing at a rate of 3.4%.3

This allowed organizations to avoid the major pitfalls other nonprofits and charities were struggling with:

- Declining donor engagement
- Increasing donor fatigue
- Poor donor retention

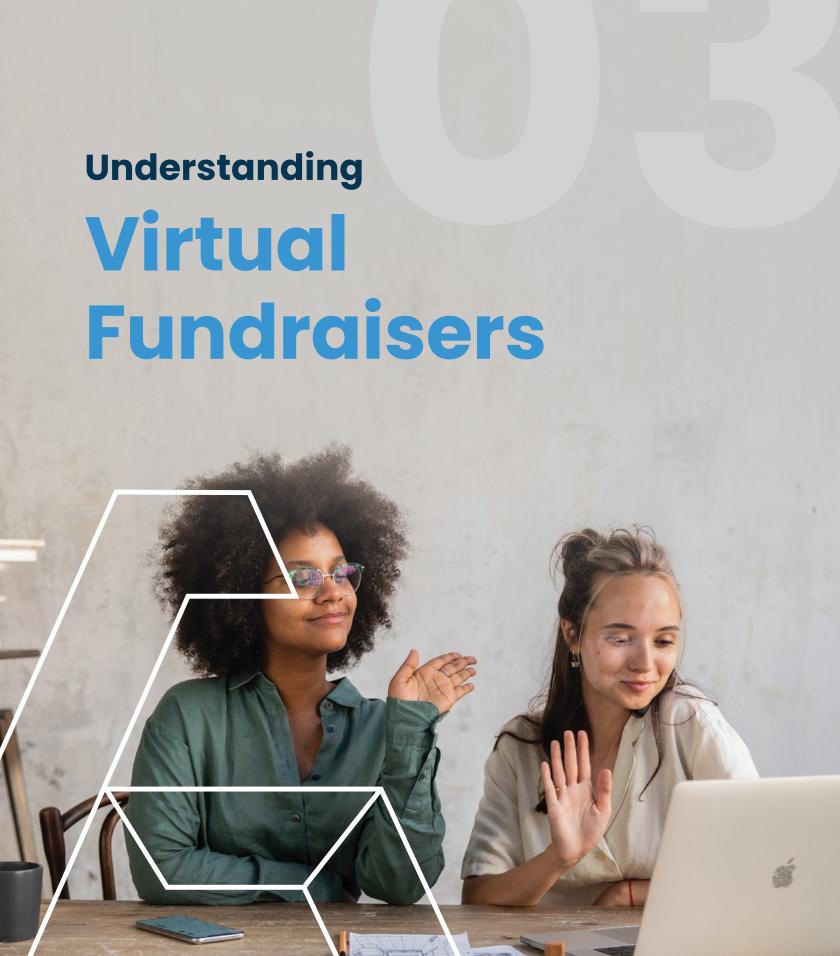
A **2020 report by OneCause** highlighted that 62% of nonprofit organizations and charities that converted to a virtual fundraising event saw success and are said to be 10% more likely to be raising at or above their original fundraising goals.4

Now that things are returning to normal, it's clear that virtual fundraising is here to stay. People are now accustomed to doing just about everything online. We work online. We communicate online. We shop online. We host parties online. Today, the best way to reach potential donors is by

being present where they are—by hosting virtual fundraisers like online raffles and sweepstakes—and leveraging social channels for maximum return on investment.

Social media has been integral in building connections, amplifying reach, engagement, and impact. According to Statista, in 2020, 88.7% of Americans used social media⁵. What's interesting is that social media also accounted for 57% of traffic to fundraising pages. 6 This highlights the importance of having a social media strategy and incorporating a multichannel approach while fundraising and promoting your campaign.





If you're still solely relying on traditional fundraisers, then you're missing out. Many organizations have turned to online fundraising as their main strategy and they are seeing astounding results.

An online or a virtual fundraiser is exactly what it sounds like: an event hosted completely virtually on the internet in order to raise money for a charity or a nonprofit. They can take on many forms, but the most common are webinars, raffles, sweepstakes, virtual auctions, and virtual marathons. Online fundraisers are not a new concept but the pandemic forced organizations to take a second look and become more creative and innovative in their approach to online fundraising.



Different types of online or virtual fundraisers:

- Ones that mimic or replicate real-life events such as a masterclass, panel discussions and interviews with celebrities or industry leaders, galas, marathons, etc. These are usually short, one-time events that are live-streamed.
- Gaming-based fundraising like 50/50, Catch the Ace, Sweepstakes, etc. These are attractive, high-on-engagement events that are run over several days or months. They give donors/participants a chance to win money or prizes in return for their donation.

