

Contactless Card Donations: The Future of Giving, Now

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Overview

Part 1

Changing Landscape

- Collection Income Analysis
- UK Payment Market Summary
- Cash Machines
- Psychology of Giving

Part 2

Contactless in Your Parish

- Donation & Payment Terminals
- Case Studies
- FAQs
- Questions



Part 1: Changing Landscape



1.0 Collections: Vital Income

Where

- Occasional offices (weddings, baptisms, funerals)
- Services (offertory giving)
- Leisure

Perspective

- 3rd largest contributor to unrestricted parish income (only after planned giving, Gift Aid).
- Represents 10% of all parish income across our Diocese

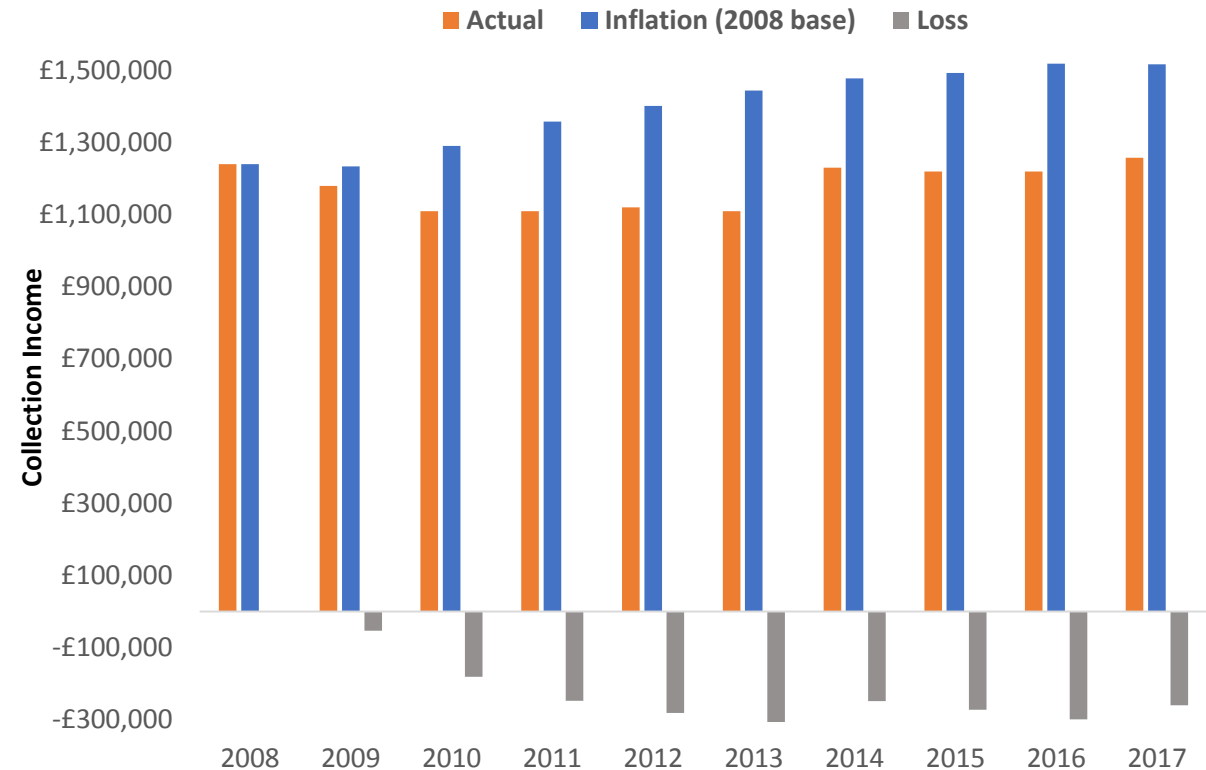


1.1 Total Collection Income 2008-2017

- 24% decrease in real terms income (£260k)
- Loss of £585 per parish

Why?

