WORLD FLIX
PROVIDING A DIGITAL MICRO-GRANTING PLATFORM
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DRAPER RICHARDS FOUNDATION SOCIAL ENTREPRENEURSHIP PROPOSAL

"The Internet has the ability to level the fundraising playing field between small and large nonprofits, and most importantly, include emerging issues that would otherwise fall below the radar of the entire sector."[i]

The mission of World Flix is to make it simple for people to donate to social programs worldwide. By achieving this with technology, video, and journalism, World Flix empowers the everyday citizen to make a profound difference in the quality of life for people in any nation. This is accomplished through the following objectives:

WORLD FLIX ORGANIZATIONAL OBJECTIVES
1. Advance democratic philanthropy through video-based micro-grantmaking;
2. Build a stronger, online donor community in support of small, basic need projects;
3. Enhance the sustainability and capacity of community-based-organizations projects; and
4. Integrate philanthropy into education to encourage active technology learning for youth.

Over 30 years ago, California advocates attempting to shelter victims of domestic violence were unable to solicit support from any public institution: medical, philanthropic, law enforcement or otherwise. With nowhere to turn, this group of advocates allocated their own resources to found the first domestic violence shelter. Following their pioneering efforts, an entire industry of advocacy emerged, saving the lives of countless children and their parents. In the current economic climate, providing financial resources to advance an emerging social issue seems almost impossible. Few foundations support start up nonprofits; and, few nonprofits take on unfunded programs in addition to their already under funded services. The potential activist has few opportunities in which to afford engaging in public service. Even within the nonprofit sector, few activists can undergo the extensive grant application and incorporation processes, thereby restricting charitable resources to the literate and the highly educated. Through a video-based funding process, World Flix makes history by innovating philanthropy and empowering an entirely new generation to fund their philanthropic endeavors.

> *The World Flix Model: By hosting videos of social programs from across the globe, World Flix provides a safe, online funding portal for donors (at any age or level) to review and watch over multiple, charitable programs in <u>real</u> <u>time</u>. World Flix provides a platform to contribute 100% of donor funds to charities, and utilizes a unique methodology for monitoring and evaluating projects: videos. With a video-based interim and final reporting process, World Flix enables users to watch videos during the implementation and "post project evaluation" phases.*

Targeting a global reach, World Flix can receive cell-phone videos from travelers, Peace Corps students, interns, children, and everyday citizens from any country to support a project. Unlike other charity websites like Facebook Causes, Global Giving, Guidestar, Change.org, Charity Navigator, Donors Choose, Network for Good, Helping.org and countless others, only World Flix offers commercial free giving of donor contributions (100%) utilizing videos throughout project implementation. Further, many of these other websites inform donors using random information resources: IRS 990 forms, Guidestar ratings, Charity Navigator fiscal profiles, etc. World Flix "shows" donors the actual people or projects involved and project completion. Eventually, the interface design will also integrate Google Earth to "show" regional areas served.

Because World Flix is an educational organization that utilizes the Internet to increase global inclusion of individuals in philanthropy, its approach is systemically targeted to impact the entire charitable sector. As in many

countries, nonprofits play a significant role in the United States economy, accounting for 5–10% of the country's Gross Domestic Product (GDP) and generating more than $1 trillion in annual revenue. While this amount is larger than the GDP of <u>all</u> but six countries in the world, it barely encompasses the industry's economic role in light of it representing 11% of the total U.S. workforce.[ii] The 2005 estimate of one volunteer hour at a nonprofit organization is $18.04 (Independent Sector, 2006).

