# Avoid pitfalls and encourage congregants to give online

## By Matt Murph

Churches are more saturated than ever with options available to execute online giving. It's almost as if you have to learn a second language just to make sense of it all. The information that this new technology requires includes discount rates, transaction fees, gateways and online security.

At first glance, implementing online giving at your church can seem overwhelming. But thousands of churches are already receiving the benefits of this technology. If these churches can use it effectively, so can yours. Here are some considerations to help you make online giving successful at your church, and a rundown of some common pitfalls.

### Successful online giving

**1. Awareness:** This may sound obvious but it is critical. Congregants must know that online giving is available to them as an option. If online giving is new to your church, tell congregants you now offer it during your service announcements. Also make sure to mention it in your worship bulletin.

**2. Ease of access:** You'll need to have a button or link on your church's Web site that clearly states "Online Giving." Don't hide and bury the path to online giving. At the same time, you don't want something that is obnoxious or too large either. Just follow the style of your navigation and links on your site. If you have a member section on your site (via login), make sure your Web visitors know you offer online giving without having to login to a member area.

**3. Drive traffic:** Once you've made people aware and online giving is easily accessible, you must continue to drive traffic to your church's site. For example, if your church is having a picnic after the services next week, let your congregation know that there is more information on the Web site. Continuing to drive traffic will reinforce awareness and ease of access.

**4. Make it personal:** If the first link a Web user sees about online giving launches them into a complicated form to take their name and payment information, it can come across as cold and impersonal. Presenting a form immediately can make your church appear money-hungry and may not instill confidence in congregants. Have a page on your site that discusses giving in general. It might even be helpful to mention what your denomination believes about giving. And make it clear up-front the steps you have taken to ensure security.

**5. Make it easy:** Imagine wanting to donate online and then being presented with a Web form with 20 fields to fill out. This is too much work for congregants looking for an easy and accessible way to contribute. Studies show the more complicated a Web form, the less people will complete it. Many churches make this part of the process needlessly difficult. Don't ask for information that isn't critical. Pre-populate every field you can; if your church is in Denver, CO, have that information already filled out. Also, make your form easy to read and fill out.

While it's important to be equipped with ways to make online giving more successful, it's equally as necessary to consider the pitfalls that hamper that success.



Example Church Website — Manager Screen Shots
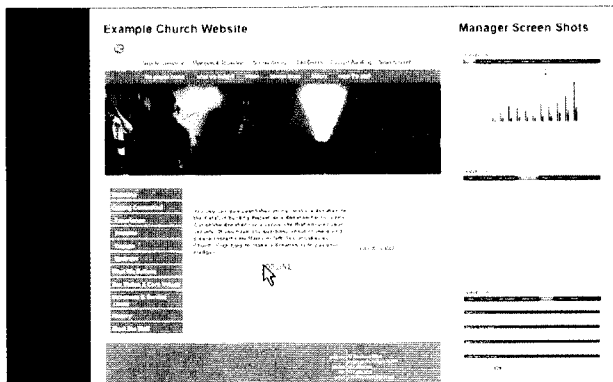
### Online giving difficulties

**1. Bad merchant account rates:** Assuming you aren't throwing away money in high application and monthly fees, the most important cost to consider with online giving is the percentage you lose on each transaction. Merchant accounts call this the discount rate, and third-party processors like PayPal call it a transaction fee. It's important that you aren't in a contract where you automatically loose too much off the top. A good account contract should let you process at a rate close to 2 percent plus 25 cents per online transaction. Any more than that and you may be losing too much money off the top.

**2. High service/transaction fees:** If you are using an online giving service, make sure they aren't taking a percentage or fixed amount on top of what your processing merchant account is already taking from each transaction. The last thing you need >>

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is three and four companies receiving extra funds that should be going to your church. If you are going to maximize your bottom line, it's paramount to minimize the amount of fees.

**3. Per-user fees:** Online giving can become costly if you are the victim of per-user fees. You shouldn't have to pay more just because you have more. Growth should be synergistic, not costly.

**4. Start-up fees:** Banks may call it application fees. Service providers may call it start up fees. Gateways might call it activation fees. Simply put, this is money out of pocket before you have accepted a single dime. If you do your homework, your church shouldn't have to pay anything at all. Start-up fees are there for pocket profit, and to create a "sunk-cost" with your church. Being susceptible to the sunk-cost model might make you feel like you are locked into a solution that isn't right for your church. It will promote the mindset that if you've already paid $500 to companies X, Y and Z, you have to stay the course.

**5. Contracts:** Watch the contracts. There are plenty of questions to ask. Are you locked in for a certain time period? What if online giving isn't working for your church, can you quit? Are the downgrade fees for rewards cards (non-qualified) more than 1

percent? Are the monthly minimums too high? When do you get the money? Do you have control of the money? Will the donor's bank statement read your church's name or someone else's? Are you on a disbursement schedule? If there are contracts to sign, read every line and ask questions as they arise.

Keep these tips in mind and pay attention to the details in order to make online giving safe and easy for your congregation. If your fees are low (primarily the per-transaction fees), and you have ownership of the funds, you should be in a good position to launch online giving. And do not hesitate to ask questions. Answers to your questions — all of them, even the small ones — will give you the information it takes to make a online giving a success for your church.

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