



TEXT DONATION

THE BEST WAY TO GIVE TO CHARITY

PROVEN

In 2009, Comic Relief raised about £7.8m from text donations and Children in Need £1.75m. The Disasters Emergency Committee (DEC) reputedly raised nearly three quarters of a million from one tweet.

EFFICIENT

Text donation is the best way to give small sums below £10 to charity.

The amount received by the charity will vary by amount and donor network, but on average the charity should receive an average of 95% of the donation before Gift Aid is added. The table below shows that compared to the typical debit card and cheque costs, text donation is cheaper for small value donations

Donor Payment	1.00	1.50	3.00	5.00	10.00
Received by charity					
Text	0.94	1.41	2.86	4.77	9.53
Debit card	0.70	1.20	2.70	4.70	9.70
Cheque	0.50	1.00	2.50	4.50	9.50

The text donation system does not require the charity to run expensive call centres to collect and process donations. In terms of offline campaigns, text donation is the most efficient non-cash donation collection system.

Even when compared to cash text donation has far lower administrative and insurance costs that for charities with limited resources it can be the cheapest option.

Text donation is the way of the future, especially given that cheques are likely to be phased out by 2018.

SPONTANEOUS

You supporters can respond to appeals instantly by text. Practically everyone can send a text. Your supporters are more likely to be carrying a mobile phone than a credit card.



UNIVERSAL

There are more active mobile phones in the UK than people.

INSTANT

Payment by text captures gives your potential supporter an immediate means of action. The charity also gets to find out when donor's responded which means they can work out which calls to action worked and which did not.

WHY USE VIR2?

We are a specialist, ethical, professional fundraising business.

We were the originators of the campaign to remove VAT from text donations through our lobbying of Parliament.

We have plenty of experience in the sector we work with over 200 charities including many of the top 100 charities. Our clients include charities like ActionAid, The Brooke, UNHCR, Age UK (Age Concern), The Woodland Trust and RNLI. We also work with local authorities and quasi-governmental organisations.

We have a good relationship with the regulator (www.phonepayplus.org), the Charities Aid Foundation and the Institute of Fundraising. One of our directors is a board member of the Mobile Data Association with responsibility for advancing charity giving as a sector.

HOW DOES TEXT DONATION WORK?

Supporters simply texts your charity's keyword to one of our charity short codes and the Vir2 system responds with a "thank you" text message. The message that Vir2 sends tells the donor's mobile network to deduct an amount of money from their mobile phone account and pay that amount less the network's fees (if any) to the charity.



WHO GIVES VIA TEXT DONATION?

In our experience the typical text donor is more likely to be younger, a first time donor and unlikely to give in any other way.

GIFT AID & DONOR CARE

When we send a reply message to the donor we provide a link in the reply message to a Mobile Internet site that allows a Gift Aid declaration to be made by the donor. Clicking the link opens a mobile internet site that is specially repurposed so that it displays regardless of the phone type. The user enters their declaration and the Charity can access a report that may be downloaded from the web.



We do not process the Gift Aid requests for the charity – the charity must process the claims using the reports we provide.

NETWORK PAYOUTS

For big TV campaigns all of the networks will often offer a “free donation” service – however these are really reserved for telethon events like Children-In-Need and Comic Relief. It is possible that the other networks will follow Vodafone’s and O2’s leads and reduce charges to zero in time. At Vir2 we are committed to pass on the best rates from the networks and to be entirely transparent about the rates we receive from the networks.

Our standard rates are shown below.

Donor Payment >>>	1.00	1.50	3.00	5.00	10.00
Network					
O2	1.00	1.50 100%	3.00 100%	5.00 100%	10.00 100%
Orange	0.90	1.35 90%	2.70 90%	4.50 90%	9.00 90%
Three	0.95	1.43 95%	2.85 95%	4.75 95%	9.50 95%
T-Mobile	0.80	1.20 80%	2.70 90%	4.50 90%	9.00 90%
Virgin Mobile	0.89	1.34 89%	2.67 89%	4.45 89%	8.90 89%
Vodafone	1.00	1.50 100%	3.00 100%	5.00 100%	10.00 100%
Weighted average	0.94 94%	1.41 94%	2.86 95%	4.77 95%	9.53 95%

Rates have been rounded to the nearest penny for clarity

Weighting based on Network market share using user estimates which Vir2 have derived from Ofcom reports.

Rates above include VAT where applicable. VAT should be reclaimable by many charities. VAT only applies to the network charge so the additional cost is 1.75% above £3 and 3.5% below £3.

Source: www.vir2.co.uk

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CAN EVERY CHARITY QUALIFY?

To qualify for text donation a charity must be registered on the following website:

<http://www.hmrc.gov.uk/charities/charities-search.htm>

The mobile networks will not accept applications from charities not registered on this website.

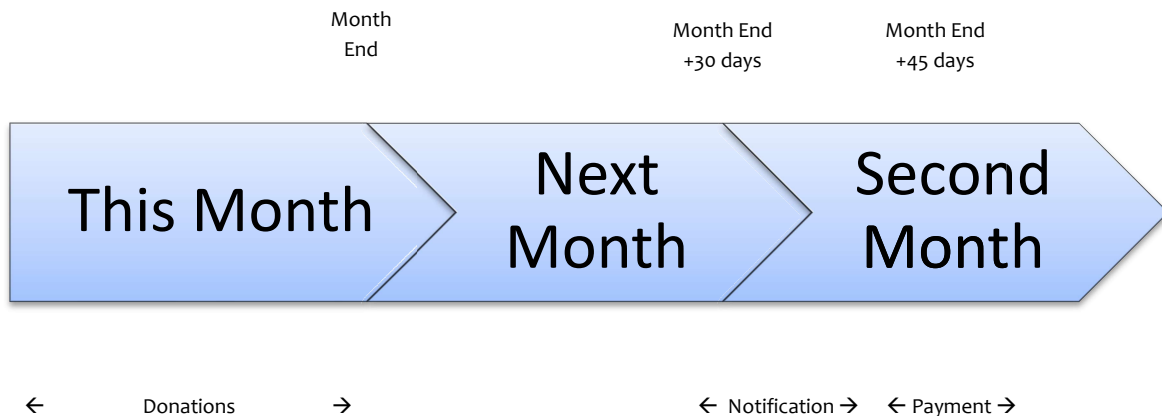
Whilst it only takes from 6 hours to 2 weeks for most services to be set up. If your organisation is not listed on the HMRC website then that list is only updated once every 6 months so you need to apply ASAP to get included by HMRC.

DO I NEED A NEW KEYWORD FOR EACH CAMPAIGN?

Anything written after the keyword can be used to gather information from donors e.g. text the keyword followed by your email address. You can also use it to distinguish between campaigns by adding a simple A, B, C code. Our client the Brook uses DONKEY A, DONKEY B, DONKEY C to distinguish between TV adverts.

You will need a different keyword if you plan to charge more than one amount or to use a campaign type – for example if you plan to set up a subscription service and a one off donation.

HOW QUICKLY WILL THE CHARITY BE PAID?



Vir2 are informed by the networks how much is owed to the charity within a month of the month end in which the donation was made. We reconcile and inform our clients between 30 and 45 days after the month end and pay the charity upon receipt of the money from the networks and/or their agents. We typically pay 45 days after the month end to which the donation relates. All monies received by us are processed through a clients account, held in favour of our charity clients.

NEXT STEPS

Contact Vir2 on 08450 947 958 or web@vir2.co.uk