Crowd Funding Your Chapter's Activities
A Look at JWU Advertising Team's 2013 Indiegogo Fundraiser

Goal: $2,000
Raised: $2,375

NSAC teams and college chapters are always looking for innovative ways to raise money for trips, events, supplies, etc. Last year, Johnson and Wales University's student advertising agency, Candlelight Advertising, launched a fundraising campaign using the international crowd funding site IndieGoGo (www.**indiegogo**.com) to raise money for their trip to the district competition in Boston.

Indiegogo has no application process and offers two different plans 1) the all-or-nothing where 4% of the funds of successful projects go to Indiegogo and 2) the flexible plan where Indiegogo takes 4% of the funds raised if your campaign is successful and 9% if it is not. In either scenario, one of the first steps is to set a realistic fundraising goal. Initially, the team set a conservative goal of $1,000 but after some discussion with their advisors about the risk involved in raising their goal, Candlelight Advertising decided to bump the goal to $2,000. In the end, the team ending up raising $2,375 and learned some valuable lessons about crowd funding along the way.

Indiegogo, like many other online fundraising platforms, allows the campaign organizers to set up suggested donation tiers. Each tier, or "perk," has a donation value and gifts that the donor will receive. The table below depicts the perks that Candlelight Advertising offered:

Dollar Amount	Perk Name	Description	Amount Claimed
$10	Shout Out	Receive a public thanks via Ad Team social media.	1
$25	A Great Mantle Piece	You'll get a *signed* photo of this year's team.	6
$50	Rep the Ad Team	If we make it to the national competition, we make team shirts and we'll be sure to send you one.	11
$75	You've Got Our Back	Be listed as an honorary Ad Team member on the back of our shirt.	1
$100	A Good Read	Not only will you receive everything above, you'll also receive a copy of the 2013 Plans book--the holy grail of Ad Team	3
$125	Movie Night	In addition to everything else, you'll get to see us in action with a DVD copy of our presentation.	7

The Indiegogo platform allowed Candlelight Advertising to clearly explain to potential sponsors what the National Student Advertising Competition is, its educational value, and why donors should contribute. The team produced a short video to explain why it had set up the Indiegogo campaign. Here is a link to the YouTube video: http://youtu.be/XCFzuHQ_cyQ

A majority of contributions were from alumni, friends, and family. Additionally, some Johnson & Wales University faculty contributed.

Candlelight Advertising learned a few lessons from their first crowd funding campaign:

1) Too many perks became costly and time consuming to honor.
► Next time: offer more digital and "sentimental" perks, like a simple thank you video without anything mailed.

2) Extend the promotion of the campaign to more alumni.
► Next time: explore opportunities with the office of Alumni Relations.

3) Whichever crowd funding tool you use will take a percentage of your earnings. Don't forget to take that into account when you are planning your campaign.
►Next time: start the campaign earlier and allow it to run longer.

Is your NSAC team or college chapter looking to raise some money via Indiegogo or another crowd funding platform? Start by laying down your objectives and shopping around for the right site for your campaign. Each site offers different features, costs and benefits.

Here are some additional things to watch out for:

1) Look and feel of the site
► Is it more pictures or video focused?
► Will it be appealing to your potential donors?

2) Ease of use
► Do you need html skills to make your page look great?
► How easy is it to set up a page?

3) Payment process
► Does the site accept major credit cards?
► How long does it take for the money raised to reach your organization's bank account?

4) Fees
► What is the total cost of using the platform?
► Are there monthly or per transaction set up fees?

5) Marketing and social networking capabilities
► How easy is it to link and promote your fundraising page on social media channels?

6) Traction
► Will people from outside of your network be able to find and support your campaign?

Here is a list of some of the crowd funding site that are out there, along with some of their costs, pros and cons.

Kickstarter
www.**kickstarter**.com
Crowd funding's most popular funding site for creative projects.

Costs: 5% of funds raised, with an all-or-nothing model that builds urgency but leads to a loss of funds if the goal isn't met plus a 3-5% transaction charge.
Pros: name recognition, highest traffic site allows for greater visibility.
Cons: approval process (kickstarter is for creative projects mainly, and not for businesses, causes or personal projects), all or nothing model can lead to a loss of all funds if the goal isn't met plus 3-5% transaction fee.

RocketHub
www.**rockethub**.com
Powers donation-based funding for a wide variety of creative projects.

Cost: 4% for a completed campaign or 8% for a partial campaign with 4% transaction fees.
Pros: easy to navigate interface, the success school offers tools for building better campaigns, FuelPad and LaunchPad programs help campaign owners and potential marketing partners connect and collaborate for the success of the campaign.
Cons: less organic traffic than Kickstarter or Indiegogo.

FundRazr
www.**fundrazr**.com/
Dedicated to raising money for anything from personal causes to non-profits and entrepreneurial projects.

Cost: 5% for complete or incomplete campaign and 2.2% + $.030 transaction fees.
Pros: deep social network integration to connect people in your network, cheap and convenient transaction fees with funds going directly to your paypal account.
Cons: more difficult to connect with other entrepreneurs/creatives (less than 5% of the projects fall in that category).

GoGetFunding
www.**gogetfunding**.com
London based fund-raising site can be used to raise money for pretty much anything.

Cost: 3-5% with a keep what you raise model, plus 2.9% transaction fee.
Pros: can be used for public/private projects, easy to use.
Cons: fewer business/entrepreneurial projects.

Crowdrise
www.**crowdrise**.com
A place for donation-based funding for causes and charity, particularly endurance event fundraising.

Cost: tiered price structure, with a free basic account and subsequent packages with monthly fees between $49-199 per month and payment processing fees between 3-5% with additional credit card processing fees.
Pros: great for those running a marathon, offers peer-to-peer fundraising options, event registration and fundraising, branding, customization and reporting. Crowdrise was co-founded by actor Edward Norton. It's hip and active, and has lots of celebrity engagement.
Cons: Only registered not-for-profits can raise money. Fees are high for the industry and complicated to calculate.

USEED
www.**useed**.org
Focuses on crowdfunding for higher-education institutions.

Cost: none listed on their website.
Pros: specifically geared towards higher ed institutions and students.
Cons: new platform, requires you to set up a demonstration with their team to get more information.

After selecting a crowd funding platform for your campaign, here are some tips for making the most of it:

1) Plan ahead
► Do your homework and study the different site options out there. Pick one that fits with your campaign.
► Work on your pitch. Make sure it's compelling and concise.

2) Create a compelling page
► Make an emotional appeal using pictures and videos when possible to tell the story of your chapter and explain exactly how much money you need, why, and what it will be used for.

3) Start with your own network
►Tell everyone you know about the campaign before it starts and ask them to email it to everyone they know once it goes live. You won't get donations from people you are not connected to unless you have a good amount of traction from your own network showing that you're serious.

4) Advertise your efforts
► Put it on the front page of your website, link to it on facebook, tweet it, etc.
► Try to get your school paper of the local media to cover your campaign by suggesting story angles.
► Take every opportunity to spread the word.

5) Have realistic expectations
► Crowd funding websites are not a money tree. It takes a lot of hard work to raise money.
► Be conservative in your goal especially if you chose an all-or-nothing platform and remember to build the crowd funding site's charges into your costs/goals.
► Don't forget to plan for potential shipping costs of the rewards as well.