

# CROWDFUNDING

If you have a project, turn to your crowd for funding, and ask them to help you make your project happen. Offer your crowd rewards as incentives, and bring them along for the ride. You need to meet your \$ goal by your deadline for the project to go ahead.

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## 1. Plan

You may think this is the boring part of a campaign, but it is the most important



**1) Idea** - What is your idea? Define it. Be succinct. Imagine you were in a elevator with a potential pledger and you only had 60sec to pitch to them. What *exactly* would you say to them? What is the hook that piques their interest?

**2) Budget** - How much \$ do you need? You have to factor in cost of the project, rewards, success fees and credit card fees. We recommend starting with the project and rewards costs, and then adding the 8% for fees.

**3) Length** - How long will your project go for? We recommend between 30 - 45 days. Longer projects require more time spent promoting, but they give you more time to raise awareness (and \$\$). Shorter projects aren't promoted as long, but do create a sense of urgency to raise funds quickly.

**4) Team** - Who is your team? A team runs the campaign. Identify the set of skills within your team. For example, who is good on the phone? Who can create a killer pitch video? Who has the largest network? Who is a social media maven?

**5) Crowd** - Who in your crowd will help you? A crowd is made up of pledgers or people who can connect you to pledgers. Everybody in your team has a crowd. No matter how big or small. List the friends and family of each individual team member. This is who they will ask to pledge first.

**6) Marketing & Promo** - How will you get people to pledge? Identify a strategy for each communication channel - it can just be a one liner.

The next few sections will help you flesh out some of the finer details.

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## 2. Pitch



Everything on your project page must turn an apathetic person into a pledger, starting with your description:

**1) Text** - Explain your idea. Keep it short. Give a brief synopsis of the project, why your project is vital, how you will create change, why you need the money and what you will use the money for. The synopsis must contain a hook, what makes the project unique or interesting.

2) **Photo** - Boost your synopsis with images. Remember that old saying “An image says a thousand words.” If you can replace a thousand words with a single image, do it.

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## Rewards



Rewards drive people to pledge, and honour those who do pledge. People want to support you, but a reward should inspire them to open their wallets and pledge.

*Remember:* Rewards should depend on the amount pledged. For example, a \$5 pledge could be a simple thank you, but a \$1000 should be an experience that only you could deliver.

1) **Warm Fuzzies** - A low cost reward that makes pledgers feel warm and fuzzy inside. For example, postcard, thank you note, shout out, mention in the credits of your film or the liner notes of your album will do. Make sure it is personalized to them. Not a generic cut/paste.

**e.g.** Kiwi artist Max Bellamy wrote his/her pledger’s names in the Sweden snow. (OK, this one is more like a cold fuzzy! ....)

2) **Gifts** - A gift might not cost you much money to make, but it'll hold tremendous value for pledgers. The fact that they can hold the reward in their hands makes the connection between project & pledger all the more real. The trick with gifts is low cost, high return. The gift doesn't have to be directly related to the project.

**e.g.** [Motueka Community Garden](#) gave beautiful bouquets of flowers as rewards. [Tattletale Saints](#) and [The Feast](#) gave totebags.

3) **Outputs** - Offer what you're making/crowdfunding for as a reward. It sounds like a no brainer, but you have to actually offer what you're making as a reward. You might be crowdfunding for a play, but it's critical to offer the opportunity to come and see the play as a reward. The output has to be directly related to the project.

**e.g.** Rust and Stardust gave cushions, Seasons Eating gave calendars, or even something simple, Ashei gave an album of cover songs.

4) **Experiences** - Anytime you meet directly with your pledgers face-to-face, it qualifies as an “experience”. The “experience” can be any experience that only you could deliver. Backstage passes, meet and greets, a song (or even a religion) dedicated to your pledgers totally count. Again, the trick with experience is low cost, high return.

**e.g.** [Uncle Berties Botanarium](#) offered a “dinner party extravaganza” with music provided by Lawrence Arabia, readings from Duncan Sarkies’ novel and a sketch souvenir from Stephen Templar plus the chance to meet the cast.

5) **Crowd sourced** - To really involve your crowd, ask them what they think is a fitting reward or better yet, ask them if they can offer any rewards!

e.g. Blueskin Energy asked their local community for rewards, and they responded with everything from blues and unicycle lessons through to home killing chickens as a reward.

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## Video



A killer pitch video is vital. You're 117% more likely to be funded if you have a video. This is your opportunity to talk directly to your crowd. They will *see* your passion. The way you light up when you talk about your idea. And that is what convinces them to pledge. Videos help you connect more directly to your audience. So what makes a good video?

