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## Nonprofits use online 'malls'

By [Chantal Todé](#)  
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While nonprofit organizations have long recognized the Web's ability to connect with supporters, e-commerce's role, if any, has been very small. This is starting to change as a growing number of organizations use online shopping malls to maintain their brand identity while incorporating some of the best practices in Internet retailing.

"Nonprofits already have an amazing fundraising machine in place," said Michael Harakal, founder and CEO of Sparhawk Corp., one of several companies that develops and supports online malls for nonprofits. "Our job is to educate them how to position affiliate marketing into their message."

Once they do, nonprofits have the potential to bring in an additional \$3 per supporter every year through a Web mall, Harakal said.

One of Sparhawk's latest clients is Students Against Destructive Decisions, which recently launched an online fundraising mall during its national conference in early July. The SADD mall has more than 400 retailers, including Gap, Target, Eddie Bauer and Staples.

Whereas other online malls such as iGive.com require contributors to go to a different Web site featuring numerous nonprofits, visitors to the SADD home page can click through to the SADD branded mall page.

"[Online malls] are a nice way of engaging supporters on a year-round basis," said Kimathi Marangu, EVP of business development and co-founder of Mall Networks Inc., which develops online malls for non-profits, financial services companies and airlines mileage programs.

Often, charities only reach out to supporters during an annual fundraising campaign and then disappear off the radar the rest of the year. An online mall provides a way for supporters to continue to support a charity while they're making everyday purchases, Marangu said.

In the past, online malls typically displayed an online directory of the merchants with which supporters could save. In contrast, the Mall Networks online mall for Epilepsy.com, for example, is updated everyday with new offers.

One strategy that Mall Networks, Lexington, MA, is employing is to coordinate promotions around certain gift-giving holidays such as Mother's Day that charities

can then send out in an e-mail blast to their supporters.

Mall Networks also powered Shop.org’s Cyber Monday site this past holiday season, which raised more than \$107,000 for the Ray M. Greenly Scholarship.

“What we brought to these sites is the full complement of shopping opportunities that was able to enhance the entire shopping experience,” Marangu said.

*Senior Editor Chantal Todé covers catalog and retail news and BTB marketing for DM News and DM News.com. Reach her at [chantal.tode@dmnews.com](mailto:chantal.tode@dmnews.com). To keep up with the latest developments in these areas, subscribe to our daily and weekly e-mail newsletters by visiting <http://www.dmnews.com/subscribe.php>*

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