Capacity Building of BLUE Economy Stakeholders

to Effectively use CROWDFUNDING

Document title: 3.1.1 Adopted crowdfunding training tool

WP3- Testing

T3.1 – Adopting training material to "blue" crowdfunding

Author : LP 1 E-zavod

Contributors : PP3 Crowdpolicy, PP4 Goteo, PP7 ECN

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Technical references

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*   PU = Public

    PP = Restricted to other programme participants (including the Commission Services)

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    CO = Confidential, only for members of the consortium (including the Commission Services)

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The consortium of BLUE CROWDFUNDING will follow the guidelines outlined in the following Programme website: Guidelines on FAIR Data Management in Interreg Projects.

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WP3 – [Testing]
[D.3.1.1 Adopted crowfunding training tool]

MODULE 1: CROWDFUNDING BASICS

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Introduction

ABOUT THE TRAINING TOOL

This crowdfunding training tool is based and adapted upon the „Crowdfunding Training Material" – D.T2.2.1/D.T.2.2.2 within the Interreg Central Europe project „Crowd-Fund-Port" (2017).

The project „Crowd-Fund-Port" was funded by the Innovation and Knowledge Priority of the Interreg Central Europe Programme.
The aim of the project was to support SMEs in Central Europe in accessing capital and strengthen Crowdfunding Ecosystems in Austria, Croatia, Czech Republic, Germany, Hungary, Italy, Poland, Slovakia and Slovenia.

Authors of „Crowd-Fund-Port" training material are: Wolfgang Gumpelmaier-Mach and Karsten Wenzlaff, with contributions from Kristina Laus (www.brodoto.com).

Introduction

ABOUT THE TRAINING TOOL

Training tool used for project BLUE CROWDFUNDING was updated with new regional data, integrating additional target groups, including basic information about civic crowdfunding, reporting good practices from MED regions and suggesting different exercises related to crowdfunding.

Contributors: LP1 Ezavod, PP3 Crowdpolicy, PP4 Goteo Foundation, PP7 European Crowdfunding Network

Introduction

Target groups and potential tool users:

✓ SMEs, start-ups, entrepreneurs

✓ Consultants

✓ Incubators and Public Institutions supporting SMEs

✓ Non-profit organizations

✓ Public organization and public authorithies

Previous Crowdfunding experience is not essential for the understanding

and usage of the content enclosed.

The following groups are invited to make use of the material:
1) Small and medium sized enterprises looking for finance for innovative products and services can use Crowdfunding for reaching out to new customers and engaging with the media. SMEs who have no previous Crowdfunding experience can use this material to get a first introduction into the topic. SMEs who have previous Crowdfunding experience can use this material to get inspiration for a new Crowdfunding campaign.
2) Consultants who want to expand the scope of their consultancy can use the material to get a better understanding of Crowdfunding and Alternative Finance.
3) Incubators and Public Institutions supporting SMEs can use this material to identify ways to use Crowdfunding together with public finance.
4) Non-profit organizations using crowdfunding for supporting their social and public projects
5) Public organizations and public authorithies using crowdfunding for imeplementation of community projects.

Module 1: CROWDFUNDING BASICS

What is Crowdfunding?

«Crowdfunding is a way of raising money to finance projects and businesses. It enables fundraisers to **collect money** from a **large number of people** via **online platforms**.»
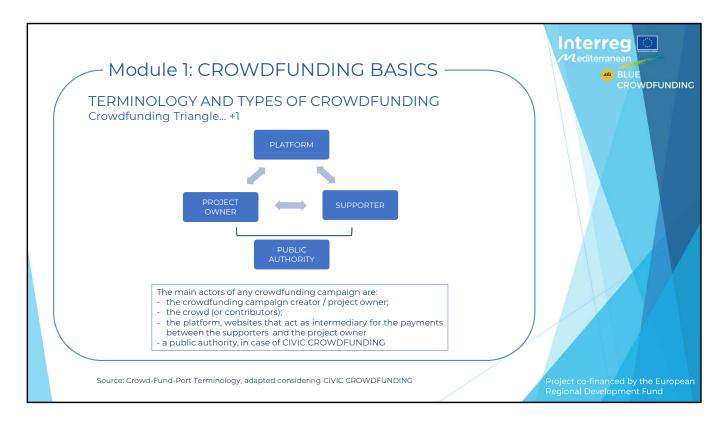– European Commission, 2014

«In return for their contributions, the crowd can receive a number of **tangibles or intangibles**, which depend on the type of crowdfunding.»
– G.A. Gabison (JRC), 2015

Module 1: CROWDFUNDING BASICS

TERMINOLOGY AND TYPES OF CROWDFUNDING
Crowdfunding Triangle... +1

PLATFORM

PROJECT OWNER

SUPPORTER

PUBLIC AUTHORITY

The main actors of any crowdfunding campaign are:
- the crowdfunding campaign creator / project owner;
- the crowd (or contributors);
- the platform, websites that act as intermediary for the payments between the supporters and the project owner
- a public authority, in case of CIVIC CROWDFUNDING

Source: Crowd-Fund-Port Terminology, adapted considering CIVIC CROWDFUNDING

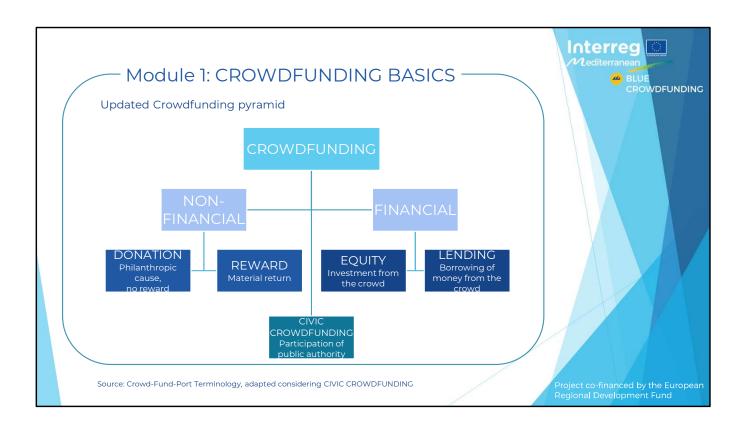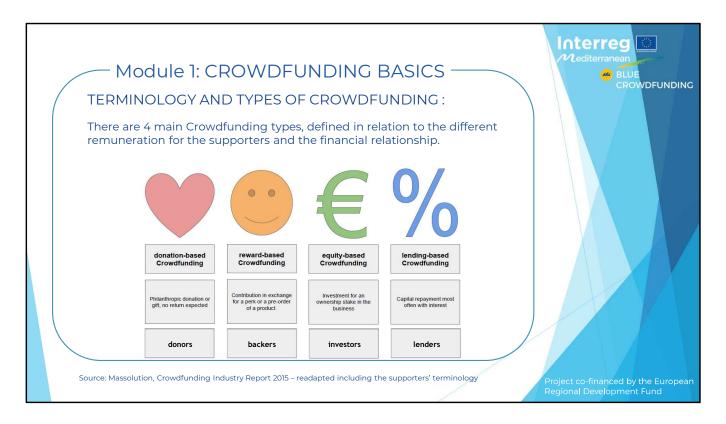Project co-financed by the European Regional Development Fund

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Crowdfunding Campaigns take place on platforms - the whole Crowdfunding process becomes a triangle of three parties: Platform, Project and Supporter (In the case of Civic crowdfunding also public authorithy is involved).
Each party has different responsibilities:

1) The Project Owner is in charge of preparing and executing the campaign. The project delivers texts, images, pitch videos and other communication material to the platform. Often the project owner is also responsible for editing the campaign site.

2) The platform acts as an intermediary between Project and Supporters. It facilitates the payments between Supporter and Project owner. The platform is also in charge in discovering payment fraud and disabling campaigns that commit fraud. To that end, the funds from the supporters are often kept in a special escrow account until the campaign has ended.

3) The supporter enters an agreement with the project that it will transfer a certain amount of money via the platform to the project owner at the end of the campaign, given certain conditions (for instance in All-or-Nothing-Campaigns the reaching of the funding volume).

Note to Consultants:
At this stage, it is important to clarify that the platform is not in charge of implementing the project or even checking-up that the project delivers it promises.

Module 1: CROWDFUNDING BASICS

Updated Crowdfunding pyramid

CROWDFUNDING

NON-FINANCIAL

FINANCIAL

DONATION
Philanthropic cause,
no reward

REWARD
Material return

EQUITY
Investment from
the crowd

LENDING
Borrowing of
money from the
crowd

CIVIC CROWDFUNDING
Participation of
public authority

Source: Crowd-Fund-Port Terminology, adapted considering CIVIC CROWDFUNDING

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In 2012, an US-agency called Massolution conducted the first global Crowdfunding Industry Report. In the report they defined that there are at least 4 different types of Crowdfunding. These types are now widely used in research and descriptions. The different types of Crowdfunding are:
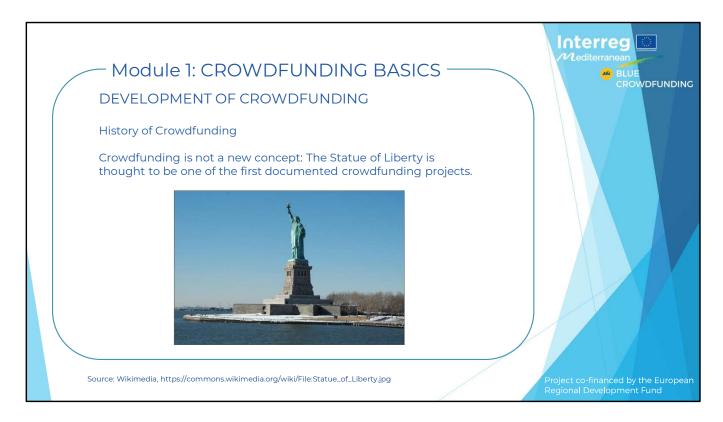
• Donation-based Crowdfunding: mostly used for charitable projects
• Reward-based Crowdfunding: mostly used for pre-selling
• Equity-based Crowdfunding: mostly used for high-risk investments, returns are based on profit- or exit-revenue-sharing calculations
• Lending-based Crowdfunding: mostly used for low-risk in.vestments, returns are based on interest-based calculations.

Crowdfunding is used as a subset of the term "crowdsourcing", originally coined by Jeff Howe, author of Wired magazine, in 2006. He described the concept of Crowdsourcing as follows:

"Simply defined, crowdsourcing represents the act of a company or institution taking a function once performed by employees and outsourcing it to an undefined (and generally large) network of people in the form of an open call. This can take the form of peer-production (when the job is performed collaboratively), but is also often undertaken by sole individuals. The crucial prerequisite is the use of the open call format and the large network of potential laborers." Jeff Howe: The Rise of Crowdsourcing, 2006 in Wired - https://www.wired.com/2006/06/crowds.

- Exercise to SMEs: Have you already used Crowdsourcing in your work?
- Exercise to Consultants: Try to let your clients think about situations where the involvement of their customers helped to improve a product or service. Let them share their experience using Crowd-Innovation methods or Employee-Innovation methods.

Module 1: CROWDFUNDING BASICS

DEVELOPMENT OF CROWDFUNDING

History of Crowdfunding

Crowdfunding is not a new concept: The Statue of Liberty is thought to be one of the first documented crowdfunding projects.

Source: Wikimedia, https://commons.wikimedia.org/wiki/File:Statue_of_Liberty.jpg
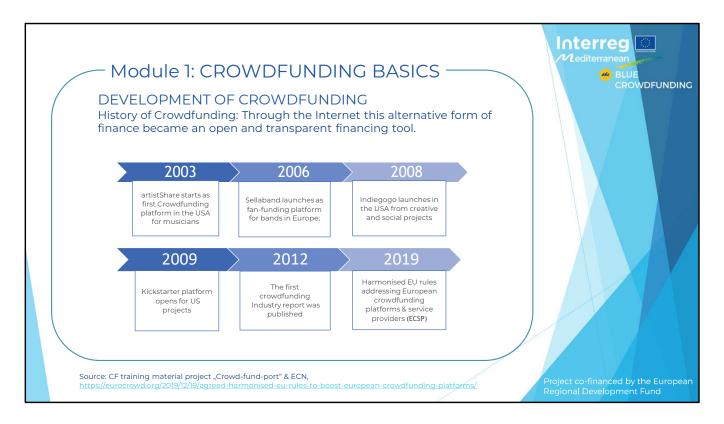
The Statue of Liberty is often cited as one of the first documented crowdfunding projects. It was a gift to the United States from the French people to celebrate the centennial anniversary of the American Declaration of Independence. Shortly before it was finished, the project still lacked funds. Joseph Pulitzer, publisher and owner of "The World" promised to mention the name of every donor in his newspaper if they submitted a donation. In August 1885 more than $120,000 were raised to complete the pedestal. Most of the contributions were smaller than a dollar.

Note:
We tell the participants that Crowdfunding is not a new concept and tell them the story of the Statue of Liberty in New York. You can read the complete story of Statue of Liberty here:
http://10innovations.alumniportal.com/crowdfunding/whats-in-it-for-developmentaid.html.

We recommend to add early examples from your country, for instance local theatres or publications which were funded using the Crowd offline.
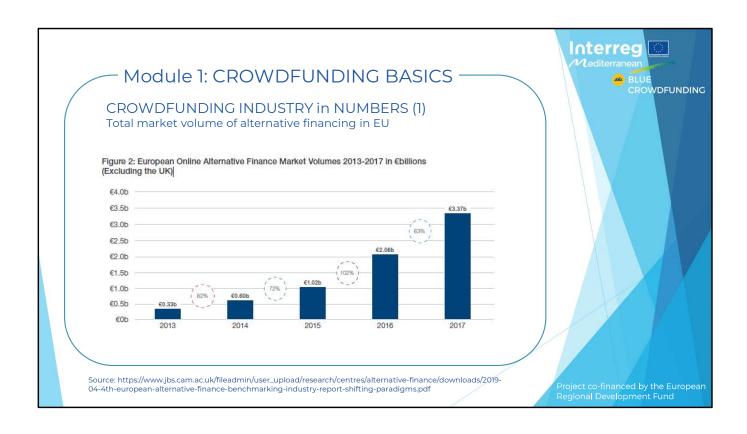
Through the Internet this alternative form of finance became an open and transparent financing tool.
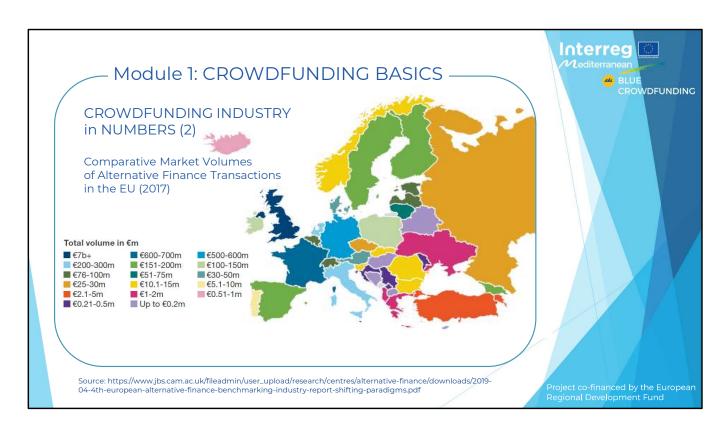
Artistshare is known as the first Crowdfunding platform, starting in 2003 as a "fan-funding" website for musicians and artists in the USA.

In 2006, Sellaband launched a similar platform in Europe, helping bands to communicate with their fans and getting financial support from them for recording new albums. Also in 2006, Wired-author Jeff Howe coined the word "Crowdsourcing". In 2008 Indiegogo launched as an international platform for financing social and creative projects. Soon after that Kickstarter started its service.

In 2012 the first international "Crowdfunding Industry Report" was published by US-company Massolution. The report analysed a few hundred platforms worldwide and gave a first picture of the industry. Also the differentiation between different types of Crowdfunding was published in this report. Since then, Crowdfunding exploded in Europe but also worldwide. To date there are more than 1,400 platforms online.

In 2019 - Harmonised EU rules addressing European crowdfunding platforms & service providers (ECSP) https://eurocrowd.org/2019/12/19/agreed-harmonised-eu-rules-to-boost-european-crowdfunding-platforms/.

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CROWDFUNDING INDUSTRY in NUMBERS (1)
Total market volume of alternative financing in EU

Figure 2: European Online Alternative Finance Market Volumes 2013-2017 in €billions (Excluding the UK)

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After the United Kingdom, the top five volume-driving countries were France (€661.37m), Germany (€596.81m), the Netherlands (€281.19m), Italy (€240.66m),Finland (€196.76m), and Sweden (€196.38m). In the MED partner countries, the top three countries present following countries: Italy (200-300 mio €), Spain (€151-200m), Slovenia (€10.1-15m).

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CROWDFUNDING INDUSTRY IN NUMBERS (3)
Number of platforms operating in European countries and in MED area

COUNTRY	LOCAL PLATFORMS	FOREIGN-BASED PLATFORMS OPERATING IN COUNTRY	TOTAL
Europe (excl UK)	259	261	520
Italy	34	11	45
Spain	26	13	39
Portugal	4	6	10
Greece	3	5	8
Slovenia	2	4	6
Croatia	2	3	5
Albania	0	3	3
Cyprus	0	1	1

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CROWDFUNDING for the BLUE ECONOMY

BLUE GROWTH:

The long-term strategy to support the sustainable growth of the **maritime sector**. This strategy recognizes that the seas and oceans are drivers of the European economy and have a great potential for innovation and growth. It is the contribution of the Integrated Maritime Policy to the achievement of the "Europe 2020" strategy goals for **smart, sustainable and inclusive growth**.

Source: https://ec.europa.eu/maritimeaffairs/policy/blue_growth_en

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CROWDFUNDING for the BLUE ECONOMY

Vision and aims of **BLUE CROWDFUNDING project:**

- improve the **competitiveness** of blue economy SMEs through participatory funding
- fulfill the **funding gap** in the Mediterranean Region boosting the launch and implementation of innovative initiatives within the context of blue economy
- develop the operational capacity of the Regions to use participatory funding via **training** and skills-updating programs
- create a transnational **cluster** with participatory funding services
- support the adoption of **new policies** to boost the combination of nationals and participatory funding in Regions.

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DEFINITION OF CROWDFUNDING:
Other forms of crowdfunding

What is CIVIC CROWDFUNDING ?

The term 'civic crowdfunding' refers to a subcategory of crowdfunding through which '**citizens**, often in collaboration with **government**, propose, fund and deliver projects that aim to provide a **community service** or deliver public value through a local-area-improvement project. (…) Together, these actions represent a new model of **community involvement**, allowing citizens to take an active role in the physical improvement of neighborhoods.

Source: Civic Crowdfunding – A Guidebook for Local Authorities, CATAPULT - 2017

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Civic crowdfunding can provide opportunities for subnational governments in terms of citizens/user information, funding, communication, trust and territorial attractiveness.

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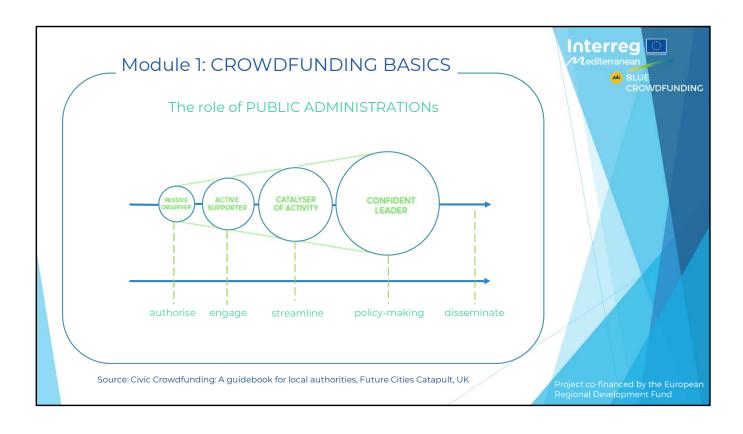
The role of PUBLIC ADMINISTRATIONs

- **Sponsor** – The public authority runs its own campaign for a specific project on an existing civic crowdfunding platform.

- **Manager** – A subnational government creates its own (generic) crowdfunding platform to foster the development of its territory. Via this tool they can promote both entrepreneurial for-profit and non-profit civic initiatives.

- **Curator** – The local authority selects a list of projects that reflect their *political agenda* from an existing crowdfunding platform.

- **Facilitator** – Subnational governments set permission and policies, financial as well as technical expertise support, co-screening and/or co-designing projects, etc. This step represents a new type of public-non-profit private partnership with citizens and civic crowdfunding platforms, whereby authorities co-finance projects alongside the rest of the crowd.

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The role of PUBLIC ADMINISTRATIONs

PASSIVE OBSERVER · ACTIVE SUPPORTER · CATALYSER OF ACTIVITY · CONFIDENT LEADER

authorise · engage · streamline · policy-making · disseminate

Source: Civic Crowdfunding: A guidebook for local authorities, Future Cities Catapult, UK

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CIVIC CROWDFUNDING
Example campaign

Example of successful campaign in Greece with a humanitarian scope was the act4Greece "**Medical care and humanitarian aid at frontier islands of the Eastern Aegean**" campaign implemented by the NGO 'Médecins Du Monde' in 2016 during the refugee / humanitarian crisis in the Greek islands. It managed to raise € 127,107 (93% of the target) within 7 months by citizen's donations.

Source: https://www.act4greece.gr/actions/Action_perithalpsisenisia

One of the key problems of the inhabitants of the remote Greek islands concerns the need for better public health facilities. In 2015-2016, the problem in some border islands has taken on the dimensions of a humanitarian crisis, as they also had and still have to host thousands of refugees with increased healthcare needs. At the same time, it was and still is vital that the local residents have access to their health facilities. Within the context of act4Greece, the Médecins Du Monde initially proposed the implementation of an action plan for the provision of medical and humanitarian aid to socially vulnerable groups of the inhabitants as well as population groups from other countries. These islands included Samos, Kos, Kalymnos, Leros, Nisyros, Pserimos and Telendos as well as Chios and the neighboring islands, such as Oinousses and Psara.

CROWDFUNDING – **PURPOSES**:

Crowdfunding is more than just finance!

- o market research, analysis and positioning,
- o Idea testing and pre-sell activities,
- o community outreach and networking,
- o press activities and communication, and

In addition to these, „Civic crowdfunding" contributes to build more partcipative and fair societies.

It is important to note that Crowdfunding is often used for purposes other than funding. In fact, there are a number of successful Crowdfunding campaigns that did not need funding in the first place, but the campaign was a tool to reach out to a wider global audience.

- • Exercise for SMEs: Imagine a scenario where you have successfully funded your project. What would be the second-best outcome of the campaign?
- • Exercise for Consultants: Let your clients write down the second-best scenario for successful Crowdfunding campaigns and compare them to each other.

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CROWDFUNDING – **BENEFITS**:

- FINANCIAL

o Leverage additional funds towards local-area-improvement projects.

o Inform smarter and social-good driven investment decisions.

o Increase innovation and experimentation while reducing risk and cost of failure.