One of the biggest perks of fundraising online is that your organization has the potential to reach a greater number of donors. With a higher chance of donor retention, online fundraising is an attractive option for organizations. It enables organizations to foster long-term fundraising relationships with their donors. For a nonprofit organization, this avenue of charitable giving is not only recommended but imperative for success.

5 most popular types of virtual fundraisers

Online gaming-based charity events

Gaming-based charity events saved plenty of nonprofits and charities during the COVID-19 pandemic. Examples of charitable games include hosting online raffles, sweepstakes, and lotteries. These games work because they are fun and engaging and they give donors a chance to win money while doing good.

Virtual runs or marathons

Whether during the pandemic or outside of it, a virtual run or marathon is an excellent way to generate funds for your nonprofit. Virtual runs are much easier to plan and organize than traditional 5Ks as there's no requirement for a venue, government permits, large-scale coordination, volunteer recruitment, and insurance. Plus, people around the world can participate, greatly increasing donations and participants. The virtual nature of this event also makes coordination and communication easier for the distribution of highly coveted swag items.

Virtual auctions

The success of a virtual auction is dependent on how well you define the rules for your participants, promote your auction items online, and set up competitive bidding options. You can also use your virtual auction event to ask for donations in addition to the items up for auction. Consider reaching out to donors who were outbid on their desired item and share that they can still donate their bid to your organization directly. Keeping your donors engaged during the event greatly improves the success of your virtual auction.

Online classes or webinars

Organizations that specialize in certain skills or have volunteers with unique talents can present online classes or webinars. Hosting a virtual class or setting up a private online event/webinar with an admission fee is an excellent way to garner engagement and donations for your organization. From cooking classes to computer tutorials, there are multiple ways you can encourage your donors to sign up and fundraise.

Virtual tours that showcase your cause Before 2020, online open houses had already started rising in popularity. The convenience of taking a virtual tour right from your laptop is simply far too tempting for people who live busy lives. The pandemic acted as a key catalyst for this trend, making

virtual open houses and tours more appealing than ever before.

One of the best ways to use this approach is to display the areas of your facilities that could use some improvements. For example, if your organization caters to animal welfare and you need a new dog run or kennel upgrades, you can use the virtual tour to show your facility as it is, pointing out where donations will go and how they will contribute to your cause.

If your nonprofit doesn't have facilities, you can use a virtual tour to show how you and your volunteers continue to dedicate time and resources to your cause while working from home. You could even point out how you've found creative methods to continue working towards common goals.







In the world of online fundraising, raffles and sweepstakes have proven to be strong performers, staying steadfast even during the pandemic. In 2020, across North America, <u>47% of donors</u> chose this medium, making it twice as effective as a fundraising tactic as compared to more traditional and inperson events like auctions (24%).7

Let's break down how the different options work.

Key options to consider for your online charitable gaming fundraising program

Raffles

A charity raffle is an event (in-person or online) where a draw is held to raise money and prizes are awarded to the winner(s). Online raffles (also known as electronic raffles) use technology for the sale of tickets, winner selection, and prize distribution. Electronic raffles can be used invenue or online.

Popular raffles such as the $\frac{50}{50}$ and Catch the Ace are commonly held to raise funds for charities. People obtain digital numbered tickets, each of which has a chance of winning a cash prize. The winnings are usually a percentage of the total funds collected through the sale of tickets. The remaining amount goes to the non-profit or charity organizing the event. One of the main reasons that makes online charity raffles so attractive is that donors get a chance to win money while supporting a good cause.

50/50 raffles: They are a quick, easy, and fun way to raise money for your cause. In an online 50/50, ticket sales are held through a dedicated website. The concept is similar to that of a normal raffle but instead of a pre-decided prize, the nonprofit or charity equally splits the total amount collected from the sale of tickets with the winner. The total revenue from the sale of tickets is called "the pot". A 50/50 fundraising raffle is also known as "split the pot", "50-50", "5050", "cash raffles", or a "50/50 raffle". This simple, easy, and cost-effective method of raising funds far outpaces traditional fundraising efforts, making it the smarter choice for savvy nonprofits.

