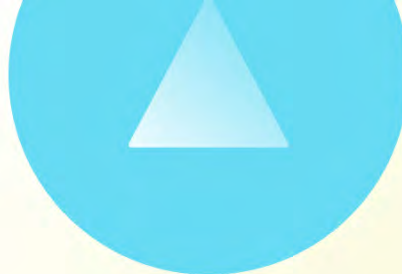


# SURVEY RESULTS

MAY 2021



THIRD SECTOR & BOPP

## What's next for giving? New donation tools & trends

BOPP and Open Banking payments for UK Charities



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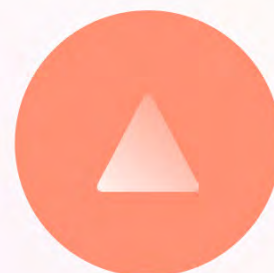
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# INTRODUCTION

BOPP and Third Sector wish to thank everyone who took the time to respond to our recent survey. The aim for this research was to gain a better understanding of current views regarding fundraising concerns and donation tools within the charity sector. It is clear from the results that many charities share the same concerns and are embracing innovative ways to deal with their current challenges.

As charities of all sizes and sectors participated in the survey we believe the findings are representative of the broader not-for-profit sector. In this report we share the key findings together with our responses.

There are many challenges facing fundraising organisations forcing many to evolve their whole approach to how they raise money.

Finding innovative solutions and adapting to a changing society is critical. Whether the challenge is identifying new ideas to gain attention, or dealing with the decline in physical cash, all charities are exploring new ways of working.

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In this report, we share our thoughts on how donation methods can be transformed with Open Banking as well as how our platform can assist in overcoming the barriers and challenges faced by charities today.

**We hope you find this useful.**





# FOREWORD

This survey was commissioned by BOPP to understand the challenges faced by charities when fundraising and taking donations.

## ABOUT BOPP

BOPP is a brand new Open Banking payment service that allows anyone with a UK bank account the ability to easily, seamlessly and securely pay anyone else with a UK bank account. The company behind BOPP, Agitate, is regulated in the UK by the Financial Conduct Authority.

Open Banking provides a brand new way to make digital payments that requires nothing more than a phone and a bank app (which most of the UK adult population have). This means that communication apps which we all use everyday, such as email, SMS and WhatsApp, can now be used to request and send payments securely with just a few clicks.

Open Banking also makes it possible to request donations via the use of QR codes. These QR codes can be used on electronic devices or in the physical world (e.g. on posters, stickers, etc). This flexibility allows charities to be very creative in how campaigns are designed and implemented.

Open Banking is disrupting the payments industry and bringing much needed competition to the digital payments sector resulting in lower fees for all.

We built BOPP for everyone to use, but we have a particular wish to support the UK charity sector. We commissioned this survey to help us learn more about the concerns and challenges facing charities today.

## OUR BACKGROUND

As well as launching BOPP we try to help out where we can in our small way. In 2020 we were approached by NHSx to contribute into a project aimed at better mapping the spread of COVID (via our INK C-19 COVID tracking app). We also built InkPass to alleviate the administrative burden for small business and venues in collecting visitor information required for Test & Trace requirements, which has been adopted across a broad range of sectors.



**We hope you find these results interesting. If you have any further questions about our research or would like to know more about how to use BOPP for your organisation, please contact us**

