

LAUNCHT

CROWD FUNDING 101

Guide to creating
a successful
crowdfunding
campaign

Crowdfunding Best Practices

You've made it to Launcht.org, the leading crowdfunding platform for socially responsible leaders and changemakers. Congrats!

Your first step in crowdfunding is to establish a clear mission and goal. Refine your message so that you can answer each of these three questions in one sentence: What do you do? What makes you a changemaker? What are you crowdfunding for?

If you answer these three questions in a way that endears yourself to the crowd, then you've built a strong foundation for success. Explaining what your socially responsible project does (or aims to do) provides users the proper context to understand your campaign. Establishing your identity as a changemaker lets us know that you belong on this platform.

Be clear about what you're crowdfunding for, and make it tangible. You might need wood and nails to set up your lemonade stand. Perhaps you need funding to spread your ideas to new locations, or to put the finishing touches on your restaurant. Either way, be transparent about where your money is going, and make sure it's something funders can rally around.

Your **Funding** Goal

Make sure that your funding goal is consistent with the amount you plan to use to accomplish the goal. In other words, don't set a \$50,000 goal to get wood and nails for a street-side lemonade stand. It's not only dishonest, but the crowd will also see through it.

Here's how we recommend you set a reasonable funding goal for yourself:

1. Assess how much you think you can get from a core group of donors in the first few hours of the campaign.

2. Assess how much you can get from your whole network by making a list of all the people you will reach out to and assigning each a specific ask amount.
3. Total that up. Divide by two. That's your 30-40% goal.
4. Multiply that by three to get a realistic goal that you can raise. If you raise more, great, but better to keep your official goal very reachable.

Too complex? Here's a look at a sample chart:

| Support Network | Asking Amount |
|------------------------------------|---------------|
| Brother | \$100 |
| Sister | \$100 |
| Best Friend | \$200 |
| Old Boss | \$100 |
| Uncle Marc | \$250 |
| Aunt Tina | \$100 |
| College Roommate | \$25 |
| Mother-in-Law | \$200 |
| Cousin Alex | \$40 |
| Long-term neighbor | \$50 |
| Grandpa | \$25 |
| | |
| Funding Goal Subtotal | \$1190 |
| Reality Check (Divide by 2) | \$595 |
| Power of the Crowd (Multiply by 3) | \$1785 |
| Funding Goal (Round Up) | \$1800 |

(Pre)Planning Your Campaign

Crowdfunding has the potential to go viral at any moment, launching a campaign beyond all expectations in a matter of days - or even hours. At the same time, the vast majority of successful campaigns involve tireless labor both before the campaign begins and through the campaign's entire lifetime. Successful campaigns put in multiple hours every day spreading the word actively managing their campaign.

Most of the work you need to do to build a successful crowdfunding campaign must be done before you actually publish it.

If you don't have one already, set up a Twitter, Facebook, and blog account with pictures and descriptions. Invite friends on Facebook to become a Fan of your page, begin following friends on Twitter with the hope that they'll follow you back, and send your blog out to all of your networks.

Lay the groundwork for articles, posts, and mentions from relevant bloggers, reporters, and news outlets before you go live.

Approach your core group and get them to fund you before you even begin advertising. Nobody likes to see \$0 and zero funders, so make sure to publish your campaign to them directly before you get to Facebook and Twitter.

After you are towards 5% of your goal, send out your big email to your network. Send out tweets. Post to Facebook. Follow up with phone calls. Follow up with personal emails. Post more. Tweet more.

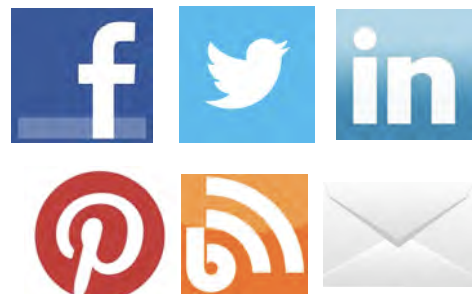
Pull the trigger on external blog posts about your campaign when you are getting close to 30% or 40% of your goal. Try to guest blog on sites that are related to or would support your project. This will drive traffic to your campaign when it is most critical.

Take Advantage of Social Media Channels

Social media sites, such as Facebook and Twitter, will help you raise awareness about your campaign and connect you to your supporters.

Don't Spam.

While it's critical that you have a social media presence, too much of a good thing can really turn people off. You're building a support base not only as you move through your 45-day campaign, but beyond that as well. Stick to 1-2 Facebook posts per day and 5-10 tweets (including retweets). Keep your posts and tweets fresh - avoid recycling the same message too many times.



Perks

When funders contribute to your campaign, they are rewarded with Perks. This is a great way to thank your supporters and make them feel like part of the campaign. Set Perks with an eye to your funding base. What kind of Perks would you want to receive, and which Perks would make them proud and/or gratified for funding you? Which would keep your project on their minds? Be creative. Repeat in bold: Be creative.

Perks can range from small thank yous to tangible products to special treatment. If you were crowdfunding to build a lemonade stand, you might promise first-level contributors a creative lemonade-themed e-card or a personal phone call thanking them for their support. Medium-level contributors could have the chance at one or two free glasses of lemonade. For major funders, consider offering a Perk they can show off. For \$150 or more, one Perk could be a commemorative Lemonade 101 glass and/or a VIP Card for one free lemonade per month. Above \$250, you could paint the contributor's name on the lemonade stand itself. For \$1,000, you might even build a lemonade stand in their honor.