Catch the Ace: This is known by many names—Chase the Ace or Queen of Hearts are just a couple of them. It's a weekly online and offline multiple-draw lottery that runs for up to 52 weeks or until the Ace is discovered.8 The winner selected in each weekly draw gets a chance to win a percentage of the proceeds from the sale of tickets from one draw as well as the progressive (cumulative) jackpot by choosing one playing card from a single deck of 52 playing cards. If the card selected is not the Ace of Spades, that card is removed from the deck and the progressive prize portion of the ticket sales for that draw is rolled over into the progressive jackpot for the next scheduled draw.

Sweepstakes

Sweepstakes resemble raffles in a few aspects: sale of tickets, winner selection, and prize distribution. A key area where they differ is that to enter a sweepstake, a participant doesn't necessarily have to purchase an entry—this is the primary reason why sweepstakes are not considered as gambling and are permitted across all U.S. states. They are monitored by the U.S. Federal Trade Commission to prevent abuse.

Although a contest may not require an entrant to purchase a product to enter, a participant may be asked to give up something of value or do something to enter. For example, sharing a post on social media, watching a lengthy video, or filling out a survey, etc. Although no purchase or donation is necessary to enter into a charitable sweepstake, historic qualitative industry data suggests that most people are willing to donate to participate since the cause is charitable.

Sweepstakes are known as 'Promotional Contests' in Canada and have similar regulations as in the U.S. In Canada, games of pure chance such as sweepstakes are prohibited except by licensed nonprofit or charitable organizations. To legally run such contests, making prize redemption conditional on answering a skill-testing question is essential to turn a game of pure chance into a (legal) game of mixed chance and skill.

If national and/or global exposure via social channels, websites, and email campaigns is integral to your fundraising and marketing strategy, then sweepstakes might be an option to consider.

Scale up your fundraising game.

Have questions about implementing a successful online fundraising program?

Ascend provides a world-class platform and technology solution along with full-lifecycle service offerings (such as marketing, promotions, licensing, analytics, and much more) and end-to-end program execution for online raffles and sweepstakes.

Schedule a call (ascendfs.com/schedule-a-call) now.

Online Gaming-based Fundraisers 101



A couple of decades ago, it was absurd to think of a marketing campaign for a charitable cause—people donated on their own. There were fewer charities and nonprofits and most people only knew about their local options.

Fast-forward to today: there are tens of thousands of charities, nonprofits, and foundations. And donors have become savvy—they want to be sure that their money is not being misused. They also want to donate to the right organizations—ones with a good track record. This has made it harder to raise funds. This is why charitable gaming is such a game-changer.



Why you should include a raffle or lottery program in your fundraising campaign



Increase engagement, drive acquisition, and donor retention

The potential to win millions makes online raffles and sweepstakes very attractive to donors. When implemented with the right technology and supported with a solid go-to-market strategy and promotional plan, it can help engage new donors and boost donor acquisition while re-engaging lapsed donors.



Reduction in operational costs and an increase in return on investment (ROI)

Running a fundraising event online (versus in-person) means less operational costs and administrative work, access to a highly secure virtual environment, cost savings on printing and purchase of stationery items, efficient collection and distribution of funds, and the ability to reach a wider audience geographically and demographically at a minimal cost. What's great about online raffles is that they help level the playing field for nonprofits and charities of all sizes.



Access to real-time reporting

The latest technology in online raffles ensures faster turnaround from sales to the actual event to choosing a winner. It also makes the process of adhering to regulatory and licensing frameworks very easy and fosters transparency with accurate data management and real-time reporting, which can also be used to inform decisions and plan future campaigns.



Wider and better reach

An in-person fundraising raffle can only be attended by a limited number of people. And it's usually those living within the locality of the organization. Doing it online lets you reach out to millions and attract potential donors interested in contributing to your cause; sometimes with no geographic or regional barriers to consider. An online fundraiser backed by a strong social and marketing campaign can help you not only achieve but far exceed your fundraising goals.

The difference between raffles, sweepstakes, lotteries, and gambling

Since the generosity of the public is the lifeblood of charity, using engaging and interesting mediums such as online lotteries, raffles and sweepstakes gives people an incentive to donate. That move can not only help with revenue generation but can also be the key to meeting and exceeding your fundraising goals.



Should you host a sweepstake or a raffle? What is the difference between online raffles, lotteries, and gambling? How do you decide which one is right for your organization? These questions are bound to come up the moment you decide to run a charitable game.

Due to the nature of the games and the regulations governing each of these events, often the terms "lottery", "raffles", "sweepstakes", and "gambling" may seem confusing. Let's take a deeper look into the differentiating factors for each of these event types.