**[CONTACT US](#)**



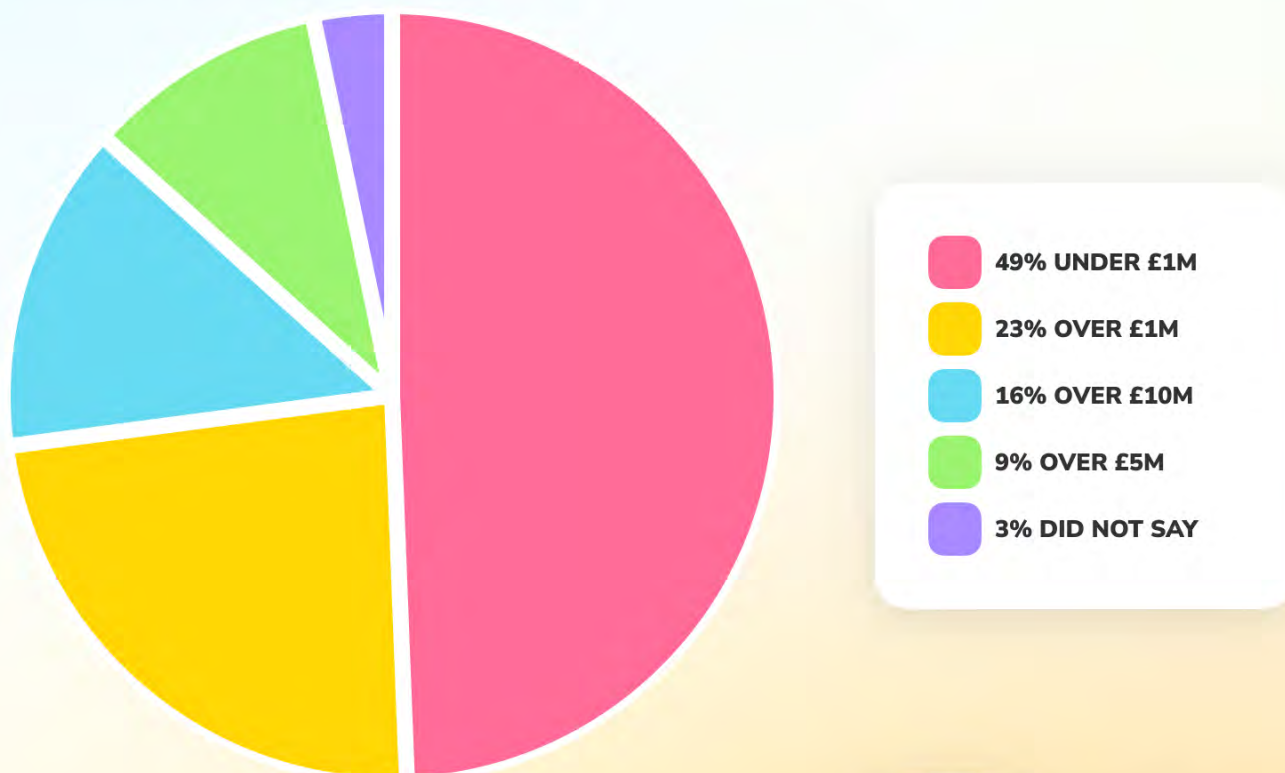




# THE RESPONDENTS

155 respondents participated in the survey, representing many different sectors and organisation sizes:

## WHAT IS THE ANNUAL REVENUE OF YOUR ORGANISATION?



We also had a broad range of roles in those that participated

events  
engagement chief  
director senior development  
lead fundraiser operations head  
community manager giving  
treasurer individual chair  
fundraising trustee officer  
philanthropy digital executive  
finance CEO





# KEY FINDINGS

Here is a summary of the key takeaways from the research. In the following report we review these findings and consider the role that Open Banking can play in overcoming some of the key challenges and barriers faced by charities.

## STANDING OUT IN THE CROWD AND BEING INNOVATIVE

were considered the biggest fundraising challenges for charities.

Over

**65%**



of charities are worried about the declining use of cash and its impact on fundraising.

Over

**70%**



stated that offering a digital alternative to in-person cash donations is important or very important.

Over

**68%**



of respondents haven't heard of Open Banking as an alternative donation method.

## WHEN IT COMES TO USING TECHNOLOGY



**60%**

recognise weblinks as being important donation methods.



**40%**

recognise QR codes as being important donation methods.