**1) Transparency** - Be honest. What is the money for? Tell them. Talk to the camera as if it was a pledger. Be transparent. What are you going to do with money? Tell them. Don't be afraid to show your excitement or passion.

**2) Credibility** – To establish credibility, you need to show and tell your potential pledgers why your project is awesome and why you are awesome. Credibility is important because it makes pledgers feel confident and comfortable that their money is in good hands.

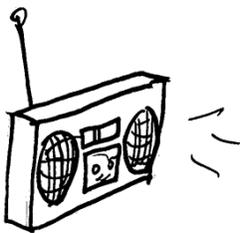
**3) Visuals** - To establish credibility, you need to use visuals. For example, if you're a filmmaker raising money for your film include footage of you calling the shots on set. It will create an indelible image in the mind of the pledger and shows them that you are for real.

**4) Call To Action** - At the end of the video, you need to be clear and ask people to pledge. Give them very simply, easy-to-follow instructions. But it's vital that you ask, politely.

**5) Point of Difference** - Find one way of making your pitch video look different from the rest. For example, your pitch video could be special effects driven or a stop motion animation. It doesn't have to be that complicated. Keep it short, sweet and simple.

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## 3. Promo



*“Don't be afraid to throw your PledgeMe page out there...at anyone. You have nothing to lose by telling people about it and you'd be surprised at the amount and variety of people that are interested and will contribute.”*

What matters in crowdfunding is your ability to convince your crowd to pledge. OK. We know that sounds obvious, but it truly is half the battle. We all have crowds. We have friends, family and fans who can pledge. The challenge is *how* you convince your crowd to pledge. The wrong way is to send the same copy/paste generic message to all your Facebook contacts. The right way is to post human, engaging and quirky updates about our progress on your Facebook profile. That's just one example. Don't do the “hard sell”, but invite your crowd to participate. Here are some ways to get your crowd involved:

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# Directly

**1) Pledge Drive:** This is when your crowdfunding team comes together for a limited time in the same room with the goal of raising enough money to reach (all of or part of) your funding goal. Think it like a good ol' fashioned telethon. Only your team is using a plethora of 21st century communication tools. Make sure they have plenty of food, water and wifi! We believe the combination of a limited timeframe, close proximity and funding goal is an excellent motivator. And fun! It motivates your team to perform better than if they worked independently.

**2) Email:** The power of your words – Email 20-30 close friends and family. Be personal. We recommend that you send the emails to 20-30 people separately. It must be personalized to them. It cannot be the same generic copy/paste email message. Ask them to support you by pledging whatever they can afford. Teach them *how* to share your project. Telling a neighbour about your project is just as good as a share on Facebook, if Facebook isn't their thing.



**3) Phone:** The power of your voice - Ring 20-30 close friends and family. The phone is powerful because it's hard to say no on the phone, especially the person knows you and your phone manner is polite, warm and friendly. Don't apply any pressure. Be light and breezy. Don't ask "How's life?" "What have you been up to?" And then awkwardly segue into your pitch. You will be "that guy" who only asks when he wants something. Be honest about why you're calling up front.

**4) Skype & Google+ Hangouts:** A video chat is twice as powerful because they can hear your voice AND see your face. Skype is powerful given its popularity, Google+ Hangouts is powerful too. Its screenshare features allows you to demonstrate how to pledge. And you can record the video as a tutorial to send to those friends and family members who are not tech savvy.

**5) Text & IM:** Urgency - Text and IMs should be used sparingly. Remember that to receive a text or IM often results in an alert on the recipient's phone. This can be invasive. The recipient may look forward to receiving a text from you, but then get disappointed when they discover you're trying to "sell" something. You could choose to use text or IM as follow up to a phone conversation. When a friend or family member promised to pledge, send a text or IM as a reminder - but make it personal.

**6) Networking:** Attend events. Set up coffee dates. Go to parties. Whatever gets you in front of your crowd. Use the opportunity to tell people about your campaign. We find that the appropriate time to pitch is when somebody asks you "What have you been up to?" "What are you working on?" Keep your reply short and sweet. Don't bore them. Raise their curiosity enough so that they ask questions about your campaign. It's better to be asked about your campaign than to "sell" it.

