

Crowdfunding 101

DAVE TINKER, CFRE, FAFP

“The beauty of crowdfunding
is not money but support
from like minded folks,
post-crowdfunding”

Marita Ann Enriquez

What we'll go over

- Define Crowdfunding
- Exercises
- Examples – the good, the bad and the ugly
- Costs
- Be SMART
- Videos and communication
- Spotlights
- Resources

Definition

Crowdfunding is the practice of raising money for a project (charitable or not) from a wide number of people.

History

- 1997 – British Rock band Marillion funds reunion tour
- 2000 – ArtistShare becomes first crowdfunding platform
- 2008 – Indiegogo launched
- 2009 – Kickstarter launched
- 2015 – 2,000 Crowdfunding sites

Game Show Time!

- Doing a search on Google for “Crowdfunding” how many results come back?
- 28,400,000 (source: [Google](#))



Game Show Time!

- Amount raised by crowdfunding platforms in 2015
- \$34.4 Billion (source: [Massolution](#))



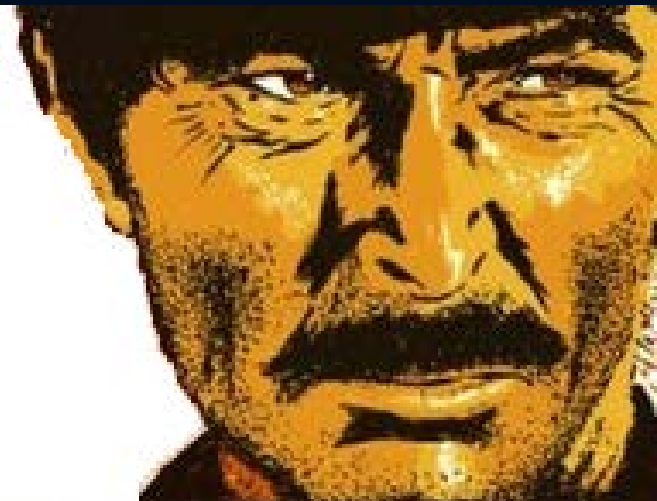
Game Show Time!

- How much was raised for potato salad on Kickstarter?
- \$55,492 (source: [Kickstarter](#))





**The
GOOD**



**The
UGLY**

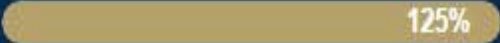


**The
BAD**

PMGC: Support Our Sound



\$10,050



Raised toward our \$8,000 Goal
133 Donors



PROJECT HAS ENDED

Project ended on April 09, at 12:59 AM EDT

> *Project Owners*



Share to Maximize
IMPACT



- Description
- Updates (3)
- Donor Wall

Our way of Thanking You



22

\$34,163 of \$35k goal



Raised by 64 people in 24 months

No Longer Accepting Donations

Share on Facebook

Created September 28, 2015



Amy Smith

Education

PITTSBURGH, PA

New Playground for Elroy Elementary

Share

Tweet

634 shares

Story

Updates 43



Recent Donations

KC \$1,500 Kohl's Cares 10 months ago (Offline Donation)

