# Chicago-based companies get in on the business of online giving

By John Carpenter

At her 2013 gala fundraising event, which included a silent auction, Jayne Drew noticed people checking their phones as they sat down to dinner.

Rudeness? Certainly not to Drew, who couldn't have been happier.

"They were getting alerts that they'd been outbid, and entering new bids," said Drew, development director for GiGi's Playhouse, a Hoffman Estates-based organization that supports educational programs for people with Down syndrome.
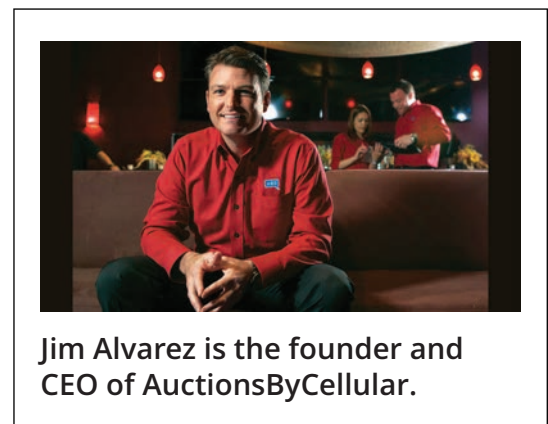
GiGi's Playhouse is a client of AuctionsByCellular, a Chicago-based startup that's among local companies working in the emerging space of online philanthropy.

Chicago-based startups such as GiveCentral, Zealous Good and GiveForward are among other companies that are innovating the way in which people give. That's happening as charitable giving, particularly online giving, continues to grow and as more givers are making their contributions on mobile devices.

Launched in 2011, AuctionsByCellular won a Chicago Innovation Award this year, and it has helped raise more than $140 million for non-profit customers,



**Jim Alvarez is the founder and CEO of AuctionsByCellular.**

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Executive Director,
Bolder Giving

CEO and founder Jim Alvarez said.

"We bring the silent auction onto your mobile device," Alvarez said. "We try to make the donor

experience more liberating."

Attendees at a charity event using the system get a text message after they sign in. That leads them to their personal bidding page, loaded with items for sale. They also receive instant notifications when they've been outbid, and they can place a new bid directly from their phone.

Drew said she considers this the key to boosting donations for her organization.

How she gets your unwanted items to the charities that need them

Zealous Good founder & CEO Brittany Martin Graunke on how her business streamlines donation services to non-profit groups.

"In the past people would make a bid, then move on," she said. "Unless you really competed for one particular item, you kind of forgot about it."

Other companies have built online fundraising platforms. GiveForward, launched in Chicago in 2008, lets users raise money for themselves or for people in need.

GiveCentral puts an array of functions including collection, fundraising and communications online. CEO Patrick Coleman, said digital tools aim to promote flexibility.

"It's an 'and' world, not an 'or' world," Coleman said. "Some people prefer email (requests from charities to donors). Others prefer



AuctionsByCellular works with various charities and nonprofits nationwide to organize events that try to maximize revenue in silent auctions, direct donations and live auctions.

a phone call or a letter."

Coleman emphasized that platforms like his give users access to their "donor portal" when it's convenient to them.

"People are doing a lot of activity when they have a few moments to relax," he said.

Steve MacLaughlin, director of product management for Blackbaud, a South Carolina-based fundraising consultant, said online giving remains a small percentage of overall donations — about 10 percent — but that it's growing quickly. Charitable giving over the last 12 months was up by about 4 percent, but online grew at almost 13 percent, he said. MacLaughlin attributed the surge primarily to

the growing use of mobile devices.

MacLaughlin said he sees online charitable giving growth as more evolutionary than revolutionary, meaning successful companies take proven ideas and make them work better with technology.

Jason Franklin, executive director of Bolder Giving, who also teaches philanthropy at New York University, said the broad array of online communications channels presents a challenge to fundraisers. He spoke from the perspective of a charity, saying: "The challenge is: How do I share the right information and tell my story and generate excitement, when you hear from me so much more often?" ◼