Source: Civic Crowdfunding: A guidebook for local authorities, Future Cities Catapult, UK

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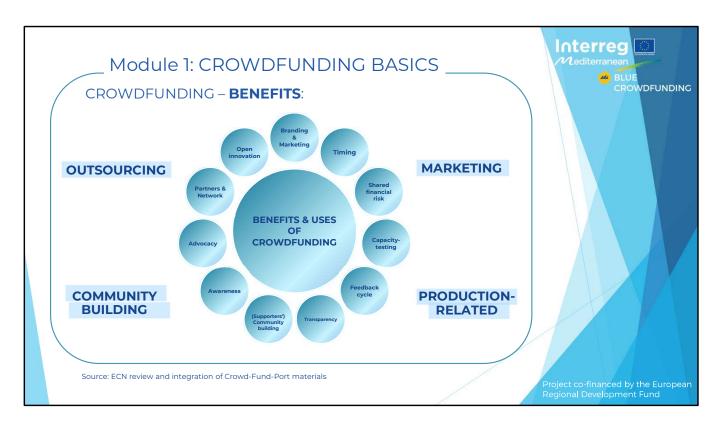
CIVIC CROWDFUNDING – **BENEFITS:**

- NON-FINANCIAL
- o Boost citizen engagement, involvement and participation
- o Encourage and support synergies between citizens and local authorities
- o Improve community awareness and resilience
- o Facilitate network and cohesion
- o Increase transparency and trust towards the local authorities

Source: Civic Crowdfunding: A guidebook for local authorities, Future Cities Catapult, UK

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Source: ECN review and integration of Crowd-Fund-Port materials

Crowdfunding is not only a financing tool, but also helps SMEs in many other ways. Below is a list of possible functions of a Crowdfunding campaign:

Marketing
- Reaching out to potential customers and partners
- Generating media awareness
- Generating social media reach

Community building
- Building a community of early adopters
- Mobilizing existing supporter networks

Market research
- Evaluate the market
- Understanding the reaction of customers to price differences
- Understanding where your customers live and how they use the internet

Open Innovation
- Develop new products and services with your clients
- Identify those employees who are innovators and multipliers

Distribution
- Finding new suppliers
- Finding new distributors
- Finding large-scale retailers
- Experimenting with new packaging methods

Product Feedback
- Obtain testimonials from customers and retail partners
- Test different designs and/or functions of your product with your Crowd
- Understand media coverage about your product
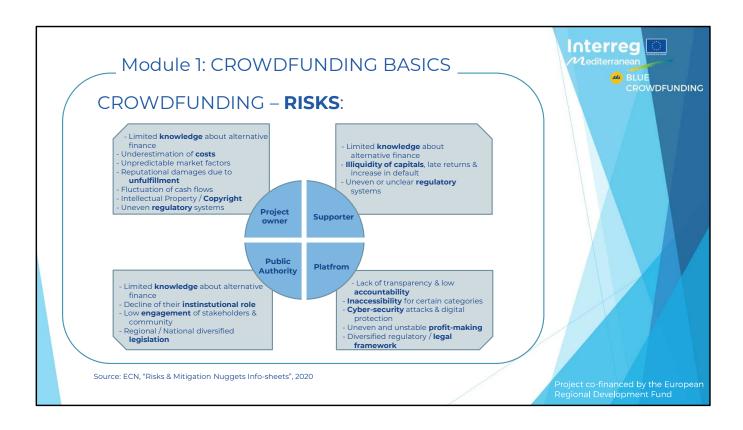
Proof of concept
- Show that your product has a market value or that a new market can be created for this product or service

Crowdsourcing
- Let the crowd help you in solving problems
- Obtain feedback from potential customers

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CROWDFUNDING – **RISKS**:

Project owner
- Limited **knowledge** about alternative finance
- Underestimation of **costs**
- Unpredictable market factors
- Reputational damages due to **unfulfillment**
- Fluctuation of cash flows
- Intellectual Property / **Copyright**
- Uneven **regulatory** systems

Supporter
- Limited **knowledge** about alternative finance
- **Illiquidity of capitals**, late returns & increase in default
- Uneven or unclear **regulatory** systems

Public Authority
- Limited **knowledge** about alternative finance
- Decline of their **instinstutional role**
- Low **engagement** of stakeholders & community
- Regional / National diversified **legislation**

Platfrom
- Lack of transparency & low **accountability**
- **Inaccessibility** for certain categories
- **Cyber-security** attacks & digital protection
- Uneven and unstable **profit-making**
- Diversified regulatory / **legal framework**

Source: ECN, "Risks & Mitigation Nuggets Info-sheets", 2020

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CROWDFUNDING – **Terminology & Framework**

Crowdfunding process

There are three phases: the pre-campaign phase, the campaign-phase itself and a post-campaigning-phase.

PRE-CAMPAIGNING	CAMPAIGNING	POST-CAMPAIGNING

- **Identify**
  - Platform
  - Business model
- **Prepare**
  - Product & brand
  - Team
  - Communication strategy
- **Build** the crowd

- **Generate** the momentum
- **Engage** the community
  - Family & friends
  - Peers
  - Amplifiers
- **Update** social media
- Organise **events**

- **Fulfill or Explain**
  - Keep your promises
- **Thank** also openly
- **Keep it on!**
  - Build on your experience
  - Launch new initiatives
  - Newsletters

Source: ECN's adaptation of Crowd-Fund-Port Terminology

CROWDFUNDING – **Terminology & Framework**

Campaign Terms

Any crowdfunding initiative takes place through a **campaign**, i.e. a certain **period of time** during which the platform hosts the project in order to collect the desired amount („**funding goal**") from the supporters („**crowd**").

The achievement of the financial goal might be further divided into:
- o **(Funding) threshold**: minimum funding goal (where applicable)
- o **(Funding) maximum**: maximum funding goal (where applicable)
- o **Overfunding**: amount of money collected exceeding the initial funding goal.

Source: Crowd-Fund-Port Terminology

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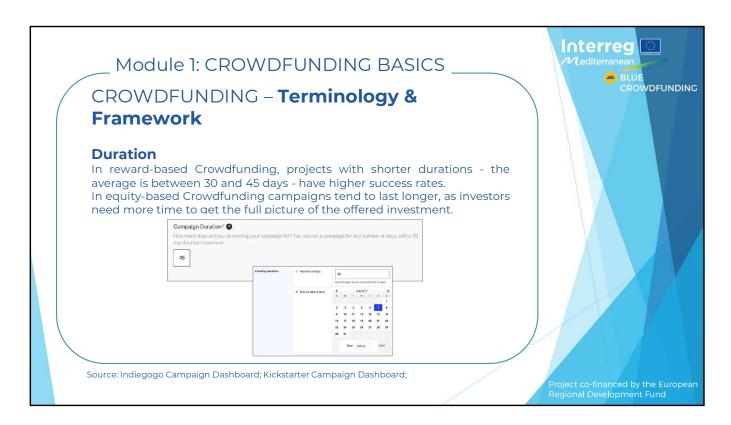The above terms are important when discussing Crowdfunding campaigns.

(Funding) campaign: all activities of the project to reach out to potential supporters, such as activities on the platform, in social media and traditional media, emails, events and everything else that is part of the funding process.

(Funding) time: (often) specified time in which to reach the funding goal. Some platforms have a fixed funding time, some platforms let the projects choose their own funding time. On most platforms, any funding received within the funding time contribute to the funding goal (see below). Some platforms, such as the US-based reward-based Crowdfunding platform Indiegogo offer a function which allows continued funding after the end of the funding time (so-called "In Demand"). The Crowdfunding platforms becomes an eCommerce reselling platform like Amazon or Ebay.

(Funding) goal: Sum of money specified by the project owner. The platforms often have maximum funding goals which depend on local regulation and other frameworks of Crowdfunding. For some Crowdfunding types, there will be also a minimum funding goal set by the platform (for instance in equity-based Crowdfunding).

(Funding) threshold: minimum funding goal (where applicable). Most platforms which use the all-or-nothing approach (see following slide) require that the funding goes beyond a certain threshold. The idea is that a project needs a certain minimum amount of money in order to be implemented at all.

(Funding) maximum: maximum funding goal (where applicable). Most platforms in equity-based Crowdfunding approach have a maximum funding set by the project. This determines the maximum amount of shares which can be distributed to the crowd.

In reward-based Crowdfunding, projects with shorter durations - the avarage is between 30 and 45 days - have higher success rates.
In equity-based Crowdfunding campaigns tend to last longer, as investors need more time to get the full picture of the offered investment.

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CROWDFUNDING – **Terminology & Framework**

The choice of the platform

Definition of platform and service provider:

«crowdfunding platform[1]» : an electronic information system operated or managed by a crowdfunding service provider. It enables interaction between fundraisers and the crowd. Financial pledges can be made and collected through the crowdfunding platform;

«crowdfunding service provider[2]» : a legal person who provides crowdfunding services and has been authorised for that purpose by the European Securities and Markets Authority (ESMA) in accordance with Article 11 of this Regulation

Sources: [1] https://ec.europa.eu/growth/tools-databases/crowdfunding-guide/what-is/explained_en
[2] EC, "REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on European Crowdfunding Service Providers (ECSP) for Business", Art. 3.1

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CROWDFUNDING – **Terminology & Framework**

The choice of the platform

Selecting the platform shall include the assessment of the following features:
- Sector and industry of interest
- Geographical scope and proximity (*easy to contact)
- platform's affiliation fees (flexible/fixed fee option)
- shares on the funding (variable amount) and fees related to the payment provider
- extra services provided or available before/during/after the campaign (assistance, support, legal advice)
- refund method: "all or nothing - AoN" or a "keep it all - KiA" (see next slide)

Source: Crowd-Fund-Port Terminology

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Most Crowdfunding-platforms follow an "all or nothing"-approach. All or nothing means that the Funding Goal is binding. The money will only be transferred by the platform from the supporters to the project if the project campaign reaches its funding goal. The idea behind that is that you can only start working properly on your project, if you reach the stated goal.
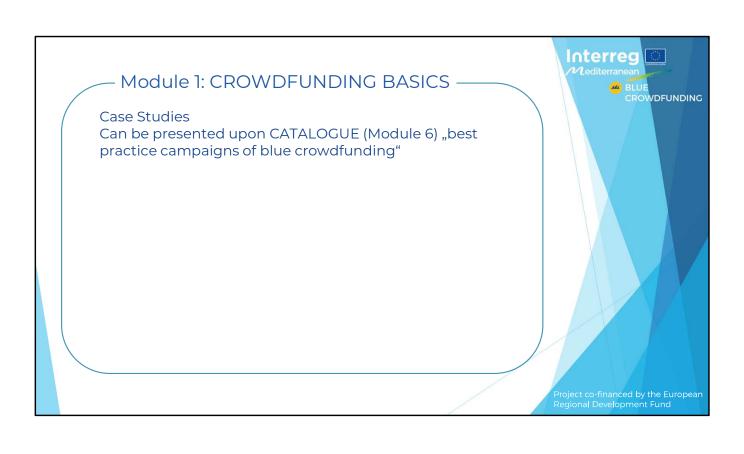
Although this approach is used by many platforms, some offer a non-binding funding goal and follow a "keep it all" approach. In some cases this can be quite useful, for example when a project does not need a certain amount of money to start, but every cent helps to make it better or more advanced. The Keep-it-all approach is often used in donation-based Crowdfunding.

Crowdfunding is often associated with Start-Up Funding. The reason is very simple: Start-Ups often do not have a working prototype, they need customers, money and knowledge in order to grow and Crowdfunding can deliver all of these. For Startups, Crowdfunding can be a good combination to other sources of financing:

● Business Angels use Equity-based Crowdfunding platforms to seek new interesting Start-Ups. If a Business Angel acts as a lead investor, he can leverage his investment through the Crowd.

● Venture Capital Funds use both equity-based Crowdfunding and reward-based Crowdfunding to estimate the potential market for a new product or service.

● For Banks it is important to understand the risk behind a loan. Crowdfunding can help to estimate the market risks and make it easier for a bank to calculate the interest of a bank loan. In addition to that, equity-based Crowdfunding helps in strengthening the equity side of the balance sheet, thus their loan is less riskier.

● For Public Subsidies and Grants it is important to ensure that an SME has a market validity. Crowdfunding can help to prove that the audience understands the innovativeness of an idea, a product or a service.

Furthermore, Crowdfunding can also be used to complement existing sources of finance for SMEs which are not start-ups. Especially profit-sharing equity-based Crowdfunding and lending-based Crowdfunding can help to give additional liquidity for companies during growth phases.

Module 1: CROWDFUNDING BASICS

Case Studies
Can be presented upon CATALOGUE (Module 6) „best
practice campaigns of blue crowdfunding"

Module 1: CROWDFUNDING BASICS

End of Module 1

At the end of this module, you should be able to...

• ...understand the different types of Crowdfunding

• ...understand that Crowdfunding has more value than just access to capital

• ...estimate if your company is ready for Crowdfunding

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Notes to Consultants:
At the end of the module, you can give your clients the questions mentioned on the earlier slides and ask them to answer them for you in a short bullet point style. This will help them prepare for the next modules.

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BLUE CROWDFUNDING

WP3 – [Testing]
[D.3.1.1 Adopted crowfunding training tool]

MODULE 2: PRE-CAMPAIGING

Table of contents

Chapter 1:IDENTIFY
(Goals, budget, milestones, business plan, crowdfunding models, crowdfunding platforms)

Chapter 2:PREPARE
(fulfilment process, tasks for team, communication plan, campaign video, campaign texts, legal issues)

Chapter 3: BUILD
(profile on platform, campaign title, description, texts, graphics, rewards, test and publish a campaign)

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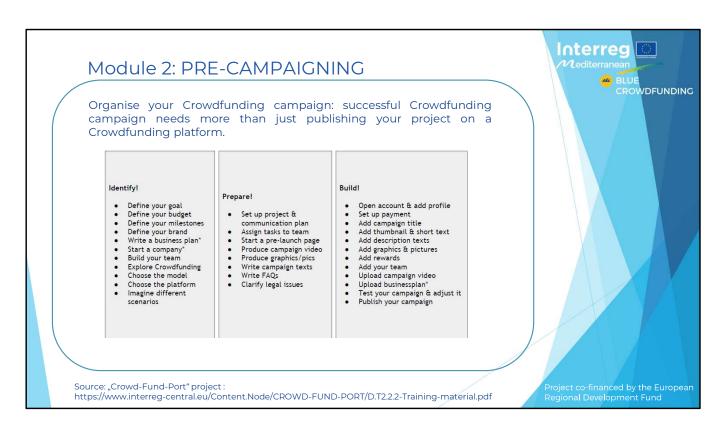
Module 2: PRE-CAMPAIGNING

In Module 2 we dive deeper into the organisation of a Crowdfunding campaign and explain the different phases of the pre-campaigning process. The module has the following sub-chapters:

o IDENTIFY
o PREPARE
o BUILD

In this module you will learn how to prepare a Crowdfunding campaign and which things are important to know before starting a campaign.

Module 2: PRE-CAMPAIGNING

Organise your Crowdfunding campaign: successful Crowdfunding campaign needs more than just publishing your project on a Crowdfunding platform.

Identify!
- Define your goal
- Define your budget
- Define your milestones
- Define your brand
- Write a business plan*
- Start a company*
- Build your team
- Explore Crowdfunding
- Choose the model
- Choose the platform
- Imagine different scenarios

Prepare!
- Set up project & communication plan
- Assign tasks to team
- Start a pre-launch page
- Produce campaign video
- Produce graphics/pics
- Write campaign texts
- Write FAQs
- Clarify legal issues

Build!
- Open account & add profile
- Set up payment
- Add campaign title
- Add thumbnail & short text
- Add description texts
- Add graphics & pictures
- Add rewards
- Add your team
- Upload campaign video
- Upload businessplan*
- Test your campaign & adjust it
- Publish your campaign

Source: „Crowd-Fund-Port" project :
https://www.interreg-central.eu/Content.Node/CROWD-FUND-PORT/D.T2.2.2-Training-material.pdf

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The Crowdfunding process consists of three phases: the pre-campaigning phase, the campaigning-phase itself and the post-campaigning-phase. But what exactly is meant when talking about pre-campaigning? Simply said: everything that can be done in advance BEFORE launching a Crowdfunding-project on a platform is part of the pre-campaigning phase. This includes conceptual and organizational tasks, like defining your goal, your budget and team, but also explore Crowdfunding in general and learn about how the tools and the platforms work and finally choose one platform that fits your purpose.

The pre-campaign phase also includes preparing a communication plan and start building a crowd.
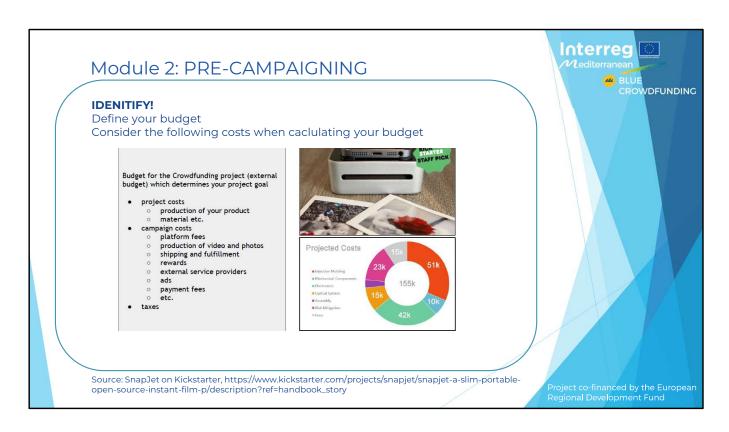
Last but not least, it is about building your project page on the chosen platform, add a video, text and - if reward based - your rewards or - if equity based – your business plan.

4

Module 2: PRE-CAMPAIGNING

IDENITIFY!

Define your goal
Make sure that your Crowdfunding goal aligns with the campaign - identify your goal first, then plan your campaign

LUMA User Group

Our LUMA user group consists of more than 130 people who offered their support during this project and had a huge impact on the final result. By taking part in several surveys and by testing LUMA ACTIVE prototypes and providing feedback, they were highly involved in the development process and the definition of product details such as colors and lighting modes.

THANKS FOR YOUR SUPPORT – You really made a difference!

Source: LUMA ACTIVE on Kickstarter, https://www.kickstarter.com/projects/luma/luma-active-first-ever-lighting-headgear-for-outdo?lang=de

Crowdfunding can be used for different reasons. Of course, most SMEs aim to finance their ideas through Crowdfunding, but some of them also use it for market research or marketing purposes. Others use it for growing their customer-base or getting a so called "proof of concept", and a few combine Crowdsourcing and -funding and integrate it in their business models. Each goal needs a slightly different approach, especially when it comes to communication with potential target groups and influencers.
EXAMPLE: Austrian startup „LUMA ACTIVE" used Crowdfunding to pre-selling its all in one caps and headbands for outdoor sports with integrated LED lights, but also involving the crowd before, during and after the campaign to further develop the product.
Crowdfunding can be used for different purposes, therefore you should clearly define your main goal.
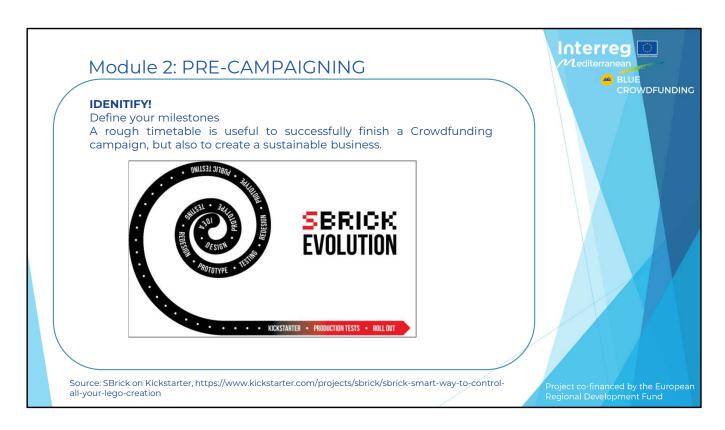
Module 2: PRE-CAMPAIGNING

IDENITIFY!
Define your budget
Consider the following costs when caclulating your budget

Budget for the Crowdfunding project (external budget) which determines your project goal

- project costs
  - production of your product
  - material etc.
- campaign costs
  - platform fees
  - production of video and photos
  - shipping and fulfillment
  - rewards
  - external service providers
  - ads
  - payment fees
  - etc.
- taxes

Projected Costs
155k

- Injection Molding — 51k
- Mechanical Components — 10k
- Electronics — 42k
- Optical System — 15k
- Assembly — 23k
- Risk Mitigation — 15k
- Fees

It is important to calculate the budget before launching a Crowdfunding campaign. On the one hand there are general production costs, on the other hand there are initial costs for starting the campaign, for example for producing a video, hiring a lawyer and other consultants etc. There are also costs, which become relevant later, after the campaign is finished, e.g. shipping and fulfillment-costs, but also tax-payments. Writing down the costs and your budget helps you to plan your campaign more accurate. It will also allow you to estimate the minimum amount of money that is necessary to implement the projects. The above example of „Snapjet" is a Kickstarter campaign. They used a diagram like above to illustrate how the funding goal of 155.000 US-Dollars would be distributed among the different costs of producing the gadget.

Module 2: PRE-CAMPAIGNING

IDENITIFY!
Define your budget
It is important to be transparent about the budget - the budget can really help the crowd to understand what the money is needed for.

Internal budget:

- Your own time
- Preparation costs

Sometimes your internal budget will be higher than the funding goal.

BUDGET BREAKDOWN

Source: LavaMae on Indiegogo: https://www.indiegogo.com/projects/lavamae-mobile-showers-2013#/

Breaking down the budget for crowd does not need to be very detailed - you can give estimates of the various costs. As you can see in the example above, the social enterprise „Lava Mae", which operated busses for homeless people in San Francisco, showed that besides the operational costs, it is also necessary to pay staff. For more ways of visualizing the budget of your campaign, check out these examples: https://www.pinterest.com/echologist/budget-at-crowdfunding-campaign/It is important to keep in mind that the budget of the Crowdfunding project might be much smaller than what you are spending internally. Since Crowdfunding involves a lot of time and effort to build up a Community, then especially at the beginning you will spend more resources than you might receive from the Crowd. But as we explained in Module 1, Crowdfunding can help you reach more goals than just the funding goal, so you should compare the costs that you spend on the Crowdfunding campaign with costs that you would have spend on marketing and media reach.

Module 2: PRE-CAMPAIGNING

IDENITIFY!

Define your milestones

A rough timetable is useful to successfully finish a Crowdfunding campaign, but also to create a sustainable business.

Source: SBrick on Kickstarter, https://www.kickstarter.com/projects/sbrick/sbrick-smart-way-to-control-all-your-lego-creation

A rough timetable is useful to successfully finish a Crowdfunding campaign, but also to create a sustainable business. That is why you should prepare an infographic with milestones not only for your supporters, but also for yourself. It puts the Crowdfunding campaign in the context of the overall development of the project/company and helps you plan your next steps and get an overview about deliverables. One example for such a visualization is the infographic from a Kickstarter-project called „Sbrick" by Mark Bollobas. He is a Hungarian Game Developer and Designer, who founded a company that creates interactive LEGO tools. On Kickstarter he added an infographic with the following subtitle: "A small picture which represents the last six months of our hard work."

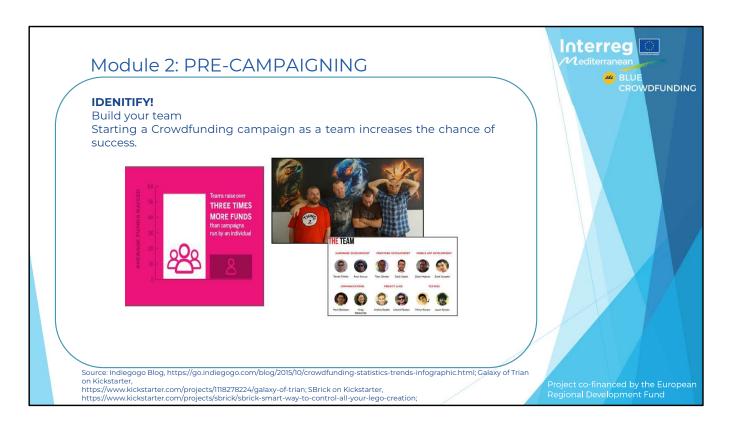The image used does not show concrete figures or dates but displays the achievements of the team in a playful and appropriate manner. It shows the different phases from ideation to designing, prototyping and testing of the controllable LEGO bricks in the past to the present Kickstarter-campaign and also gives an outlook on future events like production testing and finally the roll out of the product.