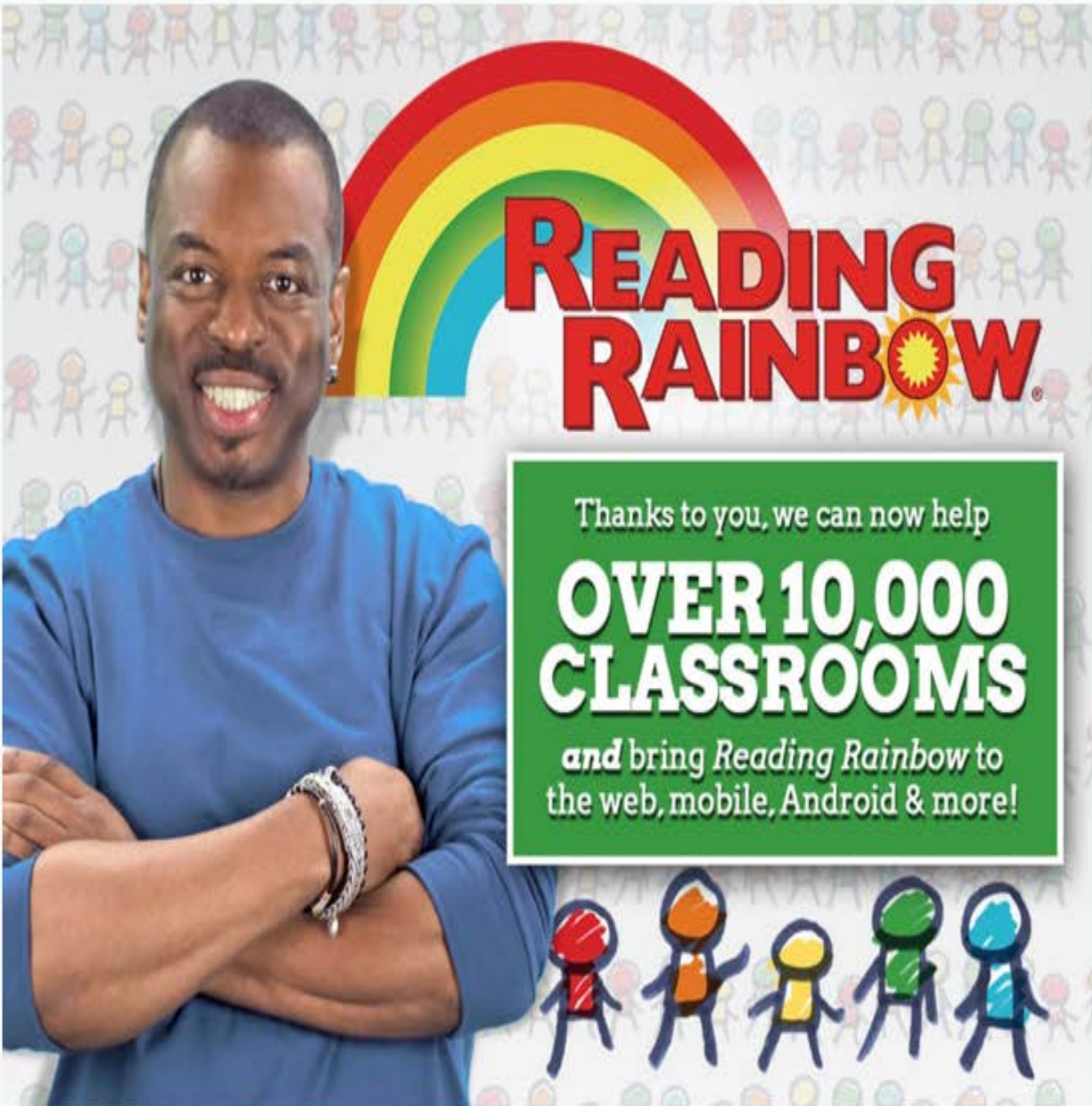
Share

EP \$2,601 Elroy PTA 10 months ago (Offline Donation)

Share

SH \$500 Slater's Funeral Home 10 months ago (Offline Donation)

Share



Bring Reading Rainbow's library of interactive books & video field trips to more platforms & provide free access to classrooms in need!

[Contribute Now!](#)

Created by
LeVar Burton &
Reading Rainbow



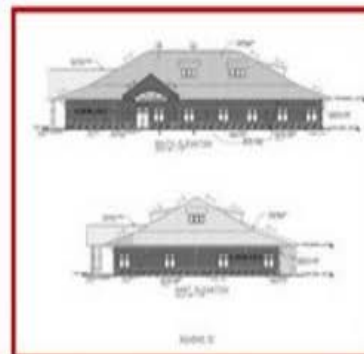
105,857 backers pledged \$5,408,916 to help bring this project to life.



Cedar Springs Public Library *Building for the Future*

We will build a Place with five times the space...

- To house a wide range of books and materials in an open environment conducive to study and learning
- Fully accessible to those with handicaps & disabilities
- With bathrooms for men, women & the handicapped
- With 3 study rooms for tutoring and small group study
- With appropriate areas for children, teens and adults
- For a 1,429 sq. ft. multipurpose room for expanded library programs and community use, with a kitchen
- For extensive connectivity, workstations, and seating



Our Cedar Springs Public Library will build with **YOUR** help!

For: Cedar Springs Public Library

Cedar Springs, MI

Organizer: Donna Clark

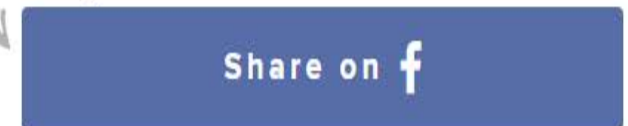
\$251

of \$750,000 goal.