To begin with the mode of operation:

- Online charity lotteries: Players can choose their numbers/tickets. All possible number combinations are entered in the draw, meaning the winning number/ticket may not be sold. All tickets are priced the same and each ticket has the same chance of winning.
- Online charity raffles: Tickets are numbered and players don't have the freedom to select a specific combination of numbered tickets. Only the tickets that are sold are entered in the draw which increases a participant's probability of winning. Raffles can have tickets priced at varying amounts with certain price points offering a better chance of winning by providing the purchaser with more entries.
- Gambling: Players compete against "the house" and bet on numbers, cards, etc. to win a share of the prize pool. The stakes are usually much higher while gambling; participants can win or lose a large amount.

Additionally, here are a few other key differences:

	Raffles	Sweepstakes	Lotteries	Gambling	
Goal/ objective	Raise funds for charity and reward donors.	Raise funds for charity and reward donors.	Raise funds for charity and reward donors.	Raise funds for charity and reward donors.	
Regulatory environment	Legal in most states/provinces. License or permit may be required.	Legal in all U.S. states and Canadian provinces. License usually not required.	Legal in most states/provinces. License may be required.	Legal in most states/provinces. License may be required.	
Geographic reach of the campaign	Limited to specific states or provinces.	Participants may be from any jurisdiction.	Limited to specific states or provinces.	Participants may be from any jurisdiction.	
Intended audience	Potential donors who need an incentive to donate.	Potential donors who need an incentive to donate.	Potential donors who need an incentive to donate.	Individuals willing to take risks to win money.	
# of entries per person	Multiple entries allowed per person.	Multiple entries permitted subject to how the rules are written. Any limit on free entries must also mirror the limit on paid entries.	Multiple entries allowed per person.	Varies by the type of game.	
Perception	Mostly positive.	Mostly positive.	Mostly positive.	Mostly negative, as it's often associated with crime and addiction.	
Ideal use case scenario	Works best if focusing on a specific state or province.	Works best if national or global reach is the goal.	Works best if focusing on a specific state or province.	Works best if it's a for-profit organization intending to make money.	

How to get started with online gaming-based fundraisers quickly and easily

Getting started with organizing and implementing an online charity raffle involves many tasks that need to be accomplished simultaneously. Here's a step-by-step process for how to easily set up an online raffle like 50/50 or Catch the Ace:

Steps to set up an online raffle

Check regulatory requirements

Charitable raffles and lotteries are regulated events in most jurisdictions across the United States and Canada, which means you must apply for a license to be able to run them. In the U.S., many states allow online raffles in some form, with a couple of states such as Utah and Hawaii having strict laws. Rules and requirements vary by state; you can check with your state's Attorney General's office for the latest regulations. In Canada, it is illegal to run a raffle without a license and only religious or charitable organizations can apply for one. Rules vary by province; the provincial Alcohol and Gaming Commission websites are good starting points for research on the rules, regulations, and application process.

Before you submit your application for a license, you should have definitive information on the type of raffle you intend to run (such as 50/50 or Catch the Ace), the price of the ticket, prize to be awarded to the winner, raffle schedule, and the technology solutions provider.

Find a raffle solutions provider

Depending on how involved you want to be in the raffle implementation and execution, a solutions provider like Ascend Fundraising Solutions (versus a technology supplier) might be a better fit. Ascend provides a world-class, licensed, lab-tested platform and technology solution along with full-lifecycle service offerings (such as marketing, promotions, licensing, analytics, and much more) and end-to-end program execution for online charitable gaming events such as 50/50, Catch the Ace, and Sweepstakes.

For those that need even more help, Ascend can help with running the entire program end-to-end as a fully outsourced partner. Ascend is the only North American provider with the ability to create a full turnkey solution for any nonprofit, charity, or foundation looking to run an online raffle or lottery.

Scale up your fundraising game.

Get all your questions answered and learn how it all works.

Schedule a call (ascendfs.com/schedule-a-call) now.

Set your fundraising objective or goal

Raising money for an organization can be challenging. Clearly defining the goal and objectives of the fundraiser will ensure that all your decisions align with the expected outcome and benefit your cause.

Define your target audience

Planning and marketing your fundraiser is easier when you know your target audience demographics, media consumption habits, location, interests, etc. Defining your target audience will enable you to craft the best strategy for fundraising and outline an effective marketing plan.