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IDENITIFY!
Prepare a business plan!
In Equity-based Crowdfunding, a business plan is needed to by most platforms.

Unique Selling Proposition ∨

Business Model ∨

Marketing and Sales goals ∨

Market Situation ∨

Team ∨

Funding and Target figures ∨

Source: Conda Investment Guide, https://www.conda.at/en/crowdinvesting/investment-guide/;

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Equity-based Crowdfunding campaigns must deliver a business-plan to support potential investors in getting a clear picture of the investment-case. A standard business-plan consists of the main information about the company and product, including the following:
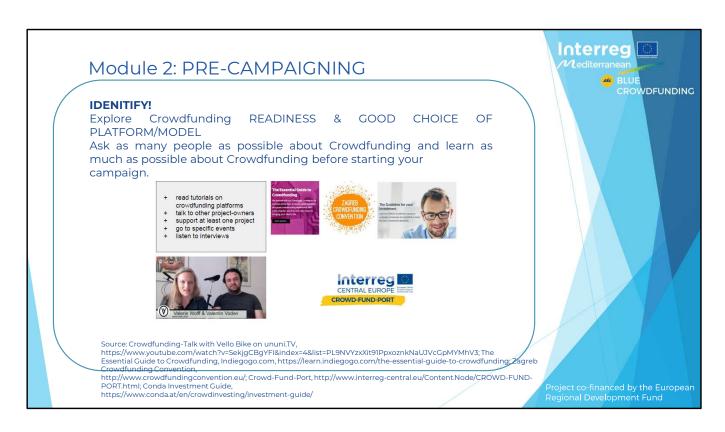● The unique selling proposition: this is a key criterion and that is why you should clearly point out, what makes your product or service unique.
● The market and sales goals: here you need to explain how your business or product is being introduced to the market.
● The business model: Investors are mostly looking into the credibility of the business model, so explain e.g. what business strategy is your company pursuing, how convincing your product strategy is and how you plan to act and perform compared to your competition?
● The market situation: as a company looking for investment you should answer questions such as how big is the size of the market, how was the previous growth of the market and what is the market potential in general.
● The team: Investors do not only assess the business model, but also look behind the scenes and want to know more about the people, their expertise and their positions within the company or project.
● The funding: your business-plan should also answer questions of the company's financial situation like the following are there any other funding options? Can the business make a profit by reaching the budgeted sales and turnover targets? What are the financial forecasts? Does your company have enough liquidity et al.
Many equity- and lending-based crowdfunding platforms offer templates for standard business-plans and even support companies in writing or optimising their plans, so feel free to ask them.

Module 2: PRE-CAMPAIGNING

IDENITIFY!
Build your team
Starting a Crowdfunding campaign as a team increases the chance of success.

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Starting a Crowdfunding campaign as a team increases the chance of success as each of the team members has its own network and community and skills. In its blog, Indiegogo for example states that teams raise over three times more funds than campaigns run by an individual. Also, many supporters want to see the founders behind or respectively the "makers" of the campaign. That is why presenting the team behind a Crowdfunding campaign is important to make the project more emotional and human.

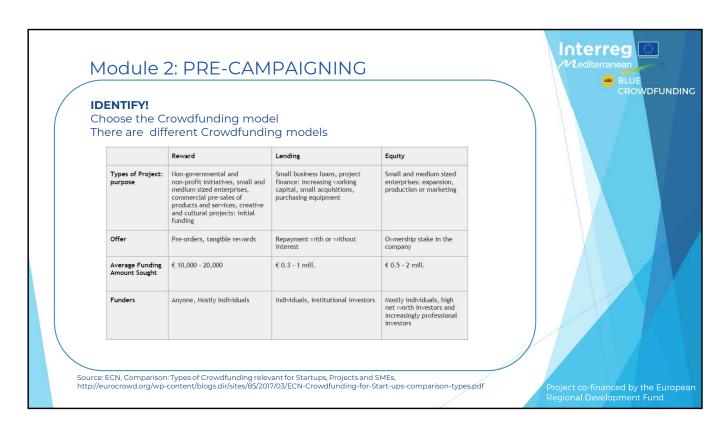There are several ways to present your team within the campaign. The makers of the boardgame "Galaxy of Trian" for example chose to integrate a photo directly on the campaign-page that shows the team standing in front of a fantastic painting. The founders and members of „Sbrick" on the other hand, simply added an image showing the heads and names of the team-members and which department they are working for.
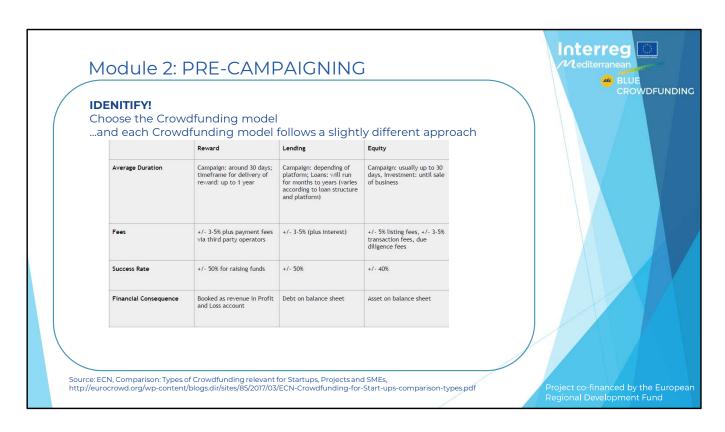
It is important to explore the different views on Crowdfunding. That is why you should ask as many people as possible about Crowdfunding and learn as much as possible about Crowdfunding before starting your campaign.

You can either read some of the many tutorials on the web, especially those provided by the Crowdfunding-platforms. Also talk or listen to other project-owners, either in a face-to-face or in an interview and learn from their experiences. Additionally you can visit industry events in your city and get some further inputs there.

Tip: One of the most important thing in exploring Crowdfunding is to learn the mechanics behind it. So make sure you have supported at least one other project, before launching your own one!

Module 2: PRE-CAMPAIGNING

IDENTIFY!
Choose the Crowdfunding model
There are different Crowdfunding models

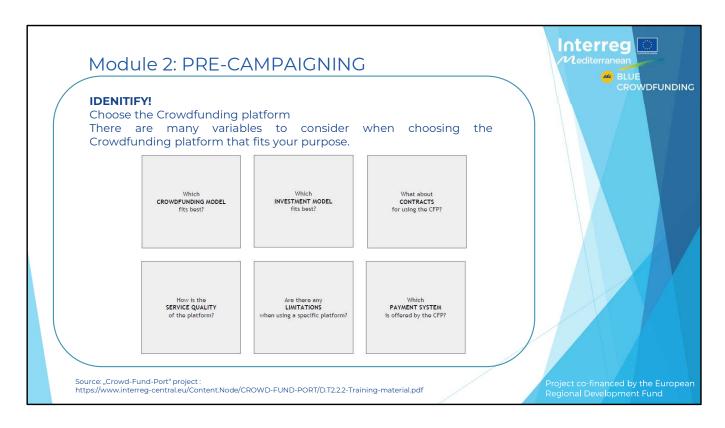|	Reward	Lending	Equity
Types of Project: purpose	Non-governmental and non-profit initiatives, small and medium sized enterprises, commercial pre-sales of products and services, creative and cultural projects: initial funding	Small business loans, project finance: increasing working capital, small acquisitions, purchasing equipment	Small and medium sized enterprises: expansion, production or marketing
Offer	Pre-orders, tangible rewards	Repayment with or without interest	Ownership stake in the company
Average Funding Amount Sought	€ 10,000 - 20,000	€ 0.3 - 1 mill.	€ 0.5 - 2 mill.
Funders	Anyone, Mostly individuals	Individuals, institutional investors	Mostly individuals, high net worth investors and increasingly professional investors

Source: ECN, Comparison: Types of Crowdfunding relevant for Startups, Projects and SMEs,
http://eurocrowd.org/wp-content/blogs.dir/sites/85/2017/03/ECN-Crowdfunding-for-Start-ups-comparison-types.pdf

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There are four different Crowdfunding models (three of them also fit for SMEs) - reward-based, lending-based and equity-based Crowdfunding. As you can see on the table, there are some variables that you should consider in choosing the perfect model for your venture. Try to ask yourself some questions, based on the inputs given on the tables and try to answer them to getting one step closer to finding the right model. A reward-based campaign mostly fits better with pre-selling campaigns, while equity or lending-based campaigns are more recommendable if you need fresh capital in your company for giving away shares or interests.

Module 2: PRE-CAMPAIGNING

IDENITIFY!
Choose the Crowdfunding model
...and each Crowdfunding model follows a slightly different approach

	Reward	Lending	Equity
Average Duration	Campaign: around 30 days; timeframe for delivery of reward: up to 1 year	Campaign: depending of platform; Loans: will run for months to years (varies according to loan structure and platform)	Campaign: usually up to 30 days, Investment: until sale of business
Fees	+/- 3-5% plus payment fees via third party operators	+/- 3-5% (plus interest)	+/- 5% listing fees, +/- 3-5% transaction fees, due diligence fees
Success Rate	+/- 50% for raising funds	+/- 50%	+/- 40%
Financial Consequence	Booked as revenue in Profit and Loss account	Debt on balance sheet	Asset on balance sheet

Source: ECN, Comparison: Types of Crowdfunding relevant for Startups, Projects and SMEs,
http://eurocrowd.org/wp-content/blogs.dir/sites/85/2017/03/ECN-Crowdfunding-for-Start-ups-comparison-types.pdf

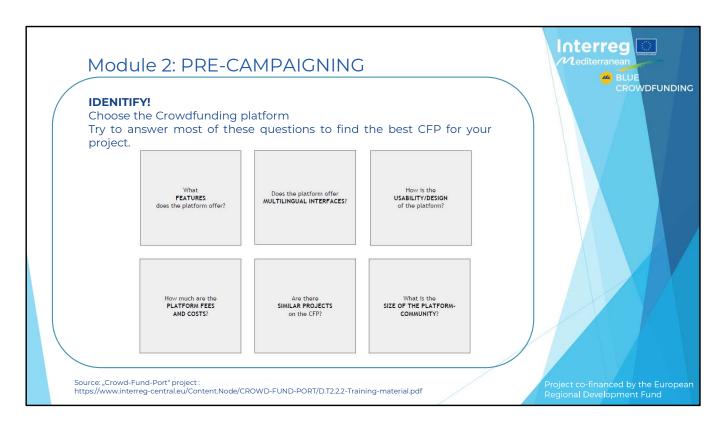Project co-financed by the European Regional Development Fund

Some equity and lending based platforms take a fixed upfront-fee for screening your business plan etc. Make sure to get enough information about the different models and platform approaches and also platform fees before starting or preparing your campaign. Also consulting a Crowdfunding expert makes sense, because he/she can help you identifying the perfect platform and Crowdfunding-approach.
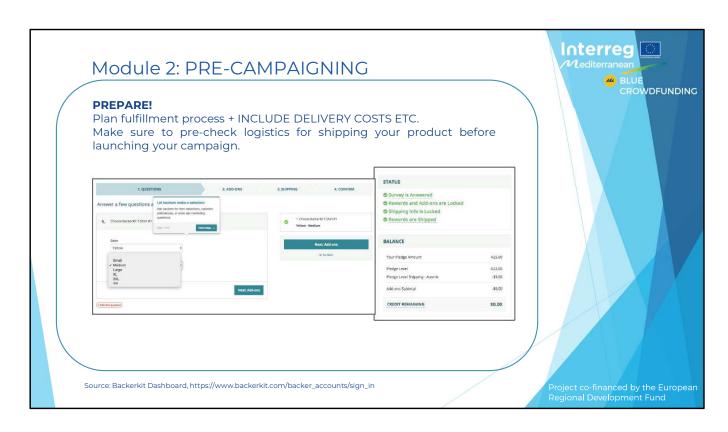
Module 2: PRE-CAMPAIGNING

IDENITIFY!
Choose the Crowdfunding platform
There are many variables to consider when choosing the Crowdfunding platform that fits your purpose.

Which **CROWDFUNDING MODEL** fits best?	Which **INVESTMENT MODEL** fits best?	What about **CONTRACTS** for using the CFP?
How is the **SERVICE QUALITY** of the platform?	Are there any **LIMITATIONS** when using a specific platform?	Which **PAYMENT SYSTEM** is offered by the CFP?

Source: „Crowd-Fund-Port" project :
https://www.interreg-central.eu/Content.Node/CROWD-FUND-PORT/D.T2.2.2-Training-material.pdf

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There are many variables to consider when choosing the platform that fits your purpose. Ask yourself the following questions and try to answer them accurately:
● Which Crowdfunding model fits best? Choose between reward-, equity- and lending-based Crowdfunding, depending on your goals, e.g. like pre-selling a product or getting fresh capital.
● Which investment model fits best? Once you chose the perfect model, make sure there is a suitable investment-model for your company.
● What about contracts? Inform yourself about possible contracts in advance and – if needed - contact your lawyer and check them.
● How is the service quality? Ask other project-owners about their experiences with your platform-of-choice or test the response-time and quality yourself by simply sending an informal email to the CFP.
● Are there limitations? For instance, some crowdfunding platforms do not accept start-ups and focus on established companies. Other require certain conditions, for example Austrian equity-based platform Green Rocket only accepts sustainable, "green" start-ups.
● Which payment system is offered? Especially in reward-based Crowdfunding you will find many different payment solutions. Some crowdfunding platforms offer PayPal for example, others do not. So make sure, the offered payment options do fit the needs of your Crowd.

Module 2: PRE-CAMPAIGNING

IDENITIFY!
Choose the Crowdfunding platform
Try to answer most of these questions to find the best CFP for your project.

| What **FEATURES** does the platform offer? | Does the platform offer **MULTILINGUAL INTERFACES?** | How is the **USABILITY/DESIGN** of the platform? |
| How much are the **PLATFORM FEES AND COSTS?** | Are there **SIMILAR PROJECTS** on the CFP? | What is the **SIZE OF THE PLATFORM-COMMUNITY?** |

There are some other important questions you should ask yourself. Try to answer most of these questions to find the best crowdfunding platform for your project.

● What features does the platform offer? For example, some reward-based platforms let project-owner add images to each single reward, others do not. Some platforms come with a simple text editor and a blank project-page, others ask you 4 or 5 pre-defined questions, which you need to answer on your project page. Check the platforms in advance to make sure your favorite one comes with all the features you need to presenting your project in the best possible way.

● What about multi-lingual campaigns? Many platforms only offer options for starting single-language-campaigns, others - like Indiegogo - give you free possibilities to add several languages within your project-page by offering a free editor. But there also platforms that come with fully integrated multilingually system-wide, such as „wemakeit" for example.

● How is the usability and design? Some project-owner prefer simple and clean designs, others like colorful and advanced platforms better. Anyway, make sure you find everything where you expect it on your favored CFP and it also works on mobile devices.

● Are there platform fees? Most platforms take fees for using their services, which are between 4 and 10 percent of the successful raised amount on average. Some equity and lending-based platforms additionally take a placement-fee for assessing your project.

● Are the similar projects? Also do not underestimate the context in which you present your product. Check the platforms for similar projects to make sure your own one has a chance of getting noticed and liked by the already established Crowd.

● What is the user-size of the platform? Projects will not actively be promoted by the platforms in general. So, size does not matter - until you gain traction and create some early buzz and reach the attention of the platform. Hopefully you get featured in its online communication channels, such as email-newsletter, Facebook-page and the platform homepage.

Module 2: PRE-CAMPAIGNING

PREPARE!
Plan fulfillment process + INCLUDE DELIVERY COSTS ETC.
Make sure to pre-check logistics for shipping your product before launching your campaign.

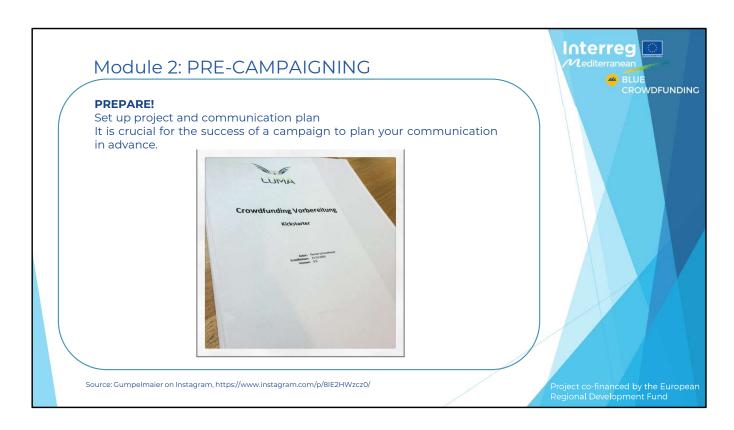Source: Backerkit Dashboard, https://www.backerkit.com/backer_accounts/sign_in

Especially when you are planning a reward-based campaign, make sure to pre-check logistics for shipping your product BEFORE launching your campaign. Find out how much the shipping costs are, how much money you will need for packing your products, maybe also plan external personal resources and note the costs. Also be prepared for the case your project sky-rockets and you have to ship many units in time.

Module 2: PRE-CAMPAIGNING

PREPARE!
Assign tasks to team
You should also clearly define the responsibilities within your team and assign certain tasks to each team member
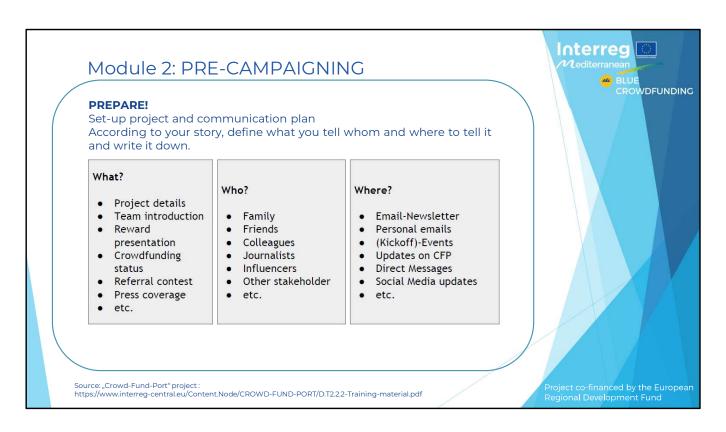
No matter how you plan yourself, try to focus on your story and define what you tell your potential supporters and where you tell it. Take notes and write it down and transfer it to your preferred communication plan format. Add the following points to your content-plan and extend it more and more until you have a rough overview of actions for the time before, during and after your campaign:

Capture the What? by answering questions like what is the project about? Who is behind the project? Are there any rewards? What can people do to support you? Also answer the Who? by including information on what groups or individuals are most likely to share or support your project, like family and friends, but also influencers or journalists.
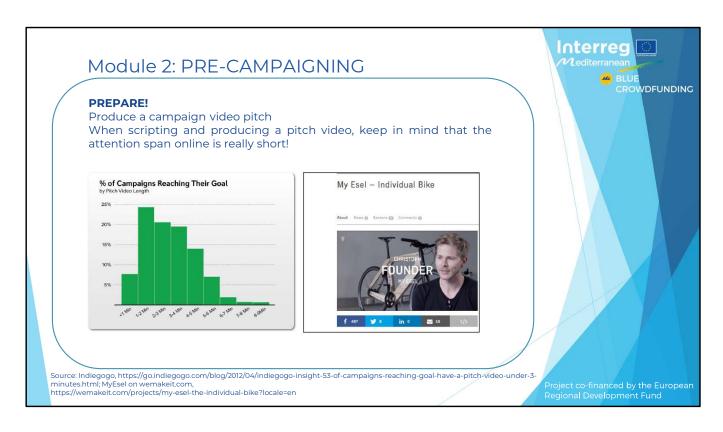
Last, but least add the Where? and list the channels you already established and others that need to be started, like newsletters, Social Networking services etc. At the end you will have a tight action-plan, which you can further use as a basis for all your campaign-related activities.

Module 2: PRE-CAMPAIGNING

PREPARE!
Set up project and communication plan
It is crucial for the success of a campaign to plan your communication in advance.

Source: Gumpelmaier on Instagram, https://www.instagram.com/p/8IE2HWzcz0/

Project co-financed by the European Regional Development Fund

It is crucial for the success of a campaign to plan your communication in advance. Try to identify the channels your Crowd is communicating in and prepare a communication plan. For example, Austrian company LUMA Active prepared a written document to plan and execute their campaign. It contained a detailed timing, a collection of content for the various communication channels, a list of influencers and multipliers with their email-addresses and names, a division of tasks and many other things. The document was in steady progress and was updated by the team-members every single day before and during the campaign.
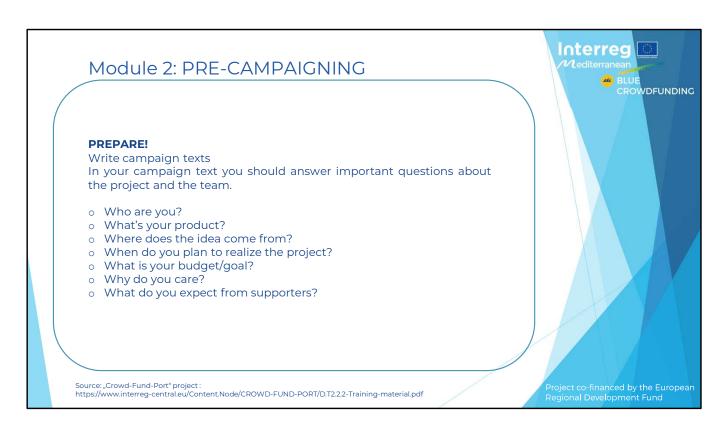
Module 2: PRE-CAMPAIGNING

PREPARE!
Set-up project and communication plan
According to your story, define what you tell whom and where to tell it
and write it down.

What?	Who?	Where?
● Project details		
● Team introduction	● Family	● Email-Newsletter
● Reward	● Friends	● Personal emails
presentation	● Colleagues	● (Kickoff)-Events
● Crowdfunding	● Journalists	● Updates on CFP
status	● Influencers	● Direct Messages
● Referral contest	● Other stakeholder	● Social Media updates
● Press coverage	● etc.	● etc.
● etc.		

Source: „Crowd-Fund-Port" project :
https://www.interreg-central.eu/Content.Node/CROWD-FUND-PORT/D.T2.2.2-Training-material.pdf

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You should also clearly define the responsibilities within your team and assign certain tasks to each team member. Everyone has different skills and can promote the project in different communities or channels. You can use tools like Trello to have a common overview about all tasks. Those tools mostly follow the GDT (Get Things Done)-approach and allow users to add, group, schedule and assign tasks within the team.

Module 2: PRE-CAMPAIGNING

PREPARE!
Produce a campaign video pitch
When scripting and producing a pitch video, keep in mind that the attention span online is really short!

% of Campaigns Reaching Their Goal
by Pitch Video Length

My Esel – Individual Bike

When scripting and producing a pitch video, keep in mind that the attention span online is really short! Try to keep the duration of the video below 3 minutes if promoting a reward-based campaign. In equity-based campaigns the video can be a bit longer, because mostly there is more information to transport and explain. Also try to be visible in the video, at least at the beginning for introducing the idea and team and give a clear call to action in the first 30 to 45 seconds, like Christoph, CEO of „MyEsel" here (see screenshot). At the end of the video add a call-to-action to activate people to support or share your project. Also integrate a link to your campaign-page as the video will not always be
shown directly on the crowdfunding platform, but sometimes is shared out of context.
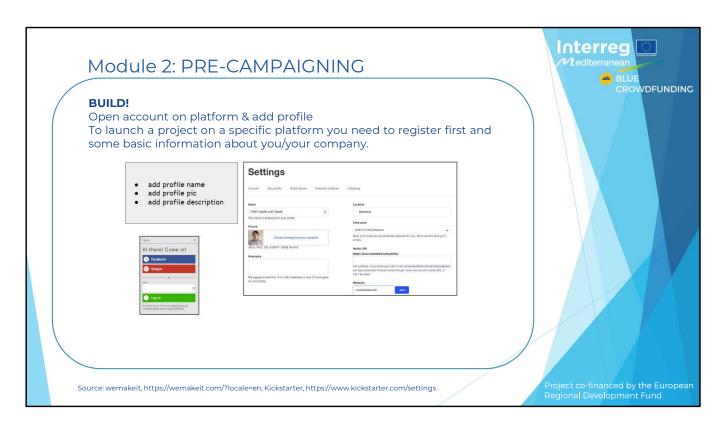
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PREPARE!
Write campaign texts
In your campaign text you should answer important questions about the project and the team.

o Who are you?
o What's your product?
o Where does the idea come from?
o When do you plan to realize the project?
o What is your budget/goal?
o Why do you care?
o What do you expect from supporters?

