

# Nonprofit Event Management- Business Models

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## Nonprofit sector in USA

- 1.58 million nonprofits were registered with the Internal Revenue Service (IRS) in 2011, an increase of 21.5 percent from 2001.
- An estimated \$836.9 billion was contributed to the U.S. economy by the nonprofit sector in 2011 (Excluding nonprofit institutions serving government or business), which made up 5.6 percent of the country's gross domestic product (GDP).
- In 2012, total private giving from individuals, foundations, and businesses was around \$316.23 billion for the first time since the recession started, an increase of nearly 4 percent from 2011.
- In 2011, almost 1 million organizations were classified as public charities, which represents three-fifths of all registered nonprofits.
- Close to 56.8 percent of reporting organizations were public charities in 2011. Accounting for more than three-quarters of revenues and expenses for the nonprofit sector, public charities reported \$1.59 trillion in revenues and \$1.50 trillion in expenses. Assets held by public charities account for more than three-fifths of the sector total.

Source: [The Urban Institute](#)

## Number and Finances of Reporting Public Charities by Subsector, 2011

			\$ Billion			Percent (%)		
	Number	%	Revenues	Expenses	Assets	Revenues	Expenses	Assets
All public charities	335,037	100	1,593.6	1,498.2	2,856.0	100	100	100
Arts, culture, and humanities	35,164	10.5	30.8	28.1	101.7	1.9	1.9	3.6
Education	58,568	17.5	269.2	243.8	851.4	16.9	16.3	29.8
Higher education	2,094	0.6	174.8	158.8	548.8	11	10.6	19.2
Other education	56,474	16.9	94.4	85	302.6	5.9	5.7	10.6
Environment and animals	15,110	4.5	14.9	13.4	36.3	0.9	0.9	1.3
Health	41,619	12.4	942.4	895.3	1,202.6	59.1	59.8	42.1
Hospitals and primary care facilities	7,308	2.2	798.5	758.4	973.3	50.1	50.6	34.1
Other healthcare	34,311	10.2	143.8	136.9	229.3	9.0	9.1	8.0
Human services	116,643	34.8	202.4	195.8	303.7	12.7	13.1	10.6
International and foreign affairs	7,007	2.1	28.9	28.1	30	1.8	1.9	1.1
Public and social benefits	39,415	11.8	91.4	81	300.1	5.7	5.4	10.5
Religion-related	21,511	6.4	13.8	12.6	30.2	0.9	0.8	1.1

## Steps in event management

### Before the event

1. Fundraising - which may involve one or more of the following types:
  1. Merchandising - Selling goods to raise fund. Organizations involved : [Cafepress](#), [SmartCause Digital](#)
  2. Donation - Donations for the events could also be raised through certain online sources like [Crowdrise](#)
2. Payment processing etc. - Certain bodies are present who work exclusively for non-profit organisation payment processing like [Blackbaud](#), [Moolah](#) and [BluePay](#)
3. Handling registration for the event
4. Accounts book-keeping
5. Creating event website and keeping it up-to-date like [nonprofitCMS](#) and [Dot Org Web Works](#)
6. Recruitment of volunteers - companies like [Bridgespan](#) and [Volunteer Match](#)
7. Marketing for the event - companies like [Cvent](#) and [Coulter Companies](#)

### During the event

1. Logistical support like food, accommodation, lighting, generators etc.
2. Timekeepers - companies like [Chronotrack](#)

### After the event

1. Accounting and auditing of records
2. Managing mailing list
3. Communication with participants
4. Communication with institution for which event was organized