- Fewer people attending church
- Fewer occasional offices
- **Change in preferred payment method**



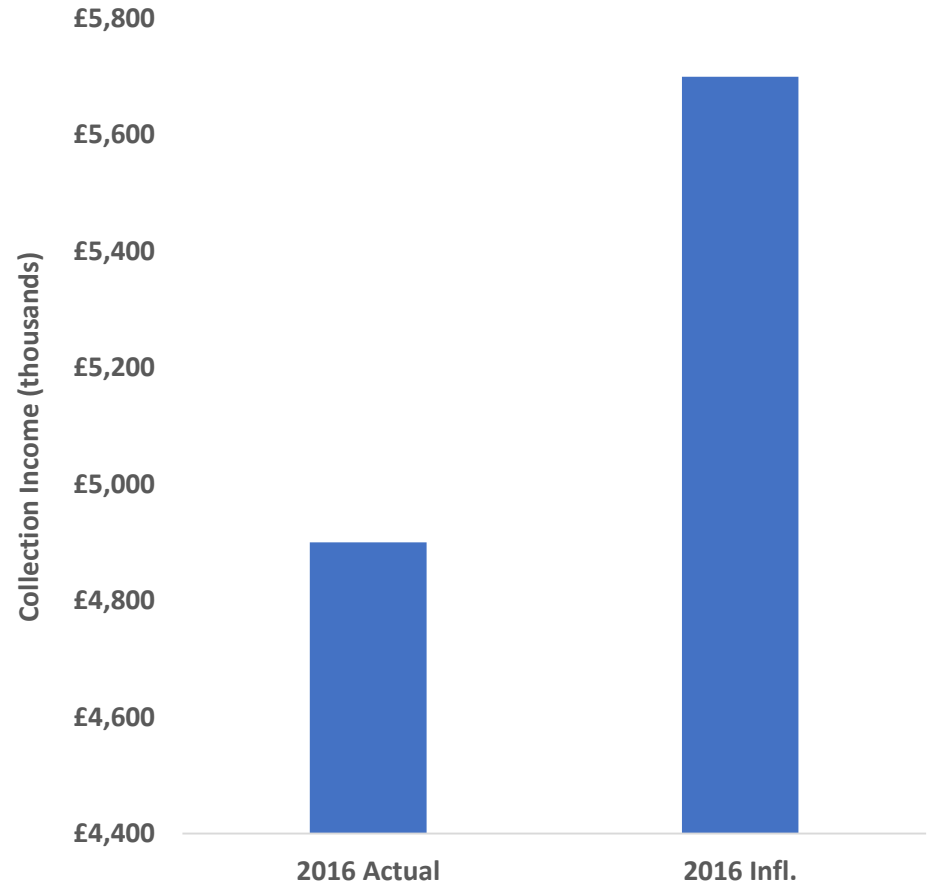
Source: Return of Parish Financial Accounts, 2008-2017.



1.2 Case Study: Diocese of London

- **Planned givers:** 29,200 (2007), 30,700 (2016)
- **Collection income :** £4.23m (2007), £4.9m (2016)
- **Rise with inflation:** £5.6m (2007 base)
- **Loss:** £0.8m