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In your campaign text you should answer the following important questions about the project and the team. Keep the text simple and try to tell your story as emotional and authentic as possible. Make clear why you are the best person to produce and market your product respectively further develop and grow this company. Also explain how supporters can help you, also with non-financial means. The more people spread the word, the more people will see your project and hopefully support it by purchasing a reward or invest in your company.

Make sure you check legal issues with your lawyer and tax consultant before launching your campaign. We will update this legal section at a later stage with more information.
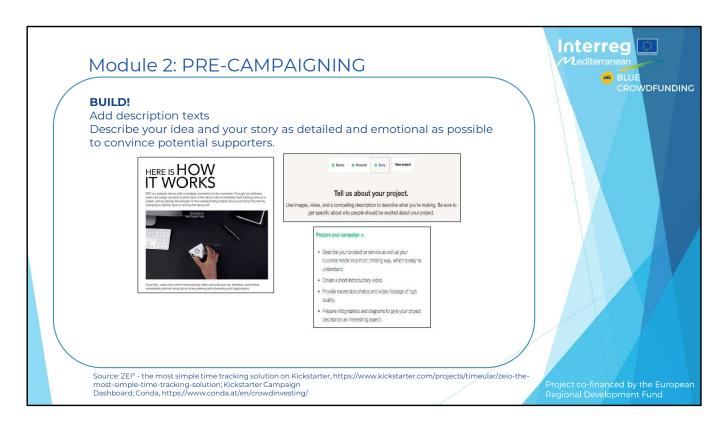
To launch a project on a specific platform you need to register first and add some basic information about you/your company, like your profile name, your profile picture and your profile description. Not every crowdfunding platform takes teams/companies but only individuals. So if you plan to launch as a company, make sure, if this is accepted by the chosen platform.

Source: Daisy.si on Indiegogo, https://www.indiegogo.com/projects/daisy-si-smart-plant-watering#/

A short and noteworthy title is important to help platform-visitors remember your project and/or topic. For example, Slovenian project Daisy.si, added a short descriptive text to its company name that explained the product in three words: smart plant watering. In the short description below is was further described "as an amazing new independent portable all-in-one design smart plant watering device." Both texts together help potential customers to easily and instantly understand the product and therefore increased the chance of a so-called conversion, a purchase.
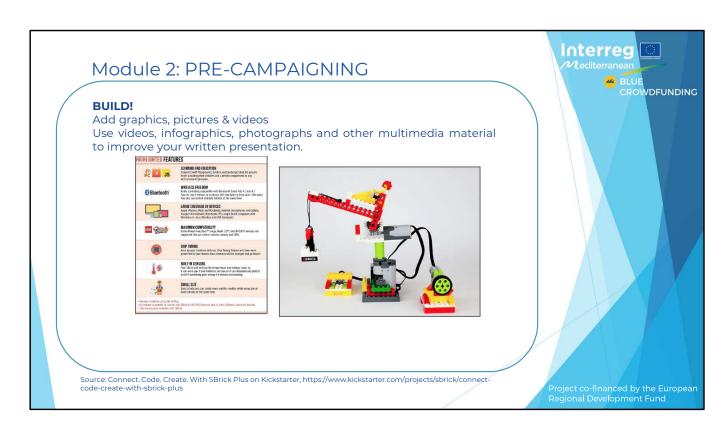
Choose a meaningful thumbnail picture and a short description (lead-text) that gets your project to the point. This is important as it is mostly the first touch point with your project. Focus on the message and if possible, try to make the text emotional or involve people, if possible. People who are emotionally touched, tend to support or share a project more likely.
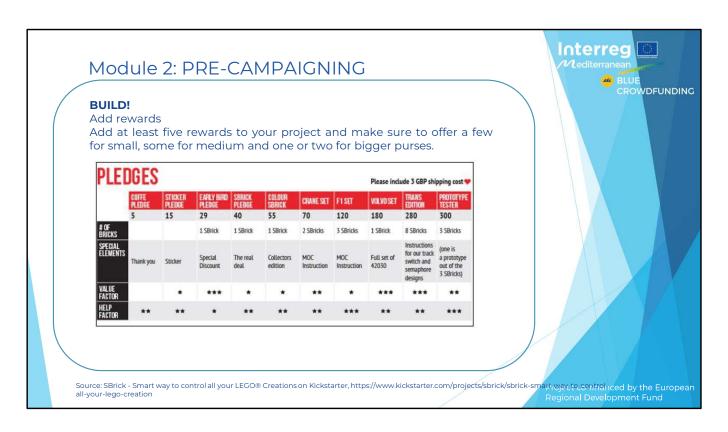
Describe your idea and your story as detailed as needed and as emotional as possible to convince potential supporters. As mentioned before, try to answer the most important questions, but also focus on
the involving part. Many platforms pre-structure those questions to make it easier for newbies to get into it.
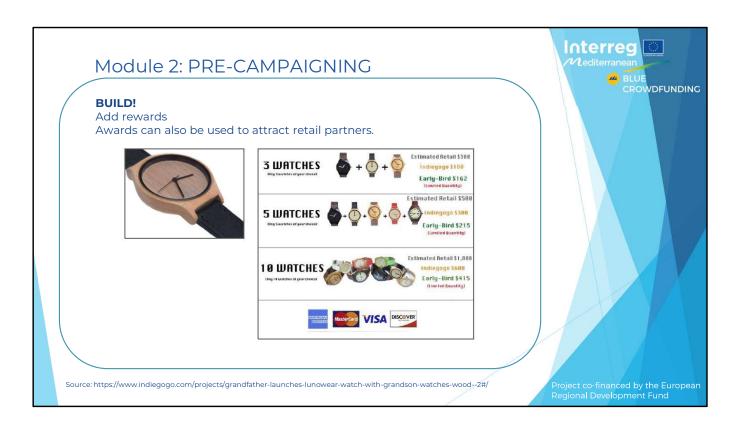
Module 2: PRE-CAMPAIGNING

BUILD!
Add graphics, pictures & videos
Use videos, infographics, photographs and other multimedia material to improve your written presentation.

Source: Connect. Code. Create. With SBrick Plus on Kickstarter, https://www.kickstarter.com/projects/sbrick/connect-code-create-with-sbrick-plus

Use videos, infographics, photographs and other multimedia material to improve your written presentation. Every visualisation makes your presentation easier to understand, but also more professional and faster to understand.
Most importantly you should add a picture of your team, if you sell products group your reward-tiers, add a timeline/milestones and of course show the product/prototype.

Module 2: PRE-CAMPAIGNING

BUILD!
Add rewards
Add at least five rewards to your project and make sure to offer a few for small, some for medium and one or two for bigger purses.

PLEDGES	COFFE PLEDGE	STICKER PLEDGE	EARLY BIRD PLEDGE	SBRICK PLEDGE	COLOUR SBRICK	CRANE SET	F1 SET	VOLVO SET	TRANS EDITION	PROTOTYPE TESTER
	5	15	29	40	55	70	120	180	280	300
# OF BRICKS			1 SBrick	1 SBrick	1 SBrick	2 SBricks	3 SBricks	1 SBrick	8 SBricks	3 SBricks
SPECIAL ELEMENTS	Thank you	Sticker	Special Discount	The real deal	Collectors edition	MOC Instruction	MOC Instruction	Full set of 42030	Instructions for our track switch and semaphore designs	(one is a prototype out of the 3 SBricks)
VALUE FACTOR		★	★★★	★	★	★★	★	★★★	★★★	★★
HELP FACTOR	★★	★★	★	★★	★★	★★	★★★	★★	★★	★★★

Please include 3 GBP shipping cost ♥

Add at least five rewards to your project but try not to offer to many rewards (up to 8 or 10 is ok), as this will confuse your supporters. Also make sure to offer a few for small, some for medium and one or two for bigger purses, to let supporters choose themselves at which level they want to support your campaign. Additionally, offer limited rewards to create an artificial shortage and incentivize your supporters to buy the rewards at an earlier date (so called Early Bird Rewards). Use the big reward-tiers to also make an offer to possible retailers and companies.

Module 2: PRE-CAMPAIGNING

BUILD!
Add rewards
Awards can also be used to attract retail partners.

Source: https://www.indiegogo.com/projects/grandfather-launches-lunowear-watch-with-grandson-watches-wood--2#/

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Your crowdfunding campaign will attract possible business partners. Through the reward structure, you can reach out to potential retail partners. The „Lunowatch" campaign on Indiegogo is a good example. They offered a discount price if a retail seller bought more than just 1 watch. Offer your retailers a discount on your rewards and allow them to buy a larger number of rewards. This will boost your campaign and help you reach your target quicker.

Module 2: PRE-CAMPAIGNING

BUILD!
Add experience team members
Some CFPs offer a direct assignment of team-members to your project.
Adding them shows that you are not alone and helps
building trust.

Source: Synbiotec on
http://www.nextequity.it/http://www.nextequity.it/?context=main&class=C_NQ_startups&task=C_NQ_startups_content_item&id=3; nuapua on Startnext,
https://www.startnext.com/nuapua; neovoltaic on CONDA, https://www.conda.at/en/startup/neovoltaic/

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Some crowdfunding platforms offer a direct assignment of team-members to your project. Adding them shows that you are not alone and helps building trust. Make sure your colleagues upload a profile picture to present the team on a professional and personal level.
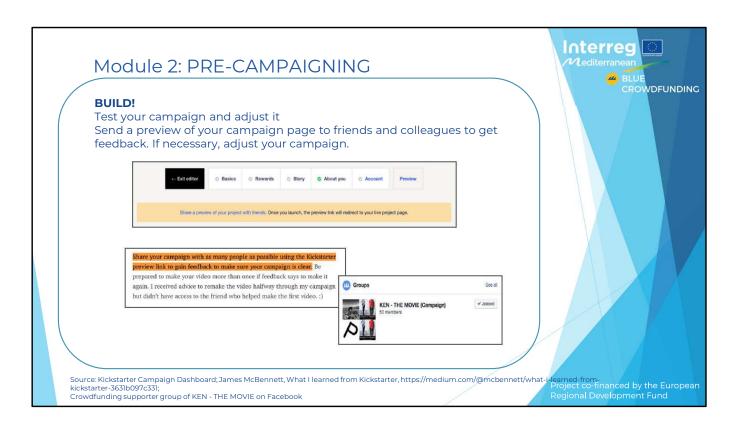
You can link your YouTube or Vimeo-URL to integrate your pitch video into the campaign-page, although some platforms want you to upload it from your computer. Make sure to inform yourself about potential options long enough before campaign start to avoid delays because of technical issues.

Module 2: PRE-CAMPAIGNING

BUILD!
Upload business plan and other documents
Most equity- and lending-based CFPs offer a simple PDF upload to make your business plan and other financial documents accessible to investors.

Source: Cynny on Investi-re.it, http://www.investi-re.it/project/cynny/

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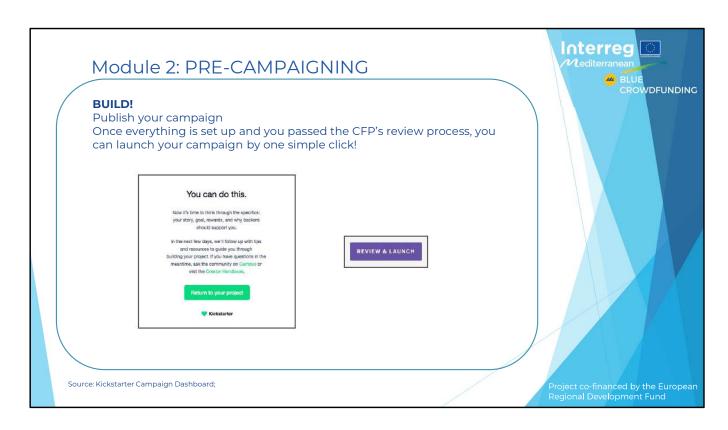
Most equity- and lending-based platforms require you to upload your business plan and supporting documents, which are made accessible to investors. Many platforms however require more documents to screen the project before they can go online. These are for instance:
● Business Plan
● Finance Plan
○ Profit and Loss Statement
○ Cash Flow
○ Evaluation of the Company
● Company Registry Excerpt
● Tax Registry Excerpt
● Balance Sheets of the previous three years
● Articles of partnership, partnership meetings summary
● Contracts to other parties with equity- or profit-sharing component
● Contracts to other parties with loan- or debt component
● Trial balance of this year
● Important contracts (for instance regarding patents)
● Personal identification documents for the CEO
● Pitch Deck
○ Business Model
○Team
○ Current Phase of the Business
○ USP (Unique Selling Proposition)
○ Market Context
○ KPIs (Key Performance Indicators)
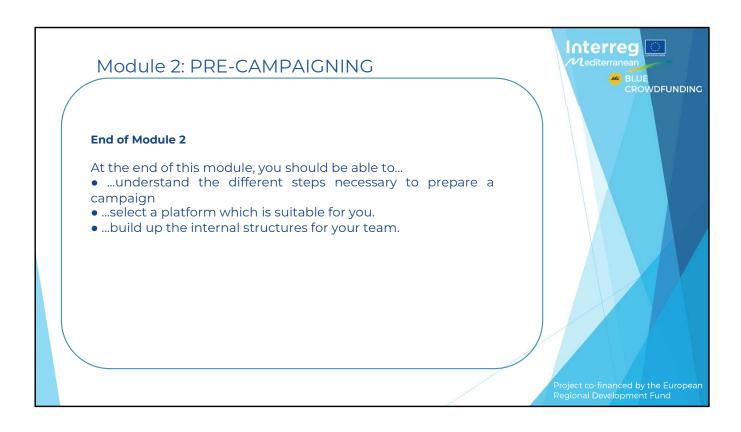
Module 2: PRE-CAMPAIGNING

BUILD!
Test your campaign and adjust it
Send a preview of your campaign page to friends and colleagues to get feedback. If necessary, adjust your campaign.

Share your campaign with as many people as possible using the Kickstarter preview link to gain feedback to make sure your campaign is clear. Be prepared to make your video more than once if feedback says to make it again. I received advice to remake the video halfway through my campaign but didn't have access to the friend who helped make the first video. :)

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Send a preview of your campaign page to friends and colleagues to get feedback. Ask specific or open questions, let someone proof-read all your texts, find out, if people understand your project and rewards or business plan details are ok for them. If necessary, adjust your campaign and integrate the feedback from your testing-session. If you still feel that your project-page needs some improvement, send it to some friends again and ask them specific questions. After two or three loops, your project-page will be good enough for launching the campaign. On some CFPs you can still add details in your description-texts.

Module 2: PRE-CAMPAIGNING

BUILD!
Publish your campaign
Once everything is set up and you passed the CFP's review process, you can launch your campaign by one simple click!

Source: Kickstarter Campaign Dashboard;

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Make one final check by yourself and once everything is set up and you passed the CFP's review process, launch your campaign by one simple click!

Module 2: PRE-CAMPAIGNING

End of Module 2

At the end of this module, you should be able to...
- ...understand the different steps necessary to prepare a campaign
- ...select a platform which is suitable for you.
- ...build up the internal structures for your team.

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WP3 – [Testing]
[D.3.1.1 Adopted crowdfunding training tool]

MODULE 3: CAMPAIGNING

Table of contents

Module 3: CAMPAIGNING

The purpose of module 3 is to guide you through the steps of campaigning. The module has the following sub-chapters:

● Generate: Raise the awareness of your community

● Engage: Interact with your community

● Update: Keep your community informed

Module 3: CAMPAIGNING

We **start** with what we already have: checklist and your team's super powers !

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Module 3: CAMPAIGNING

Run your Crowdfunding campaign
After publishing your campaign there's a lot of work to do, to create buzz and keep your project going.

Generate!	Engage!	Update!
• Send personal (e)mails • Publish press release • Send direct messages • Update your community • Advertise in Social Media • Use buzz-creation tools • Organise a kickoff event	• Answer emails & FAQs • Plan a live Q&A session • Start a referral contest • Visit offline events • Ask for feedback • Socialize on established channels • BEWARE: the valley of tears	• Inform about project status • Post interviews & articles • Send out email-newsletter • Send reminder to close contacts • Use news/update-area on CFP • Communicate new rewards & stretch goals • Present testimonials

Source: Crowd-Fund-Port" project :
https://www.interreg-central.eu/Content.Node/CROWD-FUND-PORT/D.T2.2.2-Training-material.pdf

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After publishing your campaign there is a lot of work to do.
In the first few hours and days, you need to generate some buzz by telling as many people as possible about your project. Send out emails, publish your prepared press release, inform friends through direct messages and update your community in any given way.
After that, it is all about engaging with the Crowd. Try to answer their questions via email, but also in the FAQ-section on your project-page. Also ask for feedback and involve the Crowd and last but not least, communicate with your followers on your established channels.
During the campaign it is crucial to also keep your community in the loop, not only supporters, but also influencers and of course your family & friends. Update your project-page, post published interviews, send a follow-up newsletter and remind people of your campaign.

Module 3: CAMPAIGNING

Keys to success of a Crowdfunding campaign

➔ Motivation and teamwork
➔ Pre-planning
➔ Define your target audiences
➔ Create community
➔ Have a well-defined storytelling
➔ Communicate the rewards
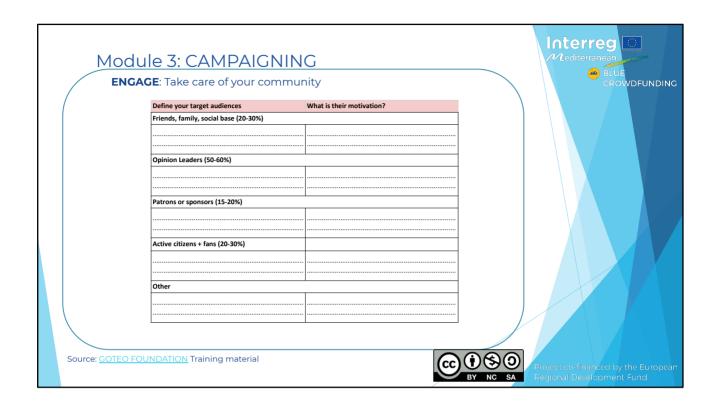➔ Increase the transit to the web
➔ Develop strategic alliances
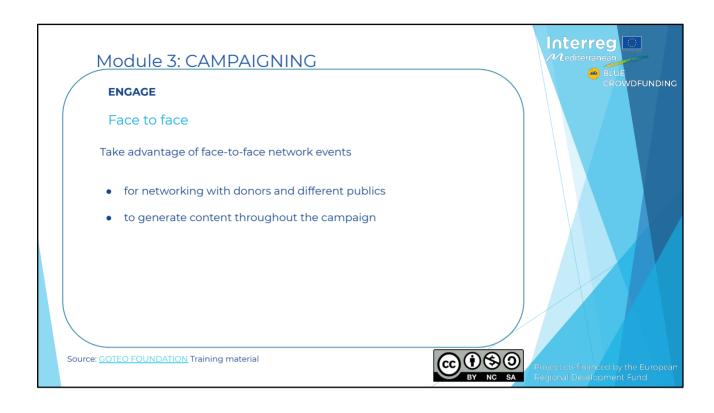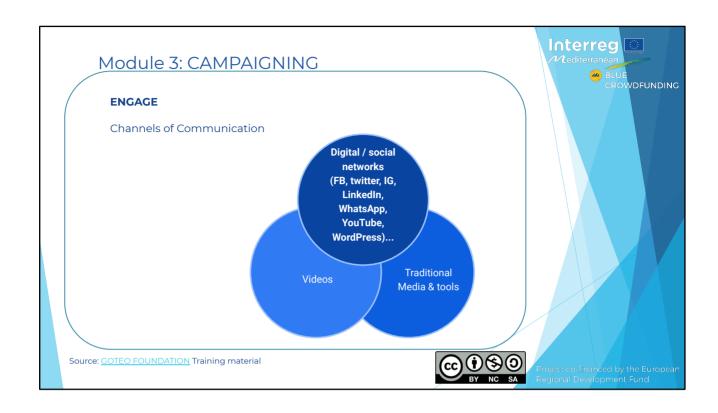
Module 3: CAMPAIGNING

Source: GOTEO FOUNDATION Training material

Module 3: CAMPAIGNING

GENERATE

Target Audience
The demographic of people most likely to be interested in your product or service. They need to relate to the tone and content of the message. By striking a chord with someone, a personal connection is made, and trust is established.

Source: Lake, Laura, *What Is Your 'Target Audience' in Marketing?* Retrieved July 16, 2020, from https://www.thebalancesmb.com/what-is-a-target-audience-2295567

GENERATE

Communication strategies differ
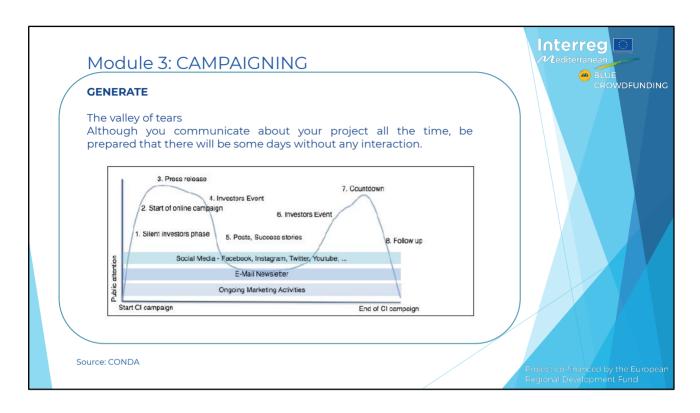
- Explaining to different types of publics

➔ Addressing your best friend (he/she will always support you)

➔ Differs to addressing your grandma (she will also always support you, but she is a limited public!)

➔ to addressing fans and strongly involved people

➔ or institutions and companies

Although you communicate about your project all the time, be prepared that there will be some days without any interaction after the first peak. This period is sometimes called "The valley of tears", as the graph of attention decreases after the first few days. This usually happens at reward-based AND equity-based Crowdfunding-campaigns likewise, although in equity-Crowdfunding the attention span mostly starts a bit earlier, because investors are informed a few days in advance about upcoming investment opportunities.

The more you plan your campaign, the less lower the graph falls. But the most important thing is NOT to give up, when you see the valley of tears coming. Stay focused and engaged! Continue to communicate, interact with people, tell everyone about your project and directly point them to your project-page and last but not least, deliver content and stories and - if necessary - improve your campaign with new rewards or further information etc.

In the end, this pays off and people will start paying and sharing your project again. Usually there is another peak at the end of the campaign, especially when you are close to reach the funding goal or already made it.

Module 3: CAMPAIGNING

ENGAGE
Take care of your community

- **Friends, family, followers**
  (20% for the first campaigning week)

- **Opinion Leaders:**
  Achieve X commitments of contribution and dissemination in influential networks and blogs.

- **Active citizens + fans + potential customers:**
  Motivated by theme, rewards, services, originality

- **People close to the team** (who commit to deepen the campaign)

- **Investors or sponsors**

- **Online media:** generate direct links to the campaign

Source: GOTEO FOUNDATION Training material

Module 3: CAMPAIGNING

ENGAGE: Take care of your community

MOVE YOUR COMMUNITY

Module 3: CAMPAIGNING

ENGAGE: Take care of your community

Define your target audiences	What is their motivation?
Friends, family, social base (20-30%)	
....	....
....	....
Opinion Leaders (50-60%)	
....	....
....	....
Patrons or sponsors (15-20%)	
....	....
....	....
Active citizens + fans (20-30%)	
....	....
....	....
Other	
....	....
....	....