## Mind map: Nonprofit Event Management

### Companies

Before the event								
S.No	Category	Companies						
1	Fundraising (Online fundraising software)	<a href="#">Kickstarter</a>	<a href="#">Gofundme</a>	<a href="#">Indiegogo</a>	<a href="#">YouCaring</a>	<a href="#">Crowdrise</a>	<a href="#">Causes</a>	<a href="#">Donors Choose</a>
		<a href="#">Razoo</a>	<a href="#">Buzzbnk</a>	<a href="#">Start Some Good</a>	<a href="#">Causevox</a>	<a href="#">Dojiggy</a>	<a href="#">Return on Change</a>	
2	Fundraising (Merchandizing)	<a href="#">Zazzle</a>	<a href="#">Cafepress</a>	<a href="#">Spreadshirt</a>	<a href="#">Printfection</a>	<a href="#">Win-Win Sportswear</a>	<a href="#">Charity-merchandise</a>	
3	Payment processing	<a href="#">Paypal</a>	<a href="#">WePay</a>	<a href="#">Bluepay</a>	<a href="#">GiftTool</a>	<a href="#">Click &amp; Pledge</a>	<a href="#">Qgiv</a>	<a href="#">MemberClicks</a>
		<a href="#">IATS</a>	<a href="#">Contribute</a>	<a href="#">Nonprofit Business Solutions</a>	<a href="#">Moolah</a>	<a href="#">Greater Giving</a>		
4	Handling registration for the event	<a href="#">Eventbrite</a>	<a href="#">Active Network, LLC</a>	<a href="#">Avecra</a>	<a href="#">Aptean</a>	<a href="#">Tendenci</a>	<a href="#">Fluitt Solutions</a>	
5	Accounts book-keeping	<a href="#">EisnerAmper</a>	<a href="#">Nonprofit Suite</a>	<a href="#">Renner &amp; Company</a>	<a href="#">Susan Matlack Jones &amp; Associates</a>			
6	Creating event website and keeping it up-to-date	<a href="#">Non-profit CMS</a>	<a href="#">Web Start Today</a>	<a href="#">Dot Org Webworks</a>				
7	Recruitment of volunteers	<a href="#">Volunteermatch</a>	<a href="#">Bridgespan</a>	<a href="#">The Data Bank</a>				
8	Marketing for the event	<a href="#">Constant Contact</a>	<a href="#">Cvent</a>	<a href="#">Coulter Companies</a>				
9	Donor management (CRM)	<a href="#">Zoho</a>	<a href="#">NationBuilder</a>	<a href="#">Salsa Labs</a>	<a href="#">SugarCRM</a>	<a href="#">vtiger</a>	<a href="#">Blackbaud</a>	<a href="#">Wild Apricot</a>
		<a href="#">NeonCRM</a>	<a href="#">CivicCRM</a>	<a href="#">Salesforce Foundation</a>	<a href="#">Donor Perfect</a>	<a href="#">Bloomerang</a>	<a href="#">Sumac</a>	<a href="#">Donor Tools</a>
		<a href="#">OrangeLeap</a>	<a href="#">A good Cloud</a>					
Event								
S.No	Category	Companies						
1	Logistical support like food, accommodation	<a href="#">Axis Global Systems</a>	<a href="#">OpenSpark</a>	<a href="#">Events Logistics Management</a>	<a href="#">MicroTek</a>			
2	Timekeepers	<a href="#">Chronotrack</a>	<a href="#">RFID Timing</a>					