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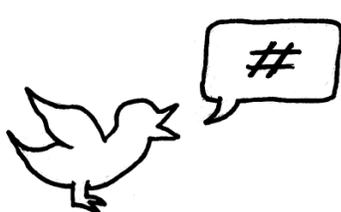
# Social Media



The purpose of using social media is to *tell the story* of your campaign. Tell the story of how you went from "WOA" to "GO"! However, to tell your story effectively using social media, we recommend that you create highly-

engaging content perfectly adapted to specific social media platforms. That is content tailor made for Facebook, Twitter and many more. Listed below are the many more possibilities. Some obvious possibilities. Some we hope to introduce to you. You don't need to use everything. Be strategic, but tell your story. Make it a journey. Don't spam.

**1) Facebook:** 80% of New Zealand's online population visit Facebook. New Zealand the highest proportion of the online population who visit Facebook compared to Australia (74%), the USA (69%) and the UK (68%). So, it makes sense to leverage New Zealand's most popular social network to promote your campaign. We believe that your personal profile is more valuable to your campaign than a dedicated Facebook page. Send personalized Facebook messages to your friends. Post updates to your campaign, post a link to your campaign from your Facebook profile.



**2) Twitter:** Due to the real time nature of Twitter, it's a powerful tool for creating urgency. Use it wisely at the start and end of your campaign. For example, at the start of your campaign, you can create buzz by tweeting/anticipating the launch of your campaign. The goal is to arouse enough curiosity about what you're launching and why you're launching it. Near the end of your campaign, remind your Twitter followers how much you still need to raise and how much time you have left. The feeling of "time is running out" may just convince that apathetic person to pledge at last minute.

**3) LinkedIn:** Post a link to your campaign from your LinkedIn profile in the same way you would on Facebook. The difference with LinkedIn is its professional community. So, you may emphasize how this campaign could move the needle on your career or emphasize why your campaign is attractive to entrepreneurs and business people. You could also target your campaign to specialized LinkedIn groups or particular companies. A fleshed out LinkedIn profile will quickly establish credibility and inspire those people who are not sure about you, to pledge.

**4) Instagram:** Gorgeous Instagram photos and videos are a great way of updating your crowd on your progress or showing your gratitude. Find a *visual* way of saying "Thanks!" Post a photo to your Instagram profile and says thanks to a group of pledgers. Or, post a photo via Instagram Direct, and say thanks to an individual pledger. Incorporate Instagram Direct into a high level reward. Or, use Instagram video to tell a story about how your idea will make a difference.

**5) Snapchat:** Snapchat gets laughed off as the "sexting" app, but it's the only app that almost guarantees attention. Because the recipient has mere seconds to view the photo or image, the recipient can't help but take a look. And Snapchat tells you if the recipient has opened the snap or not. Add text, filters or doodle on your snaps. Snaps are only temporary so this an opportunity to be silly or quirky. Or, use Snapchat stories to give your crowd exclusive updates.

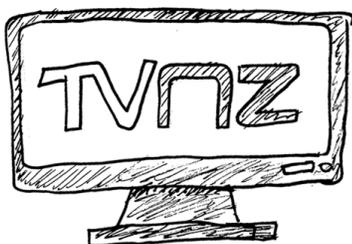
**6) Tumblr:** You could use Tumblr as a campaign blog. Post little pieces of content that tell the story of your campaign. Post funny animated .gifs. Post interviews with your team mates. Post links to media mentions. Post amusing anecdotes. Open up your ask box to start a dialogue with pledgers.

7) **Pinterest:** Pin your pitch video. Pin your rewards. Include link backs to your campaign to drive traffic from Pinterest to your campaign. Pin images that inspire you to do what you do best.

8) **Vine:** The six second loop videos you can post on Vine are the perfect way of creating and sharing anything from stop motion animation to short skits about your campaign.

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## **Media**



1) **Press Releases:** Your goal is to gain media attention and pick up from print, television and web outlets. For example, your local newspaper or ONE news runs a story on your campaign. The exposure from this media attention can increase your likelihood of gaining new pledges. Think of media as a giant lever. If you have a small crowd or you've successfully leveraged your crowd already, then you need to find a media outlet with a bigger crowd than you, and successfully leverage that. A good strategy is

to send targeted press releases to media outlets drawing attention to the parts of your campaign that would be interesting to that media outlet's target audience.

2) **Blogs:** Make friends with bloggers. You should consider creating an electronic press kit containing all the materials (high res images, great quotes and statistics) that make it easy for a blogger to *blog* about you. You want them to include a link to your campaign and/or embed your pitch video. A mention or shoutout on a blog is great, but the objective should be to drive more traffic and attention to the campaign, where people can pledge of course.