Raised by 4 donors

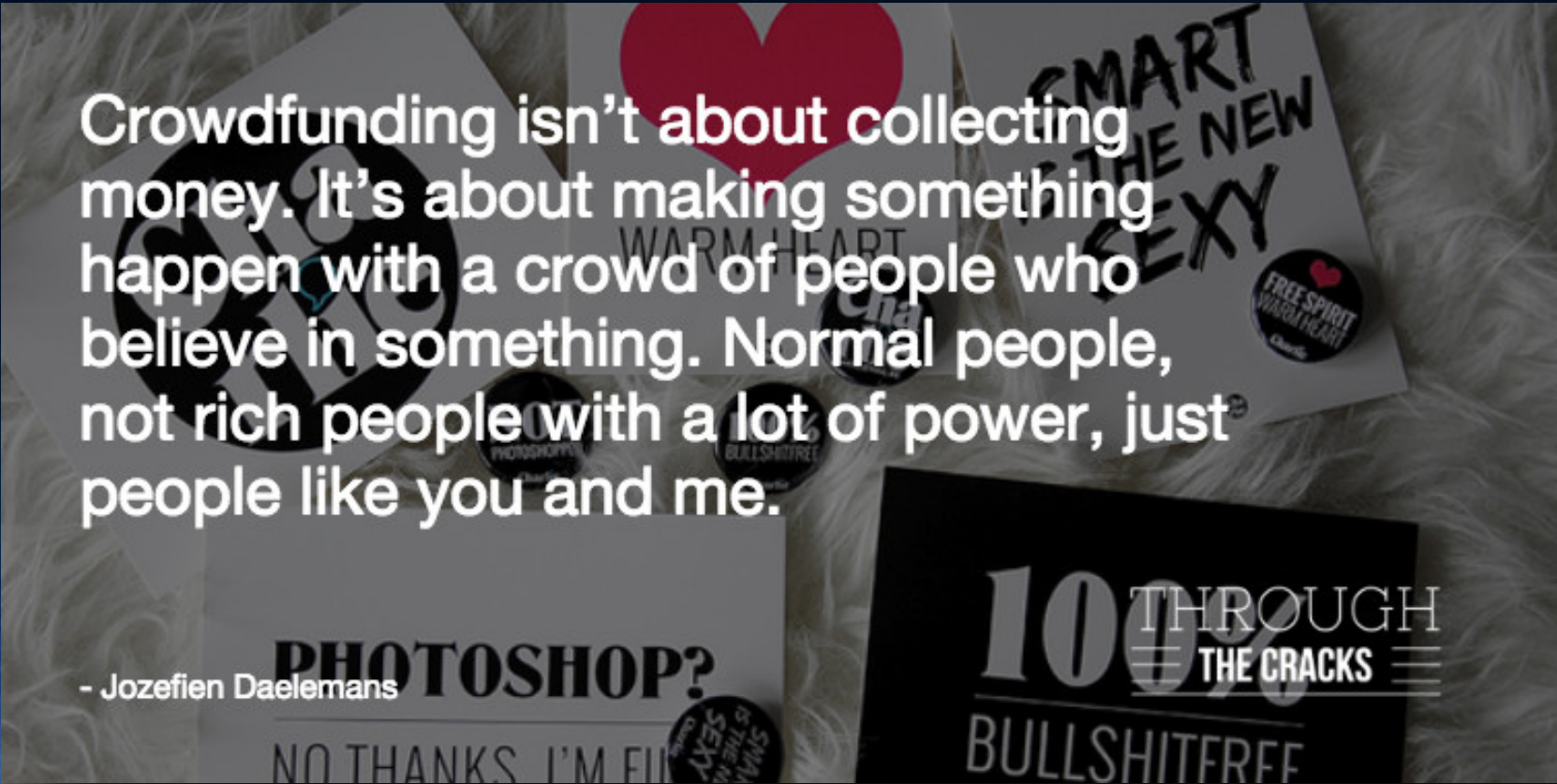


Every Share Can Raise \$37





Please help me and my family as we have exhausted all of our funds. We spent all of our money on lottery tickets (expecting to win the 1.5 billion) and are now in dire need of cash. With your small donation of at least \$1.00, a like and one share, I'm certain that we will be able to pick ourselves up from the trenches of this lost and spend another fortune trying to hit it big again! PLEASE, won't you help a family in need. DONATE NOW.



Crowdfunding isn't about collecting money. It's about making something happen with a crowd of people who believe in something. Normal people, not rich people with a lot of power, just people like you and me.

- Jozefien Daelemans

Be Smart

- Specific
- Measurable
- Attainable
- Relevant
- Timely

Costs

- Costs of platforms
 - 0%-20%
- Bank Fees
- Staff/consultant costs
- Private branded

Craft Your Story

- Donor-centric
 - Not about you or your organization
 - Connect the donor directly to the work
 - We and Us vs. You and Your
- Know your audience

Craft Your Story

- Issue Story
- Local Story
- People You Serve Story
- Behind the Scenes Story
- Innovation Story

Videos are Key

- You raise 4 times as much when campaigns are promoted by video (source: Mobilecause)
- Pictures vs. Video
- Don't need to be Scorsese

Exercise

- Crowdfunding appeal
- Work together
- Work individually
- Report back to group

Ongoing Communication

- Platform
 - Demonstrate Need
 - Demonstrate Use/Reporting
- Social Media, email
- Traditional Media

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Questions?



Thank you!

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Resources

- Association of Fundraising Professionals
 - <http://www.afpnet.org>
- Better Business Bureau
 - <http://www.bbb.org/us/Storage/113/Documents/b.pdf>
- Beth Kanter
 - www.bethkanter.org
- Causevox e-book
 - <http://resources.causevox.com/ebook/how-to-plan-a-nonprofit-crowdfunding-campaign>
- National Council of Nonprofits
 - <https://www.councilofnonprofits.org/tools-resources/crowdfunding-nonprofits>