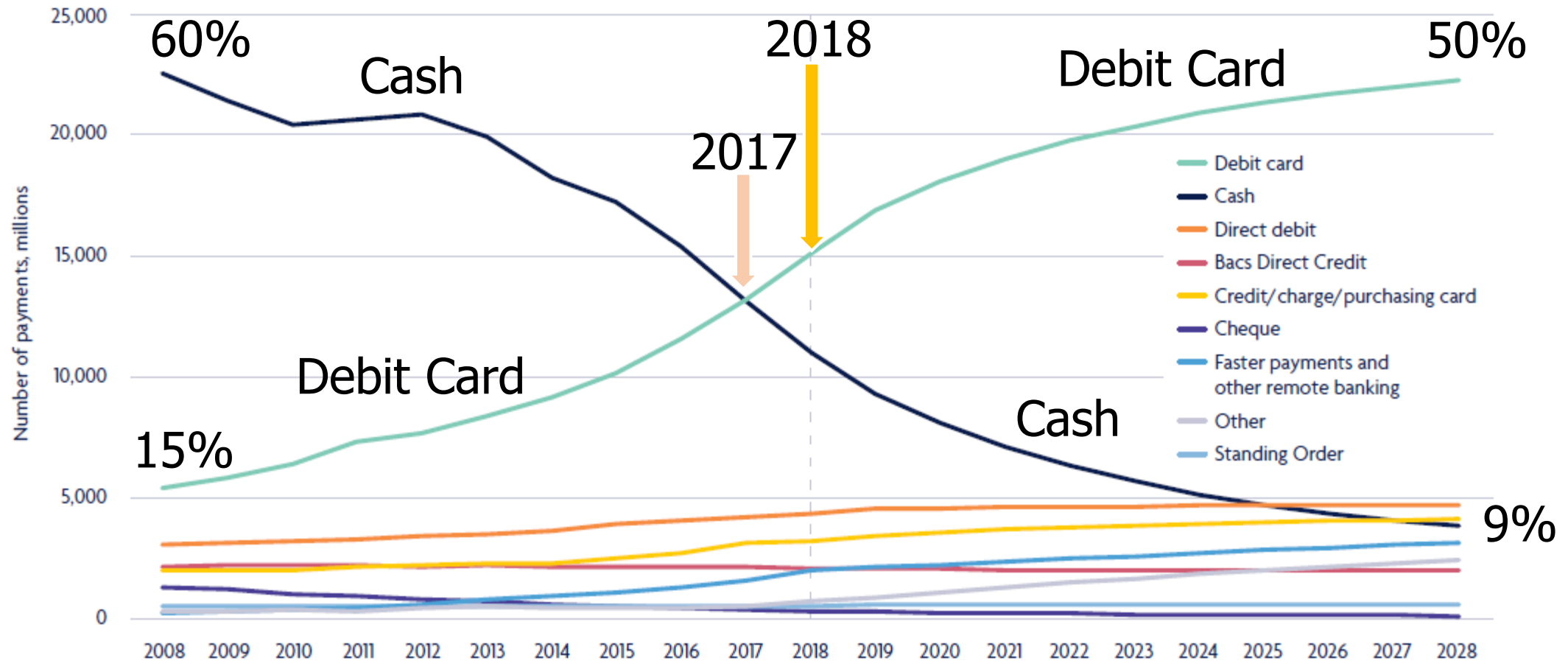
Collection income decreased despite planned givers and giving increasing



Source: Diocese of London Financial Returns, 2007-2016.



1.3 Market Driven Change



Source: UK Finance. 2019. UK Payments Market Summary 2019.



1.4 UK Payments Summary 2018

- 47% (2017: 37%) all payments made by card vs 28% by cash (2017: 34%)
- 19% all payments made via contactless, up from 15% in 2017
- Cash payments fallen from 60% share (2008) to 28% (2018). 2028 projection is 9%!

Reduced usage of cash will impact collection income.



1.5 UK Payments Summary 2018

- 69% of cardholders use contactless payments in UK

Demographics:

- Over 65s – 61% use contactless, up from 50% in 2017
- 25-34 – 83% use contactless

"5.4 million people almost exclusively rely on card and other payment methods"

U.K Finance (2019)

Source: UK Finance. 2019. UK Payments Market Summary 2019.