Set budgets and timelines

Budgets and timelines are essential ingredients to a successful fundraising campaign. One tips is to ensure you have an itemized breakdown of expenses for each task/activity, mapped out against specific dates. If there are certain cost categories that you are unsure about, include them anyway. And remember to set aside some money as contingency funds. Virtual fundraisers typically have low overheads, meaning you can raise more with minimal investment.

Plan raffle format and duration, and set ticket prices

A successful fundraiser can be as simple or complex as you want it to be. However, the key is finding a balance between simplicity and donor engagement.

Online gaming-based fundraisers are fun, easy to plan and implement, especially when you have a trusted and full-service partner like Ascend. With over a decade of experience in the field, Ascend offers the technology and expertise to successfully implement raffles such as <u>50/50</u> and <u>Catch the Ace</u>. Whether you need help with marketing, promotions, pricing, or licensing, the Ascend team can guide you every step of the way and connect you with potential partner organizations throughout your implementation journey.

Implement the tech platform and event page

A successful virtual fundraiser needs a well-functioning technology platform that is supported by an engaging event page and a strong marketing plan. Event automation can make running an event more fun and less stressful. It also enables analytics and detailed tracking which can be extremely helpful in decision-making for future events.

Plan marketing and promotions

Do plan sufficient time for marketing, advertising, and promoting your event online on various social media platforms as well as through email, print, digital, and radio. Be sure to choose channels and formats that you know work best with your audience. A/B test subject lines and ad copy to learn which ones stick and yield maximum returns.

Define success metrics

Success metrics can help you measure performance against earlier campaigns as well as against industry benchmarks. That's why it's essential to define them before you start promotions and launch your fundraiser. Depending on the type of your online event, metrics such as ticket sales, social media mentions, online traffic/clicks, engagement rate, conversion rate, return on investment (ROI), etc. may be helpful.

Promote your event

Once you have all the elements in place, it's time to start promotions as per key dates and timelines outlined in your campaign. Emails and social media are known to be the most effective in marketing raffles; depending on your budget, TV, radio and print advertising can also be considered. Keep a close eye on ad performance and social engagement; test different campaigns and learn from the outcomes, iterate, and promote until the event timeline.

Golive!

Technology for online fundraisers makes it easy to launch the event and go live—all, by the click of a button. Unlike an in-person event, it involves less effort and is a stress-free way to raise money.

Choose a winner

When you run an online raffle, winner selection is automated with the help of technology and can be done at the press of a button. Winners are chosen based on a randomized draw.

Say "Thank You"!

As with all formats of fundraisers, it is essential to acknowledge support, thank your donors, and ask for feedback after the event. Donor recognition through personalized emails/mails, social media tags, or 'shoutouts' on your website can be extremely effective in building long-lasting relationships and in humanizing the giving experience.

Launching an online raffle involves many moving parts. Partnering with the right solutions provider can help you ease the burden and make the launch an enjoyable, efficient, and smooth process.

Best practices for running successful online gaming-based fundraisers

While online raffles and lotteries are similar to most offline fundraising events, there are a few subtle differences you must keep in mind. This is what will allow you to host a successful charity raffle and achieve amazing returns—even if it's your first time. Here are a few tips for a successful implementation.



Ensure you have a license to run the raffle

Raffles and lotteries are regulated events in most jurisdictions across North America and require a license to run. In the U.S. and Canada, rules and requirements vary by state/province; you can check with your state's Attorney General office (in the U.S.) and/or the provincial Alcohol and Gaming Commission websites (in Canada) for the latest rules, regulations and application process.

Build a strong marketing plan

Aggressive promotions backed by a strong marketing plan are key to running a successful raffle or lottery online. Expand your reach using creative social media promotions and posts with a clear call-to-action (CTA) while highlighting the cause. Be consistent with the messaging, look and feel of posts across all channels (website, email, and social). This is a good strategy to not only help you increase sales but also to grow your donor database. Delivering the same CTA in multiple ways will drive sales and deliver results. Paid digital and paid search are good choices as are working with local radio stations, newspapers, and retail and corporate partners.

Ascend Fundraising Solutions can help you build an impactful marketing plan and guide you every step of the way to ensure you maximize returns. Here's an example of an Ascend client who saw 592% Return on Advertising Spend (ROAS) by investing \$5,000 in paid digital. Their overall lottery sales were 12% higher than their previous best month!