## CAMPAIGN PERFORMANCE



considered it important to have easy and granular campaign performance measured against donation income





# THE TOP THREE BARRIERS TO ADOPTING NEW WAYS TO DONATE



**63%**

Cost concerns



**58%**

Lack of technology infrastructure



**52%**

Time

## MORE INSIGHTS

**55%**



of respondents stated that card fees take direct revenue that could be better spent on their cause.

**80%**



of respondents stated that the ability to capture donor details and consent to marketing was considered to be important or very important.

Just

**10%**



of respondents are happy with their existing donation methods.







# CHALLENGES FACING CHARITIES

There are 160,000 registered charities in the UK competing for funds, and being different and innovative to entice donations is a challenge.

Finding new ways to stand out with new campaigns, fresh ideas and the change in donor behaviour make the job of fundraising an ongoing mission.

New technology can support new and innovative ways to raise awareness and help convert this into donations. By including links to payments via QR codes on posters or within Paylinks in emails, you have the opportunity to transform the way you embed easy-to-use donation methods within your campaign ideas.





# THE DECLINING USE OF CASH

Over

# 65%



of charities are worried about the declining use of cash and its impact on fundraising.

We all know from our personal lives that finding cash for everyday incidentals is becoming more inconvenient as most in-person commercial payments have moved to contactless. To compound the problem, COVID has changed our perception of handling cash with the medical risks it can also pose.

Cash is awkward and requires time and effort to process. We also found it surprising that 76% of charities still accept cheques which incur some of the same inconveniences as cash. With thousands of local bank closures across the country, managing physical payments is a real challenge for charities.

With fewer people carrying cash, if there is no digital option then a willing donation may be lost.

While donations by card payment are a commonly used alternative, they do come with a hefty price to pay. High processing costs, transaction fees and equipment charges all directly erode the hard-earned funds raised. In addition, charities often get surprised by the level of chargebacks from card payments, most commonly relating to fraud (especially online).

Over

# 70%

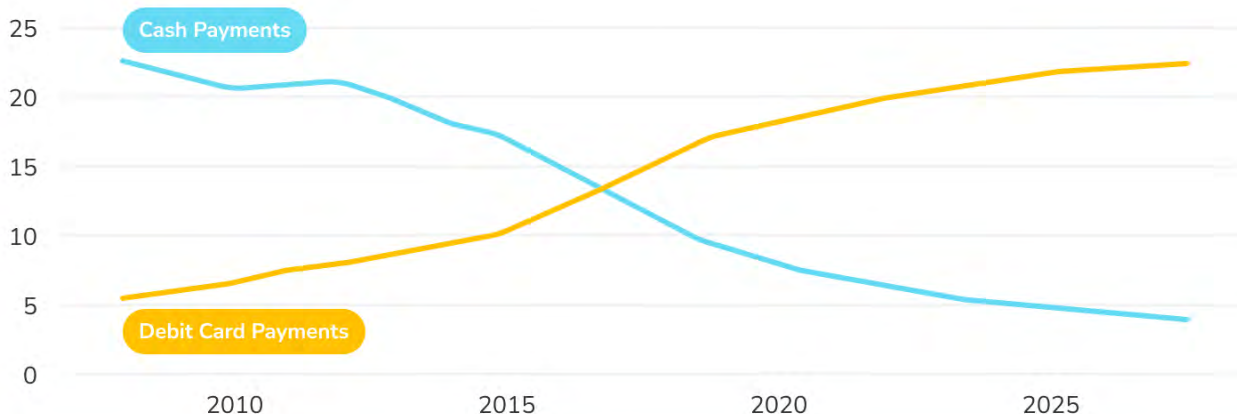


stated that offering a digital alternative to in-person cash donations is important or very important.

## CASH VERSUS DEBIT CARDS

Source: UK Finance

UK Payments 2008-2018 & Forecast to 2028 (£bn)





# OPEN BANKING AS AN ALTERNATIVE DONATION METHOD

Open Banking is a series of reforms which was driven by the Competition and Markets Authority (CMA) to promote competition in banking services. It came into force in January 2018. This initiative enables new ways of transferring money from bank to bank.

