More Nonprofits Are Running Their Own Crowdfunding Drives

Fundraisers at the Holocaust Museum in the nation's capital are watching their donors age in real time.

When the United States Holocaust Memorial Museum opened nearly 25 years ago, the average age of donors was 45.

Today, it's 72.

Fewer people today have a direct connection to that period of history. And with the Holocaust survivor generation dying off, the organization is receiving more and more donated artifacts that need to be preserved.

So, like many established nonprofits these days, the Holocaust Museum is taking a page from the crowdfunding playbook. "We want to have an eye toward engaging a younger donor base," says Dana Weinstein, director of new audience engagement and membership.

On June 12 — the birthday of the famed diarist Anne Frank — the museum launched its first-ever Kickstarter campaign. The 30-day drive aimed to raise $250,000 to catalog and digitize more than 200 diaries from Holocaust survivors. It blew past that hurdle on July 3, and then cleared a "stretch goal" of another $50,000 on July 11.

"I went on vacation," Ms. Weinstein says, "and I spent all my time on the beach refreshing Kickstarter."

When the drive closed last month, it had raised more than $380,000 in total, well past its goal: $315,822 on the website and the rest in the form of checks sent to the museum.

Ultimately, the data revealed that three of every four of the campaign’s more than 5,600 supporters are new to the organization, confirming Ms. Weinstein’s predictions that the drive would bring in new donors.

"I don't suppose a lot of our members are active on Kickstarter," she says.

Special Projects

For several years, charities have offered help — or simply stood on the sidelines — as many of their supporters have raised money through crowdfunding sites to send to their favorite causes. But now more organization-run crowdfunding drives are popping up on Kickstarter, IndieGoGo, GoFundMe, or the charities' own websites.

The advantages, fundraisers say, include having greater control of the messages posted on their behalf and gaining access to lots of new supporters. The challenges, they say, include keeping those new donors in the fold over the long term.

"There's definitely a huge growth in organization-driven crowdfunding, whether it be for a project, or a program, or a shortfall in the budget," says Rob Wu, CEO and founder of CauseVox, a fundraising consulting company. The number of organizations that use his firm’s crowdfunding platform, he says, "basically doubles or triples every year."

What’s more, he says, the crowdfunding approach can be worked into many kinds of appeals. "People expect more and more fundraising to happen crowdfunding-style, because they’re exposed to it on a daily basis," Mr. Wu says. "The crowdfunding style is going to become more relevant to the fundraising toolkit."

Finding Big Donors
Museum officials in particular point to two Smithsonian Institution crowdfunding campaigns as inspiration for their efforts. A 2015 drive on Kickstarter raised more than $719,000 to restore Neil Armstrong’s Apollo 11 spacesuit, and a campaign the next year to conserve Judy Garland’s ruby slippers and Ray Bolger’s scarecrow costume from The Wizard of Oz generated $385,000.

The Dallas Museum of Art launched its first-ever crowdfunding drive in February, using Razoo. The five-week campaign, called "Destination Dallas," raised just over $101,000 to help bring an exhibit of avant-garde Mexican art to the museum.

The exhibit, which ran from March to July, had "phenomenal" attendance, says Ingrid Van Haastrecht, director of membership.

Of the more than 200 people who gave to the campaign, about half were not museum members, Ms. Van Haastrecht says. And a few gifts were substantial in size. "It became a way to help us identify new prospects: people who were contributing to the campaign in amounts that really surprised us."

Controlling the Brand

Other organizations, especially universities, have been jumping into the crowdfunding arena too, hosting their own pages for campaigns. These drives are usually focused on financing small-scale or niche projects, such as artifact or site restoration, exhibits, student-run clubs, or even faculty research efforts.

The University of California at Berkeley launched a crowdfunding page on a pilot basis two years ago, in part to help assert its brand. Many students, alumni, and faculty had been raising money for special projects on third-party sites and touting their connection to UC Berkeley.

"It was very confusing for donors," says Ryan Lawrence, associate director of digital philanthropy. "They were actually giving to these projects and believing it was going to the university. And then we would solicit them, and they’d say, ‘But I already gave!’"