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Module 3: CAMPAIGNING

ENGAGE

The message
                Tone and content

The tone matters!

Create connections & empathy: emotions, collective imagination, ...

Share various content with creativity and generosity!

- Storytelling
- Complain vs. Suggest
- Formal vs. informal
- Irony and humor

Source: GOTEO FOUNDATION Training material

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Module 3: CAMPAIGNING

Format
Vary and mix the diverse supports and tools:

- Text
- Video
- Gifs
- Memes
- Audio
- Face-to-face

Not only do you have to choose one, but it is good to vary and try.

Sources: Oxfam Australia 'Poster design to change the World' Campaign, Hellenic Marine Environment Protection Association 'Plastic Kills!' Campaign, Amplifier 'We the People' Campaign

Module 3: CAMPAIGNING

Campaign videos

The System of Systems: a publication on the asylum process

Module 3: CAMPAIGNING

Campaign on social networks

The Great War @ twitter

Top Manta @ instagram

Module 3: CAMPAIGNING

ENGAGE

Face to face

Take advantage of face-to-face network events

- for networking with donors and different publics

- to generate content throughout the campaign

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Module 3: CAMPAIGNING

ENGAGE

Channels of Communication

Digital / social networks (FB, twitter, IG, LinkedIn, WhatsApp, YouTube, WordPress)...

Videos

Traditional Media & tools

Source: GOTEO FOUNDATION Training material

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Module 3: CAMPAIGNING

Traditional channels

Module 3: CAMPAIGNING

ENGAGE! Offline and in-presence events

Organise a kick-off-event
Invite family & friends to a special event to celebrate your Crowdfunding launch and also share it online.
Also consider to present your project at offline events of your industry, sector and territory of reference.

Source: Vrseh on Facebook,
https://www.facebook.com/vresh.at/photos/gm.1219791131392449/1197524156953559/?type=3&theater

Invite family and friends and interested people to a special event to celebrate your Crowdfunding launch. It helps to make your project more tangible and also shows that you do not follow a top-down, but a bottom-up approach and you deeply care about what your customers think. Show your prototype, discuss further improvements, collect testimonials and most importantly, share these insights and experiences with others again, e.g. by posting a picture of someone trying your product.

E.g. the owners of fashion label VRESH organised a Crowdfunding Kick Off Party at their store to on the one hand present their new product, a fair trade Jeans, and on the other hand to draw attention that these Jeans are now available on Kickstarter. The result was that the first pairs of Jeans were directly ordered that evening, which was an important boost for the campaign and a motivation for others to join.

Module 3: CAMPAIGNING

ENGAGE

Networks matter

- Create strategic collaborations

- Share networks through the newsletter

- Create Facebook events

- Never abandon your networks!

- Interact (+ communication, - information)

- Learn from your mistakes: keep an eye on tracking and web analytics

Module 3: CAMPAIGNING

ENGAGE!
Videos

➔ Maximum length : 2 mins

➔ Shorter videos to go viral : shared in Social Networks and via a "call to action" + link to the campaign

Be prepared that potential supporters will have questions about your product, company or Crowdfunding-related issues and try to answer it as soon as possible. It is helpful to ask friends and interested people a few questions before starting the campaign and write down the answers. This might help to react a little bit faster during the campaign. You can even post your FAQs directly on your project page on your preferred CFP.

Whenever something happens worth knowing, tell your friends and fans about it on every channel possible. If you reach your first 25%, communicate it. If you are on TV, tell them. If your second prototype arrived in your office/studio, show them. Try not to focus on the Crowdfunding project, but on your main project and tell background stories etc. If possible, do not copy/paste content from one into another channel and try to publish news at different times.

Module 3: CAMPAIGNING

UPDATE! Inform your contacts about project status
Keep your fans & supporters in the loop about the project itself, but also update them about the Crowdfunding-status. Consider:
- Posts on social media channels
- Emails
- Newsletters

Source: Late Blossom Blues Blog, http://lateblossomblues.com/production-note-1; LUMA ACTIVE on Kickstarter, https://www.kickstarter.com/projects/luma/luma-active-first-ever-lighting-headgear-for-outdo/updates; flying tent on Kickstarter, https://www.kickstarter.com/projects/255929858/flying-tent-7-seconds-to-the-stars/updates

Use your email-lists to regularly update your community about Crowdfunding-successes, but also the process of the main project. Movie maker Claudia Rorarius ran a second campaign for her film KEN - THE MOVIE while she was shooting the film in California. Approximately once per week she provided her fans and supporters with email-updates of the trip and her shooting progress, but also added some thank-you videos and call to actions to these email-updates, to keep people involved and motivated.

Module 3: CAMPAIGNING

UPDATE! Communicate new rewards & stretch goals

As soon as you reach your (minimum) funding goal, inform your supporters about your next goal and - if available - about new rewards to motivate them and keep the traction going.

Source: LUMA Active on Kickstarter,
https://www.kickstarter.com/projects/luma/luma-active-first-ever-lighting-headgear-for-outdo; adeo
ALPIN on Conda, https://www.conda.at/en/startup/adeo-alpin/press-room/

As soon as you reach your (minimum) funding goal, reach out for the funding limit or add a so-called stretch goal and inform your supporters about this next goal. The stretch goal is mostly used for further improvement of the main product or variations, such as additional colours or sizes etc. LUMA ACTIVE for example communicated the stretch goals right from the start, using an infographic. Their initial goal was EUR 15,000 and by reaching the stretch goal of EUR 30,000 they added some more colours to their caps and headbands. If possible, add new rewards to motivate your Crowd and keep the traction going to reach the next funding level.

Module 3: CAMPAIGNING

UPDATE! Present testimonials

Ask influencers to support you during your campaign with quotes, pics or recommendations to leverage your reach!

Source: techbold on Conda, https://www.conda.at/en/startup/techbold/; ununi.tv testimonials on Pinterest, https://www.pinterest.com/ununitv/testimonials/

Ask influencers to support you during your campaign with quotes, pictures or recommendations to leverage your reach! Influencers are not necessarily famous people, but people who reach others who could help you in reaching your Crowdfunding goal. For example, if you are running a campaign for an innovative new sports gear, identify friends who most likely be testing your product and recommend it to other athletes. Also ask them, if they could provide a short statement and use publish those testimonials on your website, your project-page and your Social Media pages. They will help you increase your reach and most importantly get some new investors or supporters on board.

Notes to Consultants:
At the end of this module, you should use the exercises in Module 7 to get your client campaign-ready.
Playing the OH Crowd game
Build your own crowdfunding campaign (Unforeseen, taking turns, preparing communications, caring for the community, growing)
Oh Crowd is a game against the clock. Every 10 'you will receive one challenge. For each challenge you will have 5 'to devise an action individually (for each project) and 5' minutes to decide among all the members of the table which will be the preferred action.
There are 6 tests: place each test on one of the days on the board (0, 1, 7, 14, 21 i 40)
Once the game is over, each board will choose "the best action", share it with the rest and discuss them.
Now you can plan your communication campaign
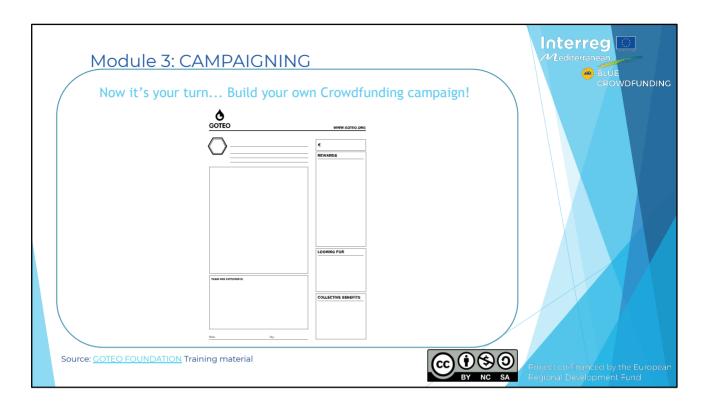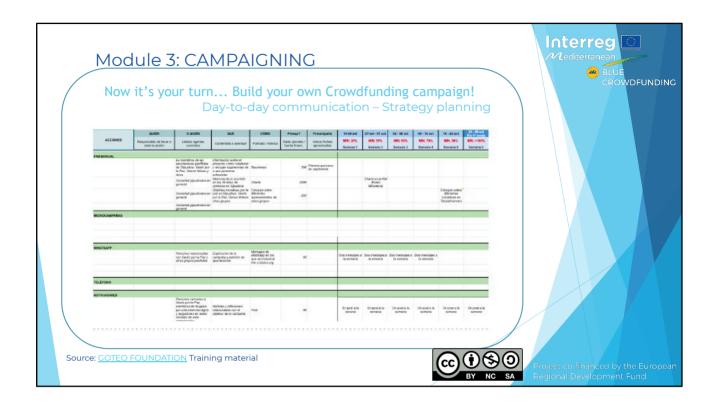
Module 3: CAMPAIGNING

Now it's your turn... Build your own Crowdfunding campaign!

Source: GOTEO FOUNDATION Training material

Notes to Consultants: At the end of this module, you should use the exercises in Module 7 to get your client campaign-ready.

Notes to Consultants: At the end of this module, you should use the exercises in Module 7 to get your client campaign-ready.

Module 3: CAMPAIGNING

Now it's your turn… Build your own Crowdfunding campaign!
Day-to-day communication – Strategy planning

Module 3: CAMPAIGNING

End of Module 3

At the end of this module, you should be able to...
● ...run a campaign

● ...have ideas about online and offline events during the campaign

● ... have ideas on how to overcome obstacles in your campaign.

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Notes to Consultants: At the end of this module, you should use the exercises in Module 7 to get your client campaign-ready.

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WP3 – [Testing]
[D.3.1.1 Adopted crowfunding training tool]

MODULE 4: POST-CAMPAIGING

Table of contents

The following module 4 includes all activities which are done after the end of the campaign, so either when the funding goal is achieved or the funding time has ended.

Its subchapters are:

 CHAPTER 1: Thank
(how to interact with your audience)

 CHAPTER 2: Fulfil
(how to deliver on the promises of your campaign)

 CHAPTER 3: Grow
(how to use the post-campaigning to prepare the next steps in your business)
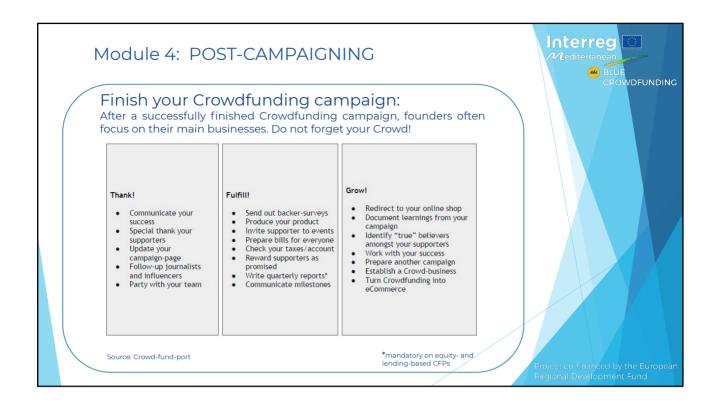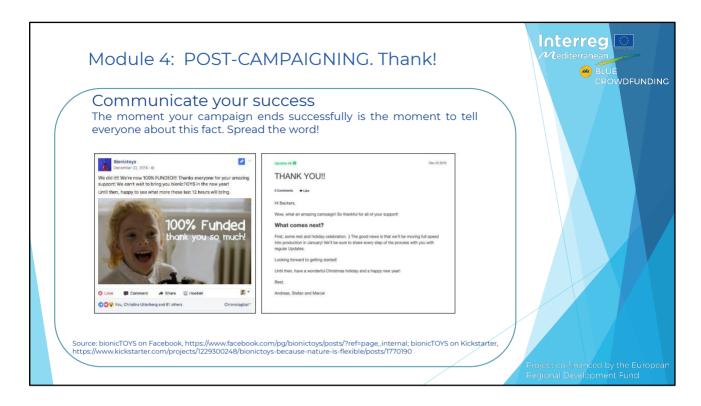
After a successfully finished Crowdfunding campaign, project owners often focus on their businesses. But do not forget your Crowd, as your supporters often are also your first customers and influencers, who recommend your product or your brand. So thank everyone for joining the campaign, fulfill your promises like rewards and last but not least, involve your supporters to further grow your business by sharing insights and regularly communicate with them.

Module 4: POST-CAMPAIGNING. Thank!

Communicate your success

The moment your campaign ends successfully is the moment to tell everyone about this fact. Spread the word!

Source: bionicTOYS on Facebook, https://www.facebook.com/pg/bionictoys/posts/?ref=page_internal; bionicTOYS on Kickstarter, https://www.kickstarter.com/projects/1229300248/bionictoys-because-nature-is-flexible/posts/1770190

The moment your campaign reaches its goal or ends successfully, is the moment to tell everyone about it. We recommend to do the following steps:
● Spread the word on Social Media
● Send an email to your network.
● Send an email to all supporters through the functionality of the campaign.
● Create an update/blog news on the Crowdfunding platform and/or use the integrated communication tools on the Crowdfunding platform.
● Prepare a press release or update journalists and bloggers that you have been in touch with.
For example, on Facebook, German startup Bionictoys told their fans and supporters that the goal was reached, but also reminded them about the remaining hours of the campaign. On Kickstarter, they also created an update and gave a short outlook for the next steps concerning their project.

4

As mentioned on the previous slide, as soon as you finished your campaign you should thank all your supporters through various channels. You can write or post a general thank you-update on Facebook etc. Facebook, Twitter and other social media channels allow the tagging of your network in a post. The supporters will be notified when you tag or mention them. Try to thank every single supporter by emailing or tagging him or her. The more personal the better. This is especially effective if the funding goal is reached, but the funding time has not ended, and you are trying to create awareness that stretch goals (see module 2 and 3) are still available. Tagging supporters can be an effective advertising tool as well for corporate and public partners of your Crowdfunding campaign, even during the campaign. You can incentivize the support from companies by promising that you will use your channels to highlight their support, especially on social media. For them, the social media reach might be worth the equivalent of the amount that they contributed to your campaign. You can use this as well when you receive non-financial support during your campaign. For instance, if you create an event during the campaign and the venue lets you use the space for a discounted price. On most reward-based Crowdfunding campaigns, you can evaluate the monetary value of these in-kind contributions and pay them into the campaign yourself. Do not forget to thank the people who are giving you non-financial support.

Module 4: POST-CAMPAIGNING. Thank!

Update your campaign-page
Add an additional text block to inform visitors about the successfully funded project and redirect them.

Source: Podo on Kickstarter, https://www.kickstarter.com/projects/podolabs/podo-the-first-stick-and-shoot-camera?lang=en; ZEN EGG on Kickstarter, https://www.kickstarter.com/projects/323324338/zenegg-create-time-for-yourself

On many platforms you can add an additional block to inform visitors about the successfully funded project and possibly redirect them. For example, Slovenian project Zen Egg embedded a button-graphic directly on top of the project-page on Kickstarter and redirected users to their website, where they continued their storytelling and also integrated a web shop for further selling their product. For many Crowdfunding-campaigns this makes perfect sense, as media coverage is still high after successfully finishing a campaign.

Module 4: POST-CAMPAIGNING. Thank!

Reflect your Crowdfunding experience
Use the post-campaign strategy to write about what the Crowdfunding campaign achieved, but also what went wrong

What we learnt about crowdfunding, from our own crowdfunding campaign.

Article from medium.com

Read it

In case you haven't heard, we recently finished a very successful Kickstarter campaign. According to Kickstarter we were the 6th most...

Published November 17, 2015
Written by Luuv

Source:
https://medium.com/@teamLUUV/what-we-learnt-about-crowdfunding-from-our-own-crowdfunding-campaign-d84d15cddd8f

Project co-financed by the European Regional Development Fund

German startup Luuv used their blog on Medium.com to reflect upon the Crowdfunding process. For instance, they wrote:

There were many learnings over the course of the Kickstarter campaign but the most important ones were the importance of our backers and our community, how things always take longer than what you think they will take, and when to take advice and when to stick to your guns. These lessons, along with a solid business and marketing strategy, strong analysis, and good communication were our key to a successful campaign.

So now we move to the production phase of our crowdfunding, and the moment that everyone is waiting for. This is an exciting moment for us, because we can't wait to see solidLUUV and ultraLUUV in the hands of our backers. It's also a super busy time where we are perfecting the electronic components of ultraLUUV, finalising the packaging and doing everything to make LUUV a great success.

It helps to make supporters feel as part of the campaign when they hear the personal stories of the project owners.

Module 4: POST-CAMPAIGNING. Thank!

Follow up journalists & influencers
Do not forget to update journalists after you finished your campaign.
You will need so more press-coverage for your
product-launch in the future.

Most Successful European Crowdfunding Campaign
04/04/2014
The new press release is available here.
Read more

Bragi goes Kickstarter
31/03/2014
The high resolution press kit is available here.
Read more

Source: Bragi Website, https://www.bragi.com/press;

Although it is important to get some press coverage at Crowdfunding-start, do not forget to update journalists after you finished your campaign. You will need so more press-coverage for your product-launch in the future. Try to stay in touch with them and send them regular updates, even if your campaign failed. Sometimes it is also a good story to tell, how a company went successful after a Crowdfunding-campaign which has not been perfect. Try to focus on your achievements and offer interviews or if possible your product for testing.

Sometimes a Crowdfunding campaign seems like a 24/7 job. After you reached your goal, take a moment, breathe and celebrate. But do not forget to take a picture and share it with your community. It is totally fine to post some personal content and people will be happy for and with you. You can also use the final party to prepare the next move in your Crowdfunding campaign - such as kicking off the next Crowdfunding campaign, announcing the production of your rewards, or simply evaluating with your team what went well and what did not go so well.

Module 4: POST-CAMPAIGNING. Fulfill!

Send out supporter surveys
Make sure all your supporter-data is correct before sending out rewards.

Source: Nimuno Loops on Indiegogo,
https://www.indiegogo.com/projects/nimuno-loops-the-original-toy-block-tape#/updates
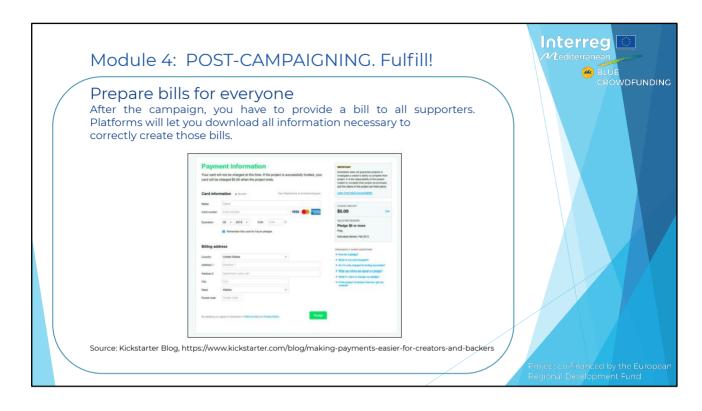
If you ran a reward-based Crowdfunding campaign, make sure all your backer/investor-data is correct before sending out rewards. The best way to do that is through a survey send to all supporters. Some platforms offer basic features to manage those information, but most project-owners use external tools like Backerkit to send out surveys to all their supporters, aiming to get correct contact details and sometimes even to up-sell their funded product.

Produce your product

After you finished your campaign, you have to make sure to start with producing your product properly.

Finish prototyping:

● Find a manufacturer
● Find a retailer
● Open a webshop
● Organise shipping
● Manage packaging
● ...

Source: Crowd-fund-project
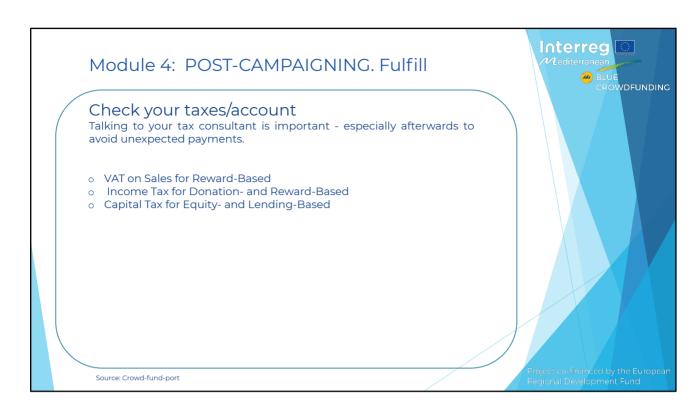
After you finished your campaign the "real" work starts/continues and you have to make sure to start with producing your product properly. Many reward-based campaigns launch with a first prototype, to show potential supporters how the product will look like and how it will work. But there is mostly some more prototyping ahead until they hold the final prototype in their hands. Also they have to find a manufacturer, who will produce the product, based on the final prototype and negotiate contracts with them. Additionally many companies need to find one or more retailers too, who will further sell their product once it is produced and finally have to organise packaging and shipping. These tasks might distract you from fulfilling your rewards or communication duties you promised during the Crowdfunding-campaign. So make sure to also share each of these milestones also with your community, but at least with your supporters!

Module 4: POST-CAMPAIGNING. Fulfill!

Invite supporters to events
Organise a supporters/investors party to show your product and give away your rewards, if promised.

Source: VRESH on Facebook,
https://www.facebook.com/events/209102059586858/?acontext=%7B%22ref%22%3A%221%22%2C%22action_history%22%3A%22null%22%7D

Organise a supporters/investors party to show your product and give away your rewards, if promised. Fashion label VRESH did not only organise a Kick-off party when launching their campaign for fairtrade, urban Jeans, but also announced a release party during their Kickstarter-campaign. This seemed important to them, because they wanted to offer a possibility to try out their Jeans after the funding and if necessary, change them to another size.

Module 4: POST-CAMPAIGNING. Fulfill!

Prepare bills for everyone

After the campaign, you have to provide a bill to all supporters. Platforms will let you download all information necessary to correctly create those bills.

Source: Kickstarter Blog, https://www.kickstarter.com/blog/making-payments-easier-for-creators-and-backers
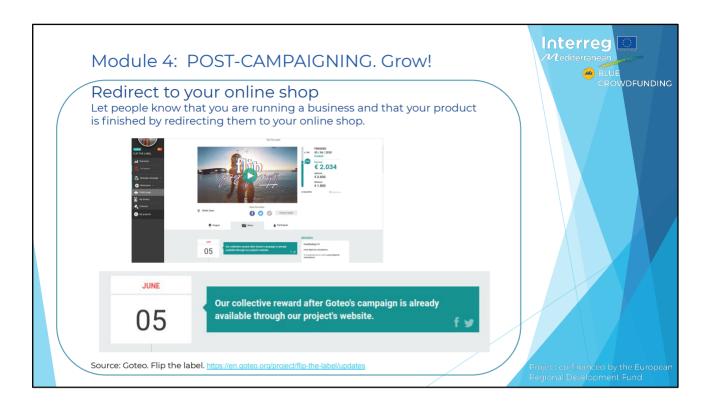
When using reward-based Crowdfunding, you probably are pre-selling a product. That is why after the campaign, you have to provide a bill to all supporters.