If you are not aware of Open Banking don't worry: you are not alone. Only 32% of respondents had heard of it and only 4% were currently using it or looking to implement it in their charity.

With Open Banking technology, the communication tools that we all use everyday, such as email, messages and QR codes, can now be used to ask for money and make payments securely with a few clicks.

BOPP is an Open Banking payment platform which uses secure technology to make bank-to-bank payments easier, faster and more cost effective.

So where changing donor behaviour is considered a real challenge when fundraising, providing more cost effective digital payments solutions can really help charities.



## HOW DO OPEN BANKING PAYMENTS WORK?

Next time you are working on a fundraising appeal and want to ask for donations, you can simply create a Paylink and insert it into your email.

The donor clicks on the link which opens their banking app on their phone, all the information regarding the donation request is displayed, including the charity's bank details. If you want to request a fixed amount this will also be displayed, or you can let the donor decide how much they want to give. The donor simply authorises the payment within the security of their own banking app. No time-consuming and fiddly card details to enter, just a quick click and then done. The money goes from their bank account to yours within seconds. No BOPP app is required to make a payment.

This account-to-account settlement cuts out the middlemen required for card payments which means getting funds faster and lower fees.

Paylinks can be used in your email campaigns, on social media posts or shared via messaging apps like SMS and WhatsApp.

Each Paylink can have its own reference, so you can see how much income is generated by each message and channel in your campaign.





Over

# 60%



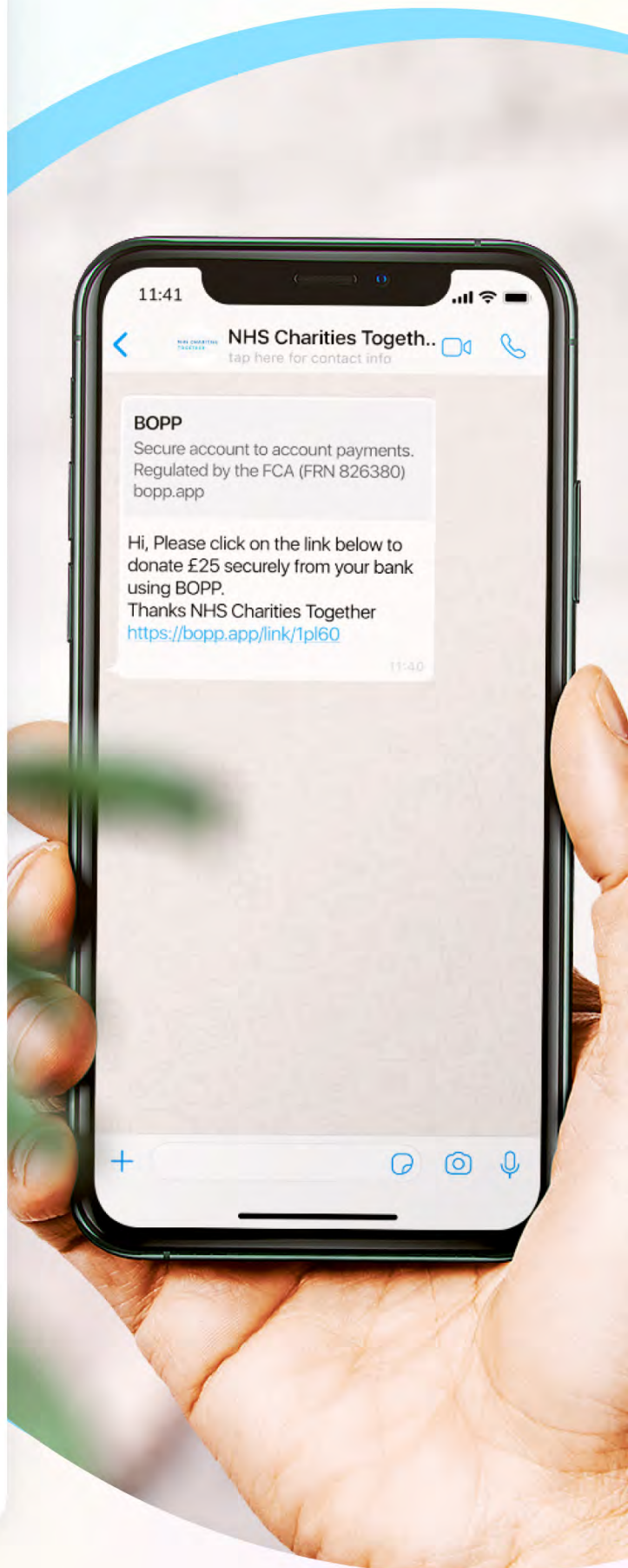
of charities considered donations  
by weblinks important