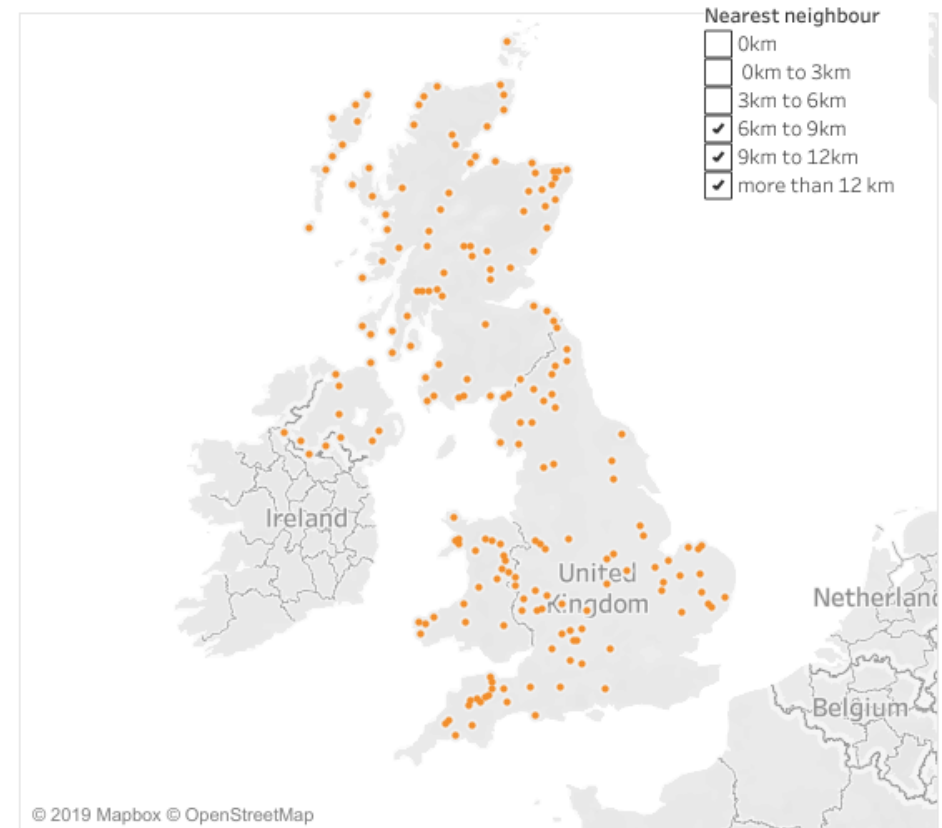


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1.6 Cash Machines

- 5 parishes within Suffolk are at least 6km away from the nearest cash machine
- 13 areas are at least 3km away from a cash machine
- 250-300 free to use cash machines closing per month across country

UK ATM provision April 2018



Source: <https://www.which.co.uk/news/2018/09/250-free-to-use-atm-machines-disappearing-every-month/>



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1.7 Psychology of Giving

- How we give influences how much we give
- Donations via card are often **two or three times** those made by cash

NSPCC

- Donors gave £3.07 by card compared to £1.00 in cash

Nationwide

- Donors gave £5.47 by card compared to £2.34 in cash



1.8 Summary

- Debit card transactions overtook cash in 2017
- Contactless cards now represent 19% of all transactions
- Over 2/3 people use contactless feature
- Free cash machines are closing at a rate of 250/month
- Donations are generally greater when given by card than cash

Increased card transactions > less ATMS > less cash > increased card transactions

We need to offer alternative donation platforms >> contactless.



Part 2: Contactless in Your Parish



2.0 How does it work?

1. Terminal reads chip on contactless card
2. Terminal transmits data to card-processing network (Visa or Mastercard)
3. Fraud analysis conducted
4. Issuer (bank) confirms card validity
5. Payment/donation received



2.1 Contactless Terminals

- Two types, two functions
- **Payment terminals** – used primarily to receive payment for goods or services
- **Donation terminals** – used exclusively for donations



Top: Sumup Air Card Reader
Bottom: iZettle Reader 2

Goodbox GBx Core + Podium



2.2 Payment Terminals



Sumup 3G Card Reader



Top: Sumup Air Card Reader
Bottom: iZettle Reader 2



Goodbox GBx Mini



2.3 Payment Terminals - Overview

- Price range £19 - >£100
- Contactless
- Chip & pin
- Battery operated
- Used to receive payment for goods, services, etc (flower festival, coffee morning).



Sumup 3G Card Reader

More information: <https://www.parishbuying.org.uk/categories/contactless-donations/attended-units>



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2.4 Payment Terminals - Overview

- Link to iOS or Android
- Double up as donation terminal
- GASDS eligible (donations only)
- Low transaction fees (1.1%-1.3%)
- No monthly fees



Sumup Air + Tablet + VISA Donation Box

More information: <https://www.parishbuying.org.uk/categories/contactless-donations/attended-units>



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2.5 Payment Terminals – Best for...

