

FUND RAISING

How One University Used Crowdfunding to Reach Young Donors

By *Kathryn Masterson* | FEBRUARY 26, 2017

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Getting young alumni to donate to their alma maters has traditionally been a tricky task. Often they are too focused on gaining a foothold in the work force or hampered by student debt and other expenses to consider college appeals.

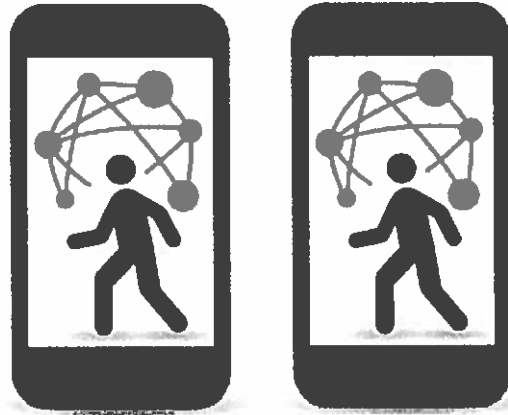
But in recent years colleges have found success tapping recent graduates through crowdfunding. The approach, which first gained traction on web platforms like Kickstarter and GoFundMe, offers several aspects that usually appeal to young people: a sense of urgency, transparency about how much is being raised in real time, and a tangible cause, like paying for a musical group to travel abroad or purchasing uniforms for a rugby club.

While the approach has been around for a while, institutions like Cornell University have started to sharpen how they use it to greater effect.

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Cornell started experimenting with crowdfunding in 2013, after professors had begun using third-party crowdfunding sites to raise money for research, says Andrew Gossen, executive director, digital, in the office of alumni affairs. Cornell wanted to track that money and count it, and started a pilot program.

The university was especially interested in learning whether crowdfunding could capture two populations the university was particularly interested in — young alumni and alumni who had not donated to the university before.

"We do think that if we want to broaden our base of participation we have to offer a range of options, so people can choose whichever one connects most with them," Mr. Gossen says.

The experiment has worked. Since 2013, Cornell has done about 70 projects and raised close to \$900,000, mostly from gifts of \$25. According to Dayana Kibilds, assistant director of digital marketing and participation for the annual giving program, in the past four years, 40 percent of donors have not been Cornell alumni, indicating that members of groups seeking funding have used their extended networks to attract support. Eight percent were current students. Of the alumni who donated, 46 percent had graduated in the last 10 years. Twenty-five percent of alumni had never given before, Ms. Kibilds says.

Cornell decided to focus its crowdfunding on student- and campus-life projects. "We think those are the projects that are most likely to be of interest to the alumni audience that's our primary focus," Mr. Gossen says. "Then obviously you get parents in there as well, which is really kind of nice."

The projects rely on grass-roots organizing. Members of student groups use their personal networks, including alumni who were also members of those groups during college, to attract donors. "There's a personal connection, and it's the same group," Mr. Gossen says. "It's an easy ask to make. The young alumni also know exactly how dependent those groups are on philanthropy or some sort of income stream to be able to do what they do."

The smaller goals matter too. "You can also see a \$10 gift making a difference with a \$5,000 project, for instance, in a way people might feel is lost in the context of a \$40-million annual-fund goal," Mr. Gossen says.

Ms. Kibilds says crowdfunding appeals to young alums' preference for tangible giving. The Cornell projects each list giving levels — \$10, \$25, \$50 — and what specific needs those amounts can cover.

"We believe it is more appealing to young alumni to give to something very specific that they know exactly what is going to happen with that money, and the crowdfunding platform allows the teams to very specifically tell that story," she says. "My opinion is they think they are really a part of this and they are contributing in a very specific, clear way."

At first, Cornell fund raisers thought that having a compelling story would be the biggest driver of a successful project. But they were surprised to find that the biggest indicator of success was having an organized and dedicated project team — which can include students, professors, and alumni — who use their social networks to spread the message about their specific campaign. Cornell meets with the group's members and gives them a schedule and template for when emails should be sent out before the project starts, on launch day, and throughout the fund-raising effort.

"If project teams do the work, they succeed. If they don't do the work, they don't succeed," Mr. Gossen says. It is a lot of work, and the university gives the option for groups to drop out of the process if they don't think they can handle it.

Cornell believes there is potential for using the stories of these projects in other marketing and fund raising, and major-gift officers will be able to look at what people chose to donate to and use that information to better figure out donors' interests. Also, the variety of these projects keeps people who look at the crowdfunding site in the know about what is going on at Cornell.

"It's really a storytelling platform," Mr. Gossen says.

This article is part of:

Connecting to Young Alumni

A version of this article appeared in the March 3, 2017 issue.

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