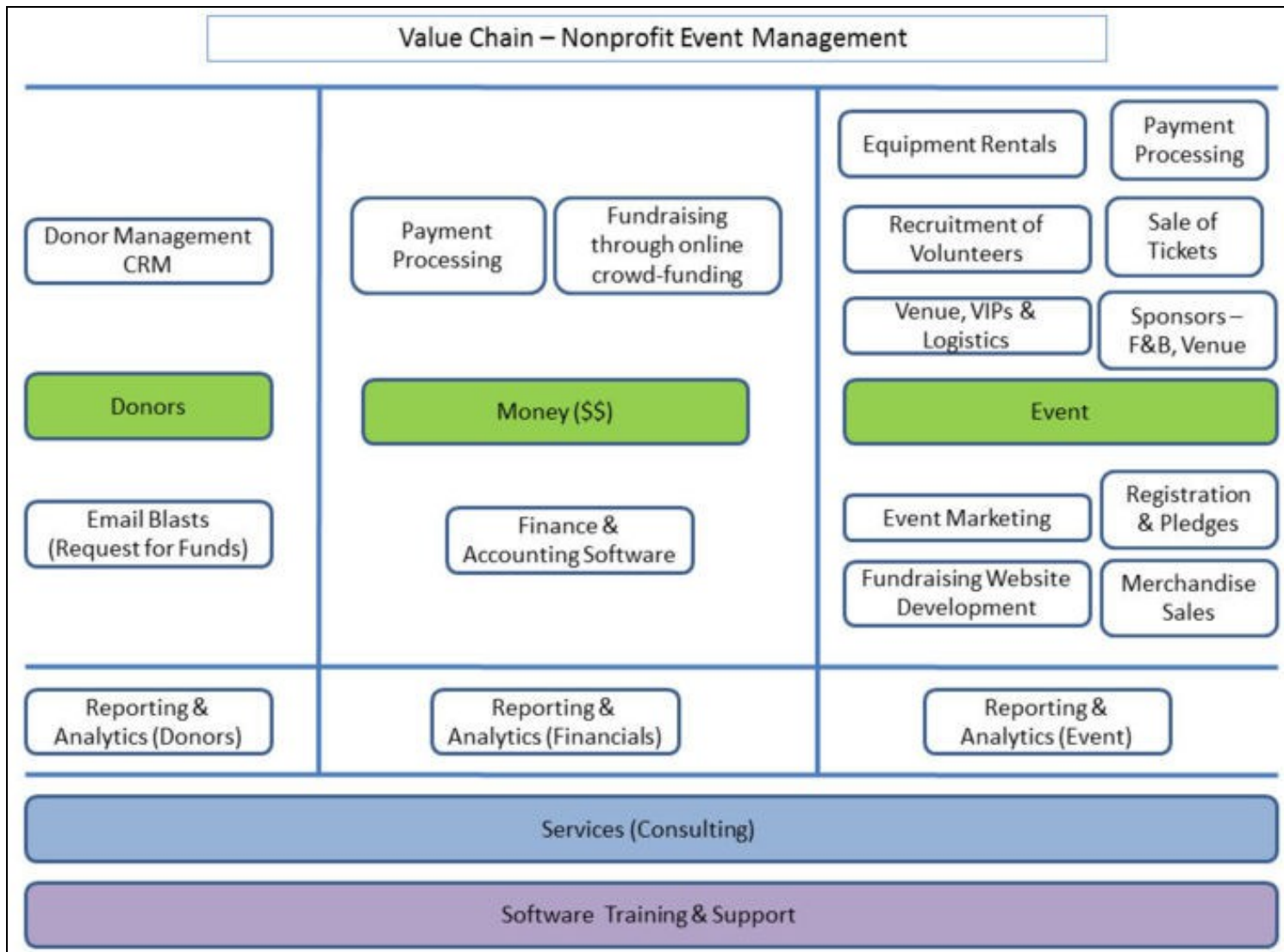
3	Event management companies	<a href="#">Constant Contact</a>	<a href="#">Event Brite</a>	<a href="#">Event</a>	<a href="#">Brown Paper Tickets</a>	<a href="#">RegOnline</a>	<a href="#">eTouches</a>	<a href="#">Ticketbud</a>
		<a href="#">Double Knot</a>	<a href="#">VolunteerHub</a>	<a href="#">Arts People</a>	<a href="#">Ungerboeck</a>	<a href="#">Your Membership</a>	<a href="#">Rotunda Software. LLC</a>	<a href="#">Memberclicks</a>
		<a href="#">Active Endurance</a>	<a href="#">Acteva</a>	<a href="#">Greatergiving</a>	<a href="#">Vision Event Management</a>	<a href="#">Pacific Sports LLC</a>	<a href="#">Indra PR</a>	
4	Event equipment rentals	<a href="#">Vision Event Management</a>						