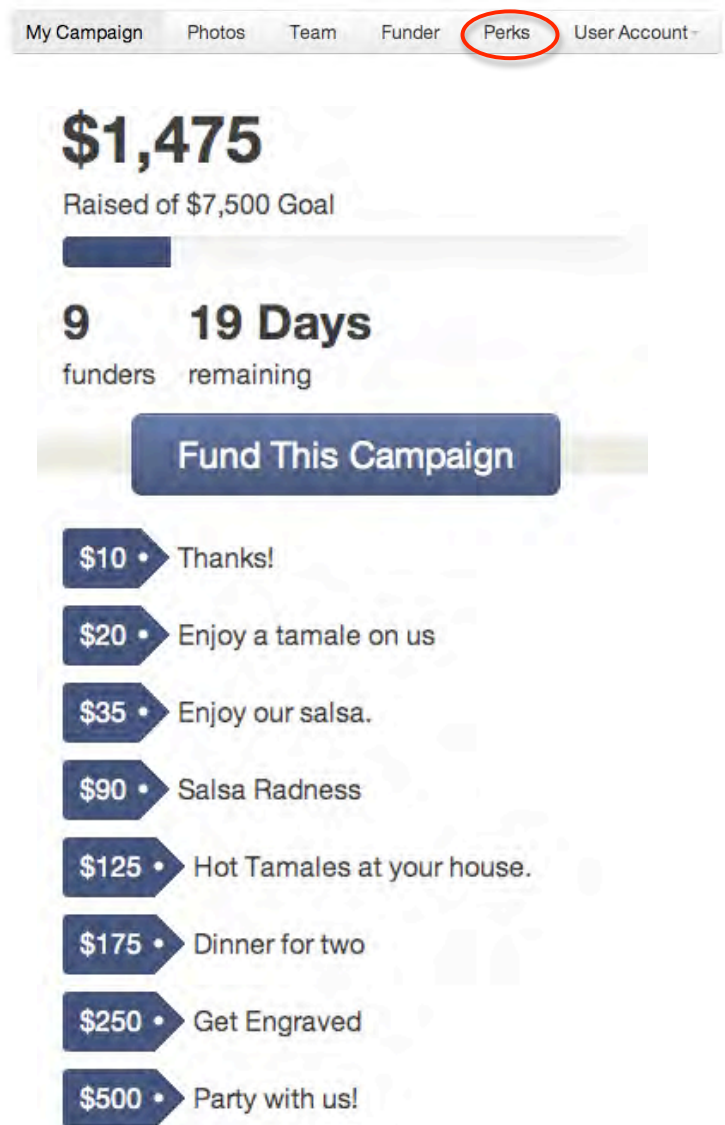
Four things are important to note here:

1) Invite to Fund, Entice to Fund High, Encourage to Share - Contributors want something in return for their funding. Offering a creative, enticing Perk influences your campaign more than you might think: it could be the deciding factor in whether or not they fund you at all, whether or not they bump from \$25 to \$50, and whether or not they're enthusiastic enough to post your campaign to Facebook or Twitter.

2) Build on Perks - Funders who give \$50 shouldn't miss out on the \$25 Perk. Instead, the bundle should only grow larger with higher-level contributions.

3) Price Perks Wisely - When deciding a Perk, especially tangible perks, you need to take into account the costs of producing and distributing it. You don't want to spend all of the funds you raised on Perks. Perks can be simple, the main goal is to thank your supporters.

4) Always Say "Thank You" - They know they funded your campaign. You know they funded your campaign. Let contributors know you appreciate it. Every new funder matters. Show each one that you understand that, whether it's for a \$2 contribution or a \$2,000 one. A great way to thank your funders is publicly on Twitter. This is an extremely effective method because it shows people that you are getting more supporters.



Media

It is critical that you provide images and a video for your campaign. While stronger videos yield better results, don't worry if you don't have years of experience with video editing. Having a simple video is better than not having anything at all. Videos only need to explain the identity of your organization, the goal that you're crowdfunding towards, and why funders should trust you moving forward.

Below are two video examples: the first is a well produced video and the second is a solid, simple one. Notice that both videos keep to their message, say who they are, explain what they need, and talk about how their plans for the future. Make it fun! You want to create a video that people will like and want to share with their friends. Think of a vehicle that you can use to create a fun narrative about what you are doing and why.

Example 1:

<http://www.youtube.com/embed/UnZgfiq-l4k>

Example 2:

<http://www.youtu.be/5zevs7kB7oM>

Note that you need to have permission before uploading any copyright music. Go to [Vimeo Music Store](#), [ccMixter](#), [SoundCloud](#), [Free Music Archive](#) or a similar site to find resources to use.

How to Embed Your Video:

Upload to YouTube or Vimeo and embed in your campaign. This involves clicking "Share" below your video, then "Embed," then copying the iframe text and pasting it into the designated box on your campaign application. Use a video 530 pixels wide and the corresponding height for best results on the campaign page.

Example:

```
<iframe width="530" height="398" src="http://www.youtube.com/embed/UnZgfiq-l4k" frameborder="0" allowfullscreen></iframe>
```

Image Specs

Be sure to include at least three images related to your team, your organization, your product, and/or your campaign. Make sure these images are your own. Please note that the images you can upload have to be in .Jpeg format and be under 1MB in size.

Key Text

Questions

Answer all questions as you set up your campaign, and recognize that most visitors to the site will not read everything you write. Keep answers focused and brief (no more than 75 words). You are explaining your product or organization and its social mission clearly and completely. You're not writing a dissertation on it. Please remember to proofread and edit your answers.

Updates

Use the Updates tab that will appear after you publish your campaign. This is a great place to thank and keep contributors aware of your progress. Include some personality. This will help keep your campaign engaging.

Good luck on your campaign!