Donations by weblinks were considered important by more than half the participants, although the fees associated with payment card processing was considered as a real negative. With Open Banking, you are able to benefit from all of the convenience of accepting payments via a weblink, without the high transaction fees.

Everyone is aware of online security risks and ensuring that a weblink to make a payment is genuine is essential.

As a company regulated by the Financial Conduct Authority and registered on the Open Banking Directory, we must adhere to many requirements which cover online payment security and data protection. We have also added in extra security measures such as ensuring only accounts verified by banks are able to be used to generate Paylinks, meaning that all users of the BOPP platform can be confident the name shown in the pay request is bank-verified.

At BOPP, while we have all of the sophisticated and secure technology behind the scenes, we want to make using 'Paylinks' just as easy as clicking on any other weblink.





Over

# 40%



considered donations by QR codes  
as important

The UK has seen mass education and adoption of the use of QR codes due to COVID. However, many organisations aren't fully aware of the full potential of their use.

The impressive feature of QR codes is that they enable a seamless transition between the physical and digital worlds. QR codes can be printed out and placed anywhere, when scanned with a mobile phone camera, they open a weblink.

What this means is that, where once you may have sent donors to a landing page where they enter their card details, now you can send them directly to a secure payment request. They scan, they click to authorise payment and that's it, donation complete.

What's so game-changing about QR codes is that you can display them on posters, leaflets, t-shirts, stickers, TV screens and even on your charity collection tins.

Each QR code can have a unique identifier so you know which item or location generates the most income.



# TRACKING PERFORMANCE OF CAMPAIGNS

# 55%



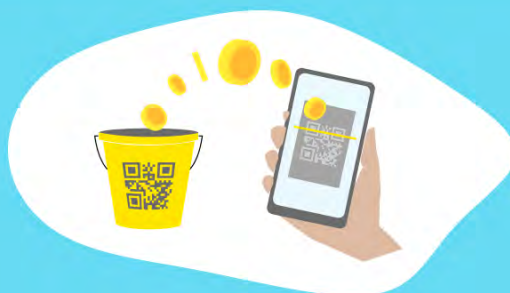
considered it important to have easy and granular campaign performance measured against donation income

How do you know where to invest your marketing budgets if you don't know which messages and channels are best at converting? The ability to analyse the performance of campaigns was highlighted as a concern for charities, which suggests that there is limited ability to achieve this currently.

With Open Banking digital payments this is easy. With BOPP every Paylink or QR code generated can be given a unique reference relating to where it is displayed, so every penny donated by that source can be tracked back. All data is viewable on our easy-to-use Dashboard.

One particular fundraising message on social media may generate £100 and another £1000, with the right level of transparency you have the insights to influence the success of your future campaigns.

See which fundraisers collect the most donations, identify which poster location generates most income and which advert performs best - the opportunities for insight are endless.