Channel	Spend	Impressions	Clicks	CTR	CPC	Revenue	ROAS
Paid Search	\$994.45	3495	1,219	34.88%	\$0.82	\$18,370	1847.25%
Paid Social	\$2,897.37	737,995	3,197	0.43%	\$0.91	\$9,455	326.33%
Display	\$994.45	536,969	1,523	0.28%	\$0.71	\$1,620	149.91%
TOTAL	\$4,972.46	1,278,459	5,939	0.46%	\$0.84	\$29,445	592.16%

Optimize your website for mobile

According to Perficient, in 2020, 61% of visits to U.S. websites were from mobile devices. Globally, that number is over 68%.9 This growing trend of mobile usage begs marketers to make websites responsive, meaning they should adapt to mobile devices and tablets of varied sizes while offering a seamless user experience with ticket purchases. Have your key CTA (e.g., 'Buy Now', 'Play Now', 'Enter to Win', etc.) displayed up-front so users don't have to scroll or search on the site to get to it. 'Mobile first' should be your mantra!

Test, learn, and iterate

Use clear, well-designed, user-friendly landing pages and emails. Elements such as attractive, eye-catching colors, graphics, and animated ads are known to perform well. Don't be afraid to A/B test alternatives to find out which option is driving better results. Mix and match the imagery and graphics to appeal to a broader audience, and create a sense of excitement and joy which will in turn help expand your reach. On Facebook, for instance, the CTA 'Play Game' has been observed to perform three times better than 'Shop Now' or 'Learn More'. Be unique while incorporating best practices. Test, learn, and iterate your campaign to maximize the potential.

KISS your emails (KISS = Keep it short and sweet)

Your existing donor database is instrumental to running a successful campaign. For many raffle and lottery programs, returning buyers account for 40–90% of revenue which means that approximately 10–60% of revenue still needs to be filled.

Quick tips for emails:

- Before you kickstart your email campaign, organize your donor list into relevant segments, per your marketing and promotion strategy and be sure to remove those who unsubscribed.
- Keep your emails short and sweet. And have CTAs with a 'Buy Now' link at the top of the email body.
- Reduce the number of clicks required for the donor to participate or make a purchase.
- Cadence: One email per week, more on deadline weeks. Remove buyers from repeat emails and add them back in for the final deadline as they tend to buy more then.
 - Call out the jackpot amount and deadline in the email subject.
- Use a good mix of graphics and text focused on the prize; optimize for various email applications.
- Exclude ticket prices in email; keep it clean and simple.
- Allow lots of white space for your key message(s) to stand out.

Tap into the power of social media

Engaging with donors where they spend most of their time is a strategic and effective way to grab their attention. In today's virtual world, these places are often various social media apps like <u>Facebook</u>, <u>Instagram</u>, <u>LinkedIn</u>, <u>Twitter</u>, and emerging platforms such as <u>TikTok</u> and <u>Clubhouse</u>. A social community can make donors feel connected, involved, and invested with your mission and aligned with your success. Added benefit: social media enables you to reach donors beyond borders.

Double down on your social media strategy. Strengthen your social presence by proactively engaging with your target audience and posting consistently; share content that resonates with their interests. Use your blog and/or social media to showcase real stories, share important news, and talk about accomplishments and events related to your nonprofit.





Lake of the Woods District Hospital Foundation

Small town hospital foundation drives big-time success with online 50/50 program

The Lake of the Woods District Hospital serves a small community of 15,000 residents and a catchment area of 20K primary care + 90K secondary specialist care. In 2020, the pandemic resulted in the cancellation of all inperson fundraising events, putting 50% (or \$500K) of the Foundation's expected annual donations at risk. They quickly turned to Ascend to recapture the shortfall with an online 50/50 program. To their delight, the 50/50 program didn't just meet their goals but crushed them and put them on pace to generate \$1.5 million in annual gross revenue. Plus, the program helped expand their reach and grow their email database from 250 to over 14K.





Core Business

Healthcare Services

Organization Type

Hospital Foundation

Location

Ontario, Canada

Total campaigns

10

Gross sales

\$1.9MM

Increase in donor base

14,000+ (5,500% over existing)

Average jackpot

\$93,582

Bigwin

150% increase in annual revenue

Background

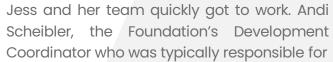
In 2009, Jess Rheault took on the role of Executive Director at the Lake of the Woods Hospital Foundation. Over the following decade, her leadership drove their annual profits from \$400K to over a million dollars annually. Those profits were used to purchase medical equipment for the hospital.