**After the event**

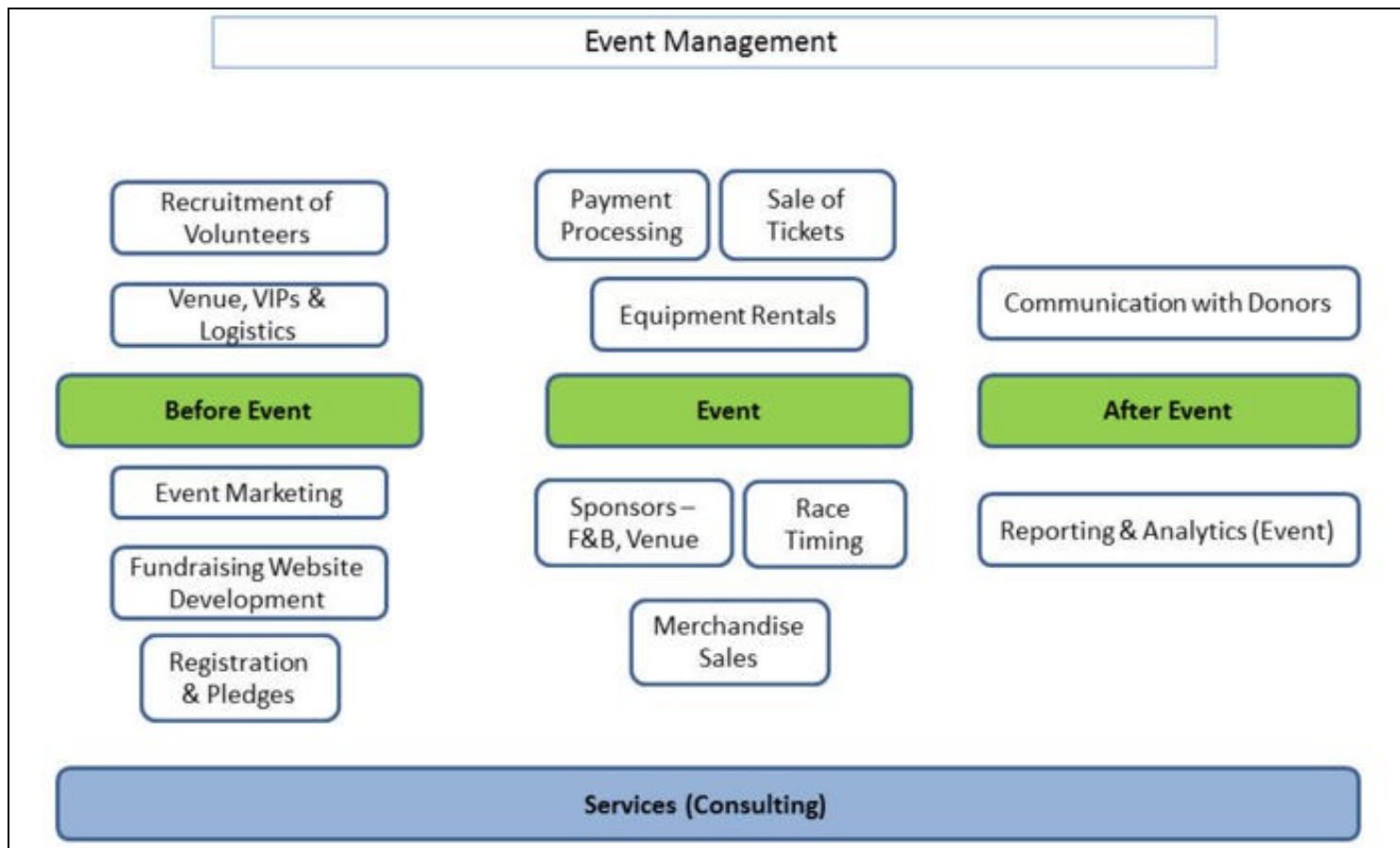
S.No	Category	Companies		
1	Accounting and auditing of records	<a href="#">Intacct</a>	<a href="#">AccuFund</a>	<a href="#">Abila</a>
2	Event results	<a href="#">SofTrek Corporation</a>		
3	Managing mailing list & Communication with participants	<a href="#">Nonprofit Business Solutions</a>	<a href="#">Ahern Donor Communications</a>	