Module 4: POST-CAMPAIGNING. Fulfill

Check your taxes/account
Talking to your tax consultant is important - especially afterwards to avoid unexpected payments.

o   VAT on Sales for Reward-Based
o   Income Tax for Donation- and Reward-Based
o   Capital Tax for Equity- and Lending-Based

Source: Crowd-fund-port

Project co-financed by the European
Regional Development Fund
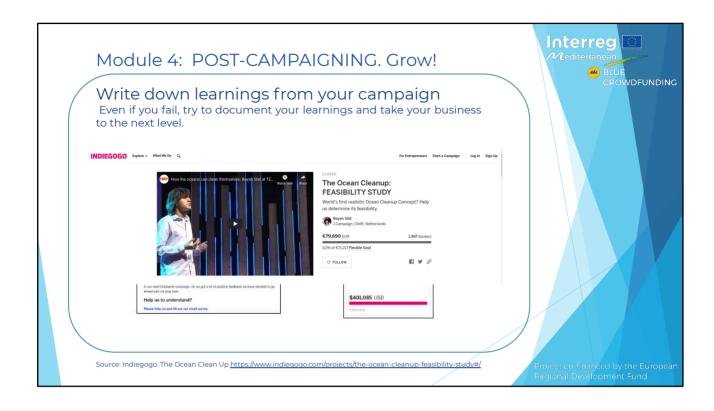
As mentioned before, talking to your tax consultant is important - not only before starting a campaign, but especially afterwards to avoid unexpected payments. Your consultant can support you in correctly sending out receipts and adding it to your tax account.

Module 4: POST-CAMPAIGNING. Fulfill!

Reward supporters as promised
No matter if you promised a reward or regular updates, do not forget to fulfill them as soon as possible.

Source: goood on Startnext, https://www.startnext.com/goood; goood Blog, https://www.goood.de/blog/wall-of-goood-goood-sagt-danke; MIKME on Indiegogo, https://www.indiegogo.com/projects/mikme-wireless-recording-microphone-audio/x/10470871#/updates

No matter if you promised a reward or regular updates, do not forget to fulfill them as soon as possible. Although only 9% of Kickstarter projects never got their rewards, according to a study of the University of Pennsylvania (https://www.kickstarter.com/fulfillment), 65% of all rewards were sent on time. The earlier you ship your rewards, the better, not only for statistics, but for the satisfaction of your customers, who are also micro-influencers who recommend your product. Supporters can be dissatisfied as well. Mostly this happens, if there is no communication between the project-owners and their supporters. If you have to reschedule shipping, tell your supporters and explain why this happens. Most of them will understand.
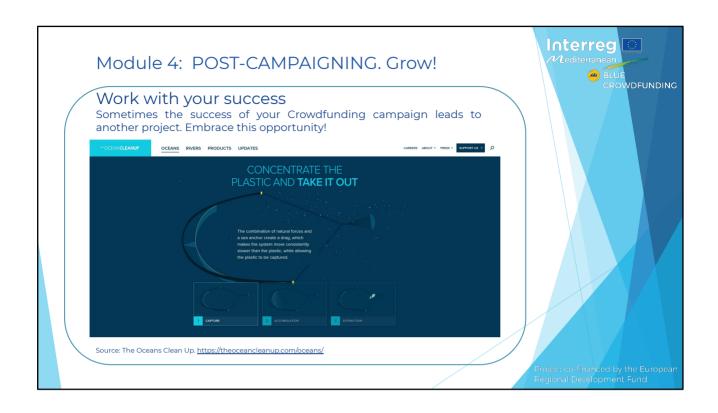
Supporters of your campaign do not only want to receive their rewards or interests, but also want to be part of your story. So let people know that you are running a business now and your product is finished by redirecting them to your online shop. Ask them for helping in spreading the word. Ask them to provide testimonials for further growing your business or launching your market entry.

Module 4: POST-CAMPAIGNING. Grow!

Write down learnings from your campaign
Even if you fail, try to document your learnings and take your business to the next level.

Source: Indiegogo. The Ocean Clean Up https://www.indiegogo.com/projects/the-ocean-cleanup-feasibility-study#/

Module 4: POST-CAMPAIGNING. Grow!

Identify "true" believers amongst supporters
There are a few supporters who stand out of the Crowd. Contact them and make them to friends or team.

Source: Act4Greece. Medical care and humanitarian aid at frontier islands of the Eastern Aegean.
https://www.act4greece.gr/actions/Action_perithalpsisenisia

There are always a few supporters who stand out of the Crowd. Contact them and make them to friends or team. You can identify engaging supporters on your project-page, as some of them write on your wall or leave a comment. Also keep an eye on your Facebook posts and remember or note people who always comment or like. If you are using email-marketing software such as Mailchimp, you can also identify people who opened your emails more often than others and re-address them again with special content.

Module 4: POST-CAMPAIGNING. Grow!

Work with your success

Sometimes the success of your Crowdfunding campaign leads to another project. Embrace this opportunity!

Source: The Oceans Clean Up. https://theoceancleanup.com/oceans/

Module 4: POST-CAMPAIGNING. Grow!

Work with your success
A successfully funded Crowdfunding campaign helps you reaching your further goals, e.g. more press coverage, new investors etc.

Prepare another Crowdfunding campaign
You can use Crowdfunding several times, e.g. for getting initial funding and later finance another product or part of your project.

Source: Crowd-fund-port

A successfully funded Crowdfunding campaign helps you reaching your further goals, e.g. more press coverage, new investors etc. Try to integrate the achievements you made directly or indirectly through your Crowdfunding campaign into your overall, but especially into your communication strategy. Inform the press about those achievements, but also mention them when holding talks in public or in front of investors.

Module 4: POST-CAMPAIGNING. Grow!

Establish a Crowd-business
Some artists, but also creative entrepreneurs or journalists integrate Crowdfunding in their business models and follow new approaches.

Source: Indiegogo. https://www.indiegogo.com/projects/the-blue-cage#/

Module 4: POST-CAMPAIGNING. Grow!

Turn Crowdfunding into eCommerce
For successful Crowdfunding campaigns, several options are available when finishing the campaign successfully

Source: HI Little. https://hilittle.com/es/contacta-con-nosotros/

Notes to Consultants: The post-campaign phase is especially important for a project to ensure that the supporters are kept in the loop. In consulting and training your clients, do not omit these steps.

MODULE 5:
List of tools and online resources to manage the campaign

Communication w/Team

- Trello
- Slack
- FRANZ – to combine all the other communication channels

Campaigning Tools

Pre-launch – Landing and Contest-Pages:

- Krowdster
- Launchrock
- Prefundia

Financial aspects:

- Crowdfunding Calculator
- Fundipal (ex-ante analysis to check if crowdfunding is an appropriate tool)
- Kicktraq to predict money collected
- Predictify
- Think Before You Kickstart (only for Kickstart)

Communication aspects:

- Angelspan and Koreconx : timely communication in line with the campaign fulfillment
- Crowdfunding.io
- GreenInbox to advertise your contact via mail or direct messenger
- Hallocrowd Analyse
- Jellop Crowdfunding to advertise on social media channels like Facebook
- Krowdster for an international press service
- Thunderclap to synchronize all posts on social media channels

Newsletter

- CleverReach
- Mailchimp
- Wordpress

Overall development:

- Backerkit to manage the rewards
- Crowdox, to send surveys and test the crowd satisfaction
- Crowdpilot to manage rewards and the overall fulfillment process

Capacity Building of BLUE Economy Stakeholders

to Effectively use CROWDFUNDING

Document title: Best examples of blue crowdfunding projects catalog

WP3 - TESTING

T3.1.3. - Best examples of blue crowdfunding projects catalog

Author : Goteo

Contributors : ALL

Index

Technical references

Project acronym	BLUE CROWDFUNDING
Project title	Capacity Building of BLUE Economy Stakeholders to Effectively use CROWDFUNDING
Project number	52794
Instrument	InterREG
Call identifier	3rd modular Call - 2019
Type of action	TESTING

Project coordinator	E-ZAVOD Darko Ferčej darko@ezavod.si Anja Prislan anja@ezavod.si
Start date of project	01-11-2019
Duration	32 months

Deliverable number	3.1.3
Deliverable title	**Best examples of blue crowdfunding projects catalog**
Deliverable type	Method
Work package	WP 3
Deliverable due date	06-2020
Responsible partner	Goteo
Dissemination Level*	PU

Version	Date	Beneficiary	Author	Contributor(s)	Approved
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Data processing

No personal information beyond name, corporate email address, company address and telephone will be stored. The whole consortium and the Commission services will have access to this information. No use of this information unrelated to the project will be done.

BLUE CROWDFUNDING, its LP and PPs will ensure that the communication and dissemination tools used will comply with the General Data Protection Regulation (GDPR) that entered into force in May, 2018.

Data storage will be secured safe so that the data cannot become accessed to unwanted third parties and to be protected against disaster and risk. The data will be stored in a secure environment on a server. The server will be located in a physically secured environment. Any public or open data published on the website can be used also by third parties. The restricted area can only be used by authorized persons from the Consortium and the Commission.

The consortium of BLUE CROWDFUNDING will follow the guidelines outlined in the following Programme website: Guidelines on FAIR Data Management in Interreg Projects.

Executive Summary

The blue economy is an opportunity to increase the benefits of human activities related to the sustainable use of marine resources. Especially, in the MED countries, the development and promotion of these activities can improve the quality of life of those populations that live next to the wealth of the sea.

There are many challenges in the development of this economic sector. One of these challenges is the sustainability of projects related to maritime exploitation, in a world where the responsibility towards the environment is prevalent and urgent. Therefore, it is important to have an institutional umbrella that welcomes and promotes activities that better integrate the universe of public policies of cities and regions with productive economic interests. Likewise, the activity of private agents – promoters, entrepreneurs, SMEs, NGOs- should be accompanied by legal certainty in accordance with the development needs of activities related to the sea.

With the objective of promoting maritime projects, crowdfunding can be an important driving agent. Crowdfunding is not only an element of financing, it goes further. Crowdfunding, as a financial activity, involves the community in the development of the projects themselves, generating a network of interested agents that can affect the growth of the same project or other coming ideas. It is also an excellent financing system to test ideas, products or services, and thus, to test the interest of the community in growing initiatives. Additionally, many of the project promoters within their crowdfunding campaigns express that crowdfunding is a tool that facilitates the development of projects that would otherwise need more investment for a start. And finally, it is also a tool to propose the scalability of certain projects.

This catalogue that we present here, aims to show the possibilities and versatility of crowdfunding with projects related to the blue economy.

As indicated in the application form "*Blue crowdfunding. Capacity building of blue economy stakeholders to effectively use crowdfunding*", despite the fact that crowdfunding is becoming a more well-known and widely used financing tool, the use of crowdfunding is still low in MED countries, compared to other regions such as within Northern Europe and the US.

This circumstance has had an impact on the selection of representative Blue economy projects financed by crowdfunding for this catalogue. Some MED countries are not represented in this selection due to the difficulties of finding a project financed by crowdfunding, which, if possible, makes this Interreg project more pertinent and necessary. Finally, our presentation demonstrates a project outside the MED region, which accounts for how far the crowdfunding tool can go as a possibility of financing. Thus, the catalog shows how crowdfunding is an equally useful possibility for both the most modest and the most ambitious projects.

In any case, this selection has tried to be as representative as possible in terms of the Blue Crowdfunding partner's countries in which the projects are carried out, and the activities of the projects. Some of these projects do not entirely comply with the criteria of the World Bank Group and UN Department of Economic and Social Affairs (DESA) that describe the blue economy as activities that:

1. Provide social and economic benefits for current and future generations
2. Restore, protect and maintain the diversity, productivity, resilience, core functions and intrinsic value of marine ecosystems
3. Be based on clean technologies, renewable energy, and circular material flows that will

reduce waste and promote recycling of materials[1]

Some of the projects fully meet this criterion, others with some of the criteria, and others meet one or more criteria only tangentially. This is so, because, as we said, the use of crowdfunding as a financing tool has yet to be explored in some sectors and countries, so we hope that this project and this catalog in particular can inspire other actions related to the use of resources and the marine environment.

Finally, we have also added a last project outside the MED region, which we think is representative to show how far a project can go in its scalability using crowdfunding as a tool combined with other forms of financing. Thus, this catalog shows 10 examples in the MED region plus one example of international scope related to the blue economy

Process of building

Building this catalog has been a learning process both from the point of view of its content and also from the procedural point of view. It has been a peer review process among all the actors part of the project to validate the experiences as truly meaningful. That is to say, an opportunity to get closer, get to know and recognize ourselves as actors with specificities, specific background and specific know-how. Bringing these elements together has greatly enriched the process and the result.

The process has been developed in several steps:
In the first place, there was a process of collecting information based on a formulation of criteria related to:
- Crowdfunding operating guidelines
- Previously defined criteria for the blue economy by World Bank Group and United Nations, which allows to identify the "Blue economy" components of a project and highlight its strengths and contribution in this sector
- SDG: Introducing the SDGs as a project impact evaluation criterion is one step more to align the projects with the 2030 development agenda which is used by local, regional, national and supranational administrations as a guide to develop their public policies. It is also useful to systematize community contributions and collective returns generated by the projects in line with the UN classification[2].
- The horizontal principles defined in the Interreg project that must mainstream the entire project cycle and permeate its results, namely: sustainable development, equal opportunities and non-discrimination, and gender equality.

After adjusting the criteria in agreement with all partners, they provided information about the projects developed in their area. Once the information was digested by Goteo, a call was made with all the partners to present a proposal for the selection of the 10 most representative cases. From this selection, the catalog was assembled. In this phase, the partners contacted some of the promoters of the projects to add relevant information to better understand their projects and their particular experience in the development of the crowdfunding campaign. In some cases, we were fortunate to have their direct testimony that is at the end of the description of the case. To

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1   World Bank Group and UN. (2017) «The potential of blue economy. Increasing Long-term Benefits of the Sustainable Use of Marine Resources for Small Island Developing States and Coastal Least Developed Countries» https://openknowledge.worldbank.org/bitstream/handle/10986/26843/115545.pdf?sequence=1&isAllowed=y

2   As an example of the potential of the crowdfunding in this regard, see Mayo Fuster Morell, Enric Senabre Hidalgo & Enrique Rodríguez (2020) Goteo.org civic crowdfunding and match-funding data connecting Sustainable Development Goals https://www.nature.com/articles/s41597-020-0472-0
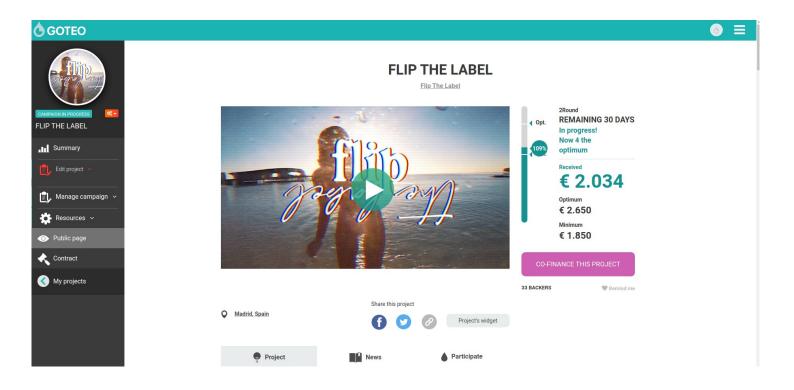
finish, the first version was made available to the partners' criteria to seek final consensus on the result and introduce minor adjustments.

This catalog has been coordinated by Goteo, but is mainly the result of a joint collaboration that hopefully will be useful to expand and strengthen crowdfunding possibilities in the MED region and the specific sector of the blue economy.

FLIP THE LABEL

PROJECT DESCRIPTION: Flip the label is a sustainable swimwear project and brand that offers an alternative solution to consume swimwear using the circular economy to make garments from raw materials consisting of recycled plastic fabrics.

- ✓ **Type of activity:** Fashion and design with plastic waste found on the sea
- ✓ **Type of promoter:** It is a team of 5 young entrepreneurs between the ages of 19 and 21 from different parts of Spain, students of the university degree in Entrepreneurship and Innovation Leadership.
  Flip has a continuously growing community, they empower this community mainly through Instagram where they also interact with it. They also have the backing of their association made up of 15 more entrepreneurs with which they carry out various projects and promote each other.
- ✓ **Type of crowdfunding:** Reward based
- ✓ **Funding target:** Minimum, 1.850€ / Optimum, 2.650€[3]
- ✓ **Area:** Spain
- ✓ **Link to the campaign:** https://en.goteo.org/project/flip-the-label

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[3] The campaign is still running at the time of building the catalog, but minimum has been achieved.
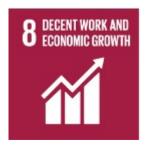
CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

The project seeks to:

1. Give an alternative solution to be able to consume swimwear according to sustainable values.
2. Reduce the negative impact that this industry generates on the environment.
3. Boost the circular economy when using recycled materials.
4. Promote Made in Spain activity and production.

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

As they mention in the description of the campaign, they seek to «destroy the stereotype of the perfect female figure» and to «create a fresh, sustainable and aware community, participatory and adventurous, increasing the number of people who join the cause».
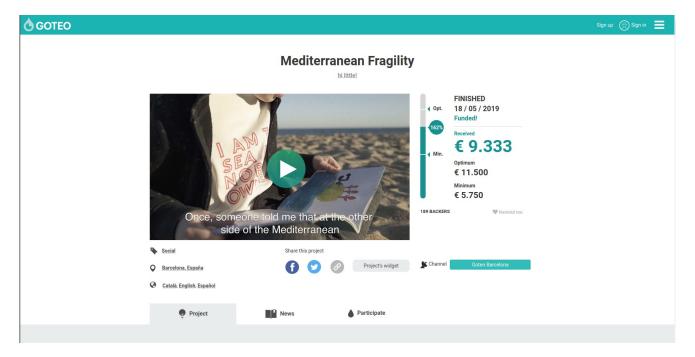
They also promote youth employment and it is environmentally friendly because they reuse plastic waste, and also according to the action taking in active support of the initiative #SavetheReef powered by Coral Gardeners Organization, with an annual donation from the proceeds of the sale of their product. The label also ensures the sustainable production of the swimwear.

MEDITERRANEAN FRAGILITY

PROJECT DESCRIPTION: Mediterranean Fragility started as a project to explain to children the way that many refugee families were living on the other side of the Mediterranean. Through designing a clothing collection, they want them to discover their reality, and create awareness of a problem, with the idea of fostering their solidarity and critical thinking.
In this crowdfunding campaign, they collaborate with two partners who are NGOs in recognition of their huge work in helping refugees: OPEN ARMS rescue ship and OPEN CULTURAL CENTER in Cherso camp in Greece.
The dedicated work of these two NGOs is both necessary and complementary.

- ✓ **Type of activity:** Fashion design and awareness campaign about refugee crisis in Mediterranean for children
- ✓ **Type of promoter:** Individual
- ✓ **Type of crowdfunding:** Rewarded based
- ✓ **Funding target:** Minimum, 5.750€ / Optimum, 11.500€/ Funded, 9.333€
- ✓ **Area:** Spain, Greece, Mediterranean sea
- ✓ **Link to the campaign:** https://en.goteo.org/project/mediterranean-fragility

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

Through an openly committed and supportive crowdfunding campaign, the project managed to make a brand visible and to place it in a market sector, as well as start a production line and strengthen ties with a community of future donors and consumers with whom the brand shares the same values.

Local production ensures the sustainability of the process, and the use of organic cotton encourages ecologically sustainable production in the fashion sector.

On the other hand, the collaboration with the Open Arms and Open Cultural Center makes possible the development of a campaign of social awareness (which is part of the project) about the problem of refugees in the Mediterranean Sea, so that makes possible to bring children closer to a complex problem, explained from a human and sensitive point of view. The project included donations to these NGOs.

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

The huge social strength of the project is condensed in these two SDGs: Promotes peaceful and inclusive societies for sustainable development, provides access to justice for all and builds effective, accountable and inclusive institutions at all levels; and on the other hand, ensures sustainable consumption and production patterns.
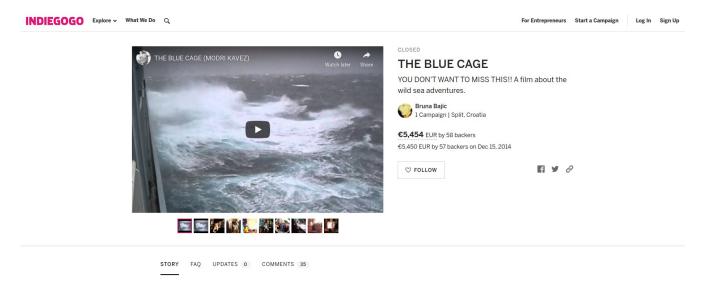
THE BLUE CAGE

PROJECT DESCRIPTION: The Blue Cage is a documentary with local and international impact, that seeks to give credit and highlight interesting facts from the lives of seamen and of their families, sometimes running in generations that were marked by a seafaring profession. The Blue Cage explains what happens when sailors and ship workers leave their homes and families for several months or even years, thousands of miles away.

«Even if it's hard for you to believe, 90% of world traffic and distribution is going through the sea traffic and it is happening thanks to our seamans all over the world. THEY DESERVE TO BE SPOKEN ABOUT»

Bruna Bajic.The Blue Cage film maker

- ✓ **Type of activity:** Cultural. Documentary production
- ✓ **Type of promoter:** Individual.
- ✓ **Type of crowdfunding:** Reward based
- ✓ **Funding target:** Funded, 5,454€
- ✓ **Area:** Croatia
- ✓ **Is there any institution collaborating?** No
- ✓ **Link to the campaign:** https://www.indiegogo.com/projects/the-blue-cage#/

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

As the author of the documentary says, maritime transport manages a high volume of international trade. «In 2015, over 80 percent of the volume of international trade in goods was transported by sea, and this share is even higher for most developing countries. In value terms, some observers such as Lloyd's List Intelligence have estimated the share of maritime seaborne trade at 55 percent of all international trade in 2013, while other estimates exceed 70 percent» (UNCTAD 2016, on Wold Bank. *The potential of Blue Economy* : p21) This documentary seeks to bring to the public the human experience behind this trade.

WELCOME ON BOARD

THE BLUE CAGE

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

14 LIFE BELOW WATER

2nd officer

€18 EUR

This package consists of per-mentioned photo album from behind the scene, but also there are some extras. We made a photo selection for you!!. We created The Blue cage posters in size 50X70cm and posted digital signatures of all the team members. If you support us with 20$, we will send you a photo album from the set and, big poster with signatures of all THE BLUE CAGE crew members. Facebook public thank you on The Blue cage Facebook is also included.

5 out of 150 claimed

Raising awareness about the difficulty of some of the work related to the sea invites us to understand the wealth produced by the ocean and, hopefully, to connect with the importance of conservation and the development of a sustainable maritime work that has provided sustenance for generations.

SOME USEFUL INSIGHTS FROM THE PROMOTER ABOUT...

The choice of crowdfunding over other types of funding:

«*Back in 2014 it was really challenging to me as an independent filmmaker with ambition to make a documentary to present my project to the audience before it was launched. I wanted to see the amount of people we can engage around the project as well as show how serious I was about making it happen, which we sealed with a fixed funding option.*

Crowdfunding was not so mainstream in Croatia as it seems to be now, so I read about it in filmmaking mail I subscribed to. As I decided to make The Blue Cage on my own, without any producer, I found it interesting to show my work through social media and make a hype about it, so we can potentially gather the audience who will anticipate the documentary and also become more visible and interesting to potential sponsorships.

Crowdfunding wasn't the only source of the film funding, but it was definitely a huge and important step.»

What contributed the crowdfunding campaign beyond financing:

● *I became more familiar with my project and the film crew although in the beginning I didn't even know about those gaps that were filled by the effort we have put in the process of building the campaign.*

● *We got closer as a team, because crowdfunding needs a leader, but as all in life it also needed synergy.*

● *We gathered new social media attention and became more visible and interesting.*

● *I learned a lot about organizing something that will be exposed and should be easy to navigate through and get to know the content.*

● *Lots of media attention, interviews, promotion through newspapers, radio stations and so on, which was really important in making crowdfund and the project more visible and lovable.*

● *We gathered the money and broke many obstacles on the way there, including general ignorance regarding crowdfunding concepts (at least in this region).*

The challenge of communication in this crowdfunding campaign:

«*Good organization is half of the way to success in a sense of being able to put yourself in a position of a person who still:*

a) *Doesn't care about your project and its needs*
b) *Doesn't know anything about it.*

Present yourself, team you're working with, show there is a group of people behind it, but still that there is a leader, a certain backbone of the project; that was my initial goal.