To the nation's 2 million registered nonprofits, Americans donated a combined $295 billion in 2006, about 2% of the country's GDP. Of that amount, individual donations accounted for 75%.[iii] Since then, online giving is growing exponentially. Statistics from ePhilanthropy put the increase in online giving between 2000 and 2005 at 1700%, with $4.5 billion given online in 2005.[iv] For 2008, Blackbaud estimates that more than $15 billion was given online to U.S. charities alone, a 44% increase over 2007 estimates.[v] Despite challenging economic conditions and declines in other channels, online giving continues to grow in terms of dollars raised and as a percentage of total fundraising revenue. Consequently, World Flix represents a systemic approach to not only increase online giving but also increase access to it across all demographics including age, location, tax status, or literacy.

In assessment of benefits, nonprofits attract new donors online much more quickly than offline.[vi] As well, online fundraising is significantly more cost-effective than offline fundraising. Every $1 raised offline can cost a nonprofit up to $1.25 to generate; online, it can cost as little as $0.05 per $1 raised.[vii] With World Flix, posting a video for an online contribution is completely free.

A further benefit is the significant difference among the average age of donors who give online (39 years old) versus others (60 years or older), accessing the next generation of donors. Receiving online increases and diversifies agency membership as well. Lastly, on average, people give 15-20% more when using a credit card than when writing a check (Harrison-Walker and Williamson, 2000).

World Flix provides access to funding that establishes a unique, video-based infrastructure likened to the "digital global community foundation" to broaden the scope of inclusion in philanthropy. Similar to the Kiva model of micro-lending, World Flix bridges users to programs impacting basic needs but establishes "donors" rather than "lenders". It advances public awareness for social projects that would otherwise never have access to marketing or other social marketing resources. For example, World Flix has established relations with reindeer herders in Mongolia whose very survival depends on gaining access to vaccinations to prevent their reindeer from dying. Despite challenges with literacy, their cause can be championed via the simple access to video.

Further differentiated from Kiva, World Flix maintains a strong objective to build the sustainability of organizations and projects by providing ongoing educational resources in integrated media capacity building.

> *By the end of 2010 one third of all charitable giving will happen online.*[viii]
> *The average online gift was $122.10 for the first three months of 2009.*[ix]

With support of the Draper Richards Foundation, World Flix will launch three major divisions as follows:

1. Micro Granting: World Flix's main focus is to operate an online, video donor portal entitled "Flix It". *Flix It* develops a digital global community centered on pooling financial resources to support humanitarian projects. Online users can watch videos to review the scope of a project. Then, after choosing to give, they can participate further by watching videos during the implementation and the "post project" phases. Realistically, one donor may contribute to multiple projects simultaneously and be able to watch video footage (from their phone) that follows execution and completion – on a daily basis.

2. Capacity Building in Sustainability: World Flix's guiding framework for assisting community based organizations and emerging projects is basically to increase the volume and efficiency of donations. By including small donors (pooling resources), allocating 100% of funding contributed, and providing small projects with access to funding, World Flix increases the efficiency of the individual donor. Agencies are supported also via increased public awareness, and through access to integrated media technical assistance workshops.

3. Education & Philanthropy – Youth Social Entrepreneurship & Leadership Development:

As an intern-based organization, World Flix's largest constituency is college students. Uniquely, the organization progressively engages youth in its web design and review of projects. Bringing humanitarianism to youth and schools is a primary cornerstone of World Flix's philosophy of democratic philanthropy.

The principal long-range goal of the World Flix youth program is to inspire students to pursue careers in philanthropy, becoming life-long contributors to humanity. Consequently, World Flix plans to demonstrate that integrating education, philanthropy and technology can bridge the gap in humanitarian applications of knowledge.

World Flix youth programs systematically combine education with the *Flix It* program to motivate youth in charity. World Flix also aims to improve the quality of education by providing unique opportunities for faculty and students to apply their curriculum to real time implementation of social programs – witnessing their impact on others within one semester. World Flix relates its "messaging" to young people that their efforts make a difference – in a digital group, no one is too young or too insignificant to help someone else. *World Flix targets the launch of a video portal completely managed by youth (ages 10-17) in 2011.*

Implementation Plan: In year one (2009), in addition to web design, World Flix is focused on establishing its primary infrastructure to support development, marketing, technology, and general operations. World Flix's first year includes implementation of its systems of operations, protocols, and building the vetting process for micro-grantees. In year two (2010), World Flix will focus on expansion of its outreach to donors and recipient agencies internationally, advancing its collaboration with student exchange programs. In year three (2011), in addition to youth web development, World Flix will expand its outreach to serve hard-to-reach agencies and projects.