## Business Models

### Value chain for nonprofit companies



## Value chain for event management



Value chain for event management

## Fee structure

Fundraising management software					
S.No	Company	Fee for using the software	Percentage of the fundraising dollars and transaction fees	Technical support and training	Custom Website Development
1	<a href="#">Dojiggy</a>	<a href="#">DoJiggy Pledge is a complete web-based registration and fundraising management system. \$449 annually for up to 100 event participants. This is a single event license. 100 Additional Registrant -\$169</a>	No	No	Yes (\$100/hour)
Fundraising through crowdfunding					
S.No	Company	Platform Fees are deducted from each donation	Payment processing charges	Monthly fees or setup costs	Custom Web page design
1	<a href="#">Gofundme</a>	<a href="#">Gofundme 5%</a>	<a href="#">Wepay 2.9% + \$0.30 per donation</a>	No	No
2	<a href="#">Indiegogo</a>	<a href="#">For nonprofit, reach your goal -3% don't reach your goal -6.75%</a>	<a href="#">3-5% for credit card or PayPal processing</a>	No	No
3	<a href="#">Giveforward</a>	<a href="#">5% per transaction</a>	<a href="#">2.9% + \$0.50</a>	No	No
4	<a href="#">Youcaring</a>	<a href="#">0%. Supported by thousands of contributors.</a>	<a href="#">2.9% + \$0.30 per transaction (+ 5% automatic "tip" for donors)</a>	No	No
5	<a href="#">Razoo</a>	<a href="#">4.9% transaction fee</a>	<a href="#">2.0% + 30¢ payment processing fee</a>	No	No
6	<a href="#">Stayclassy</a>	<a href="#">4% Transaction Fee</a>	<a href="#">2.2% + \$0.30 /transaction +1% for AMEX and +1% for International Transactions</a>	<a href="#">\$99/Month Subscription fee</a>	No
7	<a href="#">Network for Good</a>	<a href="#">3% Transaction Fee</a>	<a href="#">2.9% + \$0.30</a>	<a href="#">\$69.95/Month. No Set-Up Fees</a>	<a href="#">Custom webpage Design Fee: \$299</a>

8	<a href="#">Crowdrise</a>	<a href="#">Fee of 3%-5% of the funds</a>	<a href="#">2.9%+\$0.30 fee from each donation</a>	<a href="#">\$49/month</a>	No
Donor CRM software					
S.No	Company	Software modules subscription	Additional fee for users	Transaction fees (Payment processing)	
1	<a href="#">NeonCRM</a>	<a href="#">Up to two modules are included with the Standard NeonCRM monthly fee: Under 15,000 constituent records \$149/month. Each Additional Module: (Under 15,000 constituents) +\$40/month</a>	<a href="#">10 users can use at the same time. Additional users: \$50/month per 5 users.</a>		
2	<a href="#">SugarCRM</a>	<a href="#">Sugar Enterprise Edition - \$60 user/month</a>			
3	<a href="#">Zoho</a>	<a href="#">ENTERPRISE: \$35 /user /month</a>			
4	<a href="#">Salesforce Foundation</a>	<a href="#">Enterprise Edition: \$30 per user/per month * (billed annually) first 10 EE licenses are FREE</a>			
5	<a href="#">Blackbaud</a>	<a href="#">Fund Accounting Software (Financial Edge ESSENTIALS) -\$550/MONTH</a>	Unlimited users		
		<a href="#">Fundraising CRM (eTapestry ESSENTIALS) - \$199 /month 5,000 Records</a>	Unlimited users		
		<a href="#">The Raiser's Edge (online fundraising) - Unlimited records</a>	Unlimited users	<a href="#">4.95% and \$0.30 per transaction</a>	

### Crowdfunding platform business models

- **Commissions on funds raised:**

This is by far the most common of all in the crowdfunding space. It's easy to understand for fund raisers and is also risk-free for them. In fact it's risk-free because you're the one bearing the risk, as you need to pay for software and support without the certainty of earning anything back. In addition, commissions require high volumes to make any good amount of money. Whether it is a crowdfunding or crowdinvesting platform, both have commission-based business models where they take a percentage of the profits (typically 4 ? 7.5%) from every successfully funded campaign on their platform.

- **Listing fees:**

This one is more common on equity crowdfunding platforms, simply because the structure of the investment doesn't allow for commissions. They can be one-off or monthly. Their advantage is that you're guaranteed to earn these fees whatever happens. On the flip side, you won't benefit from a project's potential success.

- **Transaction fees:**

This is a middle-ground between commissions and listing fees. Every time someone makes an investment or a donation, you can add a non-refundable, fixed or variable transaction fee, paying for using the service. It's a little less popular but can prove effective in building sustainable revenues.

- **Additional services:**

Most fundraisers will need videos, pictures and marketing. Some will also need more specific services like order management and fulfillment. By offering such added-value services you can make your users' lives much easier and earn more money.

Source:[Towema](#)