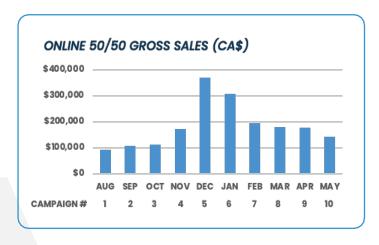
Their previous success came from a combined result of a strong social media focus, a small core team, and a mix of in-person events and galas. However, in 2020, as most in-person events were cancelled due to the pandemic, Jess and her team had to think of ways to mitigate the looming risk of losing 50% of their donor revenue.

As they were looking for options, a cold email from Nate Palango at Ascend introducing their fully online 50/50 fundraising program caught her attention. It gave her hope to meet their revenue goals and recapture the shortfall. Jess had always wanted to run a progressive 50/50 raffle. She had seen successful programs in other provinces; however, they were not permitted in Ontario until recently. Partnering with Ascend felt like the best way to succeed given they had a great platform, program expertise, and a proven model for success.

The solution

Right off the bat, Nate assured Jess and her team that Ascend could provide them with everything they would need to quickly launch and run a 50/50 program. With a supportive partner like Ascend, Jess felt confident to go all in.





the in-person events ran point on the online 50/50 raffle program. Andi had no prior experience running an online fundraising program but was experienced with donor emails and social promotions—and that sufficed. Jonathan, their dedicated Ascend Success Manager ensured that Andi had access to Ascend's best marketing and creative practices for running a top-performing 50/50 program so that they could go to market quickly.

With their license in place and their launch program and 50/50 dedicated website built, Jess, Ascend, and her team were all set for the launch.

The Foundation was relentless in sending out regular emails with updates on the jackpot and encouraging people to donate. Their emails were filled with positive messages which ensured little-to-no opt-outs and helped unlock the full potential of the campaign.

Results

The team's tireless and creative promotion of the program via email and social media delivered results that did not disappoint Jess (or her board) and generated a whopping \$106,935 in gross sales from just the first campaign in August 2020–10% of what they typically achieved over a year from traditional programs.

With coaching and guidance from Ascend, Jess knew that if they kept at it, the program would build—and that's exactly what happened. They continued to run the program and aggressively promote it each month. In the fourth month, they had grossed over \$170K and by the fifth and sixth months, they surpassed \$300K in donations, hitting \$400K in December.

Impressively, the campaign also increased their donor database. They witnessed a 5,500% growth—from 250 emails pre-launch to over 14,000+ today.

Looking at the results to date, Jess has now made the monthly online 50/50 program a regular feature of her fundraising initiatives and is expecting it to generate \$1.5 million annually in gross revenue. Combined with the Foundation's traditional in-person events, the online 50/50 program has a majority stake in driving the revenues up to over \$2.5 million annually (a solid 150% increase over the \$1 million they generated pre-pandemic).

The Ontario Federation of Anglers and Hunters

Catch the Ace Delivers \$1.24MM for Ontario Federation of Anglers and Hunters (OFAH)

The Ontario Federation of Anglers and Hunters (OFAH) saw immediate success with their first ever online Catch the Ace (CTA) program. The program delivered over \$400,000 in net donations, saw a 44% increase in year-on-year membership growth and helped spread their message of conservation in action to thousands of new donors.





Core Business

Environmental Conservation

Organization Type

Club / Non profit Charity

Location

Ontario, Canada

Product

Catch the Ace (CTA)

Gross sales

\$1,240,000

Increase in online Membership growth

44% year-on-year

Background

Robert Pye, Manager of Business Development and Corporate Messaging for the OFAH, was always looking out for new, innovative fundraising programs that would also drive awareness. A longtime fan of CTA-type raffles, Robert discovered Ascend's online weekly progressive CTA program and jumped right in.

A CTA program lets a donor buy tickets to a weekly draw and then select a card from a standard 52-card deck. The selected card remains face down/unknown to the donor.

Each week 50% of weekly sales go to the OFAH and a winner is drawn to reveal their chosen card for the first time. If it is any card but the Ace of Spades, the winner is awarded 20% of that week's sales. The remaining 30% rolls over into a progressive jackpot that builds each week.

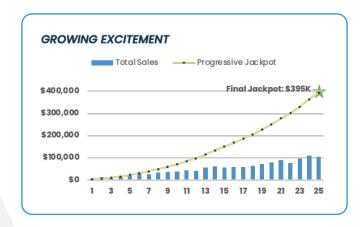
Eventually, when the weekly winner reveals the Ace of Spades as their card, they win the weekly prize and the total progressive jackpot, and a new CTA program starts.