So after you have things ready, it's all about the press release. If you have a good relationship with the media, use all that's available, those who can make you visible and exposed. Include social intelligence and make people aware you appreciate every action they take. It is a huge area and it is important to be creative and forget about the patterns.

We used all the sources and tricks possible. Countdown element was emphasized, proper press release with charming content instead of predictable ones was written and forwarded, mailing lists from shipping company owners were also something we used to reach more targeted audience, sailors that were on board were asked to be messengers.

The campaign was like snowboarding, pure passion, adrenaline, decision making but most of all thinking outside the box. Although it sounds simple to do it, to think outside of the how to lists it is of huge importance, since every project is different and has different audience, goal and priorities»

And as remarkable conclusions about the value of the experience of doing a crowdfunding campaign they point out:

«After reaching a goal it was set, it was so easy to see even more clear how passionate I was to make things grow and evolve. It gave me self esteem and people believed in my work and ideas even more so it made some closed doors open almost on their own. It takes lots of energy, but if your project is something you are dedicated too, pleasure will be larger than the energy invested or at least proportional. The Blue Cage documentary was made successfully, adored by the audience and loved by the critics and had so many more branches beside the main tree that was planted. Audience kept growing, cinemas took the film for 2 weeks with all tickets sold out, two books (adult and children music book) followed the film and the idea for the sequel was also conceived. It was a real blessing to become part of the crowdfund community and go through that unique experience»

OYSTERWORLD III

PROJECT DESCRIPTION: Oyster extraction project that aims to its production capacity to 360 tonnes / year, through an investment in innovative production material and methods of oyster farming. funded by a fund of outright grants called MAR2020, in the amount of € 1.07M, the remnant funds will be granted by the company's own capital and through crowdlending[4]

«This is a unique project that combines the positive environmental impact with the growth of a value-added industry, with potential for export and job creation in local communities"
Nuno Brito Jorge, CEO of GoParity.

- ✓ **Type of activity:** Aquaculture
- ✓ **Type of promoter:** Sme
- ✓ **Type of crowdfunding:** Equity
- ✓ **Funding target:** Goal amount: 117.500€
- ✓ **Area:** Portugal (Setúbal)
- ✓ **Link to the campaign:** https://goparity.com/en/projects/43

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4   Crowdlending is a method based on loans or credits that a company receives from a network of professional, private or institutional investors. The lenders and private investors of crowdlending networks usually invest their personal capital in exchange for an interest negotiated by both parts. It ends up assuming a financing system in which everyone wins.

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

This project has a positive social and environmental impact contributing to:

Sustainable production and consumption: Oyster farming has a positive impact in the marine environment, as it improves water quality by acting as a filter (a single oyster filters on average 55 litres of water a day), it reduces the need for extractive fishing and it does not interfere with the natural stocks.

Gender equality: the fishing labour sector is mainly occupied by men. This is mainly due to the low level of mechanization and automation that requires the use of strength. This project opens doors for hiring women. In fact, 50% of Oysterworld's current employees are women.

Better working conditions: the tasks required for oyster production are physically challenging, often leading to injuries, skin burns, other wounds or physical exhaustion. The improvements brought by this technique will reduce the employees' physical exhaustion, increasing their productivity. Also, the company pays salaries above the average within the sector.

Description	
100% Funded	2 yr term
5.2% a year	6 mth grace period
monthly installment	B- rating

Community sustainability: the people in the surrounding communities mostly work in seasonal jobs, connected to agriculture. Oyster production providing a steady job.[5]
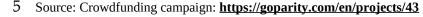
THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

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[5] Source: Crowdfunding campaign: **https://goparity.com/en/projects/43**

SOME USEFUL INSIGHTS FROM THE PROMOTER ABOUT...

The choice of crowdfunding over other types of funding:

Crowdfunding was a more flexible solution to our financing needs. For companies with a short track record (such as ours) or that operate in a somewhat unique sector (aquaculture), the traditional financing methods do not always come through.

What contributed the crowdfunding campaign beyond financing:

Above all, crowdfunding has the bonus of divulging the company (activity and products) to a large number of individuals who, under normal circumstances, would not be aware of it. They, in turn, share this information with acquaintances which results in even more publicity.

The challenge of communication in this crowdfunding campaign:

They made questions and answers in blogs, small videos explaining the activity and the product and photos of the investments carried out with the funding provided.

And as remarkable conclusions about the value of the experience of doing a crowdfunding campaign they point out:

The fact that you can watch the financing evolving online is very stimulating. You end up sharing that information with acquaintances which, in turn, helps spread the word, so there is an unintentional marketing action on your behalf. The most remarkable conclusion is that crowdfunding generates a great deal of free publicity.

OCEANO FRESCO II

PROJECT DESCRIPTION: Oceano Fresco is a project that applies scientific methods and an innovative business approach to the production and systematic improvement of high-value bivalve varieties for aquaculture. The company is building a state-of-the-art BioMarine Center (including hatchery, labs and offices) in central Portugal, as well as a 100-hectare sea farm off the coast of the Algarve region. With these assets the company will be able to apply advanced selection and breeding methods to native European clam species of high nutritional and market value, which are presently being overcome in the market by low-value invasive clam species. Their approach includes the digital monitoring and control of the aquaculture process, as well as the first open-sea grow-out program for clams. Is the first experience on using a science-based approach at industrial level, for breeding and cultivation of European clams, to develop a large-scale test model for parasite infection, to sequence the genome of a European clam and develop several genomic tools for selection and implement an industrial clam breeding plan. **https://goparity.com/en/projects/69**
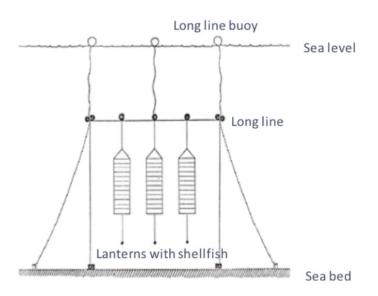
- ✓ **Type of activity:** Aquaculture
- ✓ **Type of promoter:** Sme, supported by EU and Portuguese Government (4M€ in total)
- ✓ **Type of crowdfunding**: Equity
- ✓ **Funding target:** 50.000 €. It is the **is the second tranche of funding, after being raised 75.000€**
- ✓ **Area**: Portugal (Algarve)
- ✓ **Link to the campaign:** https://goparity.com/en/projects/43

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

As Rodrigo Clímaco, Manager of the Oceano Fresco off-shore farm affirms[6], the aquaculture of bivalves has less environmental impact because no artificial chemicals or feeds are used, they have a filtering function that improves the quality of the water and their shells capture and use CO_2 in their formation.

Furthermore, the project focuses on the cultivation of a European species of clams, whose population has reduced a lot in their natural habitat due to the monoculture of an invading species from Asia.

Finally, the use of the origin of the clam seed, which is not extracted from its natural habitat but cultivated in the bio-marine center, ending the process growing until adult size in the western Algarve sea, makes him define Oceano Fresco as "good aquaculture".

All this circumstances, including the use of clean technologies, makes the project resilient and intrinsic to the value of the marine ecosystems

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

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6   http://www.oceano-fresco.pt/goparity_en.html

SOME USEFUL INSIGHTS FROM THE PROMOTER ABOUT...

The choice of crowdfunding over other types of funding:

"We did it for three reasons. The first is that some of the equipment that we bought was difficult to finance through a Bank loan, which did not consider the equipment to be an eligible collateral. The second was to diversify our debt sources, in order to avoid over-reliance on a single source. The third was to leverage the communication impact of the crowdlending campaign to promote our company as a sustainable way of feeding the human population, in line with the UN SDG"

What contributed the crowdfunding campaign beyond financing:

"Mainly, it reduced the dependency on banking credit and increased the awareness of our company as a sustainable business"

The challenge of communication in this crowdfunding campaign:

"We wrote an article about the benefits of offshore shellfish farming that was placed in our company website, shared in our LinkedIn and reshared by some of our team members. GoParity did additional communication through their LinkedIn page, Facebook ads, etc"

And as remarkable conclusions about the value of the experience of doing a crowdfunding campaign they point out:

"It pays off to invest in good communication materials that enable the potential investors to gain trust on the debt issuer ability to repay the loan. These materials can be photos, videos, articles explaining how we're going to address the technical and business challenges and a notion of the company's financial strength".

MeD for Med

PROJECT DESCRIPTION: MeD for MED project aims at creating a replicable protocol to test and monitor over time marine biodiversity in the Mediterranean, measuring its health conditions, according to an innovative format that provides zero invasiveness and zero additional emissions. Samples are sea water from which will be extracted and analyzed the DNA of the organisms that interacted with that water sample.

They have already started tested this protocol on a pilot route, the Livorno - Golfo Aranci, which we have been monitoring since 2018, with positive results. With the funds raised in this campaign they seek to to extend the analyzed stretch of sea, adding six new routes that cover a marine area of extreme biological interest.

- ✓ **Type of activity:** Marine scientific research
- ✓ **Type of promoter:** University of Milan – Bicocca, in partnership with ISPRA, University of Leeds (UK)
- ✓ **Type of crowdfunding:** Reward based
- ✓ **Funding target:** 7.500,00 €
- ✓ **Area:** Mediterranean sea
- ✓ **Link to the campaign:** http://sostieni.link/25393

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

At its core is an environmental friendly project, since the objective is collecting samples repeatedly at different times of the year to monitor seasonal and over-years variations, thus being able to detect possible significant changes due to the phenomenon of global warming. The samples are being collected without producing additional emissions since they use pre-existing platforms, such as scheduled ferries, for the collection.

One of the most interesting characteristics of this project is that it is a no invasive activity, due to samples are nothing else than sea water from which will be extracted and analyzed the DNA of the organisms that interacted with that water sample.

On the other hand, it generates very valuable knowledge for the conservation of the marine biodiversity of the Mediterranean. A strong point is that it is a team project led by Marine eDNA Group, MaRHE Center (**http://www.marhe.unimib.it/**) and that it has the institutional support of two universities, which makes it robust.

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

14 LIFE BELOW WATER

€100.00

Delfino / Dolphin 🐬

- Ringraziamento sui social MeD for Med
- Riceverai per posta elettronica un certificato di donazione personalizzato con fumetto dell'artista Arzach17 che ha creduto nel nostro progetto ed ha prestato la sua opera per ringraziarti!
- Riceverai a scelta quattro dei nostri video-seminari sul mare, registrati per l'occasione dai membri e collaboratori del team M4M, adatti per grandi e piccini (uno particolarmente dedicato ai più giovani sostenitori!)
- - - - - -
- A personal thank you on our socials MeD for Med
- You will receive by e-mail a personalized donation certificate with a cartoon by the artist Arzach17 who believed in our project and made available his artwork to thank you!
- You will receive four of our video seminars on the sea, registered for the occasion by the members and collaborators of the M4M team, suitable for grown-up and young supporters (one particularly dedicated to the youngest M4M fans!)
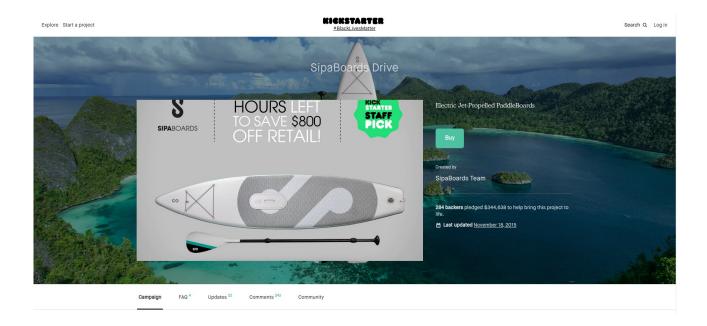
SIPABOARDS DRIVE

PROJECT DESCRIPTION: Jet-Propelled, Self-Inflating, Smart Paddleboard with an emission- free and barely audible motor and with innovative design.

The development of ideas related to sports activity and leisure activities find in crowdfunding a space to promote an innovative idea, to pre-sell or to publicize the new product.

- ✓ **Type of activity:** Sports
- ✓ **Type of promoter:** Sme
- ✓ **Funding target:** $344,638 pledged of 150,000 goal
- ✓ **Type of crowdfunding**: Reward based
- ✓ **Area:** Slovenia
- ✓ **Link to the campaign:** https://www.kickstarter.com/projects/1529801280/worlds-first-self-inflating-electric-powered-sup-b/description

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

On one hand, it is a project that develops clean technology, reduces waste and promotes recycling of materials. On the other hand, the development of ideas related to sport activity and leisure activities find in crowdfunding a space to promote an innovative idea, to pre-sell or to publicize the new product.

Is also an opportunity to develop projects related to the tourism sector.

Pledge US$ 1,490 or more

SipaBoard AND Dry Bag

A great deal only on Kickstarter (includes SipaDrive, board, paddle, inflating hose, charging cable, and dry bag)

Retail Value: $2,290

ESTIMATED DELIVERY   SHIPS TO
Sep 2015   Anywhere in the world

Limited
39 backers

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs
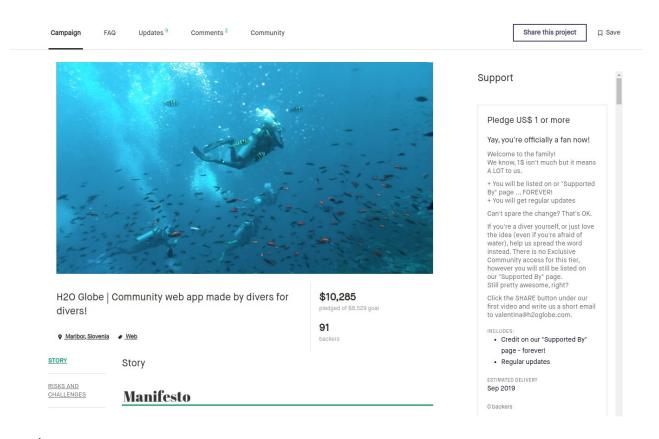
Promotes good health and well being, ensures healthy lives and promotes well being for all at all ages. It is also a sustainable project, due to it's emission-free motor.

Interreg
Mediterranean
BLUE
CROWDFUNDING

Project co-financed by the European   n
Regional Development Fund

H2O GLOBE | COMMUNITY WEB app MADE BY DIVERS FOR DIVERS

PROJECT DESCRIPTION: app that seeks to gather a large community of both divers and diving businesses on one website, giving them the space to connect, exchange messages, post reviews, post FAQs, share related photos of their services and also giving divers the opportunity to find services, providers and gear quickly, as well as for businesses to give the opportunity to showcase and promote themselves to their primary target group.

- ✓ **Type of activity:** Sports
- ✓ **Type of promoter:** Start-up
- ✓ **Type of crowdfunding:** Reward based
- ✓ **Funding target:** $10,285 pledged of $8,529 goal
- ✓ **Area:** Slovenia
- ✓ **Link to the campaign:** https://www.kickstarter.com/projects/valentinametez/h2o-globe-community-web-app-made-by-divers-for-divers

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

As we have seen in the previous project, the development of ideas related to sport activity and leisure activities find in crowdfunding a space to promote an innovative idea, to pre-sell or to publicize the new product, as the case is.

This app connects an entire professional sector with a specific user sector interested in this specific sport, so that existing resources are made available to demand and at the same time other resources are generated while growing the network, being an opportunity to develop the tourist sector.

Pledge US$ 5 or more

Well, this is gonna get awkward.

One of us will shout out your name out loud at the sea. (Looking at you, Denis.).
We will film it and share it on our social media. We promise not to scare the fish.

+ You will be listed on or "Supported By" page ... FOREVER!
+ You will get regular updates
+ As a member of our Exclusive Community you'll get to help us decide on what features to add, what colors to use, and lots of other fun stuff. You will even have the chance to test anything new before anyone else can!

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

The project is made for promoting sports, so it has a positive impact in well being. It is also environmentally friendly since it promotes
reusability and recyclability of dive gear and buying second hand gear in the app.

Furthermore, at the campaign website, they claim to promote environmentally friendly diving practices through our platform.

INCLUDES:

- Credit on our "Supported By" page - forever!
- Regular updates
- Exclusive Community Access
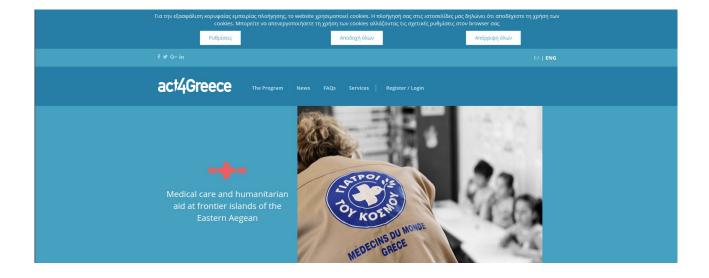
ESTIMATED DELIVERY
Sep 2019

12 backers

MEDICAL CARE AND HUMANITARIAN AID FRONTIER ISLAND OF THE EASTERN AEGEAN

PROJECT DESCRIPTION: The project seeks to provide support to Chios' Municipal Clinic to tackle the humanitarian crisis and to host thousands of refugees with increased healthcare needs. At the same time, it also seeks to provide health facilities to local residents. The global aim is to strengthen access to health care for the inhabitants of Chios as well as the neighboring islands, such as Oinousses and Psara.

- ✓ **Type of activity:** Humanitarian aid
- ✓ **Type of promoter:** NGO
- ✓ **Funding target:** € 136,736. Funds amounting to €7,000 were contributed by Doctors of the World and €100,000 by Ethniki Insurance.
- ✓ **Type of crowdfunding:** Donation
- ✓ **Area:** Greece
- ✓ **Link to the campaign:** https://www.act4greece.gr/actions/Action_perithalpsisenisia

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

The humanitarian crisis in the Mediterranean sea has a transversal and distributed impact throughout the MED area. Any activity that takes place in the Mediterranean coasts has as its background this key element that challenges the balance and stability of the MED countries. Addressing this problem from a humanitarian point of view is not at odds with building an economically stable and dynamic MED zone. The provision of services in the areas of greatest impact of the humanitarian crisis is a priority for many coastal areas. Crowdfunding can be a one-off solution to improve humanitarian aid conditions.

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

MEDICAL CARE IN ISLANDS

Until now:

€ 127,107

Target: € 136,736

29/01 - 31/07/2016
COMPLETED ON: 31/07/2016

SEE THE SUPPORTERS

SOME USEFUL INSIGHTS FROM THE PROMOTERS ABOUT...

The choice of crowdfunding over other types of funding:

«*Within the context of act4Greece, the Médecins Du Monde initially proposed the implementation of an action plan for the provision of medical and humanitarian aid to socially vulnerable groups of the inhabitants as well as population groups from other countries. These islands included Samos, Kos, Kalymnos, Leros, Nisyros, Pserimos and Telendos as well as Chios and the neighboring islands, such as Oinousses and Psara. Crowdfunding was used due to:*

> *-The lack of public funding to the public health sector as well as the immigration and asylum services due to the austerity measures imposed to counter the Greek financial crisis of 2009-2015.*

> *-The urgent need for medical assistance since*

> *(a) the remoteness of the islands in question leads to poor health care conditions -lack of hospitals and doctors in several minor islands- and*

> *(b) the huge influx of refugees from war-torn countries during 2015-2016 (about 800.000 people)*

> *-The need of the Greek solidarity movement to finance immediate actions for the relief of*

the refugee and local populace of the islands»

What contributed the crowdfunding campaign beyond financing:

That is, «*the mobilisation of the society to face crucial social issues, along with social awareness concerning the insufficiency or total absence of medical care provided by state services and also the concepts of social solidarity and volunteering*»

The challenge of communication in its crowdfunding campaign:

Communication was done in four steps:

«*First, before launching the campaign, updates were carried out on social media (Facebook, LinkedIn, Twitter). The initiator of the platform (NBG) along with the strategic partners and the project holder (MdM) issued press releases to make the campaign known to citizens and entities interested in its scope and purpose. Secondly, informational material was digitally formulated to be used by the organization(s) to communicate with potential supporters who may use the platform for donations. In third place, follow-up and thank-you messages were sent to Supporters of the project. The names and contributions (of those who accepted to have them published) were published on the project platform. Finally, media communication and press releases were published regularly after the end of the campaign to present the campaign result as well as the benefits of the project implementation on the islands*»
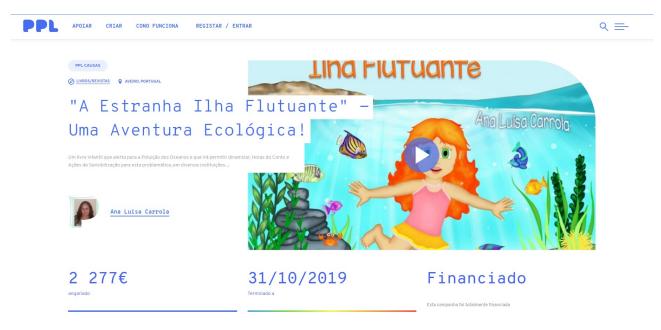
And as remarkable conclusions about the value of the experience of doing a crowdfunding campaign they point out:

-Resources collected to cover needs for medical care, and the support and distribution of humanitarian aid.

-Involvement of the crowd to support humanitarian actions and raise awareness regarding public healthcare and social solidarity.

-Involvement of corporations donating to the campaign, therefore incorporating Crowdfunding in their Corporate Social Responsibility (CSR) strategy.

-Crowd basis for crowdfunding in Greece remains small and needs to be strengthened. Such campaigns by platforms like Act4Greece help to broaden the social basis for crowdfunding as well as to channel contributions of corporations or big institutions to crowdfunding campaigns"

Interreg
Mediterranean
BLUE
CROWDFUNDING

Project co-financed by the European
Regional Development Fund   n

"A Estranha Ilha Flutuante" - Uma Aventura Ecológica!

PROJECT DESCRIPTION: A children's book that warns about the dangers of Ocean Pollution. This is a project carried out by an individual promoter, and belongs to a series of children's stories "As aventuras da Mia", in which, through a character, the author intends to make children aware of social and environmental problems. In this case, the book aims to sensitize children to the threat of ocean pollution and give clues on how to act and behave to reverse the situation.

- ✓ **Type of activity:** Cultural. Children book
- ✓ **Type of promoter:** Individual
- ✓ **Type of crowdfunding**: Based rewarded
- ✓ **Funding target:** 2.200€
- ✓ **Area:** Portugal
- ✓ **Link to the campaign:** https://ppl.pt/aestranhailhaflutuante

CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

This project is framed in the line of providing social benefits, especially with future generations in mind.

Despite the fact that cultural projects - documentaries, books, comics for children and teenagers, etc.- are not strictly adapted to what the World Bank and the UN would define as Blue economy, there is no doubt that raising awareness of the importance of caring for the sea, especially among the youngest, is a social value that will have a positive impact on the general consciousness of society and that generates a "culture of the sea" in accordance with the sustainability of marine resources. This therefore will generate positive habits for the future.

APOIA COM

45€ ou mais

Oferta da coleção inteira + Livrinho de Atividades + Diploma de Fã das Aventuras da Mia + Agradecimento Especial

Tudo a que tem direito! Colecção infantil "Aventuras da Mia" inteira, mais o livrinho de actividades, o Diploma de Fã das Aventuras da Mia e o agradecimento na página oficial www.aventurasdamia.com e no Facebook da Autora. Portes incluídos para Portugal Continental, Madeira e Açores.