## BOPP it in the Bucket

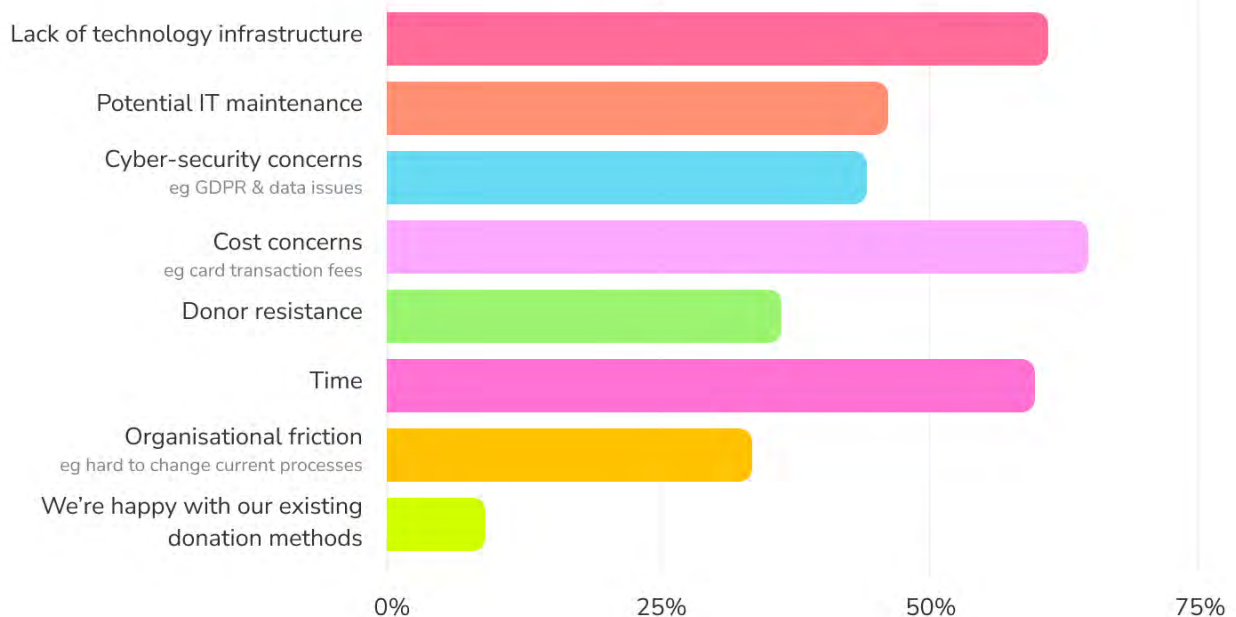
Have 10,000 charity collection buckets?  
Track every single one!

[FIND OUT MORE](#)



# BARRIERS TO ADOPTING NEW DONATION TOOLS


What do you think are the major barriers to your organisation adopting new ways to donate? (Please tick all that apply)



## THE TOP THREE BARRIERS WERE IDENTIFIED AS

£  
**63%**  
Cost concerns

  
**58%**  
Lack of technology infrastructure

  
**52%**  
Time



## COST CONCERNS

When you are raising funds for an important cause every penny counts, so it's no wonder that over half of respondents (55%) felt that the money spent on card fees could be better spent elsewhere.

### 36% of charities

ask donors to cover the processing fees, but would prefer not to. With the advances in payment technology now available, charities need to be looking at better and more cost effective ways of accepting donations.

Different payment methods have varying costs associated with them, including cash. However, as a guide, we know that card payments typically cost 1.5-3.0%, and other feature-rich donation platforms usually charge more.

In addition, for in-person collection there are many other extra costs such as the monthly rental of equipment, card readers, terminals, cash handling costs, people's time, etc.






It can sometimes be confusing trying to understand how percentages and per transaction costs translate into the actual fees paid. See below a comparison table of fees charged by some of the commonly used platforms.