The UC Berkeley crowdfunding page features batches of campus-affiliated projects — a women’s ultimate Frisbee team, a volunteer-abroad summer program in Peru — which run monthlong campaigns. During the 2016–17 school year, 40 projects garnered $380,000, from 2,300 donors. And just over half of those people, Mr. Lawrence says, were new supporters of the university.

The University of Mississippi has raised nearly $2.4 million to date from its Ignite Ole Miss crowdfunding page, which it began in the fall of 2014.

Its first campaign on the page, in the wake of a big football victory over its arch-rival, the University of Alabama, raised more than $100,000 for the athletic department, says Wesley Clark, Mississippi’s annual giving director.

Ignite Ole Miss, he says, "creates the space to tell lots of stories of impact across the organization, in one place."

Mr. Clark, who joined the institution this past spring, helped launch a crowdfunding effort at his previous employer, Texas State University. The advantage for institutions in taking on a crowdfunding operation, he says, is quality control.

"We review all communications, we maintain full control while finding that balance to let groups be authentic," Mr. Clark says. "We fold their stories into our umbrella story."

Causes Gain Visibility

Crowdfunding efforts can be expensive to run because they require constant monitoring and promotion. At the Smithsonian, about 17 percent of the money raised on Kickstarter for Neil Armstrong’s spacesuit wound up going to fundraising costs, as did 38 percent of the donations raised for the Wizard of Oz artifacts. Linda St. Thomas, the Smithsonian’s chief spokesperson, said the institution was seeking not just dollars through its Kickstarter projects, but also visibility for the work it does. The drives generated substantial publicity, which helped the organization reach new audiences, Ms. St. Thomas said in an email to The Chronicle. Also, she wrote, such campaigns make people aware "that we are not fully funded by the government. That message comes out loud and clear when we do crowdfunding."

Some organizations turn to sponsors to help defray the costs of crowdfunding.

The National Trust for Historic Preservation began its crowdfunding efforts in 2016 in conjunction with the beer maker Heineken, with a plea to help restore Miami Marine Stadium, a circa-1963 venue on Biscayne Bay, which had fallen into decrepitude after Hurricane Andrew in 1992. That IndieGoGo drive raised about $110,000.
DIANA LARREA, NATIONAL TRUST FOR HISTORIC PRESERVATION

The first project the National Trust for Historic Preservation has sought support for on IndieGoGo raised $110,000 to restore Miami Marine Stadium. Ten subsequent restoration projects also met their goals.

Rocket Fuel

Like the Holocaust Museum, Space Center Houston also took its first swing at crowdfunding this summer: In a monthlong campaign on Kickstarter that ended August 19, it raised nearly $507,000 to help restore its famous Mission Control.

From 1965 to 1992, the people who worked at the Houston facility served as ground support, help desk, and sometimes crisis managers for orbiting Apollo and space shuttle astronauts. Space Center Houston wants to restore the facility in time for the 50th anniversary of the first moon landing, in 2019. "Everything will be left as it was, as if the men just went for a coffee break," says William Harris, the center’s president.

The majority of the drive’s 4,251 backers were first-time donors to Space Center Houston.

In addition to the gravitational pull of Space Age nostalgia — given an extra heartstring tug with a powerful video — the campaign offered an array of perks to supporters. At the top of the ladder, for $10,000 donors, was the stuff of space-nerd dreams: a personal Mission Control tour and lunch with Gene Kranz, the retired NASA flight director who oversaw Apollo 11 and, as immortalized by Hollywood, Apollo 13. The 11 available opportunities sold out in two weeks.

In addition to the project’s "cool" factor, Space Center Houston relied on old-fashioned donor stewardship to boost its crowdfunding campaign. "A couple of staff members were designated to respond immediately to questions" from Kickstarter donors, Mr. Harris says. "That continues to be important after the campaign."

Beginning in October, the center will present a Smithsonian exhibit that will travel to four cities commemorating the first mission to the moon, Mr. Harris says. He anticipates that will give the center a chance to meet many of its crowdfunding donors.

"I am hopeful this will create a community that will keep in touch with us, and will continue to grow with us as we grow as an organization," he says.

Correction: A previous version of this article had the wrong location for Mission Control. It also said the Smithsonian exhibit to commemorate the first mission to the moon would be mounted in 2019 instead of this October.

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