- Basic offering of card/contactless
- Receiving payments (shop, café, merchandise)
- Doubling up as donation terminal (need accompanying app and mobile/tablet connection)



Sumup Air + Tablet

More information: <https://www.parishbuying.org.uk/categories/contactless-donations/attended-units>



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2.6 Payment Terminals – Considerations

- Some models do not have inbuilt mobile connection (3G/4G)
- Low visibility (unattended donations)
- Non-personalised

More information: <https://www.parishbuying.org.uk/categories/contactless-donations/attended-units>



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2.7 Donation Terminals



Goodbox GBx Core + Podium



Goodbox GBx Core



Goodbox GBx Pro



Payter (LibertyPay)



2.8 Donation Terminals - Overview

- Price range £139 - >£1,000
- Only used for donations, cannot be used to process payments
- Portable (battery powered)
- Inbuilt mobile signal & Wifi compatibility
- Offline donations



Lavenham

Payter (Payacharity) + Donation Box



2.9 Donation Terminals – Overview

- Bespoke design
- Scalable donations
- Enhanced visibility
- Online portals
- Spread initial investment
- GASDS eligible (£30)



Goodbox GBx Podium



Goodbox GBx Core

More information: <https://www.parishbuying.org.uk/categories/contactless-donations/self-service-units>



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2.10 Donation Terminals – Best for...

- Maximising income from wider community (not only for the congregation!)
- Occasional offices
- Services at Advent, Christmas, Easter
- Visitor footfall
- Fundraising



Kesgrave

Payter (Data Developments)

More information: <https://www.parishbuying.org.uk/categories/contactless-donations/self-service-units>



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2.11 Donation Terminals – Considerations

- Cannot be used for payments
- Higher up-front costs
- Some suppliers charge monthly service fees



Goodplate & GBX Mini

More information: <https://www.parishbuying.org.uk/categories/contactless-donations/self-service-units>



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2.12 Case Study – Kesgrave

*"Back in October 2018, we purchased a contactless donation terminal for just under £360. Our terminal was pre-set to allow donations of £3, £5 or £10 and we launched near the end of November. Since that time donations of **£765** have been processed and the terminal has been **generally well received.**"*

Sally Wainman, Local Giving Adviser



2.13 Case Study – Kesgrave

Payter Terminal

- Receiving £125 month from contactless terminal
- Total income since purchase: £760

SumUp

- Gained £300 from flower festival
- £2 entrance fee + refreshments

*"On the Sum-Ups we **took over £300** over the course of 3 day Flower Festival...it has made **a huge difference** having contactless or chip & pin to offer."*

Sally Wainman



2.14 Case Study – Old Newton

*"...the contactless terminal **enabled** people who might have overspent elsewhere (refreshments, tombola) etc, to still give in the church itself....**we took £405 on the machine out of a total of just under £750"***

Valerie Godden, Churchwarden



2.15 Case Study – St Edmundsbury Cathedral

*"...[giving] increased by about £900 per month and to date we have raised in excess of £10,000. **This is new money** as the cash in our cash boxes remains stable...**I would recommend the use of this addition** to any organisation as we continue to be a cashless society..."*

Elizabeth Steele, Churchwarden



2.16 FAQs

- Is a faculty required?
- Isn't this a move towards a corporate church?
- How can we protect against theft?
- How do offline donations work?
- Does our church need Wifi?
- Does our church need a mobile signal?
- Are the transactions secure?
- How do we know if it is right for us?



2.17 Maximising Awareness

- Communication and awareness are key
- Display the unit where there is good access (maybe porch)
- Put on a table/platform so is at a good level to reach
- Design/create display that makes area stand out (show church projects, aims, etc)



2.18 Making a Decision

1. Get in touch with me (FAQs, guidance)
2. Use contactless calculator to illustrate income
3. Consider needs of your church
4. Consider array of suppliers on market
5. Purchase through correct channels to receive discount
6. Start bringing in crucial income for your church



2.19 Contactless Summary

- Overall collection income has **decreased** in our diocese
- Cash is **less readily available** and being used **less often**
- There is a **need** to keep up with technological change
- Income from contactless giving **does not replace** but **supplements cash income**
- Donations given via card are on average **greater** than cash
- Contactless terminals cater for **both small and large churches**



2.20 Key Documents

- Contactless donation income calculator
- Contactless FAQs
- Contactless supplier comparison
- Maximising contactless engagement

All resources can be found here:

<https://www.cofesuffolk.org/stewardship/contactless-giving>

Parish Buying:

<https://www.parishbuying.org.uk/categories/contactless-donations>



Thank you – Questions?