# 55%



of respondents stated that card fees take direct revenue that could be better spend on their cause

Data based on a donation amount £10 with Gift Aid (Gross £12.50)

COST OF OTHER PROVIDERS	FEES	GIFT AID PROCESSING	FEE ON GIFT AID	£10,000	£100,000	£1,000,000
 Stripe	1.4% + 20p	No	n/a	£375	£3,750	£37,500
 Go Cardless	1% + 20p	No	n/a	£325	£3,250	£32,500
 JustGiving	1.9% + 20p	Yes	5% on Gift Aid	£515	£5,150	£51,150
 Virgin Money Giving	2% + 2.5%	Yes	0% on Gift Aid	£450	£4,500	£45,000
 BOPP	0.5%	Yes	0% on Gift Aid	£50	£500	£5,000

\*BOPP charge a minimum 5p and a maximum cap of 50p per transaction  
BOPP only charges on the net amount collected and 0% on the Gift Aid amount

## DATA COLLECTION

Data management was highlighted as a fundraising concern. As well as the GDPR requirements putting pressure on charities, it appears that many payment platforms either don't offer a facility to collect data for Gift Aid, or if they do they charge a hefty fee for the service.



At BOPP, we recognise the huge value that Gift Aid and email addresses for marketing provide to your organisation, and so we are making secure data capture a feature of our product, without taking a cut of your Gift Aid income. (Data collection is subject to donor consent and data sharing consent for each).



# TECHNOLOGY INFRASTRUCTURE AND TIME

Lack of technology infrastructure was stated by 58% of respondents as a barrier to adopting new donation methods. Plus, 52% stated time as being an issue.

The importance of easy to implement payment solutions is vital to help charities take full advantage of the new and cost effective donation tools available.

Just

# 10%



of respondents are happy with their existing donation methods

## 58%

Lack of technology infrastructure

## 52%

Time is an issue

BOPP was built with this in mind, that is why it can be used as a standalone product or integrated to existing systems.

And, in terms of the pressures on time, in the time it takes to make a cuppa, you can get set up on BOPP, generate a QR code, add it to your Facebook page and start collecting donations straight to your charity's bank account.

Almost every charity is unhappy with how they are currently collecting donations, which means the race to adopt new and convenient ways to accept payments is only just starting. Don't get left behind.





# SUMMARY

We are extremely grateful to all the respondents who participated in our survey. It is our intention to continue investing in on-going product and market research and development, as well as education, to ensure that the charity sector can access superior cost effective donation tools.

We know that adding new payment methods can sometimes be a tough decision due to the impact it has on time, IT systems and processes. We believe we have managed to remove many of these barriers as registering and using BOPP is so simple and quick with little or no impact on back end systems.

Our advice to anyone who wishes to see what BOPP can do for them is try it. We are more than happy to help any charity that wishes to learn how BOPP can be used for more effective and creative fundraising campaigns.



YOU CAN TRIAL BOPP FOR  
**free for 30 days**

We have no set-up fee and no contract term,  
plus have a wonderful support team available  
to help answer any questions.

**GET STARTED**



## EMAIL US

for more information at  
[help@bopp.io](mailto:help@bopp.io)



## WEBSITE

Visit the website at  
<https://bopp.io>



## BOOK A DEMO

Book a demo or meeting with  
one of our team using this  
[link](#)







## OVERVIEW OF BOPP

### FEATURES

Donations by Paylink	✓
Donations by QR code	✓
Customise donation amount	✓
Standalone or Integrated system	✓
Track Paylink and QR code performance	✓
Easy to use dashboard	Coming soon
Collect Gift Aid details	Coming soon
Collect marketing opt-in	Coming soon

### TIME

Time to set up	5 minutes
Time to create payment request	30 seconds

### COSTS

To take donations	0.5%
Collection of Gift Aid declaration and donor email	Free

Min. charge 5p, max 50p per transaction





**[www.bopp.io](http://www.bopp.io)**



**[hello@bopp.io](mailto:hello@bopp.io)**

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Agitate and BOPP are trading names of Mia Pago Limited, a company registered in England and Wales (No. 11263859). Mia Pago Ltd is regulated by the Financial Conduct Authority. Our Financial Services Register number is 826380.