10 apoiantes

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs
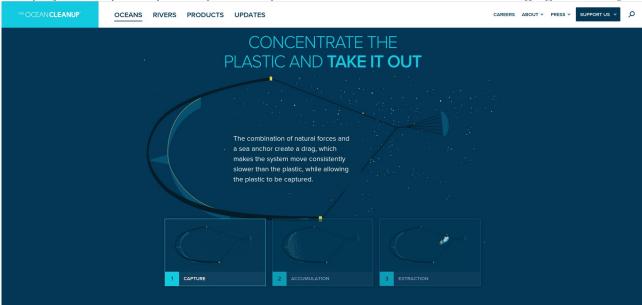
THE OCEAN CLEAN UP

(example of large scale «bluecrowd» project, further than MED area)

PROJECT DESCRIPTION: Large scale project at international level that has developed world's first feasible method to rid the oceans of plastic; extract, prevent, and intercept plastic pollution by initiating the largest cleanup in history. Starting with a crowdfunding target of $80,000 to cover all estimated costs to scientifically prove the concept feasibility, the project evolved quickly to a full-scale project called The Ocean Cleanup launching another crowdfunding campaign with support of over 38,000 funders from 160 countries, in 100 days that raised over US$ 2 million.

The project is a public private partnership in collaboration with the Dutch dredging and heavylift

company Royal Boskalis Westminster N.V. and the Government of The Netherlands.

- ✓ **Type of activity:** Scientific
- ✓ **Type of promoter:** Non-profit foundation/charity, registered as a 'Stichting' in the Netherlands, and a 501(c)(3) in the US
- ✓ **Type of crowdfunding**: donation
- ✓ **Funding target:** € 2.2 million from private donors
- ✓ **Area:** International
- ✓ **Is there any institution collaborating?** The Government of The Netherlands (Ministries of Infrastructure & the Environment and Economic Affairs), who both funded 1,5 million more.
- ✓ **Link to the campaign**
  First campaign: https://www.indiegogo.com/projects/the-ocean-cleanup-feasibility-study#/
  Second campaign (scaling the activity and the area): https://theoceancleanup.com/donate/
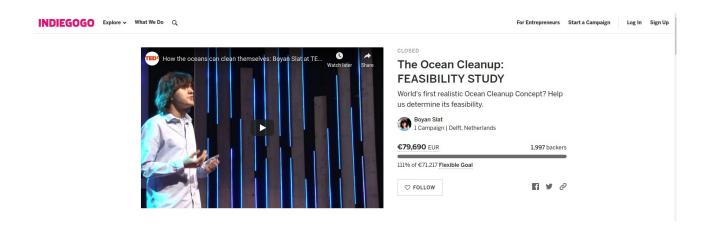
CHARACTERISTICS AND STRENGTHS RELATED TO THE BLUE ECONOMY

Regarding the components of the blue economy, the project fulfills the objective of benefiting future generations to leave the oceans clean of plastic. It is also environmentally friendly it uses solar energy for technology. It also generates extensive and very valuable knowledge of the marine environment, which can be found in the form of open access articles on its website https://theoceancleanup.com/scientific-publications/

THE PROJECT PROMOTES A POSITIVE IMPACT THROUGH THE FOLLOWING SDGs

The huge technological dimension of this project generates an important challenge: how to maintain energy sustainability and how to avoid a possible highly invasive activity? Far from neglecting this difficulty, their website welcomes some reflections in this regard and answers some public criticisms expressed on this matter[7], in an ongoing process of learning, building and improving of the project. Facing the great climatic challenges without generating externalities is, indeed, one of the great challenges of the future. This project could help us to understand what the difficulties are, and perhaps and hopefully, where to find the solutions.

The campaign founder Boyan Slat received the UN highest environmental tribute'.

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7 The Atlantic. How Plastic Cleanup Threatens the Ocean's Living Islands.
https://www.theatlantic.com/science/archive/2019/01/ocean-cleanup-project-could-destroy-neuston/580693/
Boyan Slat. The Ocean Cleanup and the neuston https://theoceancleanup.com/updates/the-ocean-cleanup-and-the-neuston/

Interreg Mediterranean

BLUE CROWDFUNDING

WP3 – [Testing]

[D.3.1.1 Adopted crowfunding training tool]

MODULE 7: CROWDFUNDING EXCERCISES
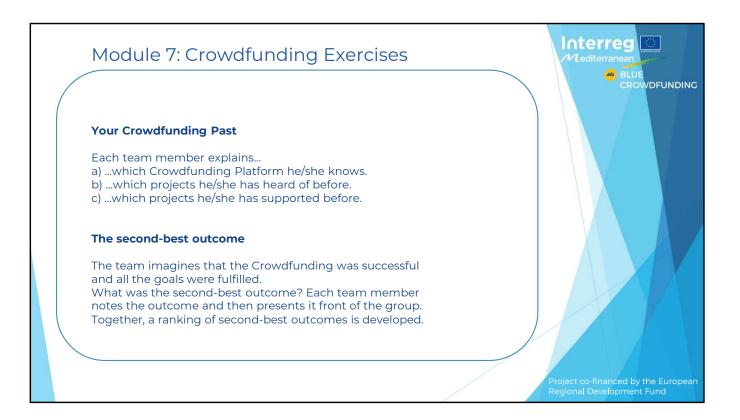
Module 7: Crowdfunding Exercises

The following module 7 contains exercises/ questions that can be used for workshops and trainings during Crowdfunding campaigns. They can be applied in various modules, since they overlap thematically. You can adapt and change these exercises.

Module 7: Crowdfunding Exercises

Your Crowdfunding Past

Each team member explains...
a) ...which Crowdfunding Platform he/she knows.
b) ...which projects he/she has heard of before.
c) ...which projects he/she has supported before.

The second-best outcome

The team imagines that the Crowdfunding was successful and all the goals were fulfilled.
What was the second-best outcome? Each team member notes the outcome and then presents it front of the group.
Together, a ranking of second-best outcomes is developed.

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Project co-financed by the European
Regional Development Fund

Your Crowdfunding Past

The goal of this exercise is to understand your audience. For small workshops or one-on-one sessions with clients, it is important that you understand the previous eexperience of SMEs with Crowdfunding. Often people will have supported Crowdfunding projects privately or read about them in the media.

The second best outcome

The purpose of this exercise is to understand that Crowdfunding can achieve much more than just funding. A second purpose is to outline different expectations of team members for this campaign. Some team members might be more interested marketing, some more in market research. The exercise will yield a better understanding also about the team dynamics.

Pitch Practice

This exercise was developed by Brodoto for their Crowdfunding Academy. The goal of this exercise is to learn about each others' ideas or to see if there are different understandings of the project goal. It also serves as a training mechanism to be able to pitch the idea during short conversation with media and on social media.

The Canvas from the dutch Crowdfunding agency Douw & Koren can be used to get a basic picture about your own project. It uses a similar framework as a Business Model Canvas. The Copyrights belong to Douw & Koren - if you want to adapt this method, then you need to contact them to license it for your own work. The different sections are:
● Why? (Waarom): What demand is satisfied with the Crowdfunding project?
● Project: What is the project about?
● Rewards (Propositie): What are possible rewards?
● Platform: Which platforms is suitable?
● Promotion (Promotie): Which platforms can be used?
● Your Crowd (Jouw Crowd): Who is in your target group?
● Costs (Kosten): What are the costs of your project?
● Funding Volume (Doelbedrag): What funding volume is necessary?
The Canvas allows project owners to display the basic facts of their project to other people. An outline like this is especially relevant if you want to be able to let participants of a workshop pitch their ideas to each other.

Module 7: Crowdfunding Exercises

Research Similar Projects

● Research a list of platforms suitable for your project.
● Each team member then has to identify projects with similarities to your own project:
○ Project Idea
○ Target Group
○ Funding Goal
○ Location
○ Branch
● Afterwards, the team members present their most-liked and least-liked project to the whole team.

The purpose of this exercise is to familiarize yourself with other Crowdfunding projects. Each team member has to research and find projects which are similar to the project of the SME. We recommend that you chose a list of platforms, so that each team member has one platform. The platform should represent different types (reward, equity) and different geographic reach (local, national, international).

Three Scenarios

What happens if...

... the project reaches its funding goal before the end of the funding time?

... the project receives much more than the required funding goal?

... the project receives significantly less than the required funding goal?

This exercise can be used to help projects understand the possible scenarios of a Crowdfunding campaign. Consultants can ask their clients what they would do in each of the scenarios. The first scenario is the one that most projects probably would like see - having a successful funding campaign and then implementing the project. The SMEs should consider what they would do if their reach their goal ahead of time, maybe after half of the funding time. Would they be interested in increasing their activities in order to overfund or stay at the level of the original funding goal?

The second scenario deals with the fact that sometimes projects are so successful that they "go through the roof". Within hours or days, the funding goal is reached and media activities contribute to the viral success of the Crowdfunding project. In some cases, the Crowdfunding project then is overwhelmed by the responses. Therefore this scenario aims to prepare the project owners for a viral success. Would they have enough production capacities, staff members and time resources to react to the demand by the crowd?

The third scenario deals with the possibility that a Crowdfunding campaign can fail as well. The project owners should prepare for this possibility. Are they willing to live with the negative image of a failing Crowdfunding campaign? If not, it might be necessary to adjust the funding goal.

Module 7: Crowdfunding Exercises

Reward Simulation

- Create virtual rewards for your project
- Each team member receives virtual coupons to be spent on
- the rewards.
- The team then discusses why certain rewards were more attractive.

This exercise was developed by Brodoto for their Crowdfunding Academy. The goal of this exercise is to understand what kind of rewards work. It can work during a workshop with many different projects or during a team workshop of one project. Each team (or each team member) has to create three rewards on cards. They can visualize it, decorate it, write interesting texts - the idea is to make the virtual rewards as appealing as possible. Each team (or each team member) gets coupons of €5, €10 and €50.
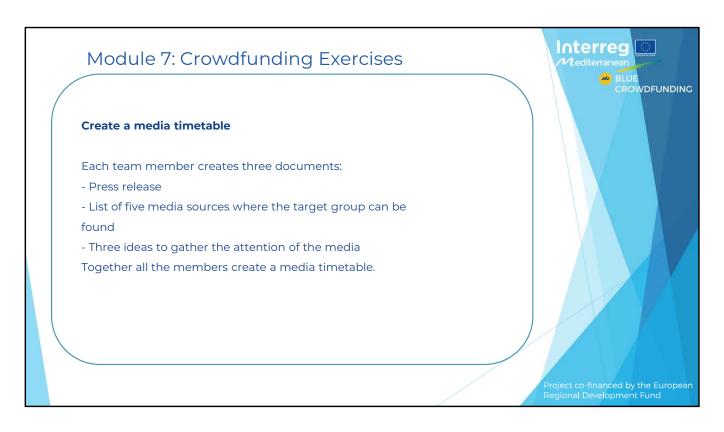
The rewards are posted on a wall. Each team has to spend their coupons on the rewards. Afterwards, each team shows how many coupons they have received and which rewards were the most successful. Together with the trainer this is discussed in the group together.

Create a video script

- Team Members form groups of three.
- Together they develop a short 30 seconds pitch video
- including the pitch texts.
- Each pitch video is performed in front of the group.

This exercise was developed by Brodoto for their Crowdfunding Academy. The goal of is this exercise to brainstorm pitch video ideas. The participants get together in group of 2-3 persons. They choose a project idea from their own project, or they receive a random project idea from the group on which they work together. The team members create a pitch video together, however the pitch video is not recorded during the training sessions. Instead the participants create the storyline, the text said by the appearing person, maybe props or diagrams needed in the video. Participants afterwards prepare preliminary material and perform the pitch video during the training session. At the end, the pitch video script are written down.

Facebook Experiment

● Create a closed, secret Facebook group for all workshop participants
● Let the participants create Facebook posts for different events in the campaign:
○ 10 days before the campaign
○ 1 day before the campaign
○ Launch Day
○ You have reached 70% of your funding goal.
○ You have reached 100% of your funding goal.
○ You are starting the shipping of your rewards.

This exercise was developed by Brodoto for their Crowdfunding Academy. The goal of this exercise is to get a better understanding of how an audience reacts to Facebook posts. The trainer creates a closed, secret Facebook groups for the participants. The trainer hands out cards with a campaign scenario to participants (for example, "You've just reached 70% of your targeted goal" or "You have just launched your campaign"). Each participant has to create a FB post in the group that presents his scenario (they can use all available online tools, google images, videos they create with their phones etc). After each participant posts it all of them evaluate posts by liking, commenting etc.. The trainer then announces the post with the most likes. The whole group then discusses why they liked certain posts.

Create a media timetable

Each team member creates three documents:

- Press release

- List of five media sources where the target group can be found

- Three ideas to gather the attention of the media

Together all the members create a media timetable.

The goal of this exercise is to generate a media plan for the project. Each team member writes a test press release for the launch or any other event during the campaign.

Module 7: Crowdfunding Exercises

Several campaigns or Crowdsustaining?

Each team member visits a Crowdsustaining platform (such as Patreon) and identifies interesting projects.

The team discusses:

- Can we split our budget on several campaigns?
- Would we prefer ongoing support through the Crowd?

The purpose of this exercise is to ensure that the SME understands the necessity to establish an on-going relationship with the crowd. To that end, it is important that the two options are discussed as well:
- Splitting up the budget on several small campaigns - this can be especially helpful if an SME has a large funding goal, but a very small community. Itwould then be a good idea to start with a small Crowdfunding campaign to test if the campaign can work.
- Using a Crowdsustaining platform - for some SMEs this can be helpful if it is difficult to find a specific project that can be funded. Especially Crowdfunding projects from the creative industries might find it easier to use a Crowdsustaining approach.

Describe how the ideal Crowd Supporter behaves after the campaign:

- Does he/she visit any additional websites?

- Does he/she create a profile outside of the platform page?

- Does he/she interact with the SME team in a special way?

The goal of this exercise is to ensure that the SME thinks about how they want to interact with the Crowd after the campaign. Each team member should write down 4-5 bullet points on what the ideal Crowd supporter does after the campaign is finished. Afterwards notes are compared and discussed. It is helpful to use different personas for describing the behaviour, for instance:
- Martin is 45 and has supported the campaign with 50 Euro. After the campaign, he receives an email with a discount code. He goes back to the company page and buys a product with the discount page.
- Anna is 32 and has supported the campaign with 500 Euro. After the campaign, she receives a personal phone call from the staff. She is invited to give further feedback and she becomes a loyal ambassador to the brand.

Module 7: Crowdfunding Exercises

BEFORE CAMPAIGN!

The most important questions to discuss with **project owner**:

- o Does Crowdfunding make sense for this project?
- o Is it possible to summarize the project in three sentences?
- o Which intention is achieved beyond the funding (marketing, market research, public relations)?
- o Is the time frame and the funding goal already determined?
- o In which stage is the project (Ideation Phase, Prototyping, Production)?

Module 7: Crowdfunding Exercises

BEFORE CAMPAIGN!

Questions related to the **TEAM**:

- o Who are the team members and which roles do they have?
- o Who is the person in charge of the Crowdfunding campaign?

Questions about the **PRODUCT**:

- o With the financing, how long will the development of the product take?
- o Is it possible to make different packages of the product, for instance as special edition or luxury version?

Module 7: Crowdfunding Exercises

BEFORE CAMPAIGN!

Questions related to the **TARGET GROUP**:

o What do you know about the audience and potential customers ?

o Were there already contacts to the target group, for instance through earlier sales?

o Can we use the feedback from earlier sales for the Crowdfunding campaign, for instance through testimonials?

Questions related to the **MARKETING :**

o Is there a website with a landing page? Who is responsible for the website?

o Is there marketing material which already exists?

o Which texts are already ready for the project?

o Which photos exist for the projects?

Module 7: Crowdfunding Exercises

BEFORE CAMPAIGN!

Questions related to the **PRESS/MEDIA:**
o   Have there been previous contacts to media?
o   Which media are being used by the target group?

Questions related to the **SOCIAL MEDIA:**
o   Which Social Media Channels are being used right now, which need to be established?
o   Which Social Media Channels are used by the target group?

Questions related to the **VIDEO**:
o   What kind of story does the video tell?

Module 7: Crowdfunding Exercises

BEFORE CAMPAIGN!

Rewards in Reward-Based Crowdfunding:

o   How high are production and shipping costs?
o   Can some rewards be personalized?

Questions related to the **Business Details** (Equity-based Crowdfunding):

o   Is there a business plan and a financial plan?

o   Has the business model been evaluated externally?

o   Is there a pitch deck?

Module 7: Crowdfunding Exercises

AFTER CAMPAIGNING

What happens after your Crowdfunding campaign?
o Key challenges you have to face after the campaign
o At the very beginning you need to diagnose the most important challenges you face.

Project financing:
o Badly adopted budget assumptions - underestimation of costs of both the campaign itself and project implementation
o Absence of a financial reserve for the financing of unforeseen expenditure
o Lack of other sources of financing / failure to secure such sources at an early stage of the project
o Need to amend the financial plan
o Problems with preserving financial stability

Module 7: Crowdfunding Exercises

AFTER CAMPAIGNING

Strategy and planning:
o No strategy / vision of the project (where the crowdfunding campaign is only one of the stages)
o No long-term plans, focus on short-term plans
o General problems with planning project activities
o Lack of alternative plans that can be used depending on the development of the project
o Lack of evaluation activities after the completion of each stage of the project (whether we achieved the objectives, what effect we achieved, what we learned, what should be changed) and possible modification of the business plan / redefinition of objectives.

Module 7: Crowdfunding Exercises

AFTER CAMPAIGNING

Project management:
o Lack of a person acting as a project manager (aware of the project strategy, dealing with the control of individual stages of the project, delegating tasks).

The team:
o Problems with the creation or expansion of a project team (presence of people with different competences, required experience, responsible for different areas of the project).
o Recruitment of specialists to the team
o Problems with motivating and building commitment of the team throughout the project implementation period.
o Too small team that is not able to cope with the challenges of the project (too many responsibilities, lack of appropriate competences).
o Transfer of know-how about the project (especially if there are personnel changes in the team)

Module 7: Crowdfunding Exercises

AFTER CAMPAIGNING

Distribution:
o Problems with reaching / acquiring appropriate distribution channels
o Problems with the expansion of the distribution network

Production:
o Lack of appropriate contacts with subcontractors
o Finding subcontractors too late
o Costs higher than budgeted (contractors, materials)
o Failure to adapt the schedule to realistic production deadlines

Module 7: Crowdfunding excercises

CHECK LIST :Is Crowdfunding right for your SME?

- o Does Crowdfunding make sense for this project?
- o Is it possible to summarize the project in three sentences?
- o Is the project intended for consumers or for business?
- o Which intention is achieved beyond the funding (marketing, market research, public relations)?
- o Has the team had previous experiences with Crowdfunding?
- o Does the team know the difference between donation-based, reward-based, equity-based and lending-based Crowdfunding?
- o Is the time frame and the funding goal already determined?
- o In which stage is the project (Ideation Phase, Prototyping, Production)?
- o Are there similar projects on existing Crowdfunding platforms?
- o What can be learned from these projects, what can be done differently?
- o What is the budget for the Crowdfunding campaign?
- o Is the team willing to spend money before the Crowdfunding project?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST : Is your team ready ?

Team
o Who are the team members and which roles do they have?
o Does the team have any time constraints in the next few weeks to prepare the campaign (other jobs, vacation)?
o Who is the person in charge of the Crowdfunding campaign?
o Who is the natural or legal person receiving the money at the end?
o Who decides about which material is published?
o Does the project work together with a tax consultancy?
o Is everybody comfortable in the team to use their own private names when advertising the project?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST: Is your product ready?

Product
o   Is the product name already fixed? Is the brand secured?
o   Is the development of the product already financed?
o   With the financing, how long will the development of the product take?
o   How much are the production costs per unit?
o   How much are the shipping costs per unit?
o   Should pre-selling via Crowdfunding yield a return?
o   Is it possible to make different packages of the product, for instance as
o   special edition or luxury version?
o   Can the product be combined with other products or services?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST:Who is in your target group?

Target Group
o What do you know about the audience and potential customers?
o Were there already contacts to the target group, for instance through
o earlier sales?
o Can we use the feedback from earlier sales for the Crowdfunding campaign, for instance through testimonials?
o Is the target group regional, national or international?
o Has the product been certified or received awards?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST:Is your marketing ready?

o Is there marketing material which already exists?
o Is there a website with a landing page? Who is responsible for the website?
o Which texts are already ready for the project?
o Which photos exist for the projects?
o Which video material exists for the project?
o Are there descriptions and pictures of all team members?
o Are there pictures showing the product while being used?
o What kind of external material can be used (media clips, customer reviews, testimonials)?

Source: Crowd-Fund-Port

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Module 7: Crowdfunding excersizes
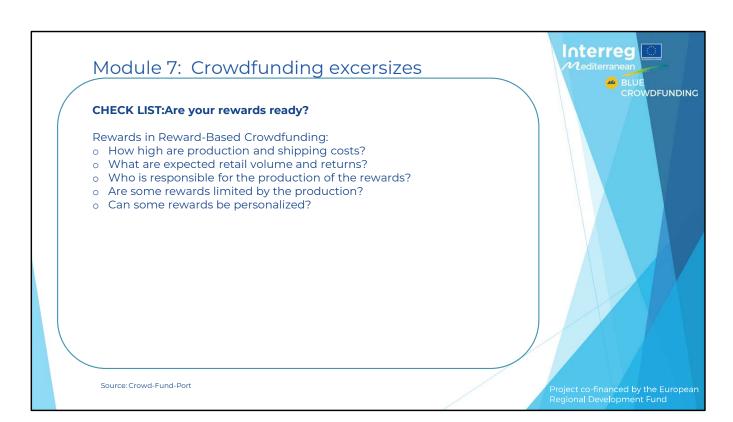
CHECK LIST:Are you ready for media coverage?

Press/Media
o Have there been previous contacts to media?
o Which media are being used by the target group?
o Is there a budget for media relations? Is there a budget for advertisements?
o Are the existing media texts?
o Who is responsible for media relations? Is there a special agency?
o Are there special events during the campaign which could be an anchor for media coverage?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST:Are your rewards ready?

Rewards in Reward-Based Crowdfunding:
- How high are production and shipping costs?
- What are expected retail volume and returns?
- Who is responsible for the production of the rewards?
- Are some rewards limited by the production?
- Can some rewards be personalized?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST:Are your business details ready?

o Business Details (Equity-based Crowdfunding)
o Is there a pitch deck?
o Is there a business plan and a financial plan?
o How is the structure of owners?
o Are there other financing rounds planned outside of
o Crowdinvesting/Crowdlending?
o Has the business model been evaluated externally?
o What is the value of business with similar products or services?
o What type of information can be provided to investors, what type of
o information cannot be shared with investors?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST:Video Ready?

Video
- o Do you have contacts to video agencies?
- o Which video equipment is accessible? Does your team have knowledge about
- o video editing?
- o Which scenes have to appear in the video?
- o What kind of story does the video tell?
- o How long will the video be?
- o Will the video also be available after the Crowdfunding campaign?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST:Social Media Ready?

Social Media
- o Which Social Media Channels are being used right now, which need to be established?
- o Which Social Media Channels are used by the target group?
- o Who is responsible for Social Media in the team?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST:Campaign Ready?

Campaign
o Which funding threshold and which funding goal will be set?
o Which funding time will be set?
o Which networks and contact lists can be used for the campaign?
o Which external events can be used for the campaign?
o Are there special events planned at the start, middle and end of the
o campaign?
o Are there ways you can involve the Crowd in your campaign?
o Who is responsible in your team for the questions of the crowd?
o Are there regular team meetings?
o What follow-up possibilities exist?

Source: Crowd-Fund-Port

Module 7: Crowdfunding excersizes

CHECK LIST: Platform Ready?

Platform
o Should the platform have regional, national or international reach?
o What are the fees of the platform?
o Which functions are provided by the platform?
o Has the team worked with a specific platform before?
o Does the team have accounts in the relevant payment systems?

Source: Crowd-Fund-Port