OFAH had previously been promoting its annual conservation lottery to its 75,000 strong member base. This was a large and highly manual endeavor—lots of ticket books to print and mail and then lots of mailed back stubs to receive and process. After printing and mailing costs, but not factoring in labor, it would net \$600,000 in donations. Robert would be thrilled if he got remotely close to this type of result with a purely online fundraising lottery.

Robert's CTA program ran for 24 weeks and generated over \$1.24 million in ticket sales. It awarded \$230,000 in weekly draws and a jackpot of almost \$400,000 to the lucky Ace of Spades winner.

Solution

Over 30% of the CTA players were net new to the database. Robert attributes this to a very successful investment in using email campaigns along with social media advertising. Each week, OFAH would email their members and show them how winners represented the organization-nice stories about good people—and expressed its case for support through the game of CTA. This message resonated strongly with their audience, driving donations as well as renewals.



OFAH also invested \$1,200-\$1,400 in paid media every week, which drove an average of \$7,000 in new sales. That's an over 5:1 return on investment.

Results

The program ran for 24 weeks and generated just over \$1.24 million in gross ticket sales.

- Prizes Awarded: Over \$230,000 was awarded in weekly draws. The grand prize winner, an out-of-work tow truck driver, received \$395,000.
- Net Raised: After prizes, fees, seeding the initial pot and media spend the program netted the Federation **\$425,000**.
- New Membership Spike: Robert believes the CTA marketing helped OFAH achieve branding growth as well as a significant lift in merchandise sales and membership activations—including record participation in auto renewal.
- Very Efficient: The annual paper-based lottery consumed thousands of hours of inhouse staff time, across multiple departments and management desks. In contrast, the weekly Catch The Ace program was a dream to run. Massive printing and mailing and sorting was replaced with email marketing and social media promotion and advertising. Donation, sales, ticketing, tracking, and the draws themselves were all managed via the Ascend platform.
- No Negative Impact: Despite the huge \$1.24 million in ticket sales, the CTA program had no negative or cannibalization impact on the Federation's other fundraising programs. It was pure incremental revenues.
- Wider Audience Receiving Conservation Message: Robert says it best: "I'm really proud that we were able to express our sincere and accurate messages of the portrayal of the conservation movement in this country, which was founded by people who fish and hunt. It was the Ascend team and our true collaboration that really made this such a pleasure."

Summary



The takeaway: Virtual fundraising is the future

The COVID-19 pandemic has completely transformed the way people give to charitable organizations—like most businesses and organizations adapting to the new normal, fundraising has also moved to a virtual environment. And as a leader of a nonprofit, charity or foundation you must embrace this change.

There are several innovative online fundraising methods such as charitable gaming that nonprofits, charities and foundations are now exploring. As more people work remotely and opt to donate virtually rather than through in-person events, these fundraising methods are emerging as the new path forward.

As the world continues to evolve and adapt to a virtual setting, it's important for nonprofits to stay up to date on the latest trends to successfully achieve their fundraising goals. Best-in-class technology combined with a strong marketing plan can help with launching a successful online fundraising campaign.

Key takeaways

- Understand the differences between raffles, sweepstakes and lotteries

 Knowing your goals, the resources you have, and the audience you are trying to reach
 will help you choose the right type of fundraiser. Remember to check if any license may
 be required and what rules are in place in each state or province.
- Online fundraising through charitable gaming can help you increase ROI and grow your donor database

Ignoring online charitable gaming may limit the growth of your nonprofit or charity. Most donors prefer to give online. It's quick, secure, and easy. Additionally, the benefits of raising funds online are remarkable. They require less investment, are easy to organize, and allow you to reach a larger audience than you ever could with offline events.

Having the right implementation partner is key

From planning to implementation, marketing, and tracking, there are many moving parts to a successful online fundraiser. Having the right technology and full-lifecycle service implementation partner like Ascend by your side will ensure you are set to not only achieve but far exceed your fundraising goals. Schedule a call (ascendfs.com/schedule-a-call) now.

Looking ahead, advancements in technology and social media will continue to transform the space of philanthropy, allowing nonprofits to seamlessly scale operations and fundraise globally. The success and outcomes, however, would depend on how well your organization is able to adapt your online campaigns and event strategies to maximize impact for social good, drive engagement and attract donors all year-round. The giving experience is changing; are you ready?

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