Results To Date: Founder/CEO Grant Mann has secured many of the primary components to establish infrastructure for World Flix. In collaboration with volunteers and the Board of Directors, she has established a full capacity office. World Flix is co-located at Compass Rose Media, the Emmy and Telly award winning integrated media company with state of the art video editing rooms. Ms. Mann has also established a comprehensive internship program, including students from U.C. Santa Cruz and Berkeley, San Jose State, and Stanford University. Ms. Mann has also assembled a volunteer technology team to develop the website (in process). World Flix is currently approving non-profit agencies to host videos for micro-granting.

Evaluation: Organizational outcomes will be measured via a 3-Year Evaluation Plan developed by two graduate students in collaboration with the Board. Utilizing student resources, World Flix will monitor its progress towards objectives through this established criteria for monitoring. Agency success will be measured according to milestones set for each organizational objective and program per quarter.

Global Scale: Since World Flix is designed to serve programs in the United States and abroad, the agency will implement a comprehensive marketing plan, which includes an aggressive online marketing and media strategy. A primary component of the World Flix strategy relies on the dense network of universities and the Peace Corps.

Financial Support: The World Flix development model has several strengths, which contribute to its long-range sustainability. Targeting an annual budget of $350,000, the organization will be supported by funding resources below including its online giving model – "World Flix Citizens". The Development Director is currently in the process of preparing a 3-year Development Plan. The Board of Directors' Development Advisory Committee is planning a series of cultivation events. Long range planning for earned income includes conference revenue and the launch of online product sales targeted at young users.

WORLD FLIX – PROJECTED REVENUE FY 2010/11

%	Type of Funding Source	Revenue
	Contributed Income:	$25,000
10%	▪ Major Donors	
19%	▪ World Flix Citizens[x]	$48,000
10%	▪ Business Sponsors	$25,000
32%	▪ Private Foundation	$80,000
20%	Government Income	$50,000
	Earned Income:	$5,000
2%	▪ Product sales	
7%	▪ Conference	$17,000
Total Annual Projected:		$250,000

[i] Nonprofit Organizations' Use of the Internet, Richard D. Waters, Nonprofit Management Leadership, vol. 18, no. 1, Fall 2007.
[ii] Anderson, C. The Long Tail: Why the Future of Business is Selling Less of More. Hyperion, New York, 2006.
[iii] Giving USA Foundation. Giving USA 2007. Center for Philanthropy at Indiana University, Indianapolis, IN, 2007.
[iv] Network for Good. The young and the generous: A study of $100 million in online giving to 23,000 charities. White paper, 2007.
[v] Giving USA Report for 2008 and Online Fundraising Estimates, June 10, 2009 by Steve MacLaughlin. http://forums.blackbaud.com
[vi] Flannery, H. and Harris, R. 2006 donorCentrics™ internet giving benchmarking analysis. Target Analysis Group and Donordigital, 2006.
[vii] Network for Good. The young and the generous: A study of $100 million in online giving to 23,000 charities. White paper, 2007. http://www.networkforgood.org/downloads/pdf
[viii] Innovation generation in charity promotional web sites: A suggested model and empirical test, Roger Bennett, London Metropolitan University, London, UK, 2006.
[ix] 2009 Online Giving Trends - Q1, Apr 02, 2009 by Steve MacLaughlin. http://forums.blackbaud.com/
[x] Funding model targets 200 students contributing $20/month to operations in fiscal year. Total figure based on anticipated support from the Draper Richards Foundation.